



# Annual Report

2015/16



agriculture,  
forestry & fisheries

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA



# Annual Report

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2015/16

**Vote 24**

**AGRICULTURE, FORESTRY AND FISHERIES**

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**agriculture,  
forestry & fisheries**

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA

**Mr Senzeni Zokwana**

Minister of Agriculture, Forestry and Fisheries

**ANNUAL REPORT: 2015/2016**

I have the honour of submitting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2015 to 31 March 2016.

A handwritten signature in black ink, appearing to be 'K.C.M. Mannya', written over a horizontal line.

**Mr K.C.M. Mannya**

Acting Director-General : Department of Agriculture, Forestry and Fisheries

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# Part A

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## General Information





## **DAFF ANNUAL REPORT: 2015/16**

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## ACRONYMS

AGRIBEE	Agricultural Black Economic Empowerment	DoRA	Division of Revenue Act
AIMS	Agricultural Information Management System	DPSA	Department of Public Service and Administration
APAP	Agricultural Policy Action Plan	DPW	Department of Public Works
APP	Annual Performance Plan	dti	Department of Trade and Industry
ARC	Agricultural Research Council	DWA	Department of Water Affairs
ARV	anti-retro viral	EAC	East African Cooperation
ASRDC	Agriculture and Sustainable Rural Development Committee (Manco subcommittee)	EAP	Employee Assistance Programme
AU	African Union	EC	Eastern Cape
AUIBAR	Inter-African Bureau for Animal Resources	EDMS	Electronic Document Management System
AVCRT	Aquaculture Value Chain Round-table	EPMDS	Employee Performance Management and Development System
BAS	Basic Accounting System	EPWP	Expanded Public Works Programme
BBBEE	Broad-Based Black Economic Empowerment	ERP	Enterprise Resource Planning
BEE	Black Economic Empowerment	EU	European Union
BNC	Binational Commission	EXCO	Departmental Executive Committee
BRICS	Brazil, Russia, India, China and South Africa	FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network
CAAPD	Comprehensive African Agricultural Development Programme	FAO	Food and Agriculture Organization
CARA	Conservation of Agricultural Resources Act	FRAP	Fishing Rights Allocation Process
CASP	Comprehensive Agricultural Support Programme	GAAP	Generally Accepted Accounting Practices
CC	Close Corporation/climate change	GADI	Grootfontein Agricultural Development Institute
CEM	Contagious Equine Metritis	GCIS	Government Communication and Information System
CEO	Chief Executive Officer	GDP	gross domestic product
CFO	Chief Financial Officer	GM	genetically modified
CHE	Council on Higher Education	GMO	genetically modified organism
COMESA	Common Market for Eastern and Southern Africa	GP	Gauteng Province
COMPAS	Computerised Plantation Analysis System	GPSSBC	General Public Service Sector Bargaining Council
CVO	Chief Veterinary Officer	GPS	Global Positioning System
DAFF	Department of Agriculture, Forestry and Fisheries	ha	hectare
DDG	Deputy Director-General	HIV	human immunodeficiency virus
DG	Director-General	HDI	historically disadvantaged individual
DDG: CS	Deputy Director-General: Corporate Services	HCT	HIV Counselling and Testing
DDG: PPME	Deputy Director-General: Policy, Planning and Monitoring and Evaluation	HOA	homeowner's allowance
DFI	Departmental Financial Instructions	HPG	Holistic planned grazing



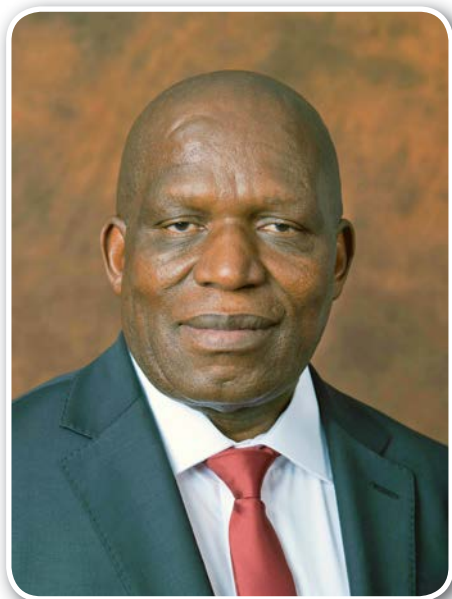
HR	Human Resources	NAMC	National Agricultural Marketing Council
HRD	Human Resources Development		
HRM	Human Resources Management	NBS	Natal Building Society
IAA	Internal Audit Activity	NBAC	National Bid Adjudication Committee
ICAC	International Cotton Advisory Committee	NC	Northern Cape
ICT	Information and Communication Technology	NDP	National Development Plan
IDC	Industrial Development Corporation	NDPW	National Department of Public Works
IGDP	Integrated Growth and Development Plan	NERPO	National Emergent Red Meat Producers' Organisation
IHRMP	Integrated Human Resource Management Plan	NGP	New Growth Path
IOCV	International Organization of Citrus Virologists	NIPF	National Industrial Policy Framework
IPAP	Industrial Policy Action Plan	NRF	National Revenue Fund/National Research Foundation
IIR	Institute for International Research Training	NW	North West
ISID	Institute for the Study of International Development	NUFFIC	Organisation for International Cooperation in Higher Education (The Netherlands)
IT	information technology	OA	Ocean acidification
IVLP	International Visitors Leadership Programme	OAG	Office of the Accountant-General
JICA	Japan International Cooperation Agency	OBP	Onderstepoort Biological Products
KIM	Knowledge and Information Management	ODC	Organisational Development Committee
KZN	KwaZulu-Natal	OECD	Organisation for Economic Cooperation and Development
LOGIS	Logistical Information System	OFDA	Office of Foreign Disaster Assistance (United States)
LP	Limpopo Province	OHS	Occupational Health and Safety
Mafisa	Micro-agricultural Financial Institutions of South Africa	OIE	International Office of Epizootics (World Organization for Animal Health)
MLRA	Marine Living Resources Act	OMP	Operational Management Procedure
MLRF	Marine Living Resources Fund	PAA	Public Audit Act
MoU	Memorandum of Understanding	PANAFRICAN	Pan-African Capital Holdings (Pty) Ltd
MP	Mpumalanga	PC	Portfolio Committee
MSP	Master Systems Plan	PCO	Pest Control Operator
MSP-ICT	Master Systems Plan-Information and Communication Technology	PFMA	Public Finance Management Act
MTEF	Medium Term Expenditure Framework	PI	Procurement Instruction
MTSF	Medium Term Strategic Framework	PICC	Presidential Infrastructure Coordinating Commission
N/A	Not applicable	PMDS	Performance Management and Development System
		PPECB	Perishable Products Export Control Board



PSCBC	Public Service Commission Bargaining Council	WTO	World Trade Organization
PSETA	Public Service Sector Education and Training Authority	<b>Directorates of the department</b>	
Q1	Quarter 1	D: AFLS	Directorate: Agricultural and Forestry Legal Support
Q2	Quarter 2	D: AIC	Directorate: Agriculture Inputs Control
Q3	Quarter 3	D: B	Directorate: Budgets
Q4	Quarter 4	D: CF	Directorate: Commercial Forestry
QMR	Quarterly Monitoring Report	D: EDPM	Directorate: Employee Development and Performance Management
R	South African Rand	D: ER	Directorate: Employee Relations
RAMP	Repairs and Maintenance Project	D: FacM	Directorate: Facilities Management
RDP	Reconstruction and Development Programme	D: FIES	Directorate: Food Import and Export Standards
R&D	Research and development	D: FMEC	Directorate: Forestry Management (Eastern Cape)
SCM	Supply Chain Management	D: FMKZN	Directorate: Forestry Management (KwaZulu-Natal)
SCOPA	Standing Committee on Public Accounts	D: FMMpuLim	Directorate: Forestry Management (Mpumalanga and Limpopo)
SIP	Strategic Integrated Project	D: FSQA	Directorate: Food Safety and Quality Assurance
SITA	State Information Technology Agency	D: GADI	Grootfontein Agricultural Development Institute
SMME	small, medium and micro enterprise		
SMS	Senior Management Service		
SO	strategic objective		
TAC	total allowable catch		
TB	tuberculosis		
TAE	total allowable estimate		
TNF	Tripartite Negotiating Forum		
ToR	Terms of Reference		
TUPs	temporary unplanted areas		
TV	Television		
USA	United States of America		
USAID	United States Agency for International Development		
VAT	value-added tax		
WC	Western Cape		
WCRL	West Coast rock lobster		
WCS	system for registration of capital works projects (Department of Public Works)		
WIFM	Woodlands and Indigenous Forest Management (Directorate)		
WFP	World Food Programme		
WfW	Working for Water		



# Foreword by the Minister



**Mr Senzeni Zokwana (MP)**

It gives me great pleasure to present the *Annual Report of the Department of Agriculture, Forestry and Fisheries (DAFF)* for the 2015/16 financial year to Parliament. The department was guided by key government policies and plans for the medium term, including the National Development Plan (NDP), the New Growth Path (NGP), the Medium Term Strategic Framework (MTSF), the Industrial Policy Action Plan (IPAP), Presidential Infrastructure Coordinating Commission (PICC) and, in particular, the Strategic Integrated Project (SIP) 11 of the PICC. For the agriculture, forestry and fisheries sectors, specific policies and plans were developed such as the Agriculture, Forestry and Fisheries Strategic Framework and the Agricultural Policy Action Plan (APAP), which is a programmatic response to the President's "Nine Point Plan to ignite growth and create jobs," one of which is "Revitalising agriculture and the agro-processing value chain (RAAVC)." The success of this priority will be measured in terms of food security, job creation and contribution towards the GDP. "Growing the Oceans Economy" is also prominent in the "Nine Point Plan to fast-track economic growth." Achievements and challenges for the 2015/16 financial year in relation to policy directives and strategic outcome related goals are also reflected.

## ACHIEVEMENTS AND CHALLENGES

### Drought

The current drought has had a devastating effect on the agricultural, forestry and fisheries sectors, as well as the agricultural value chain. Six provinces (KwaZulu-Natal, Free State, Mpumalanga, Limpopo, North West and Northern Cape) were declared disaster areas, while the Western Cape and Eastern Cape have only declared certain district municipalities as disaster areas. The DAFF has also implemented relief and risk reduction measures in line with the Disaster Management Act, 2002 (Act No. 57 of 2002).

The department, collaborating with provincial departments of agriculture allocated an amount of R381 million towards drought relief following the reprioritisation of the Comprehensive Agricultural Support Programme and Ilima/Letsema programmes, focusing on the provision of animal feed and the drilling and equipping of boreholes for smallholder and subsistence producers. The provincial equitable share funds to a total of R124 million was allocated to assist with the relief of smallholder producers with animal feed and water reticulation for livestock consumption. In addition, the Industrial Development Corporation (IDC) has made available an amount of R500 million to the Land Bank for lending to farmers. The Land Bank has indicated that it would make an amount of R400 million available for concessional loans to commercial farmers affected by the drought.



The drought has reduced the domestic production in South Africa and the SADC region. Staple foods like maize and beans were hit the hardest by the severe drought conditions. Significant quantities of maize will have to be imported in 2016. South Africa is expected to import 3,8 million tons of maize into the country, while about 189 707 livestock farmers are affected, including approximately 3,6 million livestock units. To mitigate the impact of the drought, just under R1 billion has been set aside to procure feed for livestock, establish fodder banks and drill boreholes. Production packages will also be provided for the grain planting season.

### Job creation

The strategic logic informing the decision to isolate agriculture as a growth sector is because agriculture delivers more jobs per Rand invested than any other productive sector, and remains crucial in the face of rural poverty and food insecurity. The NDP confirms and estimates that agriculture, forestry and fisheries could potentially create one million decent jobs by 2030. However, the conditions for achieving this target include a focus on high growth commodities, in combination with improved delivery on land reform, and improved livelihoods within communal areas. It should be noted that the crafting of the NDP targets factored assumptions that are currently inconsistent with the current realities and projections for national economic growth and the drought. The economic situation will affect jobs within the sectors and South Africa needs to readjust its projections for the sectors and plan and lead during and after the drought and economic downturn to sustain the sectors.

The latest Statistics South Africa Quarterly Labour Force Survey (for the period until end of March 2016) confirmed that although agriculture, forestry and fisheries contributed 16 000 jobs quarter-on-quarter, there were job losses year-on-year of 15 000. It is expected that the number of decent job opportunities will grow as APAP/RAAVC are institutionalised with significant increases in the production of strategic commodities by smallholder producers. However, the drought has had a devastating effect on especially the agricultural sector and the agricultural value chain and the entire economy.

Job creation strategies include the development of agro-processing, marketing and small, medium and micro-enterprise (SMME) strategies to enable employment creation in support of growth of labour intensive agro-industries. Targeted programmes such as Working for Fisheries and LandCare have been utilised to further contribute to job creation and improved rural livelihoods. The department also supported the creation of job opportunities for households in agricultural smallholder schemes, as well as the upgrading of conditions of farmworkers.

The Department has prioritised youth development and empowerment through various programmes, including partnerships with institutions of higher learning, both domestically and abroad. For example, we currently have 76 students in postgraduate studies at three universities in China. Through the internship and experiential training programme, 47 graduates have been placed on various farms producing APAP/RAAVC aligned commodities, while 288 interns were placed in various technical units within DAFF. A further 311 students were awarded bursaries to pursue different fields of study in agriculture, forestry and fisheries. We need to ensure that these students are get trained in the scarce skills needed in our country. Furthermore, we have initiated the compulsory community service (CCS) for newly qualified veterinarians and the first group of 126 has been strategically placed to service resource-poor farmers in the rural and underserved areas of the country. The CCS is aimed at promoting primary animal health care in rural areas and at improving access to veterinary services.

The department has finalised the Fishing Rights Allocation Process (FRAP) 2013 appeals on all the eight fishing sectors. Nine sector-specific policies have been developed and finalised, leading to a call for applications to apply for the FRAP 2016 fishing rights. The distribution of application forms took place throughout the country, and the department received 5 597 applications. The allocations will be finalised early in 2016/17. Coastal fishing accounts for about 10% of South Africa's R9 billion off-shore fishing industry with about 2 200 fishermen involved in the sector.

To fast-track the growth of the aquacultural sector an amount of R338 million in private sector investment has been committed to supplement the R106 million government investments. In the nine aquaculture farms that are already in production, 521 jobs have been created while a further 335 jobs are envisaged. These nine aquaculture farms are located in the Eastern Cape (EC), KwaZulu-Natal (KZN), Northern Cape (NC) and the Western Cape (WC) and produce kob, oysters, abalone and trout.

The President signed into law the Amended Marine Living Resources Act on 24 February 2016. Small-scale fishing, is for the first time in the history of our country recognised as a fishing sector. The entire legal framework is currently in place to implement the small-scale fisheries policy in the four coastal provinces. Through the Small-scale Fisheries Policy, the fisheries sector is to be transformed by providing support to small-scale fishing communities, ensuring sufficient access to fish stocks and providing access to long-term fishing rights, thereby changing the socio-economic profile of the sector. This policy will also generate job opportunities in fish processing establishments, promote the



development of aquaculture hatcheries and fish farms and promote the establishment of ownership schemes to realise the vision of an inclusive, integrated rural economy.

### Food security

To address the challenges of poverty, unemployment and inadequate access to food, the department has prioritised food security and agrarian transformation. The objective of the National Policy on Food and Nutrition Security is to ensure the availability, accessibility and affordability of safe and nutritious food at national and household levels. The Department also worked with the private sector to develop the APAP, which will bring one million hectares of underutilised land into full production over the next three years. Through APAP/RAAVC, the department aims to bring more smallholders into the mainstream as envisaged in the NDP. However, the effective participation of the previously excluded black majority in agriculture and food production will only occur meaningfully, when they have access to land and the means to work it. An inclusive and scientific process will be used to assess the situation in terms of land capability for different commodities and in different localities, so as to inform land acquisition and allocation for different categories of producers across the country.

Although the country can maintain the ability under normal weather conditions to meet national food requirements, more than 14 million citizens have insufficient access to food, are vulnerable to hunger and are food insecure. In order to reduce hunger and ensure that good nutrition is attained, DAFF will have to be more focused on the promotion and empowerment of smallholder producers. These producers are supported in various ways, among others, by providing production inputs, training and advisory services, as well as access to finance and credit through Micro-agricultural Financial Institutions of South Africa (Mafisa), (CASP) and Ilima/Letsema. These interventions have increased their competitive edge towards becoming sustainable producers to provide products to markets. Through the Fetsa Tlala initiative, our strategic objective is to utilise one million hectares of land in rural areas for the production of crops.

To ensure mechanisation support to smallholder producers, the National Mechanisation Policy creates a favourable regulatory environment in which government will continue to make agricultural machinery such as tractors available to smallholder producers to ensure the optimal production of food.

An innovation, which we are proud of and that will boost production and trade, is the drought tolerant maize cultivar which was launched by the ARC in 2014. Results indicate that farmers who planted the new maize cultivar experienced on average 50% increased yields when compared to conventional varieties available on the market. We now have to ensure that sufficient seed is available for farmers.

The final small-scale fisheries regulations were gazetted on 8 March 2016, along with the Marine Living Resources Amendment Act signed by the President. These now provide the legal mechanism for the implementation of the small-scale fisheries policy. These reforms give legal recognition to small-scale fishers and will promote the transformation of the subsector to assist fishing communities living along the coastal areas in creating sustainable livelihoods, generating income and creating jobs.

Aquaculture has been given a boost through its inclusion in the Oceans Economy Operation Phakisa. Through Operation Phakisa and the detailed plans on the development of 24 marine and inland aquaculture projects, which are being implemented, we expect to increase production from the current 4 000 tons to 20 000 tons per year, increase the current value of the subsector from R400 million to R6 billion per year and create up to 210 000 sector jobs by 2030.

### Contribution to Gross Domestic Product

Agriculture is a catalyst for economic growth and the current contribution of the sector towards the Gross Domestic Product (GDP) of about 2,5% is far below the capacity of the sector. It should be noted, however, that the sector contributes another 12% to the GDP through value added from related manufacturing and processing. The share of agriculture, forestry and fisheries products of the total South African trade is approximately 12% and South Africa remains in a positive trade balance. The value of exports increased from R134,9 billion in 2014 to R144,4 billion in 2015. In the same period, our exports into other African countries increased from R59 billion to R62 billion and into Asia from R34,5 billion to R37,1 billion. The conclusion of the European Union Economic Partnership Agreement has provided increased quota access for a number of existing and new products such as wine and sugar. DAFF will continue to focus on increasing intra-African trade and other global trade opportunities. The largest subsector in the agricultural, forestry and fisheries export basket in 2015, based on value, was fruit and nuts. The highest growth in the export of specific products within the sectors was paper and paper products, with an increase of 94%. While South Africa continues to be a net exporter of agricultural, forestry and fisheries products, exports are still concentrated in primary agricultural products and the country is a net importer of processed agricultural products.



Regarding African Growth and Opportunity Act trade, it should be pointed out that although the deadline of 31 December 2015 passed without agreement, an agreement was reached on 6 January 2016 on the relevant three meats, namely beef, pork and poultry. The Proclamation made by the USA not to suspend agricultural imports, was extended to 15 March 2016, however the agreement was eventually signed by the USA and is currently in force. The DAFF has already issued permits for the first 16 250 tons of poultry meat to 29 importers, of which nine are HDIs. Under AGOA, the agricultural sector has advantages for the exports of citrus, macadamia nuts, wine and other food products. However, implications of the concessions are that the EU and other partners may require equal treatment, which will require readjustment of the current agreements with our trading partners. Concerning SPS-issues, a protocol for highly pathogenic avian influenza was signed between the two countries in November 2015.

We have continued to open new markets. A notable achievement is the Indonesian government's recognition of the competence of our food safety control measures. This comes after a protracted negotiation process between the technical teams of the two countries, which eventually led to the opening of the Indonesian market to South African exporters. The recognition was granted in respect of 15 commodities, including deciduous fruit, citrus, grapes and nuts. The South African exporters will be allowed to use the port of Jakarta, the port of Tanjung Priok, which is closer to the main Jakarta market, therefore reducing transport costs and preventing quality loss.

In February 2014, the World Organisation for Animal Health (OIE) declared South Africa free of foot-and-mouth disease (FMD) after a three-year ban on the export of red meat as a result of the disease. In February 2015, the country's FMD free zone status was reconfirmed by the OIE. However, in Quarter 3 there was an outbreak of SAT-3 FMD in Limpopo. The outbreak was detected in the protection zone in Limpopo, where vaccination is carried out. The outbreak was contained in the province. Four affected dip tanks were detected in December 2015 and one in January 2016, all located in the Thulamela Local Municipality, which falls within the FMD protection zone (with vaccination). The outbreak does not affect South Africa's FMD free status as the protection zone is not part of the free zone. We will continue to provide feed to livestock in the protected FMD zones in KZN, Limpopo and Mpumalanga to ensure that the movement of livestock in these areas is restricted, particularly during this drought period. South Africa is also currently free from highly pathogenic avian influenza and is able to export ostrich meat to the EU. To strengthen our animal health care, 18 primary health care clinics were delivered to provinces and the Veterinary Strategy, as part of the Animal Disease Management Plan, was finalised.

In safeguarding our biodiversity, the Agricultural Research Council has developed a new vaccine against heartwater that will be made available to farmers after evaluation for safety and registration by the authorities. The availability of a Heartwater vaccine will boost mohair production as Angora goats are the most susceptible to animal diseases. Development of the new vaccine will play a vital role in expanding the number of successful livestock farmers, resulting in reduced losses and increased revenue for farmers.

Regarding exotic fruit flies, the quarantine pest *Bactrocera dorsalis* was detected in all provinces except the Western, Eastern and Northern Cape and the Free State. No surveillance took place in North West. However, pest management interventions took place in KZN and the Eastern Cape. The pest was also detected in new areas—eastern parts of the Eastern Cape and the Mpumalanga Highveld.

South Africa, under the leadership of DAFF, has acceded to the Indian Ocean Tuna Commission (IOTC) and the Commission for the Conservation of Southern Bluefin Tuna (CCSBT), thereby allowing the country greater influence in negotiating for increased tuna quota allocations and access. The associated benefits of fully acceding to these regional fisheries management organisations has resulted in the immediate increase in the allocation of Southern Bluefin Tuna from 40 to 150 tons. This has increased the sector's income from about R24 million to more than R100 million.

### World Forestry Congress

Preparatory work took place and South Africa successfully hosted the 14<sup>th</sup> World Forestry Congress from 7 to 11 September 2015, in Durban. The congress is the largest and most significant gathering of the world's forestry sector, bringing together global interested parties and organisations from across the world. The Congress has been held every six years since 1926, under the auspices of the Food and Agricultural Organisation and this was the first time that it took place on African soil.

### Agricultural Policy Action Plan and Revitalising the Agriculture and Agro-processing Value Chain

The agricultural, forestry and fisheries sectors have the best multiplier effect for every Rand invested in terms of employment, exports, fiscal revenue and economic output. With all conditions favourable, the agriculture and agro-processing value chain has the potential to increase the number of smallholders from 171 670 in 2013 to 471 670 in 2019; increase the value added of the sectors from R42,5 billion in 2012 to R48,9 billion in 2019 (or 2% real growth per year);





real increase in the value of net exports from an annual average of R5,1 billion in 2012 to R5,8 billion in 2019 (or 2% real growth per year); decrease in the value of diesel, fertiliser and machinery imports from an annual average of R9,6 billion in 2012 to R7,4 billion in 2019 (or 3% real decline per year) and increase the number of jobs in the sector from 660 000 in 2012 to a potential one million jobs by 2030.

The intensification of the RAAVC will focus on the following five crucial areas, namely the implementation of the Agri-parks — expanding infrastructure support to 44 Agri-hubs and 88 farmer production support units; implementing APAP with special focus on the production of high value crops where R3,2 billion will be spent on projects and 11 082 jobs created; collaborating with private sector partners to leverage new investments; increasing market access for small-holders through the implementation of programmes such as SA-GAP and increasing intra-African trade and other global trade opportunities and continued implementation of the Aquaculture Lab in order to strive towards achieving total production of 8 100 tons, 3 200 jobs and an additional R500 million investment.

Our public entities, the ARC and the National Agricultural Marketing Council (NAMC) in particular, have been actively involved in the development of APAP/RAAVC over the past two financial years. The research and databases from the ARC's Soil Testing Laboratories was used in our spatial analysis and maps we have developed to determine which commodities can be produced in which places. These maps have been overlaid with the mapping by the Department of Rural Development and Land Reform following their land audit. We are therefore able to show where all the projects of both departments are located. The NAMC also supported APAP/RAAVC with economic analysis and their expertise in value chain mapping. The NAMC is also the coordinator for Strategic Infrastructure Project 11, which pertains to agro-logistics and rural infrastructure. The Perishable Products Export Control Board (PPECB) has committed to expand the number of smallholder farmers with South African Good Agricultural Practice (SA-GAP) certification. We are also working with Onderstepoort Biological Products (OBP) to secure adequate funding to ramp up vaccine production.

### Acknowledgement and conclusion

I wish to thank my Deputy Minister, General Bheki Cele, for his cooperation and support towards the agricultural, forestry and fisheries sectors. I would like to express my gratitude to the Chairpersons and members of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries, as well as Land and Mineral Resources in the National Assembly and the National Council of Provinces, respectively, for their oversight. Thirdly, I wish to extend my appreciation to the industry, organised agriculture and our business partners for their commitment towards the agricultural, forestry and fisheries sectors. Finally, I would like to say a word of thanks to the public entities, provincial departments, as well as the acting Director-General and his team for their support and spirit of cooperation. *By working together we can move South Africa forward to attain economic freedom and household food security for all our citizens.*



**Mr Senzeni Zokwana (MP)**

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



# Statement by the Deputy Minister



**Gen. Bheki Cele (MP)**

Despite the severe drought conditions during the 2015/16 financial year, the focus for the department was on the following key priority areas, namely production; the productivity of and support to smallholder producers and new entrants; expanding market access through focusing on the diversification of export destinations; supporting access to increased processing opportunities and providing market infrastructure and compliance training. These priority areas are aligned to achieve the government outcomes to provide access to safe, sufficient and nutritious food to all our citizens; to create decent employment in the agricultural, forestry and fisheries sectors, while enhancing and protecting our natural resources.

The severe drought conditions resulted with the vast declaration of provincial states of disaster in the country. The SADC region also declared the El Niño-induced drought a regional disaster, paving the way for donor agencies to assist in mobilising food aid for the estimated 30 million people facing hunger. Stakeholder engagements were undertaken around the country to gain first-hand experience of the effects of the drought on farming communities and provide the necessary support to ensure structural and nonstructural resilience towards a sustainable sector. The efforts and interventions by other government departments and entities are also recognised and appreciated.

The performance of the agricultural, forestry and fisheries sectors is influenced by many factors. These include natural disasters such as drought and fires, the increase in labour costs and rising input costs such as fuel, fertilisers and electricity, the weak exchange rate of the Rand, climate change, continued dominance of large players, as well as skewed and inadequate infrastructure. As part of our new strategic focus, priority will be given to interventions to reduce input costs ranging from local manufacturing of agricultural machinery and fertilisers to adopting alternative cultivating methods. Although food and nutritional security remains our priority, the impact of the drought has adversely affected our efforts in reducing hunger and malnutrition. The drought has also resulted in the cost of the food basket for household items continuing to rise and consumers' pockets have been hit hard. We want to reiterate the call that was made last year for more families to produce their own food. It remains our collective interest to promote family farming as it mobilises the productive energy of women and the youth in agriculture.

The Fetsa Tlala Food Production Initiative that was launched in 2013 mobilised smallholder producers to increase production and to access export market opportunities through, for example, the World Food Programme. Initially, the initiative sought to put one million hectares of underutilised agricultural land in communal areas and land reform farms back in production. However, provinces achieved a mere 52 015 ha (43%) of the targeted 120 000 ha under Fetsa Tlala for 2015/16 due to the drought. The department will accelerate support programmes and continue to forge partnerships with the private sector and other relevant stakeholders to claw back on the upward trajectory for Fetsa Tlala for the coming production seasons. For example, 150 000 ha of land are targeted for production through CASP and Ilima/



Letsema in 2016/17 and R880 million is set aside for this purpose. We must uplift our households from conditions of utter poverty to become participants in primary food production and the entire agricultural value chain.

Through the Division of Revenue Act (DORA, Act No. 10 of 2014), the department made R1,640 billion in conditional grants available to provinces in 2015/16 for the implementation of CASP to increase access to agricultural support services for beneficiaries of land reform and producers who privately acquired their land and are engaged in value adding enterprises. An additional allocation of R467 million through DORA was released to provinces for the implementation of Ilima/Letsema to increase food production and respond to Fetsa Tlala. The LandCare grant (to optimise agricultural productivity and enhance the sustainable use of natural agricultural resources) amounted to R65 million.

To contribute positively towards the food security status of the country, the department supported 7 111 smallholder producers in various ways, among others, the provision of technical, training and advisory services. Another 8 658 households benefitted from DAFF's food security initiatives, e.g. seed packs, garden utensils and planting. A further 19 748 smallholder producers were supported by the ARC with scientific services, agriculture skills and capacity development. Furthermore, 18 commodity-based cooperatives were established, while 105 cooperatives were supported with training in various provinces.

Another major achievement was the development of the norms and standards for comprehensive producer support. The lack of a national framework had created unnecessary confusion regarding the roles and responsibilities of different stakeholders, the nature of services they are meant to provide, the gaps that exist, and a definitive guide regarding the appropriate governing and administrative/coordination functions required. Furthermore, the lack of consensus on the typology of farmers resulted in inadequate, uncoordinated services provided to the previously disadvantaged farmers. These norms and standards provide clear farmer typologies and definitions, which have been agreed to for effective delivery of financial and non-financial support services and financing instruments appropriate and in tune with the needs of farmers.

As one of the productive sectors in the economy, the agricultural, forestry and fisheries sectors have the potential of contributing tremendously towards economic growth and job creation. The focus of DAFF will be on achieving the target of creating one million jobs in the agricultural, forestry and fisheries sectors by 2030. The sectors have been identified as key job drivers in the economy and will require unlocking growth potential among key industries as specified in the NDP and prioritised in the APAP/RAAVC. Job growth is envisaged, especially in the areas of agro-processing and marketing, as well as exploring new export opportunities in Africa and China. The implementation of the Agriculture Marketing Strategy and the Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan will be prioritised. Growth in the aquaculture sector has also increased and could further contribute to job creation in the fisheries sector.

During the period under review, the number of hectares of agricultural land, state indigenous forests and temporary unplanted areas (TUPs) that were rehabilitated through LandCare, Conservation of Agricultural Resources Act (CARA) and Working for Water (WfW) programmes was increased. The land rehabilitated included 9 916 ha of agricultural land; 169 ha of woodlands and state indigenous forests and 2 253 ha of TUPs.

The fisheries sector is an important element of the Oceans Economy Strategy, Operation Phakisa. A draft Aquaculture Bill has been developed and public consultations are under way, and nine of the 24 aquaculture projects have been implemented. Our approach in this sector will continue to be around responsible management of the marine resources supported by extensive research on the declining marine stock and ensuring that we close the fish protein gap, alleviating food insecurity and increasing growth.

The department continued with the campaign of acknowledging and rewarding women entrepreneurs contributing towards food security, job creation, economic growth and poverty alleviation through the DAFF Female Entrepreneur Awards. The gala event was held on 22 August 2015 in Mafikeng, North West province. The aim of the awards is to encourage women, both young and old and those with disabilities to become entrepreneurs and to venture into export markets.

Of concern is that transformation of the agriculture, forestry and fisheries sectors has been slow and tentative. The department's plans for the transformation of the sectors are clearly articulated in our policies. The aim is to direct the transformation of the sectors so that our people no longer remain on the periphery, but become economically active and involved in the business of agriculture, forestry and fisheries. Therefore, I would like to commend industry associations like the citrus industry for the establishment of the Citrus Growers Development Company, which will focus on the issue of transformation and I call on other industries to do likewise.

Sustainable management of our natural resources, namely land, soil, water and climate systems is crucial for the sustainable use of our resources and food security. To address the loss of prime agricultural land to mining and human



settlements, the Preservation and Development of Agricultural Land Framework (PDALF) Bill will be fast-tracked for Cabinet consideration. Regarding our other legislative work, the department has focused on the legislative review of several pieces of legislation. The Portfolio Committee on Agriculture, Forestry and Fisheries has deliberated on the Plant Breeders' Bill and the Plant Improvement Bill and these Bills, together with the Plant Health Bill will further be tabled for consideration by Parliament. These Bills aim to strengthen intellectual property rights and further create an enabling environment for job creation and investments.

The successful hosting of the 14<sup>th</sup> World Forestry Congress in collaboration with the FAO, which was held from 7 to 11 September 2015 in Durban, was not only a highlight for the department, but for the entire country as well. The main objectives of the Congress were to share ideas and new technologies in the sector in order to entrench sustainable forest management practices. Through the conclusions of this congress, the African continent will have a huge influence in shaping the policy framework of forestry for the coming six years.

In conclusion, I wish to thank the Minister, the Chairpersons of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries for their guidance and support. I would also like to extend my appreciation to the industry, business partners and organised agriculture for their spirit of cooperation and support. Lastly, I would like to thank the public entities, provincial departments, the acting Director-General and the departmental team for their contribution in striving towards economic freedom and food security for all our citizens.



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**Gen. Bheki Cele (MP)**

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



# Report of the Acting Accounting Officer



Mr K.C.M. Manny

During the 2015/16 financial year, DAFF focused on maximum performance of deliverables over the Medium Term Expenditure Framework (MTEF) period. The DAFF's service delivery targets were guided by the MTSF priorities and the government's outcomes-based performance management approach, primarily on Outcome 7 and supporting Outcomes 4, 10 and 12, which include contributing towards food security, employment through economic growth and the protection of our environmental assets and natural resources, as well as good governance.

The DAFF was, at all times, directed by government's key policies, namely the NDP, the New Growth Path (NGP), tI-PAP, Presidential Infrastructure Coordinating Commission (PICC) and, in particular, the Strategic Integrated Project (SIP) 11 of the PICC. For the agricultural, forestry and fisheries sectors, specific policies and plans such as APAP, which was approved by Cabinet in March 2015 and the *Revitalisation of the agriculture and the agro-processing value chain*, form the basis for our mandate. Key among the above policy documents is the radical transformation of the agricultural, forestry and fisheries sectors to create one million jobs by 2030. The Annual report focuses on the results, challenges, significant events and projects for the 2015/16 financial year.

## Overview of the operations of the DAFF

In the 2015 State of the Nation Address the President stated that "*Our economy needs a major push forward,*" and in this context announced a "*Nine-point Plan to ignite growth and create jobs,*" one of which is "*Revitalising agriculture and the agro-processing value chain.*" The success in the RAAVC will be measured in terms of food security, job creation and contribution towards the GDP. The President further stated in the 2015 SONA that "*We are working with the private sector to develop an Agricultural Policy Action Plan, which will bring one million hectares of underutilised land into full production over the next three years.*" The APAP, which was approved by Cabinet in March 2015, is the programmatic response to Priority 1 of the Nine Point plan to ignite growth and create jobs. It outlines a value chain approach in priority commodities, informed by the commodities with high-growth potential and high-labour absorption capacity identified in the NDP. The APAP has been reviewed to ensure that it becomes a jobs driver and promotes growth, employment, rural incomes, investment, output, exports and African regional development.

The crafting of the NDP also factored in assumptions that are inconsistent with the current realities and projections for national economic growth and the drought. The global economic climate is not conducive, with economic slowdown being experienced in major emerging economies such as China. This has affected other emerging economies, including South Africa and the value of the Rand has also weakened significantly against other major global currencies.

South Africa is also suffering the effects of drought, which has resulted in estimated losses of R16 billion, as well as a significant decrease in the area of land planted to grain crops. The drought has equally affected natural grazing and



therefore the livestock sector. Consequently, the prices of agricultural commodities are expected to increase sharply, leading to a rise in the price of food. The economic situation will also affect jobs within the sectors and the investor confidence needs to be boosted and drivers identified to stimulate economic growth.

The government's response to the drought currently amounts to more than R1 billion. Included in this amount is the allocation of R528 million to smallholder producers and at least R130 million to support indebted commercial farmers by the Industrial Development Corporation (IDC) and Land Bank. The IDC had also committed R500 million in soft loans to producers. A total of R2,8 billion has also been allocated over the MTEF to Fetsa Tlala. The Department of Water and Sanitation has further reprioritised R502 million to deliver water, protect springs and refurbish boreholes. The Agri-parks programme, which is aimed at increasing the participation of smallholder producers in the agricultural value chain, has been extended to 44 districts and a total of 17 projects associated with the programme are at various stages of construction. During 2015, the department also supported 16 447 smallholder producers against an annual target of 16 000; 78 077 ha were reported to have been cultivated against an annual target of 120 000 ha and 25 207,29 ha for agricultural land and 302,65 ha of woodlands and indigenous forest were rehabilitated. A total of 2 279,79 ha of forests in KZN, Eastern Cape and Limpopo were planted. This initiative created 12 537 jobs and going forward the support to producers will be expanded through the establishment of 88 producer production support units and bringing new areas into production with commodities aligned to APAP, as well as annually putting 150 000 ha of land into productive use. In addition, 25 000 producers will be supported focusing on commodities such as grain, fruit, vegetables and red meat. The Agri-parks programme aims to generate 100 000 jobs over the next three years.

Globally, approximately 795 million people are undernourished; a decline of 167 million over the last decade and 216 million less than in 1990-92. The decline is more pronounced in developing regions, despite significant population growth. Regionally, hunger in the region declined by 30% between 1990-92 and 2015, according to the State of Food Insecurity in the World Report, 2015. This 30% decline translates to about one person out of four in sub-Saharan Africa being undernourished today compared to a ratio of one person out of three in 1990-92. In South Africa, about 14,1 million (26%) people are still predisposed to hunger and malnutrition and therefore do not have enough food to eat, thereby increasing the levels of absolute poverty every year. The figure has steadily increased from 12,0 million in 2011, 13,6 million in 2012 and 13,8 million in 2013 (Statistics SA). Interventions that can assist in mitigating food insecurity are the implementation of the draft Drought Response Plan and the draft food insecurity plan. Agriculture that sustainably increases productivity, resilience (adaptation) and reduces greenhouse gases (mitigation) is central in ensuring food security.

Increasing market access to international markets remains a priority for the DAFF and this is facilitated through active partnerships *via* public-private forums. In all three sectors, export values have increased and South Africa remains in a positive trade balance situation. The department will in cooperation with the dti, continue to pursue more favourable trading conditions for all our products. The DAFF is focusing on the new trade agreements currently being negotiated within the African continent.

The management of pests and diseases remains important in contributing to sustainable local agricultural production and exports. DAFF therefore continued to implement various biosecurity measures to effectively control the entry of such pests and diseases into the country. Such measures are equally applied by our trading partners.

Regarding forestry, DAFF, in collaboration with the FAO, successfully hosted the 14<sup>th</sup> World Forestry Congress in September 2015, the first in Africa. DAFF also facilitated the registration of Fire Protection Associations (FPAs) in high risk areas and embarked on a process of consolidation of non-viable FPAs, as well as the alignment of FPAs with municipal boundaries to ensure the effective utilisation of limited resources. In addition, 835 ha of land have been replanted within the Jobs Fund/DAFF Rehabilitation Programme.

During 2015/16, DAFF finalised the FRAP 2013 appeals in eight fishing sectors. Nine sector specific policies have been developed and finalised, leading to a call for applications to apply for the FRAP 2016 fishing rights. The distribution of application forms took place throughout the country and the department received 5 597 application forms. The allocations will be finalised in 2016/17. In the case of fishing harbours, DAFF, in partnership with the Department of Public Works, has developed a framework aimed at revitalising the 12 existing fishing harbours and a programme for the proclamation and establishment of additional fishing harbours. DAFF also has a fleet of seven vessels, namely (five patrol vessels and two research vessels), which are managed by the South African Maritime Safety Association (SAMSA). All five of the patrol vessels and one research vessel are active at sea, while repairs to the FRS Africana are nearing completion and this vessel should be ready for research again early in 2016/17.

In the case of aquaculture, the DAFF is busy with the implementation of nine aquaculture projects under Phase 2 of Operation Phakisa (Developing the Ocean's Economy). The aquaculture sector has unlocked investments of more than R400 million across 10 aquaculture farms, which are already in production. The community in Hamburg in the Eastern



Cape has seen its first harvest of dusky kob (kabeljou — fish) and the Siyazama Aquaculture Cooperative in Hamburg sold its first harvest of dusky kob to the Cape Town Fish Market at the V&A Waterfront. The expansion of aquaculture projects to inland and other coastal areas in support of SMME will create 3 200 jobs and contribute R500 million to the GDP over the next three years. Furthermore, the draft Aquaculture Bill is currently ready for public consultation. DAFF has also established the Inter-departmental Authorisations Committee and the Aquaculture Development Fund.

## OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

### Departmental receipts

Departmental receipts	2015/16			2014/15		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	164 682	186 027	(21 345)	150 679	163 230	(12 551)
Transfers received	400	355	45	127	727	(600)
Fines, penalties and forfeits	29	270	(241)	29	33	(4)
Interest, dividends and rent on land	17 629	5 143	12 486	16 538	6 727	9 811
Sale of capital assets	1 176	1 720	(544)	1 103	1 034	69
Financial transactions in assets and liabilities	22 410	18 899	3 511	17 640	19 901	(2 261)
<b>Total</b>	<b>206 326</b>	<b>212 414</b>	<b>(6 088)</b>	<b>186 116</b>	<b>191 652</b>	<b>(5 536)</b>

Revenue derived from the sale of goods and services includes statutory services, the registration of plant breeders, stock remedies, agricultural remedies and wood product sales. The sales of redundant capital assets amounted to R1,720 million in 2015/16 compared to R1,034 million in 2014/15. The sales of redundant capital assets for 2015/16 included construction and maintenance equipment (R100 000), busses (R178 000), motor vehicles (R1,125 million), farm/agriculture equipment (R111 000), a truck (R80 000) and other machinery and equipment (R126 000). The sales of redundant capital assets for 2014/15 included the sale of vehicles (R242 000) and other machinery and equipment (R792 000), which included tractors and construction vehicles. Financial transactions in assets and liabilities for 2015/16 included R6,788 million being refunds from unspent conditional grants and projects received from provincial governments compared to R13, 863 million refunded during the 2014/15 financial year.

### Programme expenditure

Programme Name	2015/16			2014/15		
	Final appropriation	Actual expenditure	(Over)/under expenditure	Final Appropriation	Actual expenditure	(Over)/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	788 853	785 802	3 051	758 973	738 441	20 532
Agricultural Production, Health and Food Safety	2 143 284	2 143 017	267	2 192 977	2 183 702	9 275
Food Security and Agrarian Reform	1 910 535	1 906 795	3 740	1 689 344	1 656 320	33 024
Trade Promotion and Market Access	237 327	236 758	569	307 319	307 000	319



Programme Name	2015/16			2014/15		
	Final appropriation	Actual expenditure	(Over)/ under expenditure	Final Appropriation	Actual expenditure	(Over)/ under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Forestry	862 844	862 280	564	1 303 983	1 303 645	338
Fisheries	465 907	465 890	17	439 787	439 765	22
<b>Total</b>	<b>6 408 750</b>	<b>6 400 542</b>	<b>8 208</b>	<b>6 692 383</b>	<b>6 628 873</b>	<b>63 510</b>

## REASONS FOR UNDEREXPENDITURE

### Administration

The expenditure to the amount of R2,812 million for Capital Works in respect of the Stellenbosch-Plant Quarantine Station: Upgrading and maintenance of building and laboratories and other capital works projects not incurred due to the delays in the Department of Public Works processes.

### Food security and agrarian reform

Expenditure, in respect of Economic Competitiveness and Support Package for provincial and rural colleges agriculture to the amount of R3, 408 million.

### Virements

In total three virements, including the final virement, totalling R175,050 million were granted. Expenses funded through this process included property management leases and municipal services shortfalls, DIRCO, provision of funds in respect of Ministerial Stakeholder engagements (Imbizos) and the extension suite online contract. The shifting of funds was effected between all six programmes and was approved by either the National Treasury or DAFF's Chief Financial Officer. The details of the shifting of funds between programmes are reflected in the Appropriation Statement.

### Irregular and fruitless/wasteful expenditure

Irregular and fruitless/wasteful expenditure to the amount of R829 226,12 and R1 400, respectively, was identified in the 2015/16 financial year through various control measures. These cases are being investigated in terms of the Departmental Financial Instructions (DFIs). The outcome of the investigation determines the appropriate disciplinary processes to be decided upon by the Accounting Officer.

### Future plans of the department

The vision for the agricultural, forestry and fisheries sectors, as catalysts for radical socioeconomic transformation, is food security for all, the creation of one million decent jobs by 2030 and significantly increasing the contribution of these sectors to the GDP. The agricultural sector has lost rather than gained jobs, yet it is the most labour-intensive productive sector. Fisheries is facing depleted stocks of marine and coastal wild capture fisheries, however, it shows enormous potential in terms of aquaculture. Forestry is constrained by stringent water regulations and underinvestment in long rotation sawlog plantations. Growth in the agricultural, forestry and fisheries sectors is happening alongside job losses and this trend in labour shedding must be reversed. However, the economic slowdown and drought conditions in the country are going to severely affect the performance of the agricultural, forestry and fisheries sectors, necessitating a readjustment of growth projections and the crafting of plans to sustain the sectors after the drought and economic downturn.

### Agricultural sector

The focus will be on achieving the set target of creating one million jobs in the agricultural, forestry and fisheries sectors by 2030. The sectors have been identified as key job drivers in the economy and will require the unlocking of growth potential among key industries as specified in the NDP and prioritised in the AAPAP and the RAAVC to address the change agenda. APAP/RAAVC identifies commodities based on their capacity and potential to create jobs, contribute to food security, growth potential and potential contribution to the trade balance. An Operation Phakisa for Agriculture,





Land Reform and Rural Development for transforming the agricultural sector towards an inclusive rural economy is planned for 2016/17. The analysis and plans generated through the proposed Operation Phakisa will be completed in the context of achieving more inclusive rural economies, food security and increased job creation in the sector. Operation Phakisa will create a platform for greater consensus around these challenges, generating solutions best suited to achieving the objectives and targets set out in the MTSF.

Work on a government-led food procurement model, linked to the smallholder producers, is currently under way. This is one of the interventions by government to sustain the economic viability of this vulnerable agricultural sector. Through this initiative, government will reprioritise its procurement on food to create markets for subsistence and smallholder producers in rural, urban and peri-urban areas.

Sector interventions to assist smallholder producers with technical, infrastructure and financial support will continue to be rolled out. These include the CASP and the Ilima/Letsema and LandCare programmes. Through the Fetsa Tlala Initiative, our strategic objective is to utilise one million hectares of land in rural areas for the production of crops. To improve our veterinary services, the Compulsory Community Service was promulgated and the first cohort of 126 veterinary graduates was deployed. Although an outbreak of SAT-3 FMD disease was detected in the protection zone in Limpopo, where vaccination is carried out, the outbreak did not affect South Africa's FMD free status as the protection zone is not part of the free zone. Citrus exports to the EU rose from 615 000 tons in 2014 to 681 000 tons in 2015, despite South Africa again voluntarily suspending exports from citrus black spot areas. The number of interceptions also dropped from 28 in 2014 to 15 in 2015. Pests and diseases management remains important in contributing to sustainable agricultural production and exports. We therefore continue to implement various biosecurity measures to effectively control the entry of pests and diseases into the country. The National Policy on Extension and Advisory Services for the agricultural, forestry and fisheries sectors recognises and calls for the involvement of a wide array of stakeholders involved in the delivery of extension and advisory services through a pluralistic and integrated approach. Such an approach will ensure that extension and advisory services benefit from the distributed technical expertise, financial capital and other resources located across the stakeholder base. DAFF targets to deploy 20 extension practitioners to commodity organisations per financial year. The intention is to deploy 100 extension practitioners by 2019/20, to ensure that extension practitioners acquire skills and gain experience of a specific commodity value chain. The Western Cape and KZN PDAs have already deployed extension practitioners to commodity organisations.

### Forestry sector

The forestry sector offers long-term investment opportunities for rural economic development. Increased production and productivity in prioritised areas will be ensured by sustainable forest management. A significant number of jobs will be created and hectares of agricultural land and indigenous forests will be restored through rehabilitation and refurbishment of Category B and C plantations and LandCare programmes. The highlight, not only for the department, but for the entire country, was the successful hosting of the 14<sup>th</sup> World Forestry Congress in September 2015.

### Fisheries sector

Aquaculture is an important element of the Ocean's Economy Strategy, Operation Phakisa. We anticipate that Operation Phakisa will place marine resources in a central position in the economy. Through Operation Phakisa, we can potentially grow the sector value from its current R400 million to R6 billion, with a possible job creation of up to 210 000 jobs in this sector by 2030.

The Working for Fisheries Programme (WfFP) will remain one of the vehicles for economic growth and sustainable livelihoods for fishing communities. Our plans will focus on ensuring that the commercial Fishing Rights Allocation Process (FRAP 2015/16) reflects the commitment of government and the industry to transform the sector. To further transform this sector, the implementation of the Small-scale Fisheries Policy will contribute towards equitable participation of coastal and fishing communities and ensure that they gain access to marine resources.

### Public-private partnerships

Collaboration with the private sector partners like Massmart, Tiger Brands Pioneer Foods and Motsepe Foundation and InBev to advance the Fetsa Tlala and the One Family One Hectare has been initiated. This also includes leveraging the current government funding to secure participation and investment.



### Discontinued activities/activities to be discontinued

No planned activities were discontinued. However, planned policies for agro-ecological agriculture (Conservation Agriculture), labour-intensive commercial agriculture, and urban agriculture, including peri-urban agriculture were not developed.

### New activities

No additional funds were allocated to the DAFF for spending over the MTEF period for the severe drought conditions in parts of the country.

Agriculture has been identified as a key jobs driver, together with other productive sectors. The implementation of the APAP is the programmatic response to Priority 1 of the “*Nine Point Plan to ignite growth and create jobs*,” one of which is “*RAAVC*,” as announced by the President in the 2015 SONA. The *Revitalisation of the agriculture and the agro-processing value chain* will be measured in terms of food security, job creation and contribution towards the GDP.

### Supply chain management

During the period under review, no unsolicited bid proposals were concluded by the department. In order to eliminate any possible irregular expenditure the Department implemented various internal control measures and training to regional offices. To enhance finalisation of bids within 90 days from the date of a Bid Specification Committee meeting, a Bid Activity Agreement has been developed whereby all role-players in the bid process agree to meet due dates to finalise bids within 90 days. 75% of all bids were processed within the 90 day period. The department also strengthened control measures with regards to ensuring that payments are processed within 30 days. 98% of all payments processed by the Supply Chain Unit are done within the 30 day period.

### Gifts and donations received in kind from non-related parties

Details of gifts and donations are reflected in Annexure 1H of the financial statements.

### Exemptions and deviations received from the National Treasury

During the 2015/16 financial year DAFF did not obtain approval from the National Treasury for any exemptions and deviations in terms of the Public Finance Management Act and Treasury Regulations.

### Agricultural debt

The department continues to manage certain debt that resulted from loans to farmers granted by the former Agricultural Credit Board until 1997 for farming related purposes.

In 1998, when this financial assistance was discontinued, the debt amounted to R1 140,7 million, the number of debtors to 9 614 and the number of accounts to 16 432. On 31 March 2016, the total outstanding debt was R68 138 841,13, the number of debtors was 190 and the number of accounts was 237. The net amount recovered during the 2015/16 financial year was R6 447 890,89 and the debt written off amounted to R4 476 657,27.

A decision to change the interest rates applicable to most of the outstanding accounts to the uniform interest rate under the Public Finance Management Act, 1999 (Act No. 1 of 1999), was successfully implemented on 1 May 2015.

### CONCLUSION

In conclusion, I would like to express my gratitude to the Minister, Deputy Minister and the chairpersons and members of the Parliamentary Committees for their political leadership, expertise and guidance. I also wish to extend my appreciation to the leadership and staff of the public entities, the agribusiness community, farmer organisations and other sector partners for their continued support. Finally, I would like to thank the management team and staff members in the department for their dedication and hard work in pursuit of our objectives in striving towards meeting our commitments to the South African public.



**K.C.M MANNYA**

**ACTING ACCOUNTING OFFICER**

Department of Agriculture, Forestry and Fisheries



### Statement of responsibility and confirmation of accuracy for the Annual Report

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate and is free from any omissions.

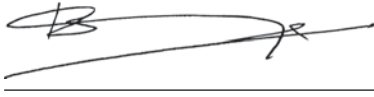
The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resource information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, performance information, human resource information and the financial affairs to the Department for the financial year ended 31 March 2016.

**Yours faithfully**



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**KCM MANNYA**

**ACTING ACCOUNTING OFFICER**

Department of Agriculture, Forestry and Fisheries

Date: 31 August 2016



## STRATEGIC OVERVIEW

### Vision

A united and transformed agriculture, forestry and fisheries sector that ensures food security for all and economic prosperity

### Mission

Advancing food security, job creation, economic growth and transformation of the sector through innovative, inclusive and sustainable policies, legislation and programmes

### Values

**Drive:** Driven to deliver excellent service

**Attitude:** Being an ambitious, passionate, reliable and dedicated workforce

**Fairness:** Acting with objectivity, empathy, integrity and transparency

**Focus:** Focusing on people, food security, job creation, growth and transformation

## LEGISLATIVE AND OTHER MANDATES

### Legal mandate

The Department of Agriculture, Forestry and Fisheries' legal mandate covers the agriculture, forestry and fisheries value chains from inputs, production and value adding to retailing.

### Legislative mandate

The entire legislative mandate of DAFF is derived from Sections 24(b)(iii) and 27(1)(b) of the Constitution. The Department is primarily responsible for Acts relating to agriculture, forestry and fisheries.

The following Acts reflect the legislative mandate of the Department:

**Table 1: Legislative mandate**

Act number and year	Purpose	Functional competence	Responsibility
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	Establishes the Agricultural Debt Account and provides for the use of the account as a mechanism to manage agricultural debt repayments	National	Directorate: Financial Accounting
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)	Provides for the extension of the application of certain laws relating to agricultural matters to certain territories, which form part of the national territory of the Republic of South Africa; the repeal of certain laws which apply in those territories and for matters connected therewith	National	Executing Authority
Agricultural Laws Rationalisation Act, 1998 (Act No. 72 of 1998)	Provides for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the Republic prior to the commencement of the Constitution of the RSA	National	Executing Authority
Agricultural Pests Act, 1983 (Act No. 36 of 1983)	Provides for measures by which agricultural pests may be prevented and combated	National	Directorate: Plant Health Inspection Services and



Act number and year	Purpose	Functional competence	Responsibility
<i>(cont.)</i> Agricultural Pests Act, 1983 (Act No. 36 of 1983)			Directorate: Land Use and Soil Management
Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)	Provides for the establishment of an Agricultural Produce Agents Council and fidelity funds in respect of agricultural produce agents and for the control of certain activities of agricultural produce agents	Local 4A	Directorate: Marketing
Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)	Provides for the control over the sale and export of certain agricultural products, control over the sale of certain imported agricultural products and control over other related products	National	Directorate: Food Safety and Quality Assurance
Agricultural Research Act, 1990 (Act No. 86 of 1990)	Provides for the establishment of a juristic person to deal with agricultural research; the determination of its objectives, functions, powers and duties	Concurrent	Directorate: Policy Research Support
Animal Diseases Act, 1991 (Act No. 35 of 1984)	Provides for the control of animal diseases and parasites, as well as for measures to promote animal health	Concurrent	Directorate: Animal Health
Animal Identification Act, 2002 (Act No. 6 of 2002)	Consolidates the law relating to the identification of animals and provides for incidental matters	Concurrent	Directorate: Veterinary Public Health
Animal Improvement Act 1998 (Act No. 62 of 1998)	Provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals	National	Directorate: Animal Production
Animal Protection Act, 1962 (Act No. 71 of 1962)	Consolidates and amends the law relating to the prevention of cruelty to animals	Concurrent	Directorate: Animal Production
Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983)	Provides for control over the utilisation of the natural agricultural resources of the Republic in order to promote the conservation of the soil, water sources and vegetation and the combating of weeds and invader plants	Concurrent	Directorate: Land Use and Soil Management
Fencing Act, 1963 (Act No. 31 of 1963)	Consolidates the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto	Concurrent Local	Directorate: Land Use and Soil Management
Fertilizers, Farm Feeds Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)	Provides for the appointment of a Registrar of Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilisers, farm feeds, agricultural remedies and stock remedies and the designation of technical advisers and analysts	National	Directorate: Agriculture Inputs Control
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms (GMOs);	National	Directorate: Genetic Resources



Act number and year	Purpose	Functional competence	Responsibility
<i>(cont.)</i> Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	provides for an adequate level of protection during all activities involving GMOs that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health	National	Directorate: Genetic Resources
Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)	Makes provision for the incorporation of the Groot Constantia Control Board as an association not for gain; for the transfer of the Groot Constantia Estate to the association mentioned and for matters connected therewith	National	Executing Authority
KwaZulu Cane Growers' Association Act Repeal Act, 2002 (Act No. 24 of 2002)	Repeals the KwaZulu Cane Growers' Association Act, 1981 and provides for matters connected therewith	National	Executing Authority
Liquor Products Act, 1989 (Act No. 60 of 1989)	Provides for control over the sale and production for sale of certain alcoholic products, the composition and properties of such products and the use of certain particulars in connection with the sale of such products; for the establishment of schemes and for control over the import and export of certain alcoholic products	Concurrent	Directorate: Food Safety and Quality Assurance
Marine Living Resources Act, 1998 (Act No. 18 of 1998)	Provides for the conservation of the marine ecosystem, the long-term sustainable utilisation of marine living resources and the orderly access to exploitation, utilisation and protection of certain marine living resources and for these purposes for the exercise of control over marine living resources in a fair and equitable manner to the benefit of all the citizens of South Africa	National, except for aquaculture	Fisheries
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	Provides for the authorisation of the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products and to establish a National Agricultural Marketing Council	Concurrent	Directorate: Marketing
Meat Safety Act, 2000 (Act No. 40 of 2000)	Provides for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat; to establish meat safety schemes and to provide for matters connected therewith	Concurrent Provincial Local	Directorate: Veterinary Public Health
National Forests Act, 1998 (Act No. 84 of 1998)	Promotes the sustainable management and development of forests for the benefit of all; creates the conditions necessary to restructure forestry in state forests in relation to the protection and sustainable use	National, except indigenous forests Concurrent	Branch: Forestry
National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)	Combats veld, forest and mountain fires throughout the Republic	Concurrent Local	Branch: Forestry



Act number and year	Purpose	Functional competence	Responsibility
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	Provides for the establishment of a company to manage the institution known as Onderstepoort Biological Products	National	Directorate: Animal Health
Performing Animals Protection Act, 1935 (Act No. 24 of 1935)	Provides for the regulation of the exhibition and training of performing animals and the use of dogs for safeguarding	Concurrent Provincial Local	Directorate: Animal Production
Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)	Provides for the control of perishable products intended for export from the Republic of South Africa	National	Directorate: Food Safety and Quality Assurance
Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)	Provides for a system whereby plant breeders' rights relating to varieties of certain kinds of plants may be granted and registered; for the requirements which have to be complied with for the granting of such rights; for the protection of such rights and the granting of licences in respect of the exercise thereof	National	Directorate: Genetic Resources
Plant Improvement Act, 1976 (Act No. 53 of 1976)	Provides for the registration of premises from which the sale of certain plants or the cleansing, packing and sale of certain propagating material may be undertaken; prescribes the conditions subject to which such plants or propagating material may be sold for the purposes of cultivation	National	Directorate: Plant Production
Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)	Provides for control of societies for the prevention of cruelty to animals and for matters connected therewith	Concurrent Provincial Local	Directorate: Animal Production
Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)	Provides for the subdivision and, in connection therewith, the use of agricultural land	Concurrent Provincial Local	Directorate: Land Use and Soil Management
Veterinary and Para-veterinary Professions Act, 1992 (Act No. 19 of 1992)	Provides for the establishment, powers and functions of the South African Veterinary Council	National (only in respect of the regulation of veterinary services)  Provincial (except the regulation of veterinary services)	Directorate: Veterinary Public Health

## GOVERNMENT POLICY FRAMEWORKS THAT GOVERN THE DAFF

### National Development Plan

The strategic goals and associated objectives of the Department of Agriculture, Forestry and Fisheries, namely: Effective and efficient strategic leadership, governance and administration; an enabling environment for food security and sustainable agrarian transformation and enhanced production, employment and economic growth in the sector, are responses to achieve the National Development Plan's (NDP) objectives and targets. The goals and associated objectives have been reviewed to address the priorities identified in the NDP.



To align with these priorities, objectives and targets, the Department aims to continue providing comprehensive support to all categories of producers. The support will increase the number of people participating in different sectoral activities and therefore participating in the economy of the country. In rural areas, the focus will be on support to subsistence and smallholder producers in line with the expectations of the NDP, namely that a third of the food surplus should be produced from small-scale farmers or households and about one million jobs created from primary production and secondary agro-food sectors. The Department aims to support targeted land reform beneficiaries as the NDP also supports the land reform objective. In contributing to the sustainable use of natural resources in the sector, DAFF will implement sustainable development programmes that ensure protection of biomes and endangered species, rehabilitation of degraded land and climate change mitigation and adaptation strategies.

The Department also aims to contribute by implementing various strategies to improve the production efficiencies for smallholder producers. These include organising smallholder producers into commodity-based organisations, increasing their collective bargaining power in negotiations for production inputs and markets, as well as providing support and training to SMMEs. Implementation of our transformation initiatives such as the AgriBEE Charter, Forestry Charter and allocation of commercial fishing rights will facilitate and promote participation in the economy of the country. Three key programmes are aligned with the priorities, namely Fetsa Tlala, aimed at massive production of staple foods on fallow land that has the potential for agricultural production; Ilima/Letsema, aimed at supporting sustainable agriculture and promoting rural development for smallholder producers and LandCare to address land degradation problems and encourage sustainable use of natural resources.

In addition to the above, the NDP also states that agriculture has the potential to create close to one million new jobs by 2030 through:

- Expanding irrigated agriculture—the 1,5 million ha under irrigation could be expanded by at least another 500 000 ha to 2 million ha
- Cultivating underutilised land in communal areas and land reform projects for commercial production
- Supporting commercial agricultural industries and regions with the highest growth and employment potential
- Supporting upstream and downstream job creation
- Finding creative opportunities for collaboration between commercial farmers, communal farmers and complementary industries
- Developing strategies that give new entrants access to value chains and support.

Although the NDP indicates that the estimated 1,5 million ha under irrigation (about 50 000 ha is located in former homelands and allocated to smallholders) can be expanded by 500 000 ha, the Bureau for Food and Agriculture Policy (BFAP) has since revised this figure downward to 145 184 ha. The Department of Water and Sanitation, in the National Water Resources Strategy (NWRS) indicates that there is water available for the expansion of irrigation by 80 000 ha. However, based on available water resources and land which is suitable for irrigation, DAFF calculates that only 35 000 ha can be further developed.

### **New Growth Path**

The New Growth Path (NGP) is a national policy which broadly aims to unblock private investment and job creation to address systematic blockages to employment-creating growth (infrastructure, skills, regulatory framework, etc.). It focuses on productive sectors and proactively intends to support industries, activities and projects that will generate employment. The NGP has identified job drivers for growth, namely: Infrastructure, agricultural value chains, mining value chain, manufacturing, tourism and high-level services, green economy, knowledge economy, social economy, public sector, rural development and African regional development. The NGP further identifies agriculture as one of the key job creating sectors, with the potential to create job opportunities for 300 000 households in agriculture smallholder schemes and 145 000 jobs in agro-processing by 2020.

The DAFF will capitalise on the job drivers mentioned above and specifically in areas relevant to the sector such as the agricultural value chains, rural development and African regional development. In the short to medium term the Department will institutionalise the various value chain networks, which support labour-absorbing activities to accelerate employment creation through agricultural smallholder schemes. In pursuance of job creation in agro-processing, DAFF has contributed to the implementation of intergovernmental agro-processing programmes. Through the implementation of an agro-processing policy, the Department will continue to facilitate access to appropriate agro-processing technology and mainstream markets.





As contribution to the African regional development, DAFF continues to implement South Africa's foreign policy objectives, through the facilitation of SADC and AU engagements and implementation of the South-South Cooperation Agreement with emphasis on BRICS. The International Relations Strategy is an instrument put into place to interact with various sector stakeholders at regional and international level in support of producers to access international markets.

### Industrial Policy Action Plan

The Industrial Policy Action Plan (IPAP) takes place within the framework of continuous improvements and upscaling of concrete industrial development interventions, as set out in the National Industrial Policy Framework (NIPF). IPAP aims to upscale key interventions over a rolling three-year period, with a 10-year outlook on desired economic outcomes. The NIPF has the following core objectives, namely to:

- Facilitate diversification beyond the economy's current reliance on traditional commodities and non-tradable services that require the promotion of value addition, characterised particularly by the movement into non-tradable tradable goods and services that compete in export markets and against imports
- Ensure the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy
- Promote a labour-absorbing industrialisation path, with the emphasis on tradable labour-absorbing goods and services and economic linkages that create employment
- Promote industrialisation, characterised by the increased participation of historically disadvantaged people and marginalised regions in the industrial economy
- Contribute towards industrial development in Africa with a strong emphasis on building the continent's productive capacity and securing regional economic integration.

The IPAP is framed by and constitutes a key pillar of the NGP and has a particular role to play in making employment dynamic and ensure growth in the economy through its focus on value-adding sectors that embody a combination of relatively high employment and growth multipliers. Government interventions set out in the NGP, the National Development Plan Vision 2030 and other policy documents aim to ensure that crucial steps in support of the restructuring of the economy are secured to set it on a more value-adding and labour-intensive growth path. The success of the IPAP depends fundamentally on working towards stronger coherence and mutual support between macro and microeconomic policies. Agro-processing is strongly linked to South and Southern Africa's economic growth rate. The domestic market, therefore, represents an attractive prospect for the agro-processing sector in general. South Africa possesses competitive advantages in a number of fruit and beverage subsectors, which if fully exploited, would place the country among the top 10 export producers of high-value agricultural products. Products such as high-quality wines, indigenous rooibos and honey bush tea and certain fruit types are highly sought after in export markets.

The decline in natural fish resources and growing demand create opportunities for farming of a range of fish species. South Africa has the potential to create significant numbers of jobs in meeting local demand for fish, for example, trout and international demand for abalone and mussels.

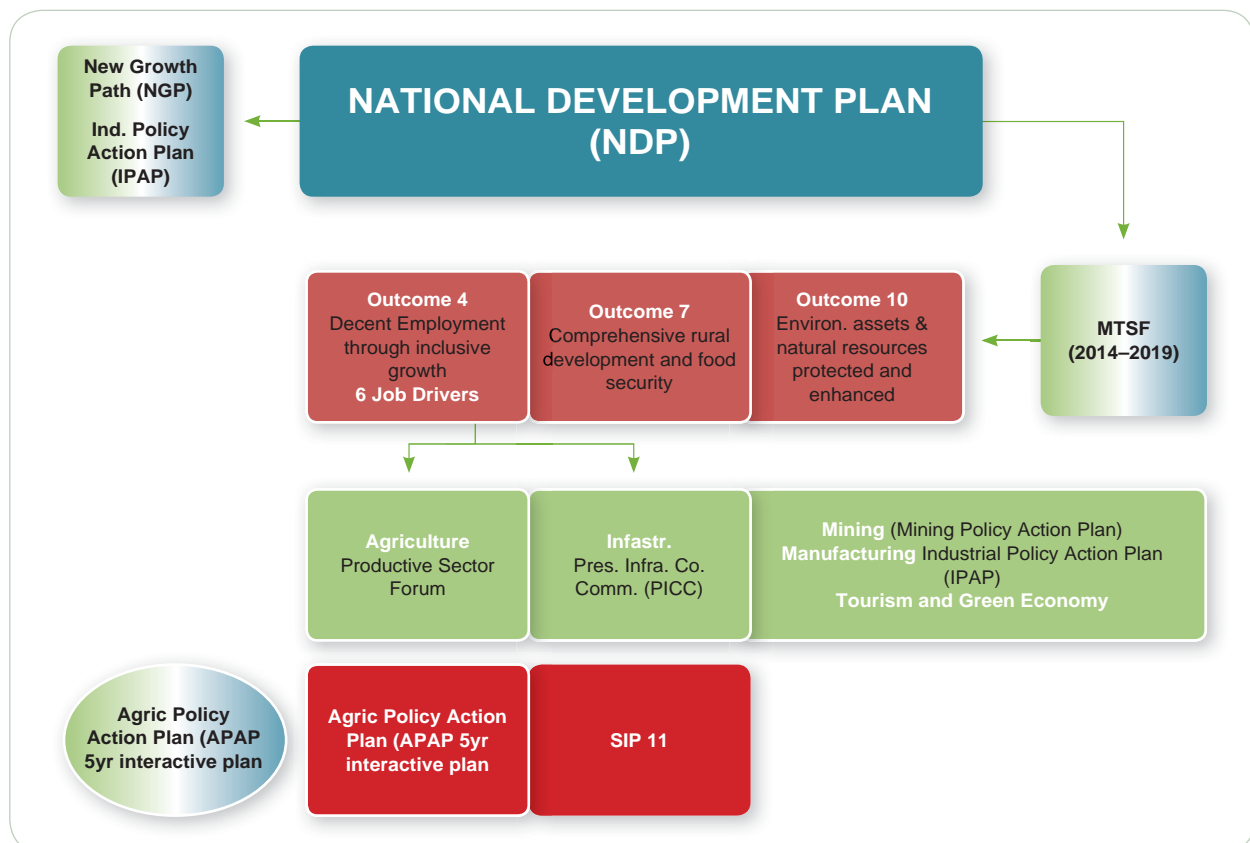
The small-scale milling sector appears to be viable and with moderate assistance from government, it could play an important role in reducing the cost of basic food products, thereby alleviating poverty, reducing hunger and contributing to a competitively priced milling and baking subsector.

### Agricultural Policy Action Plan (APAP)

The challenges facing the agricultural, forestry and fisheries (AFF) sectors are numerous: Rising input costs, an uneven international trade environment, lack of developmental infrastructure (rail, harbour, electricity) and a rapidly evolving policy and production environment. At the same time, transformation of the AFF sectors has been slow and tentative. Based on this analysis of the various challenges within the AFF sectors the Agriculture, Forestry and Fisheries Strategic Framework was developed to outline appropriate responses to these challenges. The APAP aims to translate these high-level responses offered in the AFF Strategic Framework into tangible, concrete steps. The AFF Strategic Framework identifies four broad sector goals (Equitable growth and competitiveness; Equity and transformation; Environmental sustainability and Governance), which translate into a comprehensive, abiding intervention framework, which will be supported through iterations of APAP via short and medium-term interventions targeting specific value chains (sectoral interventions) or transversal challenges (transversal interventions).



The mandate of the DAFF was punctuated in the 2015 State of the Nation Address when the President stated that “Our economy needs a major push forward,” and in this context the President announced a “nine point plan to ignite growth and create jobs,” one of which is “Revitalising agriculture and the agro-processing value chain.” The success of the Revitalisation of the agriculture and the agro-processing value chain will be measured in terms of food security, job creation and contribution towards the GDP. The APAP, which was approved by Cabinet in March 2015, is a programmatic response to Priority 1, the Revitalisation of agriculture and the agro-processing value chain. It outlines a value chain approach in priority commodities, informed by the commodities with high-growth potential and high-labour absorption capacity identified in the NDP. Therefore, the implementation of the APAP sector and cross-cutting interventions are inextricably linked to the Revitalisation of the agriculture and agro-processing value chain (RAAVC).



As illustrated in the above figure, APAP aligns itself to the NGP, NDP and the MTSF in respect of Outcomes 4, 7 and 10.

For APAP to effectively address Outcomes 4, 7 and 10 and to attain the objectives set out in the NDP, NGP and IPAP, it has to unlock the productive potential of agriculture, forestry and fisheries by considering the nature of their binding constraints, whether these be at the level of primary production, beneficiation, or marketing, or, indeed, a combination of these. However, different sub-sectors within agriculture, forestry and fisheries operate according to different dynamics and face distinct challenges. Therefore, there is a need to be selective as to which sub-sectors or value chains to focus upon in the short and medium term, while also recognising that agricultural commodities in particular are often interrelated, in which case it is more helpful to speak of “integrated value chains.” Using the following general selection criteria, this first iteration of APAP focuses on a discrete number of value chains identified as strategic in meeting the objectives of the NDP, NGP and IPAP:

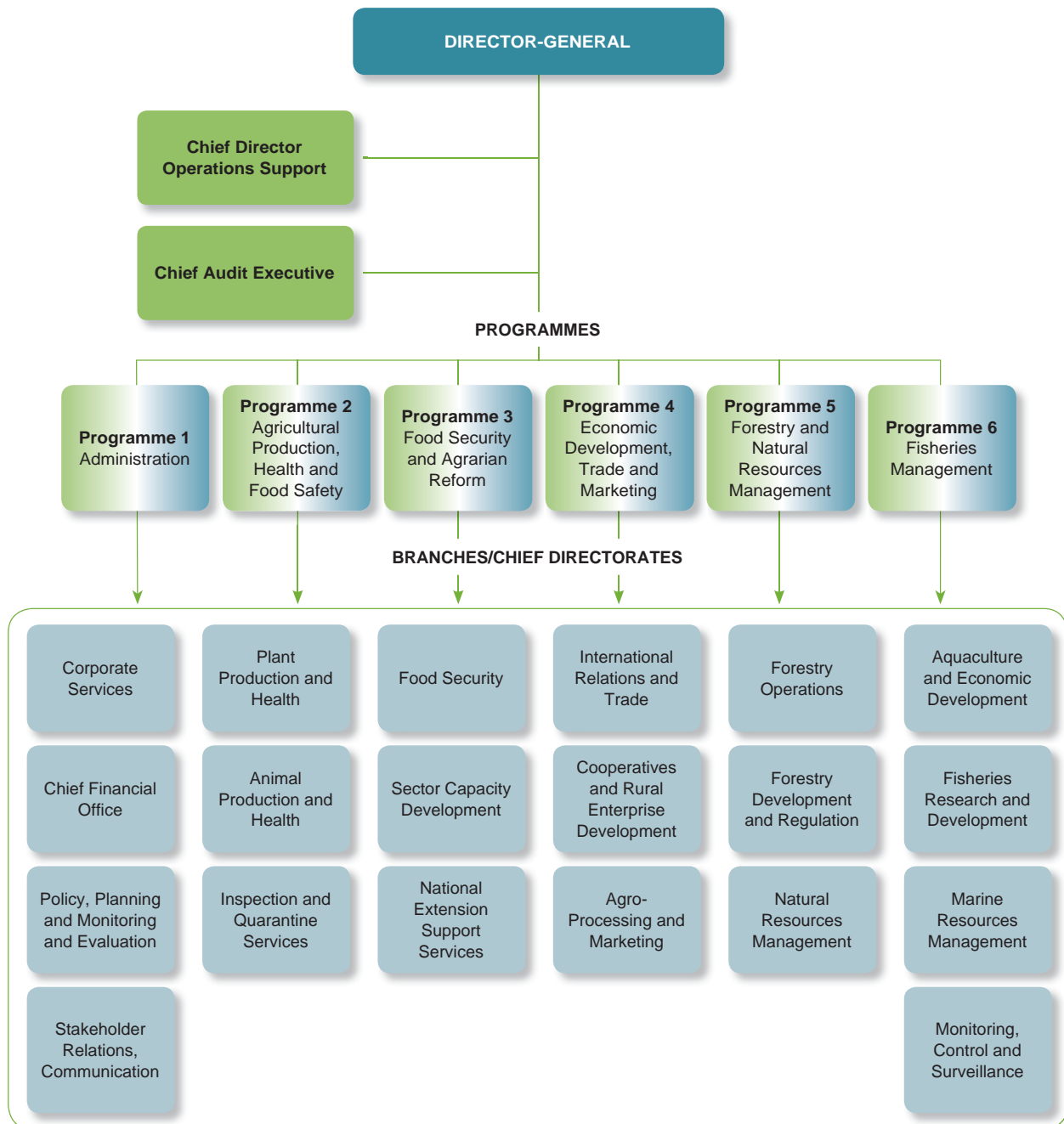
- Contribution to food security
- Job creation
- Value of production
- Growth potential
- Potential contribution to trade balance (including via export expansion and import substitution).



However, the first iteration of APAP is not offered as a fully comprehensive plan; rather, based on the model of the Industrial Policy Action Plan (IPAP), it identifies an ambitious, but manageable number of focused actions in anticipation of future APAP iterations that will take the process further. APAP is planned over a five-year period and will be updated on an annual basis.

### Organisational structure

The Department of Agriculture Forestry and Fisheries implemented its service delivery interventions in 2015/16 through the following organisational structure:



## Entities reporting to the Minister

Name of Entity	Legislative mandate	Financial relations	Nature of operations
Agricultural Research Council (ARC)	Agricultural Research Act, 1990 (Act No.86 of 1990)	Transfer payment	Conducts fundamental and applied research with partners to generate knowledge, develop human capital and foster innovation in agriculture through development and transfer of technology, and the dissemination and commercialisation of research results
Marine Living Resources Fund (MLRF)	Marine Living Resources Act, 1998 (Act No.18 of 1998)	Transfer payment	Manages the development and sustainable use of South Africa's marine resources and protects the integrity and quality of the marine ecosystem
National Agricultural Marketing Council (NAMC)	Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996)	Transfer payment	Provides strategic advice to the Minister on all agricultural marketing issues, improves market efficiency and market access by all participants, optimises export earnings and improves the viability of the agricultural sector
Onderstepoort Biological Products (OBP)	Onderstepoort Biological Products Incorporation Act, 1999 (Act No.19 of 1999)	None	Prevents and controls animal diseases that impact on food security, human health and livelihoods. It aims to ensure financial viability to sustain the strategic capabilities in manufacturing veterinary vaccines
Perishable Products Export Control Board (PPECB)	Perishable Products Export Control Act, 1993 (Act No.9 of 1983) Agricultural Product Standards Act, 1990 (Act No.119 of 1990)	Transfer payment	The PPECB Act requires the board to ensure the orderly export of all perishable products and to monitor the maintenance of a continuous cold chain for exports. The Agricultural Product Standards Act requires the board to monitor minimum quality standards and adherence to bilateral agreements with importing countries
Ncera Farms (Pty) Ltd	None	Transfer payment	The objective of Ncera Farms is to provide extension, mechanical services and agricultural support services to the farmers settled on Ncera Farmland, as well as the neighbouring communities



## Economic overview

The Reserve Bank has lowered its growth outlook for 2016 to 0,8% from 0,9%, while the National Treasury cut its projection to 0,9% from 1,7%. The World Bank revised its projection to 0,8% from 1,4% and the International Monetary Fund estimates growth at 0,7%. The economy grew at 1,3% in 2015. A growth rate of at least 7,2% from 2018 is needed if the country wants to gain ground in the war against unemployment and poverty as per the NDP targets. A downgrade by rating agencies to sub-investment grade would trigger higher borrowing costs, capital outflows and further depreciation of the Rand; the risk of a recession with knock-on implications for poverty reduction and possibly social stability in the longer term. The deterioration in the economic outlook reflects a sharper economic slowdown in China, lower commodity prices, domestic policy uncertainty and the current drought situation. Although South African agriculture will increasingly have to look to the rapidly growing African economies as potential markets, drought is currently gripping the sector with both crop and livestock production expected to decline sharply. Maize production has declined by at least 27% from last year to 7,26 million tons and about 3,8 million tons of maize will have to be imported. White maize contracts are trading around R5 000 per ton. Food prices are also expected to increase by at least 20% this year, putting upward pressure on overall inflation.

While South Africa continues to be a net exporter of agriculture, forestry and fisheries products, exports are still concentrated in primary agriculture products and the country is a net importer of processed agriculture products. Although a weaker Rand has the ability to stimulate economic activity and producers enjoy higher commodity and export prices, this comes at a considerable cost. A weaker exchange rate impoverishes South Africans compared to the rest of the world in terms of buying power. A weaker exchange rate also leads to higher inflation, which, in turn, leads to higher interest rates.

Regarding the African Growth and Opportunity Act (AGOA), agreements on the three meats (poultry, beef and pork) require revision of inspection infrastructure for both abattoirs and ports of entry. Furthermore, increased inspection capacity will be required for USA imports. It is expected that the EU and other trading partners will request equal treatment in line with the Sanitary and Phytosanitary (SPS) agreements with the USA. Testing and treatment technologies will need to be enhanced to accommodate previously rejected consignments. The DAFF will allocate and administer the 65 000 tons of poultry quota – minimum of 50% to HDIs. Furthermore, meat safety to be implemented by government will require the recruitment of additional meat inspectors and examiners, as well as fruit inspectors and port officers at an estimated cost of R885 million over the MTEF.

South Africa is in its second year of drought – the worst since 1904 – and a strong El Niño has exacerbated this, leaving the agricultural sector with water shortages in many municipalities and six provinces have been declared disaster areas under the NDMC and PDMC. The drought has resulted in estimated losses of R16 billion. The government's response to the drought currently amounts to more than R1 billion. Included in this amount is the allocation of R528 million to smallholder producers and at least R130 million to support indebted commercial farmers by the IDC and Land Bank. The IDC has also committed R500 million in soft loans to producers. A total of R2,8 billion has also been allocated to the Fetsa Tlala food security initiative over the MTEF. The Department of Water and Sanitation has further re-prioritised R502 million to deliver water, protect springs and refurbish boreholes. The Agri-parks programme, which is aimed at increasing the participation of smallholder producers in the agricultural value chain, has been extended to 44 districts, and a total of 17 projects associated with the programme are at various stages of construction. Some 25 000 producers will be supported focusing on commodities such as grain, fruit, vegetables and red meat. The Agri-parks programme aims to generate 100 000 jobs over the next three years.

The South African economy is being held back by the global economic slow-down and drought conditions in the country, inadequate power supply and possible downgrade by the ratings agencies; household finances that are under pressure due to high debt levels, slowing income growth, unemployment and inflation. Some of these problems are "home grown," but our economy typically also follows the global cycle. If world growth improves, our economy will benefit in the form of increased exports. The Rand is still vulnerable given the country's reliance on foreign capital inflows to fund large current account and fiscal deficits. However, an economic bright spot is the relatively low oil prices, which have more than halved in less than a year to around \$45 per barrel, reducing input costs.

The contribution of agriculture to economic growth and job creation is far below the potential of the sector and therefore agriculture was identified as "a catalyst for growth and food security." The strategic logic for identifying agriculture as a growth sector is because agriculture delivers more jobs per Rand invested than any other productive sector. As such, the National Development Plan estimates that agriculture could potentially create one million jobs by 2030. However, the conditions for meeting this target include a focus on high growth commodities, in combination with improved delivery on land reform and improved livelihoods within communal areas.



The March 2016 Quarterly Labour Force Survey of Statistics SA indicates that the number of employees in agriculture increased by 15 000 quarter-to-quarter, but there were job losses year-on-year of 16 000. However, the Department is confident that there will be an annual growth in job opportunities through the institutionalisation of the Agricultural Policy Action Plan (APAP) and the *Revitalization of the agriculture and agro-processing value chain (RAAVC)*, as well as the increase in the productivity and production of strategic commodities by smallholder producers. Furthermore, the General Household Survey of Statistics SA suggests that less than 231 000 or 2% of households in South Africa practice smallholder agriculture. By comparison, some 2,8 million or 18,4% of households practice subsistence agriculture.

### Agricultural sector

The contribution of agriculture to GDP declined over the past 20 years to an average of 2,5%, and showed an average decline of about 3,0% per annum since 1993. Although the contribution of primary agriculture to GDP is low, the broader agro-food complex contributes about 12% to GDP.

The number of commercial farms in primary agriculture has declined from almost 120 000 in 1950 to around 37 000 at present (based on the last Agricultural Survey of 2014). This decline has been accompanied by a commensurate increase in average farm size and a change in the technology mix on farms. As farms grow larger, they tend to rely less on labour and more on capital and industrial inputs. While different branches of agriculture have distinct characteristics, the overall trend has been one of job losses, both in terms of regular and permanent jobs, as well as casual and seasonal jobs, while 33% were engaged as casual/seasonal workers in 2014.

The phenomenon of increasing farm sizes and declining farm employment is common to many other countries. However, whereas elsewhere this phenomenon normally coincides with a growing scarcity of labour because of more attractive opportunities elsewhere in the economy, in South Africa it is happening amidst a deepening problem of rural unemployment. Reversing this trend requires a combination of interventions such as encouraging the fuller use of land within commercial farming areas, especially via Conservation Agriculture and land redistribution; strengthening the smaller stratum of large-scale commercial farms, which account for a disproportionate share of farm jobs and promoting a better balance between large scale commercial farms and smallholder farms via land reform and development within the former homelands.

It is important to note that the competitiveness of agriculture is being eroded by high and rising input costs. For example, the value of imported fertilisers, diesel and machinery, have for many years exceeded the value of agricultural exports, meaning that even though agriculture may appear to make a positive contribution to the trade balance, this is not necessarily the case. An argument is now emerging that the key is to promote a shift from conventional agriculture to “climate-smart agriculture” such as Conservation Agriculture. Whereas climate-smart agriculture has long been argued on grounds of environmental sustainability and reducing production risk, another advantage is that it can achieve the same or greater productivity, but with greatly reduced production inputs. This will have the effect of making producers more competitive by lowering input costs.

The challenge of developing the smallholder sector (small-scale farmers who produce for the purpose of deriving an income) is closely tied up with the challenge of making smallholder agriculture more remunerative. Currently, more than half of all smallholder households live below the poverty line. The footprint of government support services reaching smallholders has been improving. For instance, since the implementation of the Extension Recovery Programme in 2008/09, the number of Extension Officers has increased from 2 210 to the current 3 700. According to the 2015 report by the University of Pretoria on the impact evaluation of CASP, about 67% of the farmers received extension advice before CASP and the proportion was 84% after CASP. This momentum must be increased, and other forms of support must improve as well.

Presently, about three quarters of smallholders farm within the former homelands and the rest are split between urban areas and commercial farming areas. There is scope to increase the size of the smallholder sector in each of these areas. In the former homelands, there are thousands of hectares of underutilised arable land that can be put back into production, especially with concerted support for input access, mechanisation services, technical support and linkages to markets. Smallholders in urban areas are poorly supported at present, but could contribute to local vegetable production in particular.

Globally, approximately 795 million people are undernourished, less than 167 million over the last decade and 216 million less than in 1990-92. The decline is more pronounced in developing regions, despite significant population growth. Regionally, hunger has decreased by 30% between 1990-92 and 2015. According to the State of Food Insecurity in the World Report of 2015, this 30% decline translates to approximately one person out of four in sub-Saharan Africa being undernourished today compared to a ratio of one person out of three in 1990-92. In South Africa, about 14,1 million (26%) of people are still predisposed to hunger and malnutrition and therefore do not have enough



food to eat, thereby increasing levels of absolute poverty every year. The General Household Survey of Statistics SA indicates that the figure steadily increased from 12,0 million in 2011, 13,6 million in 2012, and 13,8 million in 2013. As a result the National Policy on Food and Nutrition Security was approved by Cabinet in 2013, followed by the launch of the Fetsa Tlala Food Production Initiative to place one million hectares of fallow land under production in line with the MTSF for Outcome 7. The Department will continue to provide targeted support programmes such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema in order to realise enhanced food production, contributing towards the eradication of hunger by 2030.

### Forestry sector

Although forestry contributes a modest 0,7% to the GDP, it supports manufacturing sub-sectors such as sawmilling and paper and pulp production, as well as mining and construction. It is estimated that in 2011 there were about 63 000 jobs in commercial forestry itself and another 52 000 in direct processing jobs. Of the total land area of 122,3 million hectares in South Africa, only 1% or 1,273 million ha is used for forestry. In 2012, plantation area as a percentage of land area by province totaled 40,9% in Mpumalanga, 39,6% in KwaZulu-Natal, 11,2% in the Eastern Cape, 4,4% in the Western Cape and 3,8% in Limpopo. The production of round wood in the same year came to 18,776 million cubic metres, while the value of sales amounted to R20,7 billion.

An analysis of the trends of commercial forestry hectares planted by tree type and primary use indicates that, firstly, there has been a marked decline in both softwood and hardwood plantation hectares planted since the mid-1990s and secondly, there has been a marked increase in hectares for pulpwood purposes as compared to the hectares for saw logs and mining timber.

- Underlying these trends are various factors, but in particular the tighter regulatory framework governing water usage—forestry is regarded as a water diversion land use, therefore, permits are required to expand the area under plantations. Other factors include the privatisation of much of what had been state forests, which has resulted in private sector lessees favouring shorter-term returns via pulpwood use over longer-term returns from saw logs, as well as the State's poor upkeep of Category B and C plantations, which has reduced their productivity. While there is still a net surplus of sector exports over imports, the margin has narrowed by 32% since 1992 and the sector predicts that South Africa will soon become a net importer, especially of saw logs. These in turn will likely result in a significant increase in costs in the construction industry, with further implications for the property market and human settlement. One sub-sector that has already been affected by the decline in timber supply is sawmilling, with the number of sawmills increasing from 96 to 115 between 1996 and 2004, but then declining to 90 by 2010. While it is clear that the private sector does have good management capacity and has also ushered in efficiencies across the value chain, the State must still play a significant role to ensure adequate levels of investment, especially for longer-rotation timber/saw log plantations.

The forest products industry ranks amongst the top exporting industries in the country. The forestry sector maintained a positive trade balance, with a total value of R19,3 billion in 2013 for exported forestry products. The main markets for forestry exports in 2013 were China (11%), Indonesia (10%), Namibia (8%), Japan (8%) and Botswana (7%). Paper and paper board, wood pulp, wood and articles of wood and charcoal were the leading export products and constituted 94% of total forestry products.

Total investment in forestry amounts to R25,6 billion. Mpumalanga has the highest investment in plantations of 42% or R10,7 billion, followed by KwaZulu-Natal with R8,9 billion (35%), the Eastern Cape at R3,2 billion (12,8%), the Western Cape amounting to R1,5 billion (6%) and Limpopo at R1,1 billion (4,2%).

### Fisheries sector

The fisheries sector contributes roughly 0,1% to the GDP, which is small even by the standards of agriculture. However, it is more important for economic development in the Western Cape where 11 of the 13 proclaimed fishing harbours are situated. These contribute more the 5% to Gross Provincial Domestic Product.

The total output is estimated at 600 000 tons worth about R6 billion, depending on the Pelagic catch of pilchards and anchovy, which could be as much as 600 000 tons. It is estimated that the direct employment in the industry constitutes approximately 27 000 jobs (16 000 in the primary sector and 11 000 in the secondary and tertiary sectors), while an additional 81 000 people are indirectly (net building, bait preparing, etc.) employed in industries that are at least partially dependent on the fishing sector (figures based on industry estimates and the Total Allowable Catch and Total Allowable Effort, calculated as a function of tonnage). Fisheries output is determined by catch volumes, which in turn depends on the health and management of fish stocks, varying according to ecological changes and subjected to over-exploitation through illegal, unreported and unregulated fishing activities.



Inshore species are especially vulnerable to stock depletion, as they are easily accessed, especially illegally. According to one study, 68% of commercial line fish stocks have collapsed and another 11% are overexploited. DAFF seeks to prevent overexploitation by means of assigning Total Allowable Catch and/or Total Allowable Effort per species, which are adjusted on a regular basis depending on the estimated state of the resource. DAFF has also sought to promote transformation in the sector through inclusion of small-scale fishing communities. The amended Marine Living Resources Act will grant small-scale fishing communities better access to fishing rights and resources.

The effective management of the existing 12 harbours and proclamation of additional new harbours will support resource management. Although wild catch fisheries appear unlikely to expand beyond their present levels, aquaculture is becoming more important as a substitute for wild capture fisheries. While the marine-based “mariculture” part of aquaculture has been around for some years, focusing on species such as abalone, oysters and mussels, freshwater aquaculture is experiencing a rapid expansion, owing in part to government’s multipronged aquaculture promotion campaign.

Aquaculture has been included in the Oceans Economy Operation Phakisa. Globally, wild fish stocks have been dwindling, growing at a modest 1% per annum, while aquaculture has grown by 7% and accounts for 44% of the global fish production. Therefore, aquaculture is seen as a quick win for growing the oceans economy. Through Operation Phakisa and the detailed plans on the development of 24 marine and inland aquaculture projects, which are being implemented, the expectation is to increase production from the current 4 000 tons to 20 000 tons per year, increase the current value of aquaculture from R400 million to R6 billion and create up to 210 000 sector jobs by 2030.





# Part B

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## Performance information



## AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The audit conclusion on the performance against predetermined objectives has been included in the report to management, with material findings being reported under the *Predetermined Objectives heading in the Report on other legal and regulatory requirements* section of the Auditor-General's report.

Please see page 155 of the Report of the Auditor-General, published as Part E: Financial information.

## OVERVIEW OF DEPARTMENTAL PERFORMANCE

### Service delivery environment

During 2015/16, the Office of the Director-General (ODG) continued with the implementation of the Risk Management Plan. The Project Risk Assessment was conducted and Risk Management Strategy, Risk Communication and Awareness Plan and the Risk Management Committee Charter were also reviewed during 2015/16. Furthermore, the Fraud Prevention and Anti-Corruption Strategy was reviewed and approved for 2016/17.

Quarterly Internal Audit status reports were consolidated to reflect progress on the implementation of the approved Risk-based Annual Audit Plan. Analysis of the Q1, Q2 and Q3 of 2015/16 departmental performance reports was also done with the aim of indicating improvement in the areas that needed critical attention.

During 2015/16, four country market profiles for Argentina, Azerbaijan, United Arab Emirates and Malaysia were compiled and uploaded on the departmental website. The main aim of these reports is to indicate possible trade opportunities with regard to specific countries. A trade opportunity analysis report was also compiled. The report identifies opportunities in export markets for the fruit industry. Reports on the implementation of capacity building and international market intelligence were also compiled.

In order to ensure that the interests of South Africa are advanced, realised and supported on local and international fora in an efficient and effective manner; two reports were compiled, namely: Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums and the Report on strategic engagement of partners within Africa and African multilateral agencies for implementation of the joint projects and action plans. Both reports provide all activities done with regards to Africa and the Americas, Australasia, Europe and Middle East relations.

A total of 18 commodity-based cooperatives were established and 105 cooperatives supported with training in various provinces for 2015/16. Commodity-based cooperatives offer small agricultural producers opportunities and a wide range of services, including improved access to markets, natural resources, information, communications, technologies, credit, training and warehouses, while training of cooperatives in the sector is the foundation for the promotion of sustainable and viable cooperative enterprises that have the power to mobilise resource-poor farmers to self-sustaining enterprises, thereby contributing to job creation and income generation by rural communities.

Annual reports on the status of transformation in both the agricultural and forestry sectors were also compiled. The department is in the process of developing AgriBEE Enforcement Regulations in order to fast track the implementation of the AgriBEE Sector Code by the industry stakeholders.

The Citrus Emerging Excellence Programme (CEEP) was implemented during the year under review and a report has been compiled. The programme has been a learning curve for the farmers, Citrus Academy and DAFF. The programme managed to reach out to growers who were in need of training and it offered them an opportunity to understand the citrus export market and other elements in the value chain. The South Africa Good Agriculture Practice (SA-GAP) Certification Programme for smallholder producers of fresh produce was also implemented. A total of 12 farms were certified.

Annual reports on the implementation of the Aquaculture Value Chain Round Table (AVCRT) and Fruit Industry Value Chain Round Table (FIVCRT) were compiled. The aim of these round tables is to foster collaborative industry-government action that helps to secure an enduring global advantage without limiting the round table to issues and developments that are external to South Africa. Some benefits of the VCRTs are the opportunity to develop solutions to frequent dilemmas such as transportation, labour, market access, energy challenges, access to a network of extensive knowledge and experience, advocacy for improved trade conditions and guiding and directing research, etc.

The draft PDALF Bill was developed, which is a comprehensive piece of legislation that will protect agricultural land by more than just controlled subdivisions. The biogas production integrated crop-livestock system was also implemented in the Eastern Cape, Limpopo and North West. The biogas project responds to the adaptation and mitigation for climate change through the effective implementation of prescribed frameworks.

A total of 2 279,79 ha of temporarily unplanted areas were planted during 2015/16. South Africa is currently experiencing a shortage of timber and is constrained to meet the national demand for sawlog timber. Therefore, by the planting of these currently fallow areas, a strategic contribution can be made to the timber supply in order to meet the needs along the value chain. A total of 302,65 ha of woodlands and indigenous forests and 25 207,29 ha of agricultural land were rehabilitated. The rehabilitation of these hectares will ensure the conservation, protection, rehabilitation and recovery of degraded natural resources.

The development of the draft Strategy for Agro-forestry has been fully achieved. The strategy addresses issues relating to multiple land use, conservation and diversification with the resultant minimisation of risk in land-based enterprises. It contributes towards judicious methods of cultivation, conservation and protection of natural resources, including sustainable forest management. The achievement of this target will address the short-term needs of forestry growers while they wait for their harvest, which comes after a period of ten years or longer.

The agricultural sector has been severely affected by the drought. This has impacted negatively on some of the programmes that are managed by the Branch: Food Security and Agrarian Reform. However, the branch has focused its energies on supporting the mitigation measures through the drilling of boreholes. In furthering market access for smallholder producers, the branch facilitated a working relationship with Tiger Brands, which will see producers from Limpopo, North West, Gauteng, Northern Cape and the Western Cape benefiting during the implementation of the first phase of the implementation of the agreement.

The University of Fort Hare has concluded a feasibility study on family farming. The study confirmed the need to promote smallholder interventions in farming and the significant role that the family plays in farming and contributing to food security.

Unemployed youth were placed in various units within DAFF to gain experience. Of the 230 graduates, 175 are currently placed in various units and 25 are placed with the Perishable Products Export Control Board (PPECB) as export technologists. In addition, 30 are deployed to various APAP aligned farms to be groomed as young entrepreneurs.

Vulnerability assessment work that was co-funded by the SADC Regional Vulnerability Assessment Committee (RVAC) was undertaken as planned. To date, baseline assessments were conducted in KwaZulu-Natal, the Free State and Limpopo. The work will be used to guide interventions as planned and will further provide baseline information regarding the vulnerability of households and communities in South Africa.

As part of the Imbizo Focus Week, the Minister, Mr Senzeni Zokwana, handed over 138 Namaqua Afrikaner Sheep to farmers in Mothibistad. In the past year, DAFF, together with the Northern Cape Province initiated a project on the conservation and sustainable use of the Namaqua Afrikaner sheep breed. As part of this project, 23 farmers from Dr John Taolo Gaetsewe District Municipality were trained in conservation strategies for farm animal genetic resources, sheep husbandry (including disease control) protocols, as well as reproduction and breeding of sheep. Altogether 23 Namaqua Afrikaner sheep farmers (10 women and 13 men) from five local municipalities were the beneficiaries of the 138 sheep. Each farmer received five ewes and a ram to enable further breeding of these animals.

A total of 126 veterinarians were deployed to rural communities in all nine provinces. A total of 49 primary animal health care clinics were delivered. The 49 consist of 18 light delivery vehicles (LDVs) delivered to all nine provinces and 31 prefabricated mobile clinics (Prefab) were delivered to seven provinces.

## Service Delivery Improvement Plan

### Main services provided and standards

Main services	Beneficiaries	Standard of service	Desired standard of service	Actual achievement
Issue veterinary import permits	Importers	90% of permit applications received are issued within approximately eight days  On average 3 500 permits are issued per month (demand driven)	92% of permit applications received are issued within six working days	70% of the permits were issued within the turnaround time of six working days  10% of permits were issued within the turnaround time of 10 working days  20% of the permits were issued within the turnaround time of three working days

Main services	Beneficiaries	Standard of service	Desired standard of service	Actual achievement
(cont.) Issue veterinary import permits				A total of 64 032 permits were issued in the 2015/16 financial year
Issuing of all permits and fishing vessel licences (except applications relating to exemptions)	Fishing industry Fishing rights holders Recreational fishers Foreign and local vessel owners Fish import and export industry	An average of 1 500 applications received per month  80% processing of applications processed per month	About 1 500 applications received per month  85% of applications processed per month	100% of permit and vessel licence applications received are issued within 15 working days, however, the aim is to reduce the turnaround time to seven working days  A total of 10 411 applications (of which 8 837 for permits and 1 574 for vessel licences) processed and issued during 2015/16

#### Batho Pele arrangements: Beneficiaries (consultation, access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
<p>Clients are consulted via meetings and presentations</p> <p>The office also communicates via e-mail, letters, phone calls, SMS, fax and online through the website</p>	<p>Clients are consulted via meetings and presentations.</p> <p>The office also communicates via e-mail, letters, phone calls, SMS, fax and online through the website</p>	<p>Meetings were held with stakeholders</p> <p>The central e-mail was monitored daily and e-mail enquiries attended to within two working days</p> <p>Letters were sent to clients regarding the new tariffs</p> <p>Numerous phone calls were made to follow up with clients where applicable</p> <p>12 711 SMSs were sent to clients in 2015/16 compared to 3 119 SMSs in 2014/15</p> <p>Most of the clients apply in bulk, e.g. one client applies for 400 permits</p> <p>The client will only be sent two SMSs, therefore the number seems low</p> <p>Clients were faxed application forms where applicable</p> <p>Website was updated when applicable, e.g. amendment of application forms, tariffs, etc.</p>
	<p>One-on-one intensive collaboration via Customer Service Centre and workshops</p> <p>Public consultation meetings</p> <p>Management working group meetings</p> <p>Coordinated 55 road shows</p>	<p>Meetings were held with stakeholders through Management working groups and road shows which were affected by FRAP 2015/16</p> <p>Shared call number: 086 000 3474 is in place</p> <p>Several SMSs were sent to clients in 2015/16 on receipt and completion of their applications</p> <p>Application forms and requirements for permits and vessel licences were uploaded on the website</p>

#### Service Delivery Access Strategy

Access strategy	Desired arrangements	Actual achievements
<p>Veterinary Permit Office, C/O Annie Botha and Union Str., Room G52, Delpen Building, Riviera, Pretoria</p> <p><b>website:</b> <a href="http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Animal-Health/importexport">http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Animal-Health/importexport</a></p> <p><b>Tel.:</b> 012 319 7514/7476/7503/7632/7500 /7633/7461/7406 fax: 012 319 6370</p> <p><b>e-mail:</b> VetPermits@daff.gov.za</p>	<p>Veterinary Permit Office, C/O Annie Botha and Union Str., Room G52, Delpen Building, Riviera, Pretoria</p> <p><b>website:</b> <a href="http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Animal-Health/importexport">http://www.daff.gov.za/daffweb3/Branches/Agricultural-Production-Health-Food-Safety/Animal-Health/importexport</a></p> <p><b>Tel.:</b> 012 319 7514/7476/7503/7632/7500/7633/7461/7406 fax: 012 319 6370</p> <p><b>e-mail:</b> VetPermits@daff.gov.za</p>	<p>No walk-in clients are allowed for normal applications.</p> <p>The only walk-in clients accepted are the South African Police Service for the stock theft permits and emergency applications in case of live animals that must be evacuated immediately</p>

Access strategy	Desired arrangements	Actual achievements
<p>Compliance offices and fishery development workers along the coast</p> <p><b>Walk-in centre:</b> Foretrust Building Martin Hammerschlag Way Foreshore 8012</p> <p><b>Share-call:</b> 086 000 3474</p> <p><b>Telephone:</b> 021 402 3911 021 402 3259 021 402 9180 021 402 3436</p> <p><b>E-mails:</b> MagdalenaB@daff.gov.za AurielleD@daff.gov.za NaeemA@daff.gov.za Fax: 021 4023362</p> <p><b>Letters:</b> Private Bag X2, Rogge Bay, 8012 Website: www.daff.gov.za Promotion of Access to Information (PAIA)</p>	<p>Compliance offices and fishery development workers along the coast</p> <p><b>Walk-in centre:</b> Foretrust Building Martin Hammerschlag Way Foreshore 8012</p> <p><b>Share-call:</b> 086 000 3474</p> <p><b>Telephone:</b> 021 402 3911 021 402 3259 021 402 9180 021 402 3436</p> <p><b>E-mails:</b> MagdalenaB@daff.gov.za; AurielleD@daff.gov.za NaeemA@daff.gov.za</p> <p><b>Fax:</b> 021 4023362</p> <p><b>Letters:</b> Private Bag X2, Rogge Bay, 8012</p> <p><b>Website:</b> www.daff.gov.za</p> <p>Promotion of Access to Information (PAIA)</p> <p>E-permitting application process Decentralise services for coastal provinces, including inland provinces for aquaculture</p>	<p>Satellite office in Port Elizabeth is functional, though there are certain challenges such as access to ORACLE</p>

### Service Delivery Information Tool

Current/actual information tools	Desired information tools	Actual achievements
<p>Ensure that availability of updated information is on the website, e.g. application forms, tariffs, import procedures, etc.</p> <p>Post any new changes or new requirements on the website</p>	<p>Ensure that availability of updated information is on the website, e.g. application forms, tariffs, import procedures, etc.</p> <p>Post any new changes or new requirements on the website</p>	<p>Ensured availability of updated information on the website, e.g. application forms, tariffs, import procedures, etc.</p> <p>Posted any new changes or new requirements on the website</p>
<p>Through customer services centre updated notices, brochures and pamphlets were made available</p> <p>Ensure education and awareness campaigns are conducted continuously on processes of services rendered</p> <p>Ensure availability of updated information is on the website, e.g. permit application forms, fees, etc.</p> <p>Post on website any new changes or new requirements</p>	<p>Conduct 36 management working groups (to include small-scale and recreational fishing sectors)</p> <p>Conduct DDG CEO's Forum and nine commodity forums</p> <p>Update notices, brochures and pamphlets in the customer services centre</p> <p>Education and awareness campaigns conducted on processes and costs for the services</p>	<p>Ensured availability of updated information on the website, e.g. application forms, permit fees and requirements for applications</p>

## Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Establish and implement the compliments and complaints feedback box Response to complaints via letters/e-mail	Establish and implement the compliments and complaints feedback box Response to complaints via letters/e-mail	Most clients complain via telephone and the matter is attended to immediately and normally resolved within one working day
Meetings and presentations are also used as platforms to address complaints Monitor complaints	Meetings and presentations are also used as platforms to address complaints Monitor complaints	The “compliments/complaints” box was introduced in the office and clients did provide feedback A total of 102 compliments were received during the period under review A total of 157 complaints were received and resolved Meetings and presentations were also used as platforms to address complaints Complaints were monitored

## Organisational environment

The Public Entities Governance Protocol was approved by EXCO. The protocol seeks to streamline the process of planning, monitoring and reporting between DAFF and its public entities. The shifting of the function of planning, monitoring and evaluation to DPME from National Treasury in 2014/15 has led to the department continuously improving its control system, focusing mainly on administrative processes during the year under review. The evaluation of CASP and MAFISA was concluded and the reports were approved by the steering committees and presented at Cabinet. Discussions at Cabinet recommended that the improvement plans for both CASP and MAFISA should be informed by the findings of the smallholder diagnostic evaluation, which started within the period under review. The following table provides the current status

## Programme Expenditure

Programme	Evaluation type	Progress/status
CASP	Impact	Report approved and improvement plan awaiting findings of the smallholder diagnostic evaluation
MAFISA	Impact	Report approved and improvement plan awaiting findings of the smallholder diagnostic evaluation
Smallholder producers	Implementation	Consultation on draft report in progress
ERP	Implementation	Service provider appointed

## Key policy developments and legislative changes

DAFF's strategic planning process was largely informed by the MTSF for Outcomes 4, 7 and 10 as required by Treasury Regulations. The MTSF became the guiding framework for DAFF to develop its Strategic Plan. Critical actions and key outputs from the National Development Plan (NDP) were unpacked to develop indicators and targets to ensure that the department aligns towards achieving the 2030 Vision in the NDP. Cabinet approved the five-year Agriculture, Forestry and Fisheries Strategic Framework and Agricultural Policy Action Plan (APAP). The framework sets out the key challenges facing the three sectors and proposes interventions in the four areas, namely equity and transformation; equitable growth and competitiveness; environmental sustainability and governance. The strategy and the action plan will be updated on an annual basis. Land distribution is one of government's programmes that has promoted equity, but so far without accomplishing a great deal by way of transformation. Whereas the Reconstruction and Development Programme declared that the main purpose of land distribution was to alter the structure of South African agriculture, it also seeks to support the sectors so as to grow the economy and create jobs.

The Plant Improvement Bill, Performing Animals Protection Amendment Bill and Plant Breeders' Rights Bill were tabled at Cabinet. Five sectoral policies were reviewed for alignment with key government strategic documents (NDP, NGP, IPAP, AFF Strategic Framework and APAP) and recommendations made to guide alignment. The five policies reviewed are the

National Policy on Food and Nutrition Security, Animal Improvement Policy for South Africa, Agricultural Marketing Policy for South Africa, Small-scale Fisheries Policy and Biosafety Policy. The Aquaculture Bill was drafted. The draft regulations for Small-scale Fisheries Policy were published for public comment and road shows were conducted to explain the draft regulations to stakeholders and to receive their inputs. The Fishing Rights Allocation Process Framework was also drafted during the year under review.

## STRATEGIC OUTCOME ORIENTED GOALS

The DAFF strategic goals are grounded in the MTSF for 2014/15 to 2018/19. The MTSF was analysed and issues relevant to the department identified and developed into four strategic goals and strategic objectives, which will be implemented over the medium term through strategic action programmes:

Strategic goals	Strategic objectives
<p><b>Strategic goal 1</b> Effective and efficient strategic leadership, governance and administration</p> <p><b>Goal statement 1:</b> Provide leadership and administrative support to achieve sector and organisational goals in accordance with prescribed frameworks</p>	<p><b>Strategic objective 1.1</b> Strengthen the culture of compliance with statutory requirements and good governance practices</p> <p><b>Strategic objective 1.2</b> Strengthen the support, guidance and interaction with stakeholders in the sectors</p> <p><b>Strategic objective 1.3</b> Strengthen institutional mechanisms for integrated policy and planning in the sectors</p>
<p><b>Strategic goal 2</b> Enhanced production, employment and economic growth in the sectors</p> <p><b>Goal statement 2:</b> Ensure profitable and safe production that contributes to increased market access</p> <p><b>Strategic goal 3</b> Enabling environment for food security and sector transformation</p> <p><b>Goal statement 3:</b> Lead and create an enabling environment for effective implementation of government food security initiatives aimed at improving the availability of food</p> <p><b>Strategic goal 4</b> Sustainable use of natural resources in the sectors</p> <p><b>Goal statement 4:</b> Ensure sustainable use of natural resources</p>	<p><b>Strategic objective 2.1</b> Advance APAP through increased production and productivity in prioritised value chains</p> <p><b>Strategic objective 2.2</b> Effective management of biosecurity and sector related risks</p> <p><b>Strategic objective 2.3</b> Ensure support for market access and processing of agricultural, forestry and fisheries products</p> <p><b>Strategic objective 3.1</b> Lead and coordinate government food security initiatives</p> <p><b>Strategic objective 3.2</b> Enhance skills capacity for efficient delivery in the sectors</p> <p><b>Strategic objective 3.3</b> Strengthen planning, implementation and monitoring of comprehensive support programmes</p> <p><b>Strategic objective 4.1</b> Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources</p> <p><b>Strategic objective 4.2</b> Ensure appropriate responses to climate change through the implementation of effective prescribed frameworks</p>

In terms of government's outcomes-based performance management approach, the department focuses mainly on the implementation of three of the 14 national Outcomes and these are:

Outcome	Strategic goal	Programme
4: Decent employment through inclusive economic growth	SG 2: Enhance production, employment and economic growth in the sectors	2, 4, 5 and 6
7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	SG 3: Enabling environment for food security and sector transformation	3, 5 and 6
10: Protect and enhance our environmental assets and natural resources	SG 4: Sustainable use of natural resources in the sectors	2, 5 and 6

The following represent some of the contributions that DAFF made towards the achievement of Outcomes 4, 7 and 10:

#### Outcome 4

The draft Climate Change Adaptation and Mitigation Plan was gazetted for public comments. A draft report incorporating public comments has been compiled. The department continues to implement and undertake trade agreements in SACU, SADC and the Tripartite Free Trade Area with EAC and COMESA. The department continues to implement APAP. Activity in the agricultural sector contracted unabatedly throughout 2015 owing to the devastating effect of dry weather conditions on field crops, as well as animal and horticultural production.

The following trends were observed regarding the performance of production for APAP priority commodities:

#### Deciduous fruit

- Number of hectares for production of deciduous fruit 80 469 in 2015/16 as compared to 79 803 in 2014/15 which represent an increase of 666ha. 1,7 million tons of fruit were produced in 2015/16 with a gross value of R11 billion

#### Subtropical fruit

- The number of hectares for subtropical fruit increased from 42 230 ha in 2014 to 44 230 ha, representing an increase of 2 000 ha. Increased hectares came from mangos and avocado. Total value of production increased from R3,7 billion in 2014/15 to R4,1 billion in 2015/16, which represents an increase of R400 million.

#### Citrus fruit

- Citrus production for 2015/16 was 2 470 659 tons compared to 2 576 454 tons in 2014/15. The production of citrus decreased by 105 795 tons in 2015/16, while the gross value of citrus production for 2015 came to R12,6 billion.

#### Wine

- 1 156 million litres of wine were produced in 2015. There was a decrease of 25 million litres in the industry owing to the loss of hectares as result of fires in the Western Cape.

#### Red meat

- Red meat production was 1 454 000 tons for 2015. There was a decrease of 64 000 tons in 2015 as compared to 2014.

#### Vegetables

- Production of vegetables amounted to 5,2 million tons in 2015, an increase of 306 000 tons. The gross value of production also increased to R18 063 million, representing an increase of R933 million.

#### Outcome 7

- Even though agriculture has been hit hard by the drought, there has been an overachievement in the number of households supported with food production initiatives;
- The policy promoting the development and support of smallholder producers has been developed and it will be going through the departmental approval processes;
- A total of 16 447 smallholder producers were supported;
- A total of 14 968 households have been supported;
- Draft PDALF Bill was developed;





- 141,48 ha of irrigation land were revitalised;
- 18 cooperatives were established and 105 cooperatives were trained.

#### Outcome 10

- 302,65 ha of woodlands and indigenous forests were rehabilitated;
- 25 207,29 ha of agricultural land were rehabilitated;
- Biogas production integrated crop-livestock system implemented in three provinces and the report on the implementation has been compiled;
- Minister approved the submission to gazette the draft Aquaculture Bill;
- The draft Aquaculture Bill was gazetted and public consultative workshops were successfully conducted in all nine provinces;
- Four phase 1 Operation Phakisa projects were supported;
- Recovery plans for the three fisheries sectors: Abalone, West Coast rock lobster and deep-water hake were updated;
- Research report to indicate fish stock levels compiled for West Coast rock lobster, deep-water hake and abalone.

## PERFORMANCE INFORMATION BY PROGRAMME

### Programme 1: Administration

#### Purpose

To provide strategic leadership, management and support services to the department. The programme comprises the Ministry; Office of Director-General; Financial Administration; Internal Audit; Risk Management; Corporate Services; Stakeholder Relations, Communication and Legal Services; Policy, Planning and Monitoring and Evaluation.

**Ministry:** Provides political leadership and decision-making strategic direction, as well as sets national policy on agricultural, forestry and fisheries development.

**Office of the Director-General:** Provides leadership, strategic direction, policy development, decision-making support and financial oversight for the department.

**Corporate Services:** Renders sound human resources management and development, security and information management services.

**Financial Administration:** Provides the department with sound financial services.

**Stakeholder Relations, Communication and Legal Services:** Provides the department with legal and communication services and promotes intergovernmental and stakeholder relations.

**Policy, Planning and Monitoring and Evaluation:** Directs the provision of policy analysis, formulation, planning and monitoring and evaluation in order to facilitate the improvements of the department's performance.

**Strategic goal 1:** Effective and efficient strategic leadership, governance and administration

**Goal statement:** Provide leadership and administrative support to achieve sector and organisational goals in accordance with prescribed frameworks.

#### Strategic objectives (SOs)

**SO 1.1:** Strengthen the culture of compliance with statutory requirements and good governance practices.

**SO 1.2:** Strengthen the support, guidance and interaction with stakeholders in the sector.

**SO 1.3:** Strengthen institutional mechanisms for integrated policy and planning in the sector.

Programme 1: Administration

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
1.1.1 Efficient and effective internal controls maintained	Risk Management Plan was developed, approved by the Risk Management Committee and implemented	Risk Management Plan implemented	The Risk Management Plan was implemented as follows during the year under review: <ul style="list-style-type: none"> <li>The Risk Management Strategy was reviewed</li> <li>DAFF Risk Communication and Awareness Plan was completed</li> <li>Risk Management Committee Charter was finalised and approved</li> </ul>	N/A	N/A
	Fraud and Corruption Plan implemented: Fraud Register was developed and investigations were conducted	Fraud Prevention and Anticorruption Strategy was reviewed and approved for 2016/17	Fraud Prevention and Anti-corruption Strategy was reviewed and approved for 2016/17	N/A	N/A
1.1.2 Risk-based Internal Audit Annual Plan implemented	Three-year Internal Audit Rolling Plan was approved by the Audit Committee on 26 March 2015	Three-year Risk-based Internal Audit Annual Plan implemented	The amended annual plan was implemented as approved by the Audit Committee on 3 December 2015  At the Audit Committee meeting held on 3 March 2016, the new three-year Rolling Audit Plan for 2016/17 to 2018/19 was approved; the Annual Plan for 2016/17 was discussed and approved. The amended Audit Committee Charter and Internal Audit Charter were also presented and approved	N/A	N/A
1.1.3 Effective oversight of departmental performance management	-	Analysis of departmental performance reports	Q1 to Q3 of 2015/16 departmental performance reports were analysed as planned during the year under review	N/A	N/A
1.1.4 Human Resource Plan (HRP) implemented	The HRP was approved by the Executive Authority during the period under review and was submitted to the DPSA as required (All five KPIs for monitoring and evaluation of the implementation of the HRP were completed)	HRP developed and implemented	The HRP was approved by the Executive Authority during the period under review (All five KPIs for monitoring and evaluation of the implementation of the HRP were completed)	N/A	N/A



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
1.1.5 Average number of days to finalise cases of misconduct improved		New misconduct cases finalised within an average of 100 days	35 misconduct cases were received and three were finalised within 100 days	Not within 100 days	The process can be complex and labour relations issues are difficult to resolve timeously
1.1.6 Business Continuity Plan (BCP) designed	N/A	BCP approved by EXCO	The Business Continuity Plan was approved by EXCO on 25 January 2016	N/A	N/A
1.1.7 Unqualified audit report on financial statements	Unqualified audit report on financial performance for 2013/14 was achieved	Unqualified audit report on financial statements	Unqualified audit report for 2014/15 was achieved  Audit Matrix was developed to address the 2013/14 audit findings and was submitted to National Treasury	N/A	N/A
1.1.8 Integrated Development Finance Framework implemented	The Integrated Development Finance Framework was approved by EXCO	Integrated Development Finance Framework implemented	Integrated Development Finance Framework was implemented and four quarterly reports were submitted to indicate state of implementation	N/A	N/A
1.1.9 Number of Bills submitted to Minister for tabling at Cabinet	Three Bills, namely the Plant Improvement Bill, Performing Animals Protection Amendment Bill and Plant Breeders' Rights Bill were tabled at Cabinet	Three Bills	Submissions for three Bills, namely the Liquor Products Bill, National Forests Amendment Bill and the National Veld and Forest. Fire Amendment Bill were signed by the Minister for tabling at Cabinet  The Agricultural Product Standards Amendment Bill—the submission was put en route to the Minister on 4 January 2016 to obtain approval for the acting DG to present the Bill to the ESEID Cluster	N/A	N/A
1.2.1 Number of stakeholder engagements coordinated	43 functional institutional structures were coordinated	11 functional institutional structures coordinated	23 functional institutional structures were coordinated  One out of four Minister's Service Delivery Forums and round-table discussions with academics took place	Three Minister's Service Delivery Forums could not take place owing to the Minister's unavailability	Q4 Minister's Service Delivery Forum has been re-scheduled to take place in Q1 2016/17

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
1.2.2 Intergovernmental Strategy implemented	<p>The implementation plan for the Intergovernmental Strategy has been approved by EXCO to regulate the stakeholder engagements and interaction The MoU between DAFF and NYDA was finalised/signed on 29 November 2014</p> <p>Draft SLA between DAFF and the uMgungundlovu District Municipality</p>	Intergovernmental Strategy Plan implemented	<p>Directorate: Intergovernmental Relations successfully convened the meeting of the Intergovernmental Relations Forum held on 15 February 2015</p> <p>The purpose of the meeting was to address challenges of misalignment between national strategic plans of DAFF with those of provincial and local spheres of government</p> <p>The Directorate: Intergovernmental Relations played a leading role in coordinating intergovernmental engagements towards planning of the Drought Awareness Campaign for both the Minister and Deputy Minister The Minister and Deputy Minister held successful campaigns in Mpumalanga, North West, Free State, Eastern Cape and Limpopo</p>	-	N/A
1.2.3 DAFF Communication Strategy implemented	<ul style="list-style-type: none"> <li>The following nine media plans were developed and approved:</li> <li>A Communication and Media Plan for the 2014 National Assembly Budget Vote on 16 July 2014, and National Council of Provinces Budget Vote on 25 July 2014</li> <li>A Media Plan for the Female Entrepreneur Awards for the gala event of 22 August 2014 in Mbabatho, North West</li> <li>A Media Plan for Arbor Week was launched on 1 September 2014 at Mofolo City Park in Soweto, Gauteng</li> <li>Media Plan for World Food Day on 16 October 2014 in Malale village,</li> </ul>	Six communication and media plans implemented	<p>Media plans for the following events were compiled and implemented:</p> <p>Budget Vote Speech 2015; NCOP Budget Vote; Female Entrepreneur Awards; Arbor Week; Food Security Month media launch; World Food Day; APAP; IDAM; Marine Living Resources event; Youth Outreach Programme; Imbizo Focus Week held as follows:</p> <ul style="list-style-type: none"> <li>7 April 2015—New Castle, KZN (Minister)</li> <li>9 April 2015—Amampondo, Eastern Cape (Minister)</li> </ul>	N/A	N/A



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
1.2.3 DAFF Communication Strategy implemented	<ul style="list-style-type: none"> <li>Musina Local Municipality, Limpopo</li> <li>A Media Plan for Marine Living Resources and foot-and-mouth disease Operation Compliance Imbizo on 15 January 2015 (KZN), 16 January 2015 (LP) and 16 January 2015 (MP)</li> <li>SONA Community Engagement Programme, De Doorns, Western Cape, 9 February 2015</li> <li>Ukhozi FM Current Affairs Programme, Ezanamuhla hosted the Deputy Minister on 27 March 2015</li> </ul>		<ul style="list-style-type: none"> <li>11 April 2015—Koukamma, Eastern Cape (Minister)</li> <li>9 April 2015—White River, Mpumalanga (Deputy Minister)</li> <li>12 April 2015—Ncera Farms, (Minister and Deputy Minister)</li> <li>Outreach programmes on xenophobic attacks were held on 27 April 2015–ZZZ, in Limpopo (Minister) and on 30 April 2015 in Pongola, KZN (Deputy Minister)</li> </ul>		
1.3.1 Integrated Planning Framework institutionalised	<ul style="list-style-type: none"> <li>The departmental Annual Performance Plans (APPs) reviewed and aligned to the MTSF</li> </ul>	Departmental Strategic Plan and APPs approved	The 2016/17 APPs: Marine Living Resources APP 2016/17, and DAFF APP, as well as reviewed sections of the Strategic Plan were approved by the Minister Both APPs (MLR and DAFF) were tabled at Parliament on 11 March 2016	N/A	N/A
	-	Departmental non-financial performance reports approved	Q1 to Q3 validated reports have been approved and sent to DPME  Q1 to Q4 preliminary reports have also been approved and sent to DPME	N/A	N/A
1.3.2 APAP sector and cross-cutting interventions implemented	-	Annual report on implementation of APAP interventions	Work is still in progress for the finalisation of the  <i>Annual report on the implementation of APAP review</i>	Subsequent to the approval of APAP, ESEID Cluster decided that APAP should form an integral part of the Nine-Point Plan under the RAAVC  Therefore, there is no longer a need to establish a separate Ministerial	APAP forms an integral part of the Nine-Point Plan under the RAAVC

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 1.3.2 APAP sector and cross-cutting interventions implemented				Forum, as APAP is currently reported under RAAVC to the ESEID Ministerial Forum	
1.3.3 Governance oversight of public entities	Public Entities Governance and Reporting Framework was developed and internal consultations took place  The amended governance framework was submitted to EXCO for endorsement on 16 March 2015	Public entities governance protocols were approved	Public entities governance protocols were approved by EXCO in March 2016	N/A	N/A
1.3.4 Sector information management system strengthened	All publications were updated accordingly and the information is loaded on the website for all to access  The data updated on fisheries is only for aquaculture  There is no newly updated information on smallholder producers	Economic baseline data for the sectors	Weekly, monthly, quarterly and annual economic and statistical reports and publications compiled with economic baseline data for the sectors	N/A	N/A
1.3.5 Policy and research reviewed for alignment to key strategic priorities and protocols	R&D Agenda was updated and approved by EXCO for implementation in guiding the call for projects under the RTF  Funds were disbursed to the NRF for the RTF  SLAs were signed and concluded with the ARC for the implementation of R&D projects  M&E and assessments were compiled for all the R&D projects with the ARC and the universities	Sector research agenda implemented and monitored	The implementation of four service level agreements with the ARC is ongoing. Progress reports for the four are received periodically and monitoring and evaluation reports are compiled  The fifth project: Living with American Foul Brood (AFB); the department is awaiting the progress report from the ARC and Directorate: Inspection Services  The duration of the three SLAs is three years and two SLAs are for one year. Projects will run until 2017/18  Implementation and monitoring of the Research and Development Agenda is ongoing; it is a three-year programme, 2015/16 being year one	N/A	N/A



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 1.3.5 Policy and research reviewed for alignment to key strategic priorities and protocols			Monitoring to ensure that processes are in place to implement the R&D Agenda were finalised, which resulted in the analysis of 103 projects to identify the research agenda items that are currently covered by the projects and gaps that will inform the focus of the Research and Technology Fund for the next cycle 103 projects are being implemented by science councils, universities and research institutes to achieve the objectives of the R&D Agenda		
	<p>Five sectoral policies were reviewed for alignment with key government strategic documents (NDP; NGP; IPAP; APAP) and recommendations made to guide alignment</p> <p>The five policies reviewed are:</p> <ol style="list-style-type: none"> <li>1. National Policy on Food and Nutrition Security</li> <li>2. Animal Improvement Policy for South Africa</li> <li>3. Agricultural Marketing Policy of South Africa</li> <li>4. Small-scale Fisheries Policy</li> <li>5. Biosafety Policy</li> </ol>	Sectoral policies reviewed	<p>Nine sectoral policies were identified, reviewed and analysed for alignment:</p> <ol style="list-style-type: none"> <li>1. External Bursary Scheme: Policy and Procedures</li> <li>2. Animal Welfare Policy, which has been converted into the Strategic Implementation Plan for the Veterinary Strategy</li> <li>3. Draft Policy for the Sustainable Management of Veld (Range) and Forage Resources in South Africa</li> <li>4. Plant Breeders' Rights Policy</li> <li>5. Pesticide Management Policy for South Africa</li> <li>6. Policy for Individual Animal Identification and Value Chain Traceability in South Africa</li> <li>7. Internal and External International Training Polices</li> <li>8. Experiential Training, Internship</li> </ol>		

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
			and Professional Development Policy 9. Policy and Strategic Framework for Participatory Forest Management  The recommendations from the analysis were approved by EXCO for implementation by the policy owners		
1.3.6 Institutionalise project management approach for the department	-	Project assessment report approved	A total of 232 projects were verified in nine provinces in the 2015/16 financial year. Project assessment report compiled and approved	N/A	N/A

### Strategy to overcome areas of underperformance

Several delays in the institutionalisation of the APAP, i.e. the establishment of a management structure for APAP, have had a negative impact on the implementation management of APAP, as a result, research and planning with key stakeholders towards the review and publication of APAP 2016/17 have not taken place. As a strategy to overcome areas of underperformance within the management of APAP, the acting Director-General will meet with the identified Deputy Directors-General in May 2016, to reach an agreement on the management structure for APAP going forward. APAP will also undergo an Operation Phakisa for its review in 2016/17. Overall, the programme is the custodian of performance management and employee performance management and there are several structures and guidelines that are being applied to the management of performance, not only for the programme, but for the entire department.

#### Programme 1: Administration

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	39,614	39,601	13	100,0%	38,046	38,029
Department Management	19,231	19,212	19	99,9%	22,879	22,860
Financial Administration	163,124	163,075	49	100,0%	158,696	158,624
Internal Audit	4,957	4,953	4	99,9%	4,018	4,015
Corporate Services	162,965	162,885	80	100,0%	170,428	169,990
Stakeholder Relations, Communication and Legal Services	117,565	117,535	30	100,0%	90,442	90,410
Policy, Planning, Monitoring and Evaluation	79,559	79,522	37	100,0%	72,114	72,079



Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Facilities Management	201,838	199,019	2,819	98,6%	202,350	182,434
<b>Total</b>	<b>788,853</b>	<b>785,802</b>	<b>3,051</b>	<b>99,6%</b>	<b>758,973</b>	<b>738,441</b>

## Programme 2: Agricultural Production, Health and Food Safety

### Purpose

To promote sustainable agricultural production through the management of risks associated with animal diseases, plant pests, genetically modified organisms (GMOs) and registration of products used in agriculture; promote food safety; and create an enabling environment for increased and sustainable agricultural production.

The programme comprises three subprogrammes, namely Plant Production and Health; Animal Production and Health and Inspection and Quarantine Services.

**Plant Production and Health:** Focuses on increasing agricultural productivity with the emphasis on a sustainable plant production system, efficient use of genetic resources and managing risks associated with plant pests, diseases and GMOs.

**Animal Production and Health:** Aims to improve livestock production, health and safety of animal products through the implementation of animal production, health and public health strategies, projects and programmes founded on sound animal health and production management principles and informed extension service and sustainable natural resources management.

**Inspection and Quarantine Services:** Focuses on the provision of leadership, guidance and support in ensuring compliance with agricultural legislation and regulatory frameworks; and overseeing the effective implementation of risk management strategies and plans for regulated agricultural products.

### Strategic objectives

SO 2.1: Advance APAP through increased production and productivity in prioritised value chains.

SO 2.2: Effective management of biosecurity and related sector risks.

SO 4.1: Ensure conservation, protection, rehabilitation and recovery of depleted and degraded natural resources.

### Performance against annual targets

#### Programme 2: Agricultural Production, Health and Food Safety

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.1.1 Number of animal improvement schemes for prioritised value chain commodities monitored	Two animal improvement schemes were monitored for the purpose of measuring the impact of the schemes on animal production for prioritised value chain commodities, being poultry and beef. A report providing details to this effect was compiled	Two animal improvement schemes monitored (Kaonafatso ya Dikgomo and Poultry)	Two animal improvement schemes were monitored and an annual report was compiled	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.1.2 Number of plant improvement schemes for prioritised value chain commodities monitored	A monitoring report on the analysis of the plant improvement scheme performance data on maize, soya beans, wheat and vegetables was compiled- Information on registered seed production units has also been compiled	Two plant improvement schemes monitored (seed and fruit)	Two plant improvement schemes monitored and a report on the status of seed and fruit schemes was compiled	N/A	N/A
2.2.1 Number of planned animal disease risk surveillances conducted	Surveillance was conducted on two animal diseases, namely: <i>Pestes des Petits Ruminants</i> (PPR) and avian influenza (AI)  Reports on the 2 animal diseases have been compiled and cover the detection and reaction to outbreaks of animal diseases and pests	Two animal surveillance surveys conducted (PPR and avian influenza)	Surveillance was conducted on two animal diseases, namely PPR and AI  Reports on two animal diseases have been compiled and cover the detection and reaction to outbreaks of animal diseases and pests	N/A	N/A
2.2.2 Number of planned plant disease and pest risk surveillances conducted	Surveillance on 1 plant disease and pest risk was conducted  The purpose of the surveillance was to detect, prevent and mitigate the outbreak of plant diseases and pests	1 plant disease and pest risk surveillance conducted (exotic fruit fly)	1 plant disease and pest risk surveillance conducted and an annual report on 1 plant disease and pest risk was compiled	N/A	N/A
2.2.3 Number of regulatory compliance and monitoring interventions implemented	4 regulatory compliance and monitoring interventions (quarantine, inspections, surveillance and testing) were conducted and a report providing details has been compiled  The aim is to minimise pests and diseases entering the territory of South Africa at ports of entry by conducting regulatory compliance and monitoring interventions through quarantine, inspections, surveillance and testing	4 regulatory interventions implemented	4 regulatory interventions have been implemented and an annual report on regulatory interventions was compiled	N/A	N/A
2.2.4 Animal Disease Management Plan	The Animal Disease Management Plan was developed to improve the performance of Veterinary Services with the mission "to ensure that human and animal well-being is optimised"  Stakeholder consultation sessions took place on 4 and 5 June 2014 and 18 March 2015, to discuss and give inputs.	Veterinary Strategy developed	The Veterinary Strategy was developed after extensive consultations with stakeholders  The strategy was approved by EXCO	N/A	N/A



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 2.2.4 Animal Disease Management Plan	The final document titled the "South African Animal Disease Management Plan" was approved				
2.2.5 Number of veterinary graduates deployed to rural communities	N/A	140 veterinary graduates deployed to rural communities	126 veterinary graduates were deployed to rural communities	-14 graduates	<p>The total number of students who were in their final year of study was less than the 140 planned; therefore, the target could not be achieved</p> <p>One student was excluded from the actual achievement owing to her assumption of duty on 1 April 2016, which falls outside the reporting period</p> <p>The 2016/17 target of veterinary students deployed will be informed by the list of final year students from the university</p>
2.2.6 Number of primary animal health-care clinics delivered to provinces	Primary animal health care mobile clinics were delivered to provinces and a report was compiled	18 primary animal health-care clinics delivered to provinces	<p>A total of 49 primary animal health care clinics were delivered</p> <p>The 49 consist of 18 light delivery vehicles (LDVs) delivered to all nine provinces and 31 prefabricated mobile clinics (prefab) were delivered to 7 provinces</p>	31 prefabs	An additional 31 prefab clinics that were procured in the 2014/15 financial year were also delivered in 2015/16 to the seven provinces

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
4.1.1 National plan to conserve diversity of plant and animal genetic resources for food and agriculture implemented	N/A	National plan for conservation and sustainable use of farm animal genetic resources developed	National plan for the conservation and sustainable use of farm animal genetic resources was approved by EXCO	N/A	N/A

#### Strategy to overcome areas of underperformance

The management of performance is done as follows:

##### Directorate level

- Continuous reporting and monitoring
- Office meetings
- Component's monthly meetings
- Quarterly performance review management meetings
- Annual reports.

##### Chief directorate level

- Monthly reporting on operational plans and APP deliverables
- Quarterly performance review meetings
- Monthly reporting on operational plans and APP deliverables
- Quarterly performance review meetings.

#### Programme 2: Agricultural Production, Health and Food Safety

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	2,182	2,180	2	99,9%	1,610	1,607
2. Inspection and Quarantine Services	322,640	322,468	172	99,9%	317,632	317,457
3. Plant Production and Health	543,961	543,925	36	100,0%	536,436	536,377
4. Animal Production and Health	470,568	470,511	57	100,0%	308,148	299,110
5. Agricultural Research	803,933	803,933	0	100,0%	1,029,151	1,029,151
<b>Total</b>	<b>2,143,284</b>	<b>2,143,017</b>	<b>26</b>	<b>100,0%</b>	<b>2,192,977</b>	<b>2,183,702</b>

### Programme 3: Food Security and Agrarian Reform

#### Purpose

The programme facilitates and promotes household food security, agrarian reform programmes and initiatives through the implementation of the National Policy on Food Nutrition Security targeting subsistence, smallholder and commercial producers. It comprises three subprogrammes, namely Food Security; Sector Capacity Development; and Extension Support Services.

**Food Security:** The subprogramme provides national frameworks to promote the Sustainable Household Food Security Programme through improving the production systems of subsistence and smallholder producers in the agricultural, forestry and fisheries sectors to achieve food security and sustainable livelihoods, and facilitates the provision of inputs, implements and infrastructure support.

**Sector Capacity Development:** Facilitates the provision of agricultural, forestry and fisheries education and training in support of sustainable growth and equitable participation in the sectors. This will be achieved through implementation of the Agriculture, Forestry and Fisheries' National Education and Training Strategy, promotion of development of agricultural training institutes as centres of excellence and implementation of a coordination plan to track sector transformation in line with government objectives.

**National Extension Support Services:** Develops and coordinates the implementation of national extension policies, norms and standards on the transfer of technology. The subprogramme further provides strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sectors.

#### Strategic objectives

SO 3.1: Lead and coordinate government food security initiatives.

SO 3.2: Enhance capacity for efficient service delivery in the sectors.

SO 3.3: Strengthen comprehensive support systems and programmes

#### Performance against annual targets

##### Programme 3: Food Security and Agrarian Reform

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
3.1.1 National Policy on Food and Nutrition Security implemented	The Food and Nutrition Security Implementation Plan has been developed  3 stakeholder consultative workshops were held towards finalisation of the implementation plan	Coordinate implementation of National Policy on Food and Nutrition Security	DAFF, in pursuit of its coordinating role in the implementation of the National Policy on Food and Nutrition Security, jointly with DPME, arranged a workshop which was held with civil society organisations and members of academia to discuss the National Policy on Food and Nutrition Security  Furthermore, a meeting was held where sector departments made presentations on progress with the implementation of the Food and Nutrition Security Plan	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
3.1.2 Number of hectares of underutilised land in communal areas cultivated for production	3 262,1 ha planted in North West	120 000 ha	0 ha	120 000 ha	<p>The consolidated report indicating 78 077 ha supported by quarterly provincial performance reports approved by HoDs.</p> <p>However, these reports were still not sufficient to satisfy evidence required according to the Technical Indicator Description</p> <p>Drought has been cited as having contributed to the underachievement of the set target</p>
3.1.3 Number of households benefiting from food and nutrition security initiatives		40 000	A total of 14 486 households have been supported during the year under review	- 25 512 households	<p>A total of 66 747 households have been confirmed to have been supported through the provincial quarterly reports approved by HoDs</p> <p>However, these reports were still not sufficient to satisfy evidence required according to the Technical Indicator Description</p> <p>Drought has been cited as having a contributing factor for the underachievement of the set target</p> <p>Going forward the Branch: Food Security and Agrarian Reform has to improve coordination through establishing functional working groups where reports and evidence will be quality assured on a quarterly basis.</p> <p>Challenges experienced with validation of the existence of some producers detected</p>



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont)					
3.1.3 Number of households benefiting from food and nutrition security initiatives					through identity documents led to further reduction in the originally reported numbers
3.1.4 Smallholder producers established and supported	<p>14 907 smallholder producers were supported during this financial year</p> <p>The support was provided through:</p> <p>Advisories in agriculture: 5 146</p> <p>Training through CASP: 9 396</p> <p>Forestry advisories and training: 365</p>	16 000	16 193 smallholders have been supported during the year under review	193	Improved coordination by the Branch: FSAR at Outcome 7 level has led to improved reporting by PDAs as they form part of the Outcome 7 Technical Implementation Forum. Challenges experienced with validation of the existence of some producers detected through identity documents led to further reduction in the originally reported numbers
3.2.1 National Agriculture, Forestry and Fisheries Education and Training (NAFFET) Strategy implemented	<p>3 cumulative workshops on the revision of the Agriculture Education and Training (AET) Strategy were held with sector partners of the 3 subsectors (agriculture, forestry and fisheries)</p> <p>The strategy was approved by EXCO on 16 March 2015</p>	National Agriculture, Forestry and Fisheries Education and Training Implementation Forum established	The Minister has granted approval for the establishment of NAFFET forum and the nominated members will serve on the forum for a period of 3 years	N/A	N/A
3.2.2 National Policy on Extension and Advisory Services approved and implemented	<p>National extension and Advisory Policy and its Implementation Plan were approved by MinMec on 26 September 2014.</p> <p>The implementation was done through the establishment of provincial extension forums in all provinces</p>	Facilitate the approval of the National Policy on Extension and Advisory Service through the intergovernmental approval processes	The National Policy on Extension and Advisory Service was facilitated for approval through various intergovernmental processes	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
3.2.3 Number of extension support practitioners deployed to commodity organisations	National Extension and Advisory Policy and its Implementation Plan were approved by MinMec on 26 September 2014  The implementation was done through the establishment of provincial extension forums in all provinces	20 extension support practitioners deployed	20 extension support practitioners have been deployed by KZN (11) and the Western Cape (9) provinces	N/A	N/A
3.3.1 Policy on Comprehensive Producer Development Support developed and implemented	The Norms and standards on comprehensive producer support were developed and endorsed by EXCO on 16 March 2015	Policy on Comprehensive Producer Development Support developed	The Policy on Comprehensive Producer Development Support has been developed	N/A	N/A

#### Strategy to overcome areas of underperformance

The Branch: Food Security and Agrarian Reform holds quarterly branch management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The sub-programmes also hold meetings to consolidate the discussions to be undertaken at programme level. The Planning and Monitoring and Evaluation units are always invited to participate in subprogramme and programme meetings.

#### Programme 3: Food Security and Agrarian Reform

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	4,035	4,031	4	99,9%	2,496	2,492
2. Food Security Sector Capacity	1,270,943	1,270,761	182	100,0%	1,061,585	1,037,487
3. Development	263,740	260,194	3,546	98,7%	235,884	232,811
4. Support Services	371,817	371,809	8	100,0%	389,379	383,530
<b>Total</b>	<b>1,910,535</b>	<b>1,906,795</b>	<b>3,740</b>	<b>99,8%</b>	<b>1,689,344</b>	<b>1,656,320</b>

#### Programme 4: Trade Promotion and Market Access

##### Purpose

To promote economic development, trade and market access for agriculture, forestry and fisheries (AFF) products and foster international relations for the sectors. The programme comprises the following three sub-programmes: International Relations and Trade; Agro-processing and Marketing and Cooperatives and Rural Enterprises Development.



International Relations and Trade: Facilitates and coordinates international relations and trade through negotiations, development and implementation of appropriate policies and programmes.

Cooperatives and Rural Enterprises Development: Facilitates and supports the development of businesses to ensure transformation of the agriculture, forestry and fisheries sectors.

Agro-processing and Marketing: Develops and implements support programmes to promote market access and value addition for agriculture, forestry and fisheries products.

**Strategic objective**

SO 3: Ensure support for market access and processing of agricultural, forestry and fisheries products.

**Programme 4: Trade Promotion and Market Access**

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.3.1 Enabling environment for smallholders access to markets	-	Citrus Emerging Export Excellence Programme (CEEP) implemented	CEEP was implemented  A project close-up report on the implementation of the CEEP was compiled	N/A	N/A
		SA-GAP Certification Programme implemented for smallholder producers of fresh produce	SA-GAP Certification Programme for smallholder producers of fresh produce was implemented  Annual report indicating certification of 12 farms has been compiled  Western Cape was the only province that took the initiative to conduct its own pre-audits over and above SA-GAP  Programme using provincial budget		
2.3.2 Value Chain Round Tables VCRT/networks implemented	-	Aquaculture Value Chain Round Table (AVCRT) network implemented	AVCRT network was implemented  The annual report on the implementation of the AVCRT/network has also been compiled	N/A	N/A
	The Fruit Industry Value Chain Round Table/network was institutionalised during the year under review. A total of four Fruit Industry Value Chain Network Round Table (FIVCRT) meetings were held quarterly	FIVCRT/network implemented	FIVCRT/network was implemented.  The annual report of the FIVCRT /network has been compiled	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 2.3.2 Value Chain Round Tables VCRT/networks implemented	An annual progress report of the FIVCRT has been routed to the Acting Director-General and Minister				
2.3.3 Number of commodity-based cooperatives established	19 commodity-based cooperatives have been established between April 2014 and March 2015 in various provinces	18 cooperatives	18 commodity-based cooperatives have been established	N/A	N/A
2.3.4 Number of cooperatives supported with training	107 cooperatives were supported with training during period under review in the various provinces	99 cooperatives	105 cooperatives were supported with training	Six cooperatives	The turn-up of cooperative members exceeded the anticipated target
2.3.5 Report on implementation of the AgriBEE Sector Code	Conducted pre-audit with eight PDAs to collect BEE data on government undertakings as stipulated in the AgriBEE Sector Code Finalised the report on government undertakings as part of the status report on transformation in the agricultural sector	Annual report on status of transformation in the agricultural sector	The annual report on the status of transformation in the agricultural sector was compiled	N/A	N/A
2.3.6 Report on Implementation of the Forestry Sector Code	In collaboration with the Forestry Sector Charter Council (FSCC), the annual report on the status of transformation in the forestry sector has been completed and approved by the council  The report is en route to the Minister for notification	Annual report on status of transformation in the forestry sector	The annual report on the status of transformation in the forestry sector was compiled	N/A	N/A
2.3.7 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	-	Market opportunity profile report	Market opportunity profile report has been compiled	N/A	N/A



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
	<p>Monitoring, implementation and negotiations of trade agreements have been done</p> <p>The reports include implementation and negotiations of trade agreement on the following issues:</p> <p>SADC/EU</p> <p>Economic Partnership Agreement (EPA)</p> <p>Southern African Development Community (SADC) Southern African Customs Union (SACU)</p> <p>SACU/EFTA Free Trade Agreements</p> <p>SACU/India preferential trade negotiations</p> <p>The US Africa Growth and Opportunities Act (AGOA)</p> <p>COMESA/EAC/SADC Tripartite Free Trade Area (TFTA) negotiations</p> <p>World Trade Organization (WTO)</p> <p>World Wine Trade Group (WWTG)</p>	Implement trade agreements and participate in trade negotiations	<p>DAFF has continuously participated in trade negotiations and continued to implement its trade agreements during 2015/16</p> <p>Quarterly reports on the implementation of trade agreements and participation in trade negotiations were compiled</p>	N/A	N/A
	17 participants have enrolled for a capacity building programme on market research and market intelligence in partnership with ITC	Implement capacity building programme on market research and market intelligence	<p>Capacity building programme on market research and market intelligence was implemented</p> <p>12 officials expressed interest to be trained instead of 10 as anticipated</p>	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.3.8 International Relations Strategy implemented	<p>During the year under review, strategic engagement of partners within Africa and African multilateral agencies for the implementation of joint projects and action plans were facilitated and coordinated as follows: Held multilateral and bilateral engagements such as interdepartmental meetings and meetings with other partners, e.g. SADC, FAO, Africa Union (AU) and New Partnership for Africa's Development (NEPAD), etc.</p> <p>The following bilateral engagements were facilitated and some implemented during 2014/15:</p> <p>RSA/Ghana RSA/ Republic of the Congo  RSA/Senegal  RSA/Cameroon  RSA/Mozambique RSA/ Botswana RSA/ Egypt</p>	Report on strategic engagement of partners within Africa and African multilateral agencies for implementation of joint projects and action plans	Report on strategic engagement of partners within Africa and African multilateral agencies for implementation of the joint projects and action plans has been compiled	N/A	N/A
	<p>During the year under review, DAFF continued to facilitate and coordinate bilateral engagements for South-South and North-South agencies</p> <p>The following are some bilateral engagements that were facilitated/ initiated and coordinated: RSA/China  RSA/Mexico RSA/ Indonesia RSA/</p>				



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 2.3.8 International Relations Strategy implemented	France RSA/Italy RSA/Russia RSA/Australia Engagements with multilateral institutions and organisations were also facilitated and coordinated during 2014/15	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums was compiled	N/A	N/A
	In preparation for the CAADP Compact signing, the following activities were undertaken during the year under review:  Policy stock-taking and stakeholder consultations were conducted The final report on policy stock-taking compact document and business plan design roadmap has been submitted to DAFF and FAO.  The project (FAO funded) has been completed and closed. Draft Agriculture Public Expenditure Review: Draft final report has been submitted for comment by DAFF	DAFF National Investment Plan approved and launched	The CAADP analytical studies for baseline information necessary for the National AFF Investment planning were developed, but not completed yet	DAFF National Investment Plan was not approved	Budget constraints affected the planned intervention

### Strategy to overcome areas of underperformance

The branch: Trade Promotion and Market Access holds quarterly Branch management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also hold meetings to consolidate the discussions to be undertaken at programme level. The Planning and Monitoring and Evaluation units are always invited to participate in subprogramme and programme meetings.

#### Programme 4: Trade Promotion and Market Access

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	3,145	3,142	3	99,9%	2,643	2,641

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
2. International Relations and Trade	114,523	113,991	532	99,5%	134,095	133,812
3. Cooperatives and Rural Enterprise Development	64,303	64,289	14	100,0%	112,629	112,613
4. Agro-processing and Marketing	55,356	55,336	20	100,0%	57,952	57,934
<b>Total</b>	<b>237,327</b>	<b>236,758</b>	<b>569</b>	<b>99,8%</b>	<b>307,319</b>	<b>307,000</b>

### Programme 5: Forestry and Natural Resources Management

#### Purpose

To provide strategic direction and leadership to the department regarding to the promotion of the sustainable management, use and protection of forests and natural resources to achieve social and economic benefits and to promote development.

**The programme comprises three subprogrammes, namely:** Forestry Operations; Forestry Development and Regulations and Natural Resources Management.

**Forestry Operations:** Ensures the sustainable management of state forests and assets (e.g. nurseries) in order to optimise social and economic benefits in rural areas and to promote sector growth in the nine provinces of South Africa.

**Forestry Development and Regulations:** Provides leadership, advice and direction in the formulation of forestry development and regulation policies, strategies and frameworks; ensures the effective promotion and development of small-scale and commercial forestry.

**Natural Resources Management:** Facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests; the efficient development and revitalisation of irrigation schemes and water use. This subprogramme facilitates climate change mitigation and adaptation, risk and disaster management, as well as promotes, regulates and coordinates the sustainable use of natural resources (land and water).

#### Strategic objectives

SO 4.1: Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources

SO 4.2: Ensure adaptation and mitigation to climate change through effective implementation of prescribed frameworks

### Performance against annual targets

#### Programme 5: Forestry and Natural Resources Management

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
4.1.1 Number of ha planted in TUPs	2 098,94 ha	1 725 ha	2 279,79 ha were planted	554,79 ha	Despite the drought experienced in the regions, the annual target was exceeded due to good rainfall experienced in the first two quarters of the financial year



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
4.1.2 Number of plantations certified for Forestry Stewardship Council (FSC)	N/A	One forest	0	-1	The Hlokozi plantation was not certified due to some of FSC criteria that were not met when the plantation was assessed by the Society of General Surveillance (SGS)
4.1.3 Environmental Impact Assessments conducted	N/A	Environmental Impact Assessments conducted in KZN	The Environmental Impact Assessments (EIAs) was not concluded as planned, however, a scoping report for the application that was not affected by drought was submitted to DEA	The EIA was not concluded as planned	The department had to split the application into two categories:  One being those where all botanical studies are done and one for those affected by drought conditions where specialised studies still have to be done  The drought and the exercise of splitting the documents in to two separate applications delayed the EIA process
4.1.4 Agro-forestry strategy developed and implemented	N/A	Agro-forestry strategy developed	Agro-forestry strategy was developed	N/A	N/A
4.1.5 Number of ha in irrigation schemes revitalised	Irrigation strategy was developed and approved by EXCO	250 ha	For the period under review, the following work was done in terms of Vaalharts revitalisation project: <ul style="list-style-type: none"> <li>• 3 095,622 m sub-surface pipes installed</li> <li>• 857,83 m main pipes installed (63 m is for pipe jacking)</li> <li>• 1 reservoir was constructed</li> <li>• 37 manholes installed</li> </ul>	-250 ha	Unavailability of approved conversion certificate to reflect the revitalisation of irrigation schemes work which is done in metres and convert it into hectares.  Hence agreement had been reached with DPME to change the variable from hectares to number of projects going forward
4.1.6 Promulgation of the Preservation and Development of Agricultural Land Framework Bill by Cabinet	N/A	Draft PDALF Bill	The draft Preservation and Development of Agricultural Land Framework (PDALF) Bill has been developed	N/A	N/A
4.1.7 Number of hectares of agricultural land rehabilitated	33 756,36 ha of land were rehabilitated in 2014/15	16 000 ha	25 207,29 ha	9 207,29 ha	The actual achievement due to the incentives from Expanded Public Works Programme (EPWP), which enabled the departments to rehabilitate more hectares than initially planned

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
4.1.8 Number of hectares of woodlands and indigenous forests rehabilitated	591,2329 ha of state indigenous forests were rehabilitated	300 ha of woodlands and indigenous forests	302,65 ha	2,65 ha	Komatiland Forest (Pty) Ltd did controlled burning on behalf of DAFF and this enabled the Directorate to rehabilitate more hectares
4.2.1 Climate Change Mitigation and Adaptation Plan for Agriculture, Forestry and Fisheries implemented	Climate Change research programme on crop suitability has been implemented in the Free State, Limpopo and Mpumalanga (detailed report on the implementation was compiled)	Implement Climate Change Plan through the Biogas Production Integrated Crop-Livestock system	Biogas Production Integrated Crop-Live Stock System was implemented and the report on implementation was compiled	N/A	N/A

#### Strategy to overcome areas of underperformance

The Branch: Forestry and Natural Resources Management holds quarterly branch management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also hold meetings to consolidate the discussion to be undertaken at programme level. The Planning and Monitoring and Evaluation units are always invited to participate in subprogramme and programme meetings.

The following decisions were taken for the three indicators that were not achieved:

- **Environmental Impact Assessments Conducted:** The EIAs will be spread over a period of two financial years. The department will focus on the processing of applications the first year and focus on conducting the EIAs in the second year. This will give the department better control of the process and also enable the department to finance the whole process over a period of two financial years.
- **Number of plantations certified for Forestry Stewardship Council:** This indicator has been removed from both the APP and the Strategic Plan. The plantation that was assessed by the FSC could not conform to some of the assessment criteria. Given these challenges, the Department decided to remove the indicator from the plans of the department. The same results could have befallen other regions that were supposed to have undergone the same assessments had the department chosen to continue with this indicator given the current government financial management policies.

To ensure that the plantations conform to the best forestry practices, plantations will be audited via the Principles, Criteria Indicators and Standards Framework (PCI&S), which is aligned to DAFF plantations.

- **Number of hectares in irrigation revitalised:** To improve on the reporting of the revitalisation of irrigation schemes, the indicator has been rephrased during the review of the Outcome indicators. It now reads as “number of projects” in irrigation schemes and not “hectares revitalised.” The revised indicator encapsulates the work that the department is doing in terms of the revitalisation of the irrigation schemes.

#### Programme 5: Forestry

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	25,440	25,435	5	100,0%	5,986	5,979





Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
2. Forestry Operations	440,312	440,188	124	100,0%	454,962	454,781
3. Forestry Oversight and Regulation	53,268	52,944	324	99,4%	49,371	49,336
4. Natural Resources Management	343,824	343,713	111	100,0%	793,664	793,549
<b>Total</b>	<b>862,844</b>	<b>862,280</b>	<b>564</b>	<b>99,9%</b>	<b>1,303,983</b>	<b>1,303,645</b>

## Programme 6: Fisheries Management

### Purpose

Promote the development, management, monitoring and sustainable use of marine living resources and the development of South Africa's fisheries sectors. Sustainable livelihoods will be achieved through aquaculture growth and fisheries economic development. The programme comprises four subprogrammes, namely Aquaculture and Economic Development, Fisheries Research and Development; Marine Resource Management and Monitoring, Control and Surveillance.

**Aquaculture and Economic Development:** Will ensure aquaculture growth and fisheries economic development for sustainable livelihoods by providing public support and an integrated platform for the management of aquaculture.

**Fisheries Research and Development:** To ensure the promotion of the sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.

**Marine Resource Management:** Ensures the sustainable utilisation and equitable and orderly access to the marine living resources through improved management and regulation.

**Monitoring, Control and Surveillance:** Ensures the protection and promotion of sustainable use of marine living resources by intensifying enforcement and compliance.

### Strategic objectives

SO 1: Coordinate government food security initiatives.

SO 2: Ensure the sustainable management and efficient use of natural resources and the protection of indigenous genetic resources.

SO 3: Increase growth, income and sustainable job opportunities in the value chain and increase market access for South African agricultural, forestry and fisheries products domestically and internationally.

## Performance against annual targets

### Programme 6: Fisheries Management

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.1.1 Number of aquaculture catalyst projects identified and listed under Operation Phakisa supported	11 fish farms supported through the provision of technical, advisory services and compliance	4 phase 1 Operation Phakisa projects supported	4 phase 1 Operation Phakisa projects were supported	N/A	N/A

Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
2.1.2 Aquaculture Act implemented as per Operation Phakisa	Draft Aquaculture Bill was approved by EXCO on 30 March 2015	Bill submitted to Parliament for approval	The Minister approved the submission to gazette the draft Aquaculture Bill. The draft Aquaculture Bill was gazetted and public consultative workshops were successfully conducted in all nine provinces	The Bill was not submitted for approval	The execution of the deliverable was delayed due to the requirement to complete a Socio-Economic Impact Assessment and the postponement of Task Team meetings at the request of the Aquaculture Industry Association members of the Task Team
2.1.3 Number of aquaculture research projects conducted	1 research project on reproduction and nutrition was conducted successfully	2 new research studies on genetics and nutrition for aquaculture species conducted	2 new research studies on genetics and nutrition for aquaculture species were conducted	N/A	N/A
3.1.1 Rights allocated to 9 fishing sectors	Final draft FRAP framework was approved by the Deputy Director-General	Develop sector-specific policies and allocate rights to 9 fishing sectors	10 sector-specific policies developed		The target was not achieved due to: <ul style="list-style-type: none"> <li>Initial closing date of 22 January 2016 for submission of applications was extended to 12 February 2016</li> <li>Further, the closing date of 12 February 2016 was extended to Friday, 26 February 2016</li> </ul>
3.1.2 Small-scale Fisheries Policy implemented	Draft regulations were published for public comment and road shows were conducted to explain the draft regulations to stakeholders and to receive their inputs	Rights allocated to registered small-scale fisheries cooperatives	Published promulgation of amended Marine Living Resources Act and approved Small-scale Fishing Regulations Verification protocol completed  Northern Cape, Western Cape		A number of delays were experienced in getting the legal framework in place, which was outside the control of the directorate



Performance indicator	Actual achievement 2014/15	Planned target 2015/16	Actual achievement 2015/16	Deviation from planned target to actual achievement 2015/16	Comments on deviation
(cont.) 3.1.2 Small-scale Fisheries Policy implemented	During the road shows, approximately 3 000 stakeholders were engaged in 27 venues, covering four coastal provinces  Draft regulations were also presented at the inaugural Small-scale Fishery Forum meeting and to NEDLAC		and Eastern Cape community visitation schedules completed for registration and verification of fishers per community Started the registration and verification process in communities  Approved small-scale fisher regulations translated into Afrikaans, isiXhosa and isiZulu		
4.1.1 Plan to recover and maintain prioritised fish stocks	Target achieved Recovery plans for the 3 sectors: Deep-water hake, abalone and WCRL were approved	Recovery plans for the 3 sectors: Abalone, WCRL and deep-water hake updated	Recovery plans for the 3 sectors: Abalone, WCRL and deep water hake updated	None	N/A
	Research report to indicate fish stock levels was compiled together with the Operational Management Procedure applied for the sustainable catches for the 2014/15 fishing season	Research report to indicate fish stock levels compiled	Research report to indicate fish stock levels compiled for: West Coast Rock Lobster, deep-water hake and abalone	None	N/A
4.1.2 IFSS implemented inspections, investigations and joint operations with partners	5 541 sea-based and land-based inspections and investigations of rights holders in the 4 prioritised fisheries sectors conducted	4 548 compliance and enforcement measures in the 4 prioritised fisheries sectors: Hake, abalone, rock lobster and line fish sectors implemented	5 566 compliance and enforcement measures in the 4 prioritised fisheries sectors: Hake, abalone, rock lobster and line fish sectors implemented	1 018 measures	The functioning of the fisheries protection vessels and conducive sea weather conditions provided impetus for the Directorates: Fisheries Protection Vessels and Compliance to exceed their annual targets

## Strategy to overcome areas of underperformance

### Sustainable Aquaculture Management

Draft Aquaculture Bill: The execution of quarterly targets on this strategic deliverable in 2015/16 could not be done as per the original Annual Performance Plan due to various reasons. The plan to overcome the unforeseen delays is to concurrently review the Socio-Economic Impact Assessment Report for the Aquaculture Bill as we develop the draft Aquaculture Bill and this is already happening with the support from officials of DPME. The position of Assistant Director: Policy Specialist that was vacated by the coordinator of the draft Aquaculture Bill project in August 2015 has been filled with effect from 1 April 2016 and the new incumbent is fully engaged in the consolidation of comments received from the public consultative workshops. The Minister has received the Cabinet Memo for tabling at Cabinet. The aim, as advised by both the DAFF and DEA Ministers, is to sensitise Cabinet about this crucial Bill to ensure its prioritisation and approval when it is finally submitted to Cabinet. Part of the plan is to sensitise the Office of the State Law Advisors about this Bill before it is submitted to them.

Lastly, meetings will be held by the Task Team for the Aquaculture Bill to ensure a harmonious response to concerns raised and a progressive way forward. Currently, an opinion is being sought through Fisheries Legal Support on the allegations that the inclusion of licensing in the draft Aquaculture Bill is unconstitutional; this might cause some further delays, but we are moving with the necessary speed to get legal advice.

### Small-scale Fisheries Management

The allocation of small-scale fishing rights is part of a phased implementation process. The delays that were encountered last year mainly pertained to finalising the legal framework for small-scale fisheries. The entire legal framework is now in place and the subsequent phases of the implementation process leading up to the allocation of small-scale fishing rights has started last year. The allocation of small-scale fishing rights as a strategic deliverable has been carried over from 2015/16 to 2016/17.

### Fishing Rights Allocation Process

Rights will be allocated in a staggered manner during the 2016/17 financial year. Therefore, new rights holders that will be granted rights under FRAP 2015/16 will commence harvesting their allocations when the new fishing season starts.

### Programme 6: Fisheries

Subprogramme	2015/16			2014/15		
	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Management	2,148	2,147	1	100,0%	3,160	3,159
2. Aquaculture	33,803	33,800	3	100,0%	29,956	29,952
3. Monitoring Control and Surveillance	87,174	87,169	5	100,0%	78,062	78,056
4. Marine Resources Management	20,345	20,341	4	100,0%	19,182	19,176
5. Fisheries Research and Development	63,814	63,810	4	100,0%	58,096	58,091
6. Marine Living Resources Fund	258,623	258,623	-	100,0%	251,331	251,331
<b>Total</b>	<b>465,907</b>	<b>465,890</b>	<b>17</b>	<b>100,0%</b>	<b>439,787</b>	<b>439,765</b>

## TRANSFER PAYMENTS

Transfer payments to public entities

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
National Agricultural Marketing Council (NAMC)	<p>Increasing market access to all market participants</p> <p>More efficient marketing of agricultural products</p> <p>Increased export earnings from agricultural products</p> <p>Enhanced viability of the agricultural sector</p>	34 635	34 635	The strategic objectives as stated in the Strategic Plan were achieved
Agricultural Research Council (ARC)	Conducts research and develops and transfers technology that promotes the agricultural and related industries	803 933	803 933	380 peer reviewed scientific publications 23 new cultivars were registered during the financial year 6 prototypes were developed during the financial year to enhance the productive use and conservation of natural resources
Marine Living Resources Fund (MLRF)	Managing the development, management, monitoring and sustainable use of marine living resources to protect the integrity and quality of the marine ecosystem and ensure growth of the aquaculture sector	258 623	192 623 (58 932 was deferred to 2016/17)	<p>Through the Aquaculture Development and Enhancement Programme (ADEP) 4 Phase 1 aquaculture farms were supported</p> <p>Minister approved submission to gazette draft Aquaculture Bill</p> <p>Draft Aquaculture Bill was gazetted</p> <p>Published promulgation of amended Marine Living Resources Act and approved Small-scale Fishing Regulations Verification protocol completed</p> <p>Northern Cape, Western Cape and Eastern Cape community visitation schedule completed for registration and verification of fishers per community. Started the registration and verification process in communities</p> <p>Approved Small-scale Fishing Regulations translated into Afrikaans, isiXhosa and isiZulu</p> <p>Two new research projects on genetics and nutrition for aquaculture species were conducted</p> <p>5 566 compliance and enforcement measures conducted in the four prioritised fisheries sectors, namely hake, abalone, West Coast rock lobster and line fish</p> <p>The Branch: Fisheries created 1 997,57 full-time equivalent (FTEs) jobs under Working for Fisheries Programme: Youth 1 335; women 1 321 and people with disabilities 26</p>

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Perishable Products Export Control Board (PPECB)	Ensure that perishable products intended for export from South Africa meet the international quality standards	600	600	<p>Since its inception in 2006 up until 2014, the Agri-Export Technologist Programme (AETP) has seen 237 students pass through the programme, of which 130 have found permanent employment after completion with another 52 being employed on a temporary basis by PPECB as the need arises</p> <p>This converts to a 77% employment rate when considering permanent and temporary employment.</p> <p>During the 2015/16 financial year, 26 students completed the learnerships with their graduation set for the beginning of June 2016</p>
Ncera (Pty) Ltd	Assist small farmers in the Kidd's Beach area of the Eastern Cape through various services, including advice, extension, ploughing and training	5 622	5 622	<p>Performance management system implemented</p> <p>Risk register developed and reviewed</p> <p>Expenditure and performance quarterly reports presented to caretaker of the Board Good quality livestock was produced</p> <p>Ncera Farms vehicles, tractors, truck and equipment were properly maintained</p> <p>Nine villages were assisted with contract ploughing</p> <p>Good quality vegetables produced</p>
Land and Agricultural Bank of South Africa	The Land Bank administers the AgriBEE Fund that allocates grants to promote rural community-based empowerment groups	36 762	20 241	<p>Conducted due diligence on 3 proposals</p> <p>Disbursed funds to 3 approved projects: Implementation of 2 has been completed and 1 is 98% complete</p>
Onderstepoort Biological Products	Funds provided for building and vaccine production facilities	268 400	144 161	<p>Appointment of project manager</p> <p>Appointment of project professional team</p> <p>Concept drawing submitted for approval</p> <p>EIA (Environmental Impact Access Plan) approved</p> <p>Phase 1 and 2 approved as stipulated in the project plan</p>



## TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The following table reflects the transfer payments made for the period 1 April 2014 to 31 March 2015

Name of transferee	Type of organisation	Purpose for which funds were used	Did the Dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
<i>Province</i>						
EC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	314 071	307 112	An amount of R38,676 million was redirected from projects to alleviate the effects of drought in the province  The unspent funds resulted from the redirected funds due to shortage of drought related supplies in the province  Retention fees for KYD wool clip and poultry projects could not be paid due to projects not meeting the requirements in the Joe Gqabi, Chris Hani and Grahamstown districts
FS	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	237 181	232 804	Due to savings from ERP resulting from late appointment of six new officials under ERP
GP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	110 682	110 676	There was a saving of R6 000 because the CA tender amount came in at a lesser amount
KZN	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	306 228	306 228	N/A
LP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	321 992	321 992	N/A
MP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	221 724	221 697	Conservation agriculture activities that could not be implemented because of drought in Ehlanzeni

Name of transferee	Type of organisation	Purpose for which funds were used	Did the Dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
NC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	457 855	457 845	N/A
WC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	212 258	212 258	N/A
NW	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	246 789	245 539	Owing to drought, some land could not be planted.  Delay in the acquisition of donga materials resulting in the late engagement of workers
<b>Subtotal</b>				<b>2,171 450</b>	<b>2,158 730</b>	
<b>Municipalities</b>						
City of Tshwane	Local government	Vehicle licences/ Arbor City Awards	N/A	752	732	N/A
Inxuba Yethemba	Local government	Vehicle licences	N/A	11	11	N/A
Mbombela	Local government	Vehicle licences	N/A	30	29	N/A
Khara Hais	Local government	Vehicle licences	N/A	1	1	N/A
Breede Valley	Local government	Arbor City Awards	N/A	1	1	N/A
<b>Subtotal</b>				<b>795</b>	<b>773</b>	
<b>Departmental agencies</b>						
Primary Agricultural Sector Education and Training Authority	Departmental agency	Contribution to operations	N/A	937	937	N/A
FP&MSETA	Departmental agency	Contribution to operations	N/A	429	429	N/A
National Student Financial Aid Scheme	Departmental agency	Agricultural studies bursaries	N/A	14 495	14 495	N/A
Water Research Commission	Departmental agency	Contribution for research projects in water management	N/A	3 000	3 000	N/A
South African Broadcasting Corporation	Departmental agency	Radio and TV licences	N/A	26	26	N/A
National Research Foundation	Departmental agency	To optimise DAFF's investment in research	N/A	20 841	20 841	N/A





Name of transferee	Type of organisation	Purpose for which funds were used	Did the Dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Small Enterprise Development Agency	Departmental agency	Emerging farmer's agri-business management skills	N/A	1 825	1 825	N/A
<b>Subtotal</b>				<b>41 553</b>	<b>41 553</b>	
Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
<b>Higher education institutions</b>						
University of Pretoria	Higher education institution	Promote greening	N/A	2 462	2 462	N/A
University of KZN	Higher education institution	Student support and small-scale processing plant engineering	N/A	745	745	N/A
<b>Subtotal</b>				<b>3 207</b>	<b>3 207</b>	
<b>Public corporations</b>						
Forest Sector Charter Council	Public corporation	Contribution to operations	N/A	3 930	3 930	N/A
<b>Subtotal</b>				<b>3 930</b>	<b>3 930</b>	
<b>Private enterprises</b>						
Claims against the state	Private enterprises	Motor vehicle accidents	N/A	93	85	N/A
<b>Sub-total</b>				<b>93</b>	<b>85</b>	
<b>Foreign governments and international organisations</b>						
Foreign rates and taxes	Foreign governments and international organisations	Rates and taxes paid in foreign regions	N/A	366	305	N/A
International organisations	Foreign governments and international organisations	Membership fees	N/A	31 605	31 605	N/A
<b>Subtotal</b>				<b>31 971</b>	<b>31 910</b>	
<b>Non-profit institutions</b>						
Deciduous Fruit Producers' Trust	Non-profit institution	Contribution to the pest control programme	N/A	10 000	10 000	N/A
Forestry South Africa	Non-profit institution	Promote greening	N/A	4 419	4 418	N/A
Colleges in the sector	Non-profit institution	Contribution to tuition and book fees of agricultural students	N/A	2 000	1 905	N/A

Name of transferee	Type of organisation	Purpose for which funds were used	Did the Dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
LIMA Rural Development Foundation	Non-profit institution	Contribution to LIMA Rural Development Foundation	N/A	8 081	8 080	N/A
<b>Subtotal</b>				<b>24 500</b>	<b>24 403</b>	
<i>Households</i>						
Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Social benefits	Households	Leave gratuities	N/A	14 165	14 131	N/A
Claims against the state	Households	Excess payment subsidised motor insurance	N/A	516	510	N/A
Bursaries (non-employees)	Households	Grootfontein Agricultural Development Institute—students	N/A	1 391	1 391	N/A
Female Entrepreneur Awards	Households	Prizemoney	N/A	550	550	N/A
<b>Subtotal</b>				<b>16 622</b>	<b>16 582</b>	

## CONDITIONAL GRANTS

### Conditional grants and earmarked funds paid

#### CONDITIONAL GRANT 1: CASP

Department to whom the grant has been transferred	
<i>Eastern Cape: Department of Rural Development and Agrarian Reform</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 2 894 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 2 829 youth, women and farmers with disabilities supported through CASP;</li> <li>• 15 on-off farm infrastructure provided and repaired;</li> <li>• 525 jobs created;</li> <li>• 46 extension personnel recruited and maintained in the system;</li> <li>• 210 extension officers upgrading qualifications at various institutions.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 2 894 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 2 829 youth, women and farmers with disabilities supported through CASP;</li> <li>• 15 on-off farm infrastructure provided and repaired;</li> <li>• 3 002 jobs created;</li> <li>• 23 extension personnel recruited and maintained in the system;</li> <li>• 210 extension officers upgrading qualifications at various institutions;</li> <li>• 12 000 ha of land ploughed and planted.</li> </ul>



<b>Department to whom the grant has been transferred</b>	
<i>Eastern Cape: Department of Rural Development and Agrarian Reform</i>	
Amount per amended DoRA (R'000)	R254 399
Amount transferred (R'000)	R254 399
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R249 389
Reasons for the funds unspent by the entity	<ul style="list-style-type: none"> <li>An amount of R38,676 million was redirected from projects to alleviate the effects of drought in the province. The unspent funds resulted from the redirected funds owing to shortage of drought related supplies in the province</li> <li>Retention fees for KYD wool clip and poultry projects could not be paid owing to projects not meeting the requirements in Joe Gqabi, Chris Hani and Grahamstown</li> </ul>
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter
<i>Free State: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> <li>35 155 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>8 on-off farm infrastructure provided and repaired;</li> <li>1 730 beneficiaries of CASP trained in farming methods;</li> <li>155 jobs created;</li> <li>50 extension personnel recruited and maintained in the system;</li> <li>0 extension officers upgrading qualifications at various institutions;</li> <li>0 partnerships created to support farmers;</li> <li>7 344 ha of land ploughed and planted.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>2 169 subsistence, smallholder and commercial farmers supported through CASP</li> <li>8 on-off farm infrastructure provided and repaired</li> <li>1 730 beneficiaries of CASP trained in farming methods</li> <li>155 jobs created</li> </ul>
Amount per amended DoRA (R'000)	R170 916
Amount transferred (R'000)	R170 916
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R166 539
Reasons for the funds unspent by the entity	Due to savings from ERP resulting from the late appointment of six new officials under ERP
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter
<i>Free State: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports

**Free State: Department of Agriculture and Rural Development**

Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 91 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 162 youth, women and farmers with disabilities supported through CASP;</li> <li>• 3 on-off farm infrastructure provided and repaired;</li> <li>• 500 beneficiaries of CASP trained in farming methods;</li> <li>• 177 jobs created;</li> <li>• 53 extension personnel recruited and maintained in the system;</li> <li>• 191 extension officers upgrading qualifications at various institutions.</li> <li>• 0 partnerships created to support farmers</li> <li>• 3 830 ha of land ploughed and planted</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 169 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 468 youth, women and farmers with disabilities supported through CASP;</li> <li>• 79 on-off farm infrastructure provided and repaired;</li> <li>• 500 beneficiaries of CASP trained in farming methods;</li> <li>• 38 jobs created;</li> <li>• 65 extension personnel recruited and maintained in the system;</li> <li>• 80 extension officers upgrading qualifications at various institutions.</li> </ul>
Amount per amended DoRA (R'000)	R82 331
Amount transferred (R'000)	R82 331
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R82 331
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

**KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development**

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 3 052 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 5 425 youth, women and farmers with disabilities supported through CASP;</li> <li>• 34 on-off farm infrastructure provided and repaired;</li> <li>• 2 800 beneficiaries of CASP trained in farming methods;</li> <li>• 400 extension personnel recruited and maintained in the system;</li> <li>• 0 extension officers upgrading qualifications at various institutions;</li> <li>• 13 200 ha of land ploughed and planted.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 3 052 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 4 498 youth, women and farmers with disabilities supported through CASP.</li> <li>• 34 on-off farm infrastructure provided and repaired;</li> <li>• 700 beneficiaries of CASP trained in farming methods;</li> <li>• 2 068 jobs created;</li> <li>• 310 extension personnel recruited and maintained in the system;</li> <li>• 13 200 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA (R'000)	R226 161
Amount transferred (R'000)	R226 161



<i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development</i>	
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R226 161
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Limpopo: Department of Agriculture</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 11 282 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 35 on-off farm infrastructure provided and repaired;</li> <li>• 2 293 beneficiaries of CASP trained in farming methods;</li> <li>• 1 429 jobs created;</li> <li>• 121 extension personnel recruited and maintained in the system;</li> <li>• 0 extension officers upgrading qualifications at various institutions;</li> <li>• 31 572 ha of land ploughed and planted.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 867 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 4 498 youth, women and farmers with disabilities supported through CASP</li> <li>• 35 on-off farm infrastructure provided and repaired;</li> <li>• 2 210 beneficiaries of CASP trained in farming methods;</li> <li>• 17 421 jobs created;</li> <li>• 121 extension personnel recruited and maintained in the system;</li> <li>• 100 extension officers upgrading qualifications at various institutions;</li> <li>• 13 693 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA (R'000)	R261 844
Amount transferred (R'000)	R261 844
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R261 844
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports

<i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration</i>	
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 59 500 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 33 on-off farm infrastructure provided and repaired;</li> <li>• 3 721 beneficiaries of CASP trained in farming methods;</li> <li>• 641 jobs created;</li> <li>• 55 extension personnel recruited and maintained in the system;</li> <li>• 0 extension officers upgrading qualifications at various institutions;</li> <li>• 13 998 ha of land ploughed and planted.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 5 951 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 33 on-off farm infrastructure provided and repaired;</li> <li>• 3 721 beneficiaries of CASP trained in farming methods;</li> <li>• 5 824 jobs created;</li> <li>• 55 extension personnel recruited and maintained in the system;</li> <li>• 13 998 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA (R'000)	R169 684
Amount transferred (R'000)	R169 684
Reasons if amount as per DoRA not transferred (R'000)	Due to conservation agriculture activities that could not be implemented as a result of the drought in Ehlanzeni
Amount spent by the department (R'000)	R169 684
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Northern Cape: Department of Agriculture, Land Reform and Rural Development</i>	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 1 395 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 541 youth, women and farmers with disabilities supported through CASP;</li> <li>• 25 on-off farm infrastructure provided and repaired;</li> <li>• 1 620 beneficiaries of CASP trained in farming methods;</li> <li>• 1 168 jobs created;</li> <li>• 30 extension personnel recruited and maintained in the system.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 894 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 541 youth, women and farmers with disabilities supported through CASP;</li> <li>• 25 on-off farm infrastructure provided and repaired;</li> <li>• 2 553 beneficiaries of CASP trained in farming methods;</li> <li>• 848 jobs created;</li> <li>• 10 extension personnel recruited and maintained in the system;</li> <li>• 109 000 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA (R'000)	R135 509
Amount transferred (R'000)	R135 509
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R135 509
Reasons for the funds unspent by the entity	N/A



**Northern Cape: Department of Agriculture, Land Reform and Rural Development**

Monitoring mechanism by the transferring department	Project verification visits and reports per quarter
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**North West: Department of Agriculture and Rural Development**

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 3 118 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 57 on-off farm infrastructure provided and repaired;</li> <li>• 2 046 beneficiaries of CASP trained in farming methods;</li> <li>• 1 981 jobs created;</li> <li>• 91 extension personnel recruited and maintained in the system;</li> <li>• 0 extension officers upgrading qualifications at various institutions;</li> <li>• 11 146 ha of land ploughed and planted.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 2 046 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 57 on-off farm infrastructure provided and repaired;</li> <li>• 2 046 beneficiaries of CASP trained in farming methods;</li> <li>• 1 099 jobs created;</li> <li>• 91 extension personnel recruited and maintained in the system;</li> <li>• 11 146 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA	R191 897
Amount transferred (R'000)	R191 897
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R191 897
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

**Western Cape: Department of Agriculture**

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 1 741 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 37 on-off farm infrastructure provided and repaired;</li> <li>• 2 500 beneficiaries of CASP trained in farming methods;</li> <li>• 438 jobs created;</li> <li>• 0 extension personnel recruited and maintained in the system;</li> <li>• 19 extension officers upgrading qualifications at various institutions.</li> </ul>

<i>Western Cape: Department of Agriculture</i>	
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 875 subsistence, smallholder and commercial farmers supported through CASP;</li> <li>• 2 003 youth, women and farmers with disabilities supported through CASP;</li> <li>• 27 on-off farm infrastructure provided and repaired;</li> <li>• 2 000 beneficiaries of CASP trained in farming methods.</li> <li>• 400 beneficiaries of CASP accessing markets;</li> <li>• 380 jobs created;</li> <li>• 81 extension personnel recruited and maintained in the system;</li> <li>• 37 extension officers upgrading qualifications at various institutions;</li> <li>• 10 successful partnerships created to support farmers;</li> <li>• 400 ha of land ploughed and planted.</li> </ul>
Amount per amended DoRA (R'000)	R146 985
Amount transferred (R'000)	R146 985
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the Department (R'000)	R146 985
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

## CONDITIONAL GRANT 2: ILIMA/LETSEMA

<i>Eastern Cape: Department of Rural Development and Agrarian Reform</i>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 42 500 ha planted and ploughed;</li> <li>• 12 909 beneficiaries/farmers supported by the grant per category;</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 42 500 ha planted and ploughed;</li> <li>• 5 603 beneficiaries/farmers supported by the grant per category.</li> </ul>
Amount per amended DoRA (R'000)	R49 672
Amount transferred (R'000)	R49 672
Amount spent by the department (R'000)	R47 723
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Free State: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 7 327 ha planted and ploughed;</li> <li>• 35 155 beneficiaries/farmers supported by the grant per category;</li> <li>• 0 ha rehabilitated and expanded under irrigation schemes.</li> </ul>





<i>Free State: Department of Agriculture and Rural Development</i>	
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 7 327 ha planted and ploughed</li> <li>• 3 628 beneficiaries/farmers supported by the grant per category</li> </ul>
Amount per amended DoRA (R'000)	R60 990
Amount transferred (R'000)	R60 990
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R60 990
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Gauteng: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 2 600 ha planted and ploughed;</li> <li>• 317 beneficiaries/farmers supported by the grant per category;</li> <li>• 0 ha rehabilitated and expanded under irrigation schemes.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 2 600 ha planted and ploughed;</li> <li>• 137 599 beneficiaries/farmers supported by the grant per category</li> </ul>
Amount per amended DoRA (R'000)	R23 750
Amount transferred (R'000)	R23 750
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R23 750
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development</i>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	1 553 ha planted and ploughed 11 264 beneficiaries/farmers supported by the grant per category
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 553 ha planted and ploughed;</li> <li>• 11 264 beneficiaries/farmers supported by the grant per category.</li> </ul>
Amount per amended DoRA (R'000)	R69 401
Amount transferred (R'000)	R69 401
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R69 401

***KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development***

Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

***Limpopo: Department of Agriculture***

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"><li>• 17 749 ha planted and ploughed;</li><li>• 11 282 beneficiaries/farmers supported by the grant per category.</li></ul>
Actual outputs achieved	<ul style="list-style-type: none"><li>• 17 749 ha planted and ploughed;</li><li>• 11 282 beneficiaries/farmers supported by the grant per category.</li></ul>
Amount per amended DoRA (R'000)	R50 337
Amount transferred (R'000)	R50 337
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R50 337
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

***Mpumalanga: Department of Agriculture, Rural Development and Land Administration***

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.
Expected outputs of the grant	<ul style="list-style-type: none"><li>• 13 998 ha planted and ploughed;</li><li>• 59 500 beneficiaries/farmers supported by the grant per category;</li><li>• 0 ha rehabilitated and expanded under irrigation schemes.</li></ul>
Actual outputs achieved	<ul style="list-style-type: none"><li>• 13 998 ha planted and ploughed;</li><li>• 59 500 beneficiaries/farmers supported by the grant per category.</li></ul>
Amount per amended DoRA (R'0000)	R46 092
Amount transferred (R'000)	R46 092
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R46 092
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

***Northern Cape: Department of Agriculture, Land Reform and Rural Development***

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.
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<b>Northern Cape: Department of Agriculture, Land Reform and Rural Development</b>	
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 4 146,2 ha planted and ploughed;</li> <li>• 465 beneficiaries/farmers supported by the grant per category;</li> <li>• 147 youth, women and farmers with disabilities supported;</li> <li>• 14 on-off farm infrastructure provided and repaired.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 479 ha planted and ploughed;</li> <li>• 391 beneficiaries/farmers supported by the grant per category.</li> </ul>
Amount per amended DoRA (R'000)	R69 458
Amount transferred (R'000)	R69 458
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R69 458
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<b>North West: Department of Agriculture and Rural Development</b>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 11 146 ha planted and ploughed;</li> <li>• 3 118 beneficiaries/farmers supported by the grant per category;</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 11 156 ha planted and ploughed;</li> <li>• 24 588 tons produced within agricultural development corridors;</li> <li>• 3 118 beneficiaries/farmers supported by the grant per category.</li> </ul>
Amount per amended DoRA (R'000)	R47 406
Amount transferred (R'000)	R47 406
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R46 296
Reasons for the funds unspent by the entity	Due to drought some land could not be planted
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<b>Western Cape: Department of Agriculture</b>	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 817 ha planted and ploughed;</li> <li>• 1 740 beneficiaries/farmers supported by the grant per category;</li> <li>• 0 ha rehabilitated and expanded under irrigation schemes.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 817 ha planted and ploughed;</li> <li>• 5 150 tons produced within agricultural development corridors;</li> <li>• 1 740 beneficiaries/farmers supported by the grant per category.</li> </ul>

<i>Western Cape: Department of Agriculture</i>	
Amount per amended DoRA (R'000)	R49 607
Amount transferred (R'000)	R49 607
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R49 607
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

### CONDITIONAL GRANT 3: LANDCARE

<i>Eastern Cape: Department of Rural Development and Agrarian Reform</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 413 ha of rangeland protected and rehabilitated;</li> <li>• 2 073 ha of soil land protected and rehabilitated;</li> <li>• 20 Junior LandCare participants involved in the programme;</li> <li>• 18 capacity building initiatives conducted for Junior Carers;</li> <li>• 178 capacity building initiatives conducted for LandCarers;</li> <li>• 1 630 awareness campaigns conducted and attended by LandCarers;</li> <li>• 5 LandCare committees/LandCare groups established;</li> <li>• 494 ha of land where weeds and invader plants are under control;</li> <li>• 108 km of fence erected.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 046,2 ha of rangeland protected and rehabilitated;</li> <li>• 2 072 ha of soil land protected and rehabilitated;</li> <li>• 171 Junior LandCare participants involved in the programme;</li> <li>• 12 capacity building initiatives conducted for Junior Carers;</li> <li>• 178 capacity building initiatives conducted for LandCarers;</li> <li>• 1 070 awareness campaigns conducted and attended by LandCarers;</li> <li>• 4 LandCare committees/LandCare groups established;</li> <li>• 550 ha of land where weeds and invader plants are under control;</li> <li>• 62 km of fence erected.</li> </ul>
Amount per amended DoRA (R'000)	R10 000
Amount transferred (R'000)	R10 000
Reasons if amount as per DoRA not transferred	N/A
Amount spent by department (R'000)	R10 000
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter



<i>Free State: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 300 ha of rangeland protected and rehabilitated;</li> <li>• 400 ha of soil land protected and rehabilitated;</li> <li>• 2 000 Junior LandCare participants involved in the programme;</li> <li>• 300 capacity building initiatives conducted for Junior Carers;</li> <li>• 890 awareness campaigns conducted and attended by LandCarers;</li> <li>• 5 LandCare committees/LandCare groups established;</li> <li>• 6 150 ha of land where weeds and invader plants are under control;</li> <li>• 333 green jobs created expressed as Full Time Equivalents (FTEs).</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 700 ha of rangeland protected and rehabilitated;</li> <li>• 524 ha of soil land protected and rehabilitated;</li> <li>• 2 053 Junior LandCare participants involved in the programme;</li> <li>• 3 142 ha of water resources protected and rehabilitated;</li> <li>• 687 awareness campaigns conducted and attended by LandCarers;</li> <li>• 6 394 ha of land where weeds and invader plants are under control;</li> <li>• 390 green jobs created and 62,81 expressed as Full Time Equivalents (FTEs).</li> </ul>
Amount per amended DoRA (R'000)	R5 275
Amount transferred (R'000)	R5 275
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R5 275
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Gauteng: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 635 ha of soil land protected and rehabilitated;</li> <li>• 1,84 ha of water resources protected and rehabilitated;</li> <li>• 635 ha of land where weeds and invader plants are under control;</li> <li>• 127 green jobs created and 81,5 expressed as FTEs.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 620,9 ha of soil land protected and rehabilitated;</li> <li>• 1,84 ha of water resources protected and rehabilitated;</li> <li>• 619,9 ha of land where weeds and invader plants are under control;</li> <li>• 117 green jobs created and 93,35 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R4 601
Amount transferred (R'000)	R4 601
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R4 595

**Gauteng: Department of Agriculture and Rural Development**

Reasons for the funds unspent by the entity	There was a saving of R6 000 because the conservation agriculture tender came in at a lesser amount
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

**KwaZulu-Natal: Department Agriculture, Environmental Affairs and Rural Development**

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 1 600 Junior LandCare participants involved in the programme;</li> <li>• 10 awareness campaigns conducted and 1 754 attended by LandCarers;</li> <li>• 50 people with improved capacity and skills levels benefiting from capacity building initiatives;</li> <li>• 4 LandCare committees/LandCare groups established;</li> <li>• 550 ha of land where weeds and invader plants are under control;</li> <li>• 37,8 km of fence erected for soil protection and rehabilitated;</li> <li>• 1 690 ha of land where weeds and invader plants are under control;</li> <li>• 202 green jobs created and expressed as Full Time Equivalents (FTEs).</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 754 Junior LandCare participants involved in the programme;</li> <li>• 10 awareness campaigns conducted and 1 754 attended by LandCarers;</li> <li>• 65 people with improved capacity and skills levels benefiting from capacity building initiatives;</li> <li>• 4 LandCare committees/LandCare groups established;</li> <li>• 550 ha of land where weeds and invader plants are under control;</li> <li>• 22,10 km of fence erected for soil protection and rehabilitated;</li> <li>• 1 690 ha of land where weeds and invader plants are under control;</li> <li>• 176 green jobs created and 148,39 expressed as Full Time Equivalents (FTEs).</li> </ul>
Amount per amended DoRA (R'000)	R10 666
Amount transferred (R'000)	R10 666
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R10 666
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

**Limpopo: Department of Agriculture**

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 8 capacity building initiatives conducted for JuniorCare;</li> <li>• 44 awareness campaigns conducted and attended by LandCarers;</li> <li>• 661 ha of land where weeds and invader plants are under control;</li> <li>• 135 km of fence erected;</li> <li>• 515 green jobs created and expressed as FTEs.</li> </ul>



<i>Limpopo: Department of Agriculture</i>	
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 2 capacity building initiatives conducted for JuniorCare;</li> <li>• 24 awareness campaigns conducted and attended by LandCarers;</li> <li>• 665 ha of land where weeds and invader plants are under control;</li> <li>• 97 km of fence erected;</li> <li>• 272 green jobs created and 137,45 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R9 811
Amount transferred (R'000)	R9 811
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R9 811
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 336 ha of rangeland protected and rehabilitated;</li> <li>• 405 ha of soil land protected and rehabilitated;</li> <li>• 28 capacity building initiatives conducted for LandCarers;</li> <li>• 34 awareness campaigns conducted and attended by LandCarers;</li> <li>• 500 ha of land where weeds and invader plants are under control;</li> <li>• 40 km of fence erected;</li> <li>• 664 green jobs created and 179,42 expressed as FTEs.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 253 ha of rangeland protected and rehabilitated;</li> <li>• 19 ha of soil land protected and rehabilitated;</li> <li>• 40 awareness campaigns conducted and attended by LandCarers;</li> <li>• 842 ha of land where weeds and invader plants are under control;</li> <li>• 46,7 km of fence erected;</li> <li>• 203 green jobs created and 179,42 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R5 948
Amount transferred (R'000)	R5 948
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R5 921
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>Northern Cape: Department of Agriculture, Land Reform and Rural Development</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 3 000 ha of rangeland protected and rehabilitated;</li> <li>• 200 ha of soil land protected and rehabilitated;</li> <li>• 20 Junior Care participants involved in the programme;</li> <li>• 9 ha of water resources protected and rehabilitated;</li> <li>• 2 capacity building initiatives conducted for JuniorCare;</li> <li>• 74 capacity building initiatives conducted for LandCarers;</li> <li>• 3 awareness campaigns conducted and attended by LandCarers.</li> </ul>
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 250 ha of land where weeds and invader plants are under control</li> <li>• 9 km of fence erected</li> <li>• 203 green jobs created and 179,42 expressed as FTEs</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 3 250 ha of rangeland protected and rehabilitated;</li> <li>• 200 ha of soil land protected and rehabilitated;</li> <li>• 51 Junior Care participants involved in the programme;</li> <li>• 14 ha of water resources protected and rehabilitated;</li> <li>• 24 capacity building initiatives conducted for LandCarers;</li> <li>• 2 awareness campaigns conducted and attended by LandCarers;</li> <li>• 250 ha of land where weeds and invader plants are under control;</li> <li>• 14 km of fence erected;</li> <li>• 103 green jobs created and 26,27 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R7 291
Amount transferred (R'000)	R7 291
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	R7 291
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

<i>North West: Department of Agriculture and Rural Development</i>	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 8 403 ha of rangeland protected and rehabilitated;</li> <li>• 0 ha of land protected and rehabilitated;</li> <li>• 20 Junior Care participants involved in the programme;</li> <li>• 6 ha of water resources protected and rehabilitated;</li> <li>• 11 capacity building initiatives conducted for Junior Care.</li> </ul>
	<ul style="list-style-type: none"> <li>• 220 capacity building initiatives conducted for LandCarers;</li> <li>• 5 awareness campaigns conducted and attended by LandCarers;</li> <li>• 0 LandCare committees/LandCare groups established;</li> <li>• 250 ha of land where weeds and invader plants are under control;</li> <li>• 112 km of fence erected;</li> <li>• 103 green jobs created and 26,27 expressed as FTEs.</li> </ul>





**North West: Department of Agriculture and Rural Development**

Actual outputs achieved	<ul style="list-style-type: none"> <li>• 2 700 ha of rangeland protected and rehabilitated;</li> <li>• 0 ha of land protected and rehabilitated;</li> <li>• 20 JuniorCare participants involved in the programme;</li> <li>• 8 ha of water resources protected and rehabilitated;</li> <li>• 1 capacity building initiatives conducted for Junior Care;</li> <li>• 220 capacity building initiatives conducted for LandCarers;</li> <li>• 4 awareness campaigns conducted and attended by LandCarers;</li> <li>• 0 LandCare committees/LandCare groups established;</li> <li>• 85 ha of land where weeds and invader plants are under control;</li> <li>• 117 km of fence erected;</li> <li>• 252 green jobs created and 160,52 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R7 486

**Western Cape: Department of Agriculture**

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• 2 535 ha of rangeland protected and rehabilitated;</li> <li>• 244 ha of soil land protected and rehabilitated;</li> <li>• 6 040 Junior Care participants involved in the programme;</li> <li>• 17 ha of land where water resources are protected and rehabilitated;</li> <li>• 3 784 capacity building initiatives conducted for Junior Care;</li> <li>• 62 capacity building initiatives conducted for LandCarers;</li> <li>• 7 932 awareness campaigns conducted and attended by LandCarers;</li> <li>• 214 LandCare committees/LandCare groups established;</li> <li>• 373 ha of land where weeds and invader plants are under control;</li> <li>• 2 113 green jobs created and expressed as FTEs.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• 1 046 ha of rangeland protected and rehabilitated;</li> <li>• 2 072 ha of soil land protected and rehabilitated;</li> <li>• 10 343 Junior Care participants involved in the programme;</li> <li>• 22,37 ha of land where water resources are protected and rehabilitated;</li> <li>• 11 019 capacity building initiatives conducted for JuniorCare;</li> <li>• 16 918 capacity building initiatives conducted for LandCarers;</li> <li>• 452,06 ha of land where weeds and invader plants are under control;</li> <li>• 669 green jobs created and 122,33 expressed as FTEs.</li> </ul>
Amount per amended DoRA (R'000)	R3 933
Amount transferred (R'000)	R3 933
Reasons if amount as per DoRA not transferred	N/A
Amount spent by the department (R'000)	3 933
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

## DONOR FUNDS

### Donor funds received

The following table details the donor funds received for the period 1 April 2015 to 31 March 2016

<b>Donor: United States Agency for International Development (USAID)</b>	
Full amount of the funding	R587 543,00
Period of the commitment	Period of five years up to 2017
Purpose of the funding	Response of vegetation, soil, animal and water cycle to different management regimes: Victoria Falls area–Zimbabwe. To collect scientific data that will support the long-term effects of using the Holistic Planned Grazing (HPG) management tool
<b>Donor: United States Agency for International Development (USAID)</b>	
Expected outputs	<ul style="list-style-type: none"> <li>• Undertake fourth annual field monitoring exercise.</li> <li>• From the above:</li> <li>• Capture data into digital format</li> <li>• Analyse data</li> <li>• Interpret data</li> <li>• From the above:</li> <li>• Complete the fourth report of the abovementioned field work</li> </ul>
Actual outputs achieved	<p>In 2015/16, the following was achieved:</p> <ul style="list-style-type: none"> <li>• Completed fifth annual field monitoring exercise               <ul style="list-style-type: none"> <li>* Undertook additional field monitoring exercise given the drought suffered in 2015/16. This was done in March/April 2016</li> </ul> </li> <li>• From the above:               <ul style="list-style-type: none"> <li>* Captured data into digital format</li> <li>* Analysed data</li> <li>* Interpreted data</li> </ul> </li> <li>• From the above:               <ul style="list-style-type: none"> <li>* To complete and forward fifth report on completion of the analysis of work done in March/April 2016</li> </ul> </li> <li>• Herders supplied with solar powered tracking system to assist in determining the exact movements of the cattle on Dimbangombe Ranch—to be written into final report</li> </ul>
Amount received (R'000)	R258
Amount spent by the department (R'000)	R258
reasons for the funds unspent	None
Monitoring mechanism by the donor	Steering Committee
<b>Donor: Biodiversity International (ACP–EU Cooperation Programme)</b>	
Full amount of the funding	R935 018,00
Period of the commitment	2014/15–2015/16
Purpose of the funding	Grant for the implementation of the in situ conservation and use of crop wild relatives in three ACP countries of SADC region Project (FED/2013/330-210)
Expected outputs	<p>The overall objective of the project is to enhance the link between conservation and use of crop wild relatives (CWR) in the three ACP countries within the SADC region, as a means of underpinning regional food security and mitigating the predicted adverse impact of climate change with the specific objective(s) of:</p> <ul style="list-style-type: none"> <li>• Enhancing the scientific capacities within the partner countries of the SADC region to conserve CWR and identify useful potential traits for use to adapt to climate change</li> </ul>



Donor: Biodiversity International (ACP–EU Cooperation Programme)	
(cont.) Expected outputs	<ul style="list-style-type: none"> <li>Developing exemplar national Strategic Action Plans for the conservation and use of CWR in the face of the challenges of climate change across the SADC region</li> </ul>
Actual outputs achieved	<p>In 2015/16, the following was achieved:</p> <ul style="list-style-type: none"> <li>Hosted regional training workshops on in situ conservation of CWR and the predictive characterisation and pre-breeding activities for CWR</li> <li>Supported on-the-job training in the SADC region</li> <li>Hosted a workshop for development of exemplar National Strategic Action Plan (NSAP)</li> <li>Participated in the Midterm review and Steering Committee meetings</li> <li>Developed public awareness materials</li> </ul>
Amount received (R'000)	<p>R467 Balance 2014/15: R93 2015/16: R413 Total available for spending in 2015/16: R506</p>
Amount spent by the department (R'000)	R172
Funds unspent (R'000)	Closing balance for 2015/16: R334
Reasons for the funds unspent (R'000)	<p>The unspent funds are carried over to complete project outputs related to:</p> <ul style="list-style-type: none"> <li>Field visits to verify CWR</li> <li>Predictive characterisation of priority crops</li> <li>Preparation of the NSAP</li> <li>Mainstreaming of the NSAP in national and regional policies</li> <li>Communication and public awareness activities will continue as per Communication and Visibility Plan</li> </ul> <p>Final Dissemination Workshop and final Steering Committee meeting</p>
Monitoring mechanism by the donor	<p>Two reports w.r.t. the technical progress and achievements and the financial status are sent annually to Biodiversity International. One Midterm review meeting is held to review progress and address challenges and make the necessary amendments</p>

## CAPITAL INVESTMENT

### Capital Investment, Maintenance and Asset Management Plan

During the period under review, the following infrastructure projects were completed in the department:

Stellenbosch Plant Quarantine Station—Agrochemical Store (WCS 48524): Service successfully completed on 28 August 2015.

Infrastructure projects currently in progress:

- Upgrading of electrical substation in Stellenbosch Plant Quarantine Station (WCS 051208)— contract completion report; Certificate of completion of works; Final Approval Certificate received.
- Repair and Maintenance Programme (RAMP) project at Sefala Building (WCS 044038):** Project Manager had left service of DPW and DAFF awaiting details of new Project Manager. Contractor to complete work not appointed yet.
- Construction of sniffer dog facility (WCS 051626):** Site near Cape Town International Airport still to be identified. KAM Head Office requested to place project back to Status 4. New PI to be issued once new site has been approved.
- Alterations to the entrance at Polka Drive (WCS 051209):** Project in Status 8. DAFF requested to register new project for entrance from Adam Tas Road to Stellenbosch Quarantine Station. New needs assessment drafted and submitted to Director for his approval.
- Construction of seed banks in Sterkspruit (WCS 051639):** Project still awaiting site clearance. Application for land use rights still being processed by municipality. Town Planner also busy with bulk infrastructure investigation.

- **Construction of seed banks in Mutale (WCS 051592):** Project still awaiting site clearance. Department of Rural Development and Land Reform had made submission to Provincial Land Committee for approval to subdivide property.
- **Upington:** Upgrade of offices; store room; workshop and construction of waste containment dam (WCS 051539): No progress made by DPW despite various reminders from DAFF.
- **Refurbishment and extension of the Skukuza Veterinary Building (WCS 052069):** Construction was expected to be completed by end of May 2016, but it was only 85% complete. Extension was granted until 27 June 2016 for completion. Delegates from DAFF with technical know-how assisted with provision of data and telephone and socket outlets on 17 May 2016.
- **Upgrading of reception areas (WCS 051541):** DAFF advised that project will be handed over to DPW Head Office to be implemented through implementing agents. Tender was advertised on 13 May 2016.
- **Replacement of the roof waterproofing structure at Sefala Building (WCS 052387):** D: KAM of DPW instructed to change service to Capital Works project for current financial year. Implementation through implementing agents was approved by Head Office.
- Construction of Durban Quarantine Station (WCS 045521): Project was placed to Status 4C and no progress has been made.
- **Revamping of the parking area at Harvest House (WCS 052143):** The highest scoring tenderer could not be appointed due to the fact that he was not registered on the Central Supplier Database and he was given a chance to register until 18 May 2016. The tender will be re-evaluated on 19 May 2016. The contractor is expected to commence with the work on 15 June 2016.
- **Upgrading and maintenance of buildings and laboratories:** Repairs to glasshouses and plant tunnels – Stellenbosch Plant Quarantine Station (WCS 052777): No contractor appointed yet due to the fact that the highest tenderer might be a security risk. New information and breakdown was submitted to Bid Adjudication Committee for the third time. The Project Manager was requested to provide DAFF with an update on the evaluation process on 28 April 2016.
- **Installation of a central chilled water system with air cooled chillers for Agriculture Place (WCS 53770):** The Project Manager was provided with proof that funds had been allocated for the project on 04 April 2016. DAFF was informed on 13 May 2016 that a revised Procurement Instruction was issued for implementation and that consultants would be appointed through quotations by 30 May 2016.
- **Repairs and maintenance at Kempton Park Animal Quarantine Station (WCS 53727):** DPW has not made any progress with the project.
- **Various minor Capital Projects along the coastline (WCS 52552):** DPW has not made much progress and vetting process of tenderers has taken a long time. A letter has been sent by the acting DG: DAFF to the DG: DPW regarding this project and other projects where there has been little progress.
- **Milnerton Quarantine Station—Cape Town:** Upgrading and Capital Works (WCS 52552): The project for upgrading the student centre (WCS 05368) has been incorporated into this project. DPW has made no progress with this project and D: KAM indicated she would visit the facility again.
- **Repairs and installation of infrastructure at Roodeplaats Genetic Resources Centre (WCS 052805):** The tender documents to appoint an Occupational Health and Safety Officer had been submitted to Head Office. Re-evaluation for a mechanical engineer is scheduled for 18 May 2016.
- **Repair and maintenance of facilities—Buffelspoort (WCS 52059):** DPW was requested to advise DAFF whether this service could be placed on Planned Maintenance since DAFF was unable to confirm funding.
- **Middelburg (EC)—Grootfontein Agricultural Development Institute (GADI) (WCS 53304):** The sketch plan was approved on 29 January 2016. The tender date was 26 March 2016 and the planned tender acceptance date is 20 August 2016.
- **Request to conduct a site audit of the areas which require ramp facilities for disabled officials at Head Office buildings in DAFF (WCS 52356):** Procurement instruction was issued on 26 June 2015, but DAFF has made no further progress with the project. The Project Manager reported on 13 May 2016 that a revised Procurement Instruction was requested from Head Office in April 2016 but that he has not received it yet.

#### New projects registered

- **Stellenbosch Plant Quarantine Station upgrade of sewer system (WCS 054350):** The Bid Adjudication Committee is busy with the adjudication. Only one responsive bid was received for the tender. The financial tender date will be moved in accordance with the project date.

#### Projects awaiting WCS numbers

- Restoration of two farm dams at Stellenbosch Plant Quarantine Station



- External repairs and renovations of the Fruit Laboratory and Analytical Services Building at Stellenbosch Plant Quarantine Station
  - New security fence around Blocks A and B at Stellenbosch Plant Quarantine Station
- Upgrade of the electrical Reticulation Block A and B at Stellenbosch Plant Quarantine Station

Progress with infrastructure projects

Infrastructure projects	2015/16			2014/15		
	Final appropriation	Actual expenditure	(Over)/Under expenditure	Final appropriation	Actual expenditure	(Over)/Under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	9 037	8 961	76	8 244	8 242	2
<i>Existing infrastructure assets</i>						
Upgrades and additions	33 192	31 240	1 952	41 484	21 569	19 915
Rehabilitation, renovations and refurbishments				878	878	0
Maintenance and repairs	23 395	22 125	1 270	13 490	12 865	625
<i>Infrastructure transfers</i>						
Current	58 601	58 601	0	493 761	493 761	0
Capital	284 605	284 605	0	142 992	142 992	0
<b>Total</b>	<b>408 830</b>	<b>405 532</b>	<b>3 298</b>	<b>700 849</b>	<b>680 307</b>	<b>20 542</b>

# Part C

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## Governance



## 1. INTRODUCTION

The department is committed to maintaining the highest standards of governance to ensure that public finances and resources are managed economically, effectively and efficiently. Good governance structures have been put in place to utilise state resources in a responsible way. Assessments have been conducted in areas where control measures are lacking or still need to be established, or improved. Where a lack of capacity was identified in specific units, new posts were created on the establishment of the Department to improve service delivery. Areas in which weaknesses were identified during the period under review will be addressed in the 2016/17 financial year.

## 2. RISK MANAGEMENT

The Department's Accounting Officer takes responsibility for implementing Enterprise Risk Management in accordance with the Public Finance Management Act, Section 38(a)(i). The National Treasury Public Sector Risk Management Framework provides guidance in this regard and further outlines how the aforesaid responsibility can be implemented. The Directorate: Risk Management and Investigations, which resides in the Office of the Accounting Officer, provides technical and strategic support to the entire DAFF.

To ensure that an enabling environment is created for the effective implementation of Enterprise Risk Management, governance frameworks need to be in place for implementation. The Risk Management Strategy was reviewed to ensure its relevance and that it responds to the risk management needs and challenges of the DAFF. Additionally, the Risk Management Policy, which sets out DAFF's overall intention with regard to Enterprise Risk Management was developed, approved and implemented during the 2015/16 financial year.

It is imperative that an organisation is aware of the risks it faces so that it is able to manage such risks, especially if they can threaten the achievement of objectives. The department assessed risks on strategic and operational levels, including Information Technology and Communication (ITC), fraud and project risks (Comprehensive Agriculture Support Programme). On a quarterly basis, progress is monitored to assess how those risks are being managed.

The Risk Management Committee, which is chaired by an external member, was established in order to assist the Accounting Officer to discharge his risk management responsibilities. The committee operates under the Charter approved by the Accounting Officer. During 2015/16, Risk Management Committee meetings were held on a quarterly basis.

The Audit Committee provides an independent oversight of the department's system of risk management. The Audit Committee also reviews the Quarterly Risk Management Progress Reports and the Department's Risk Registers in order to perform its independent oversight role. The Risk Management Implementation Plan, as well as the Risk Action Plans derived from the Risk Registers, serves as a basis for the evaluation of the risk management system within the DAFF.

Although risk assessments were conducted and the risks are being managed, the Department's performance has not improved as anticipated. A Risk Management Improvement Plan will be developed in order to address the gaps identified.

### Risk Management Committee members and attendance

Risk Management Membership			
External members	Number of meetings attended	Internal members	Number of meetings attended
Dr D. Triegaardt (Chairperson)	3	Mr M.J. Kgobokoe, DDG: PPME	5
Ms F. Tshikhudo	2	Mr J. Hlatshwayo, CFO	5
Mr P. Serote (Resigned)	2	Mr M. Ramasodi, DDG: APHFS	4
		Dr M. Tau, DDG: FNRM	1
		Ms E Alexander, DDG: TPMA	5
		Mr K.C.M Manya: Acting DG	2
		Ms E. Vries: DG (Contract Ended)	2
		Mr S. Ntombela, DDG:CS	5

### Organisational environment

The expertise found in the Audit Committee, as represented by the appropriateness of the qualifications of its members and enriched by the experience of its members, serves as an integral part of DAFF's risk management architecture. The Audit Committee executes its responsibilities with regard to risk management as stipulated in the Treasury Regulations, King III report, DAFF Risk Management Strategy and Audit Committee Charter. The Executive Management team always ensures recommendations made by the Audit Committee are implemented.

### Management of risks

The department has ensured that progress on the management of risks forms part of the integrated reporting; done on a quarterly basis to ensure accountability and effective management of risks. The steady rise in the level of risk maturity contributes to the improvement of internal controls, organisational performance and governance practices.

## 3. FRAUD AND CORRUPTION

The department's Fraud Prevention Plan was developed and approved during 2015/16. However, there were limitations regarding the implementation of the plan because of human capacity constraints.

The Whistle-blowing Policy was also developed and approved. Furthermore, procedures were developed to provide guidance on how fraud and corruption should be reported by both internal and external stakeholders.

A fraud and corruption related case was received from the Office of the Public Service Commission as it had been reported on the National Anti-Corruption Hotline. However, there is also an additional case that was reported internally and both of them are currently under investigation.

### How cases are reported

Currently, the cases against DAFF are reported on the National Anti-Fraud Hotline and the Presidential Hotline. However, the department encourages its employees to also make use of internal structures. There are various units within the department which carry out the investigations, depending on the nature of the case, e.g. Directorate: Risk Management and Investigations and Directorate: Employee Relations. Disciplinary action is taken against officials who are found guilty of any kind of misconduct. In cases where the complaint emanates from an external source relating to the delivery of services, the complainant is provided with feedback *via* the Presidential Hotline.

## 4. MINIMISING CONFLICT OF INTEREST

SMS members are required to declare their interests in terms of the Public Service Regulations, 2001, Chapter 3, C, by 30 April annually.

In 2014, the DPSA introduced the eDisclosure system and provided an instruction manual on how to declare financial interests online. All SMS members on the fixed post establishment and in the service of the department on 31 March 2016 successfully registered on the eDisclosure system.

Furthermore, ethics officers, who are required to electronically monitor compliance and validate the completeness of the disclosures before these are submitted to the Executive Authority, were appointed by the Accounting Officer, signed-off by the Executive Authority and registered on the eDisclosure system by the DPSA.

In terms of Section 30(l) of the Public Service Act, no employee shall perform or engage him-/herself to perform remunerative work outside his/her employment in the relevant department, except with the written permission of the Executive Authority of the department.

In terms of paragraph 4.5.2 of National Treasury Practice Note 7 of 2009/10, Accounting Officers should implement and actively monitor the systems of control to manage the performance of other remunerative work by employees. Disciplinary action should be taken against employees who perform other remunerative work without the necessary approval.

## 5. CODE OF CONDUCT

The department ensures compliance to the Public Service Code of Conduct. This is enforced through policies, circulars and the Director-General's directives. Non-compliance is handled in terms of the Public Service Coordinating Bargaining Council Resolution 1 of 2003, which deals with misconduct and Chapter 7 of the Senior Management Handbook.



## 6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The department conducts regular occupational health and safety audits and corrective interventions are identified. The department also ensures compliance with the Occupational Health and Safety (OHS) Act, the Compensation of Injuries and Diseases Act and the DPSA Employee Health and Wellness Framework. However, according to the nature of the jobs, different categories of employees are exposed to occupational health risks, which include extreme weather conditions, exposure to chemical and physical threats, injuries on duty and noise. The possible effects of these on the department include high costs in protective clothing and protective equipment; absenteeism and reduced productivity, resulting in relatively poor organisational performance and service delivery; legal implications in non-compliance to the OHS Act, as well as high maintenance costs.

## 7. PORTFOLIO COMMITTEES

The following table contains the dates and topics for meetings with the Portfolio Committee (PC). The issue of capacity in the Parliamentary Office in Cape Town, as well as the department's ability to ensure effective oversight and follow-up on Parliamentary matters has been identified as a weakness and will be addressed in 2016/17.

### Portfolio committee activities for 2015/16

Item	Date	Agenda items
1	14 April 2015	Briefing by the DAFF on the following Bills: <ul style="list-style-type: none"> <li>• Performing Animals Protection Amendment Bill</li> <li>• Plant Improvement Bill</li> <li>• Plant Breeders' Rights Bill</li> </ul>
2	17–19 April 2015	DAFF participated in the Portfolio Committee Strategic Planning Workshop
3	and 28 April 2015	Further briefing by DAFF on the following Bills: Performing Animals Protection Amendment Bill; Plant Improvement Bill and Plant Breeders' Rights Bill
4	8 May 2015	Briefing by DAFF on responses on International Fishing Agreements
5	12 May 2015	DAFF response to public inputs on the Performing Animals Protection Amendment Bill and Plant Breeders' Rights Bill
6	19 May 2015	Response by DAFF to the public inputs of the Performing Animals Protection Amendment Bill; Plant Improvement Bill and Plant Breeders' Rights Bill
7	9 June 2015	Briefing by DAFF on forestry plantations under its management, assistance provided to community plantations, coordinated activities between DAFF and the Departments of Water Affairs and Rural Development and Land Reform to address challenges associated with access to water rights and unresolved land claims on forest land
8	19 June 2015	Briefing by DAFF on the draft Regulation on the Small-scale Fisheries Policy
9	15–16 Oct. 2015	Briefing on 2014/15 Annual Report by DAFF, Marine Living Resources Fund (MLRF) and progress report by DAFF on the deregistration of Ncera Farms (Pty) Ltd.  Briefing on the 2014/15 Annual Reports by: <ul style="list-style-type: none"> <li>• ARC</li> <li>• OBP</li> <li>• NAMC</li> <li>• Ncera farms (Pty) Ltd</li> <li>• PPECB</li> </ul>
10	3 Nov. 2015	Response by the Provincial Department of Rural Development and Agrarian Reform, the MEC from the Eastern Cape Province and DAFF on the issues raised during the Oversight Visit by the Portfolio Committee from 14-18 September 2015
11	9 Feb. 2016	Briefing by DAFF on the 2015/16 Second Quarter Performance and Expenditure Report
12	16 Feb. 2016	Presentation by DAFF on the impact of the current drought on agricultural productivity, sector employment and food costs, and the Department's response in assisting farmers in drought-stricken areas

Item	Date	Agenda items
13	16 Feb. 2016	Briefing by DAFF on the implementation of Veterinary and Para-veterinary Professions Amendment Act and finalisation of the Compulsory Community Service Regulations for veterinarians
14	23 Feb. 2016	Briefing by DAFF on SONA, and on the International Union for the Protection of new varieties of Plants (UPOV)
	18 March 2016	Briefing on strategic plans, 2016/17 APPs and budgets by DAFF, MLRF, ARC, OBP, NAMC, PPECB and SAVAC

### Select committee on land and mineral resources

#### Select committee activities for 2015/16

Item	Date	Agenda items
1	12 May 2015	Briefing by DAFF on the Strategic Plan and Annual Performance Plan for 2015/16
2	23 June 2015	Briefing by DAFF on the progress on resolving Small-scale Fishing Licences
3	28 July 2015	Briefing by DAFF on linking food security projects (Fetsa Tlala) with Agri-Parks
4	12 Aug. 2015 and 20 Oct. 2015	Briefing by DAFF on the sustainability and economic impact of agricultural cooperatives and post settlement support
5	27 Oct. 2015	Briefing by DAFF on agro-processing and value adding
6	1 Mar. 2016	Briefing by the DAFF on the Animal Protection Amendment Bill
7	15 Mar. 2016	Briefing by DAFF on 2014/15 Annual Report.

## 8. SCOPA RESOLUTIONS

During the period under review, the Department did not appear before SCOPA and there are no SCOPA resolutions to report on.

## 9. PRIOR MODIFICATIONS TO AUDIT REPORT

There has been no modification to the Audit Report

## 10. INTERNAL CONTROL UNIT

At present, there is no internal control unit in the department; however, the mandate of the Internal Audit Unit covers the review of the internal control environment. During the year under review, the Internal Audit Unit completed a number of audits.

Based on the reports finalised and issued, the control environment can generally be regarded as adequate. However, there are areas where controls are not considered effective, mainly due to the ineffective monitoring to ensure that internal controls have been implemented and, where implemented, are being adhered to.

The Internal Audit Unit conducted compliance testing in relation to internal policies, laws and regulations relating to the assignments undertaken and tested the effectiveness of internal controls. Discrepancies were identified, noted and brought to the attention of management with recommendations to enhance the effectiveness of such controls. The Internal Audit Unit also undertook independent follow-up tests on the Auditor-General's findings to assess whether corrective actions had been implemented.

The department has an Audit Steering Committee in place that:

- Manages the process of submission of audit findings to the department and submission by the department of management responses to the Auditor-General

- Monitors the execution of the audit action plan to address the audit findings by the Auditor-General. This action plan is updated as planned actions are implemented. The plan is presented to the Audit Committee on a quarterly basis for monitoring and recommendations.

## 11. INTERNAL AUDIT UNIT AND AUDIT COMMITTEE

### Key activities and objectives of the Internal Audit Unit

The Institute of Internal Auditors defines internal auditing as: “An independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

To achieve the above, the Internal Audit Unit is responsible for the following:

- Evaluating controls and advising managers
- Analysing operations and confirming information
- Reviewing compliance to rules, regulations, laws and codes of practice
- Report on the state of governance, risk management and control in the Department.

The Department has an Internal Audit Chief Directorate, which operates in accordance with the PFMA, Treasury Regulations and the approved Internal Audit Charter, which defines the purpose, authority and responsibility of the unit. The unit also conducts its operations in accordance with the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The Internal Audit Unit through its Chief Audit Executive reports functionally to the Audit Committee and administratively to the Accounting Officer.

The Audit Committee and management assessed the performance of the Internal Audit Directorate to determine the level of its effectiveness and recommend areas which need improvement.

### Summary of audit work done

The unit, as per requirements of the Institute of Internal Auditors’ standards and Treasury Regulations, developed a three-year rolling strategic plan inclusive of a one-year operational audit plan in consultation with management, which was approved by the Audit Committee. The Internal Audit Unit provided the Audit Committee on a quarterly basis with progress reports on the execution of the approved annual plan. The annual plan made provision for risk-based, governance, regularity and compliance audits. The Internal Audit Unit increased the number of audits for the year by 35% and only four audits as planned have not commenced yet. Status as at year-end on the approved annual plan for 2015/16 versus 2014/15 was as follows:

Audit Status	Audits (2014/15)	Agenda items (2015/16)
Total audit projects for the year	31	48
Audits completed	21	24
Draft reports Issued	6	13
Audits at reporting phase	2	13
Audits in execution phase	1	3
Audits in planning phase	1	4
Audits not started yet	-	4
<b>Total</b>	<b>31</b>	<b>48</b>

The reviews conducted by the function reflected that the systems of internal controls are adequate in those areas reviewed, while in certain areas control weaknesses were identified pertaining to the effectiveness of those controls. Recommendations were made on weaknesses identified and management committed itself to implement action plans as agreed to.

### Key activities and objectives of the Audit Committee

In terms of the PFMA, an Audit Committee is established to serve as an independent governance structure whose function is to provide an oversight role on the financial reporting process, the system of internal controls, the audit process, the process of monitoring compliance with laws and regulations, the code of conduct and the evaluation of the adequacy and efficiency of risk management and governance.

Governance entails how an organisation is managed, which includes culture, policies, strategies and the way it deals with stakeholders such as the Audit Committee.

An Audit Committee is constituted to ensure its independence. The Audit Committee operates in terms of its written Terms of Reference (ToRs) which, among other matters, deal with membership, authority and responsibilities. The Audit Committee assists the Accounting Officer in the effective execution of his responsibilities with the ultimate aim being the achievement of the department's objectives.

The Department has a fully functional Audit Committee, which operates in accordance with the requirements of the PFMA and Treasury Regulations. The Audit Committee comprises of highly qualified members appointed from outside of the public service. In addition, the committee also operates in terms of the Audit Committee Charter (Terms of Reference), which were reviewed and approved during the period under review.

During the period under review, the committee met six times and the Accounting Officer/Acting Accounting Officer and executive management were represented at these meetings. The Office of the Auditor-General and the National Treasury were also invited to these meetings.

The Committee has unrestricted access to both information and personnel of the Department. A 360-degree evaluation of the performance of the committee was done to assess its performance and measures were put in place to address weaknesses identified. The results of the assessment conducted during the period under review reflect that performance of the committee is satisfactory and that the committee is adding value to the department.

#### Audit Committee members and attendance

The Audit Committee consists of five external members and currently two positions are vacant and in the process of being filled. Mr Serote resigned due to a new job and possible conflict of interest, while Mr Sithole's contract expired. The Audit Committee meets at least four times per year, in accordance with its approved Terms of Reference. During the period under review, six meetings were held, on 28 May 2015, 18 June 2015, 27 July 2015, 3 September 2015, 3 December 2015 and 3 March 2016. Current members of the Audit Committee are:

Name	Qualifications	Internal or External	Date appointed	Number of meeting attended
Mr Ayanda Wakaba –Chairperson	BCompt Honours MBA	External	1 December 2013	6
Mr Molemo Maliehe	B.Com	External	1 December 2013	6
Mr Nico Rossouw	CA (SA)	External	1 December 2013	6
Mr Stefaan Sithole	CA (SA) CIA	External	1 December 2013	1
Mr Paul Serote	CA (SA)	External	17 July 2012	2

## 12. AUDIT COMMITTEE REPORT

We present our report for the financial year ended 31 March 2016.

### Audit Committee's responsibilities

The Audit Committee reports that it has complied with its responsibilities in terms of Section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal Terms of Reference as outlined in its Audit Committee Charter and met its responsibilities as stipulated in the charter.

## Internal Audit

The Chief Director: Internal Audit was appointed during the financial year. The committee approved the Internal Audit Charter and the three-year rolling strategic plan inclusive of a one-year operational audit plan. The Internal Audit Unit reported on a quarterly basis on the progress regarding the execution of the approved annual plan and the functioning of the unit in terms of its Internal Audit Charter. During its scheduled meetings and when the need arises, the committee holds closed meetings with the Internal Audit Unit or the Auditor-General.

The Audit Committee is satisfied that the Internal Audit Function is independent, objective and strives to address the risks pertinent to the department in its audits.

## Summary of audit work done

During the year under review the Internal Audit Unit completed the following audits:

- Evaluation of the Risk Management Processes
- Performance Management System
- Performance Information Q1 (Preliminary Report)
- Performance Information Q2 (Knowledge Bank)
- Performance Information Q1 (Validated Report)
- Performance Information Q2 (Preliminary Report)
- Performance Information Q3 (Knowledge Bank)
- Performance Information Q3 (Preliminary Report)
- Review of the Strategic Plan
- MPAT
- Animal and Plant Health
- Forest Management (Timber theft, timber shortages, forest degradation and uncontrolled fires)
- Facilities Management (Housing, travel management, events management and GADI)
- Human Resources – Leave (Annual, sick and incapacity)
- Health and Safety Management (Dangerous working environment and health and safety management)
- Departmental vehicles
- Safeguarding of assets
- SCM
- Human Resources – Capacity
- CASP

## Effectiveness of Internal Controls

The committee reviewed the findings of the internal audit work performed by the Internal Audit unit. Our review of the findings of the Internal Audit work performed relating to internal controls based on risk-based assessments conducted in the department revealed some weaknesses, which were raised with the department.

## Areas of concern for the Audit Committee

The areas of concern to the Committee are the recurring system deficiencies raised by both Internal and External Auditors from the previous year, which management have not addressed adequately. These include, inter *alia*, the Performance Management System/Predetermined Objectives/Performance Information, Filling of vacant SMS positions, etc. However, it needs to be mentioned that the Department is in the process of filling crucial vacant positions as identified.

## In-year management and monthly/quarterly report

The department is reporting monthly and quarterly to National Treasury as is required by the PFMA. The quality of management and quarterly reports submitted to Treasury, as is required by the PFMA and the DoRA, was reviewed and found to be adequate.

### Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by the Department and we content that they meet the required standard and comply with the relevant Prescripts and Treasury Guidelines. The Audit Committee therefore submits that it has:

- Reviewed and discussed the unaudited financial statements submitted to the Auditor-General
- Reviewed the Auditor-General's management report and management responses to the report
- Reviewed audited financial statements and adjustments made.

### Changes to accounting policies

The Audit Committee noted that there were no changes to the accounting policies.

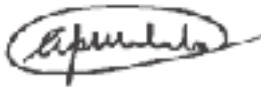
### Auditor-General's report

We have reviewed the Department's implementation plan for audit issues raised in the previous year and we noted that, while most matters were adequately resolved, a significant number remained unresolved. Management has recommit-  
ted to clear the outstanding matters during the coming financial period. Unresolved matters include performance infor-  
mation.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements should be accepted and read together with the Auditor-General's report.

## CONCLUSION

We extend our appreciation to the Executive Authority, the Acting Director-General and his management team, as well as the broader staff of the department for their efforts, dedication and support to the work of the Audit Committee during the period under review.



MR A.P. WAKABA  
CHAIRPERSON OF THE AUDIT COMMITTEE  
Department of Agriculture, Forestry and Fisheries  
Date:





# Part D

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## Human resources management





## HUMAN RESOURCES MANAGEMENT

### Legislation that governs Human Resources Management

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4):

- Public Service Act, 1994
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Skills Development Act, 1998 (Act No. 97 of 1998)
- Skills Development Levies Act, 1999 (Act No. 9 of 1999)
- Public Finance Management Act, 1999 (Act No. 1 of 1999)

### Overview of human resources

In order to ensure a well-integrated, aligned and optimal utilisation of its resources (human, financial and technological), the Department embarked on a process to review the current approved organisational structure. The aim of the reorganisation of the structure was to ensure the maximisation of the economic, efficient and effective performance of the Department, with the ultimate goal of service delivery excellence and transformation of the agriculture, forestry and fisheries sectors. This process was duly concluded, however, implementation of the recommendations of the reorganised structure will only be undertaken once the new Director-General is appointed, which is expected to be in July 2016.

On 31 March 2016, the post establishment of the Department totalled 6 201 posts, a decrease of 542 posts from the 6 743 posts in 2014/15. During the period under review, the vacancy rate on the establishment of the Department decreased from 13% to 10%. The decrease in the vacancy rate was the result of the abolishment of unfunded vacancies and the filling of vacant posts. The Organization Development Committee (ODC) monitors the management of vacancies in the Department on a monthly basis, with a view to down-scale the vacancy rate.

The staff turnover rate decreased by 1,1%, from 7,9% to 6,8% during 2015/16. The staff turnover remains within the generally acceptable norm of 15% in the Public Service.

A total of 123 new staff members joined the Department (appointments and transfers), including four members of the Senior Management Service (SMS), of which three members were appointed in the Ministry.

A total of 47 employees, including four employees were promoted to vacant SMS positions in the Department. Three members of the Senior Management Service (SMS) were appointed by Cabinet to fill the crucial vacant positions of Deputy Directors-General in the Department. A total of 397 employees, which includes five SMS members, left the service of the Department as a result of resignations, transfers, deaths, retirements and dismissals/discharges during the financial year. Most of the employees who left the Department were on salary levels 3 to 5 (mostly retirements).

578 posts were subjected to job evaluation, which resulted in the upgrading of the salary levels of 67 posts and the downgrading of the salary levels of seven posts.

### HR Priorities

The following key performance indicators within the Human Resources and Development arena were developed for each HR priority as identified for the current MTEF HR Plan:

- Repositioning of HR as a strategic partner to enable DAFF to achieve its strategic objectives
- Employment of the youth in the AFF sectors
- Transformation of the workforce
- Review of the departmental organisational structure to facilitate integration and eliminate duplication of functions
- Management of the challenges of an aging and ailing workforce and employment.

This has enabled appropriate monitoring, evaluation and reporting on human resources performance imperatives. In the light of this, the human resources function continued to improve its effectiveness and strengthen its support to the



organisation through the setting of service standards as outlined in the HR Service Charter and HR Service Delivery Improvement Plan.

Furthermore, the HR delegations, relevant legislative prescripts and policies continued to serve as crucial cornerstones to ensure good governance, compliance and risk management and to improve expedition of decision-making on human resources matters.

## 2.2 Organisational development

During this period, the Department has embarked upon a process of reviewing the organisational structure to ensure integration of functions. The process also addressed the challenges of alignment and optimal use of resources (human, facilities and financial) with the aim of addressing the economic, efficient and effective performance of the Department and improving service delivery. Various consultation sessions were held with all relevant stakeholders. The implementation of the reconfigured structure will commence once the new Director-General has been appointed.

The recommendations of the management committee that was established to address the issues regarding the interpretation of the requirements of the Occupational Specific Dispensation (OSD) were submitted to the Department of Public Service and Administration for verification. The Department of Public Service and Administration has verified the recommendations and indicated that the Department has implemented the OSDs correctly.

## 2.3 Recruitment

Four members of the Senior Management Service joined the Department, of which three members were appointed in the Ministry. Furthermore, three serving members of the Senior Management Service were appointed by Cabinet to fill the crucial vacant positions of Deputy Directors-General in the Department. Another serving member of the SMS was promoted to Chief Director. In total, eight SMS members were appointed/promoted during the period under review.

The 2015/16 financial year was challenging as a result of the budget cuts across the Public Service, which necessitated a moratorium being placed on the filling of vacancies in order to reprioritise posts with specific and scarce skills to be funded and filled. As a result of the budget cuts, 411 posts were abolished. However, the Department managed to fast track the filling of vacant posts and the vacancy rate decreased by 3%, from 13% to 10%.

## 2.4 Performance management

There is improved compliance to the Performance Management and Development System (PMDS) and the rate increased from 97% achieved in the previous performance cycle to 98% during the period under review. There is also better alignment between the individual performance agreements and departmental performance plans (Strategic Plan, Annual Performance Plans and Operational Plans). Analysis of the performance management grievances has enabled targeted development interventions towards the improvement of management of employee performance. The quality assurance of the SMS performance agreements was conducted and feedback provided—this has led to improved compliance and alignment to the Department's Strategic Goals.

## 2.5 Employee health and wellness

The departmental disease burden and aging workforce challenge remain realities in the Branch: Forestry and Natural Resources Management. In order to improve access to the health and wellness services for employees mainly in the plantations, a partnership was forged with AgriAIDS SA and services were provided through their mobile clinics. Inadequate budget allocation for health and wellness interventions is still a challenge. The Terms of Reference for the appointment of a service provider for a 24-hour counselling service has been finalised, but the tender was not awarded and had to be re-advertised. Strategic partnership with the Government Employees Medical Scheme is still effective and has resulted in more employees being able to access health and wellness services and early detection of diseases because of the health screening tests conducted.

## 2.6 Employee development

Implementation of the HRD Strategy and Skills Development Plan was monitored quarterly and due reports were submitted to the PSETA. A roll-out of the assessment of the return on investment of training interventions has also been undertaken. Plans to build leadership capacity are in place and more senior managers were enrolled for the Executive Development Programme with the National School of Government. This will enhance the Department's leadership and skills level capacity requirements. The Terms of Reference for the appointment of a professional service provider to implement executive coaching has been finalised, but the appointment of a service provider was hampered by budget constraints.



## 2.7 Human resources planning

The Human Resources Plan was developed and submitted to the DPSA in terms of the revised Strategic HR Planning Framework for the Public Service—Vision 2015, as issued by the DPSA. This HR Plan is monitored through the completion of quarterly KPI sheets, which are consolidated in the report that is submitted to the DPSA. Quarterly implementation reports were considered by management to ensure that the identified priority areas are addressed and timeous corrective action taken.

The transformation of the workforce to improve the representativeness of females at senior management level and the employees with disabilities remains a challenge. The Gender Equality Framework Implementation Plan and the Job Access Strategic Framework Implementation Plan were developed and approved. These plans will enable the Department to improve compliance with respect to gender mainstreaming and accommodation of people with disabilities in the workplace. In terms of gender, the percentage of male representation is at 59%, whereas female representation is 41% at SMS level. Disability status against national demographics is at 1,0%.

## 2.8 Human resources policies

In order to improve support to managers with HR tools systems and processes on people management, the Foreign Placement Policy, Sexual Harassment Policy, the Policy on the Appointment of an Employee in an Acting Capacity and Policy on Remunerative Work outside the Employment of DAFF were consulted with organised labour at the multilateral meetings and subsequently submitted to EXCO for consideration. EXCO's inputs have been incorporated into the policy documents. The Policy on Employee Performance and Development was consulted with NEHAWU, after which the inputs were also incorporated. In order to strengthen the Recruitment and Selection Policy, an addendum on the role of trade union representatives during recruitment and selection was developed, consulted with labour and submitted to management for consideration. During the financial year, the Dress Code Policy was approved by the Acting Director-General.

## 2.9 Labour relations

Line managers and employees in various Directorates received training on labour relations processes in order to empower them and promote labour peace. Creating a conducive and healthy employee relations culture and atmosphere through management and labour engagements, vigorous investigations, timeous case management, instilling discipline and implementing appropriate and progressive disciplinary measures remains on the radar.

The Labour Relations Programme was fully implemented. The Departmental Bargaining Chamber (DBC) engaged in various issues of mutual interest and resolutions were achieved through collective bargaining. The DBC further conducted site visits to assess the employees' work conditions and made specific recommendations. Targeted labour relations training interventions were conducted to improve managerial capacity and to promote sound labour relations.

During the 2015/16 financial year, the Directorate: Employee Relations dealt with forty-three (43) misconduct cases. These 43 cases, including cases which emanated from the 2014/15 financial year, were finalised during the 2015/16 financial year. Of the 43 finalised cases, only five were finalised within 100 days. The target to finalise cases within 100 days was not met as a result of the fact that in the vast majority of cases employees charged with misconduct were represented by union representatives who are not always available to immediately proceed with cases and then request postponements. Employer representatives therefore can only proceed with cases as and when all the relevant parties are available. The availability of departmental and outside witnesses must also be taken into consideration. Furthermore, the capacity of the Labour Relations Unit and the availability of departmental witnesses must also be taken into consideration as it impacts on the ability to adhere to turnaround times in the resolution of grievances and disciplinary processes.

# HUMAN RESOURCES OVERSIGHT STATISTICS

## 3.1 Personnel related expenditure

The following tables summarise the final audited personnel expenditure by programme and by salary bands. In particular, it provides an indication of the following: Amount spent on personnel and the amount spent on salaries, overtime, home owner's allowances (HOA) and medical aid.



TABLE 3.1.1: Personnel expenditure by Programme for the period 1 April 2015 to 31 March 2016

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	785 802	380 503	2 542	6 979	48,4	63
2. Agricultural Production, Health and Food Safety	2 143 017	444 404	1 016	4 343	20,7	72
3. Food Security and Agrarian Reform	1 906 795	146 527	22 021	7 556	7,7	24
4. Trade Promotion and Market Access	236 758	94 374	371	532	39,9	16
5. Forestry	862 280	503 672	1 115	12 836	58,4	83
6. Fisheries	465 890	207 014	-	-	44,4	34
<b>Total</b>	<b>6 400 542</b>	<b>1 776 494</b>	<b>27 065</b>	<b>32 246</b>	<b>27,8</b>	<b>292</b>

TABLE 3.1.2: Personnel costs by salary band for the period 1 April 2015 to 31 March 2016

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	81 354	4,6	594	137
Skilled (levels 3–5)	365 631	20,6	2 111	173
Highly skilled production (levels 6–8)	550 576	31,0	1 692	325
Highly skilled supervision (levels 9–12)	564 813	31,8	1 051	537
Senior management (levels 13–16)	144 247	8,1	132	1 092
Contract (levels 1–2)	20 772	1,2	306	68
Contract (levels 3–5)	5 149	0,3	28	184
Contract (levels 6–8)	1 036	0,1	8	129
Contract (levels 9–12)	27 601	1,6	142	194
Contract (levels 13–16)	15 315	0,9	13	1 178
Periodical remuneration	-	0,0	-	-
<b>Total</b>	<b>1 776 494</b>	<b>100,0</b>	<b>6 077</b>	<b>292</b>



TABLE 3.1.3: Salaries, overtime, HoA and medical aid by programme for the period 1 April 2015 to 31 March 2016

Programme	Salaries		Overtime		HOA		Medical aid	
	Amount	Salaries as a % of	Amount	Overtime as a %	Amount	HOA as a % of	Amount	Medical aid
	(R'000)	personnel cost	(R'000)	of personnel cost	(R'000)	personnel cost	(R'000)	aid as a
								% of personnel
								cost
1. Administration	328 733	86,4	2 016	0,5	11 769	3,1	17 872	4,7
2. Agricultural Production, Health and Food Safety	382 399	86,0	7 298	1,6	15 348	3,5	23 199	5,2
3. Food Security and Agrarian Reform	128 533	87,7	465	0,3	4 747	3,2	6 804	4,6
4. Trade Promotion and Market Access	83 607	88,6	-	0,0	2 008	2,1	3 078	3,3
5. Forestry	432 092	85,8	4 298	0,9	29 104	5,8	26 091	5,2
6. Fisheries	180 328	87,1	18 112	8,7	4 759	2,3	9 722	4,7
<b>Total</b>	<b>1 535 692</b>	<b>86,4</b>	<b>32 189</b>	<b>1,8</b>	<b>67 735</b>	<b>3,8</b>	<b>86 766</b>	<b>4,9</b>

TABLE 3.1.4: Salaries, overtime, homeowner's allowance (HoA) and medical aid by salary band for the period 1 April 2015 to 31 March 2016

Salary bands	Salaries		Overtime		HOA		Medical aid	
	Amount	Salaries as a %	Amount	Overtime as a %	Amount	HOA as a % of	Amount	Medical aid
	(R'000)	of personnel cost	(R'000)	of personnel cost	(R'000)	personnel cost	(R'000)	as a % of
								personnel cost
Lower skilled (levels 1–2)	64 221	78,9	409	0,5	7 260	8,9	7 048	8,7
Skilled (levels 3–5)	291 843	79,8	5 413	1,5	26 822	7,3	25 644	7,0



Salary bands	Salaries		Overtime		HOA		Medical aid	
	Amount	Salaries as a %	Amount	Overtime as a %	Amount	HOA as a % of	Amount	Medical aid
	(R'000)	of personnel cost	(R'000)	of personnel cost	(R'000)	personnel cost	(R'000)	as a % of
								personnel cost
Highly skilled production (levels 6–8)	454 725	82,6	20 842	3,8	19 944	3,6	31 870	5,8
Highly skilled supervision (levels 9–12)	509 113	90,1	4 222	0,7	10 534	1,9	19 396	3,4
Senior management (levels 13–16)	138 254	95,8	178	0,1	3 004	2,1	2 711	1,9
Contract (levels 1–2)	24 214	116,6	269	1,3	-	0,0	-	0,0
Contract (levels 3–5)	5 071	98,5	840	16,3	11	0,2	6	0,1
Contract (levels 6–8)	1 196	115,4	16	1,5	-	0,0	-	0,0
Contract (levels 9–12)	30 996	112,3	-	0,0	160	0,6	86	0,3
Contract (level 13–16)	16 059	104,9	-	0,0	-	0,0	5	0,0
<b>Total</b>	<b>1 535 692</b>	<b>86,4</b>	<b>32 189</b>	<b>1,8</b>	<b>67 735</b>	<b>3,8</b>	<b>86 766</b>	<b>49</b>

### 3.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts in the establishment, the number of employees, the vacancy rate and whether there are any staff members who are additional to the establishment. This information is presented in terms of three key variables: Programme, salary bands and critical occupations. Departments have identified critical occupations that have to be monitored. In terms of current regulations, it is possible to create a post in the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled. On 31 March 2016, the post establishment of the Department totalled 6 201 posts, which includes 620 vacancies and 5 581 filled positions (this includes the posts of the Minister and Deputy Minister). During the period under review the vacancy rate on the establishment of the Department decreased from 13% to 10%.

TABLE 3.2.1: Employment and vacancies by programme as at 31 March 2016

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1. Administration	1 156	1 013	12,4	8
2. Agricultural Production, Health and Food Safety	1 422	1 322	7,0	170
3. Food Security and Agrarian Reform	430	382	11,2	281
4. Trade Promotion and Market Access	164	141	14,0	4



Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
5. Forestry	2 467	2 240	9,2	2
6. Fisheries	562	483	14,1	31
<b>Total</b>	<b>*6 201</b>	<b>*5 581</b>	<b>10,0</b>	<b>496</b>

\* Number of posts, including the Minister and Deputy Minister

TABLE 3.2.2: Employment and vacancies by salary band as at 31 March 2016

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Lower skilled (levels 1–2)	1 593	1 476	7,3	308
Skilled (levels 3–5)	1 383	1 264	8,6	28
Highly skilled production (levels 6–8)	1 820	1 642	9,8	5
Highly skilled supervision (levels 9–12)	1 278	1 097	14,2	147
Senior management (levels 13–16)	125	100	20,0	8
<b>Total</b>	<b>*6 199</b>	<b>*5 579</b>	<b>10,0</b>	<b>496</b>

\* Number of posts, excluding the Minister and Deputy Minister

TABLE 3.2.3: Employment and vacancies by critical occupations as at 31 March 2016

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administrative related	164	135	17,7	4
Agricultural, animal, oceanography, forestry and other science	308	261	15,3	-
Agriculture related	390	353	9,5	-
Aircraft pilot and related associate professional	1	1	0,0	-
All artisans in the building, metal, machinery, etc.	34	29	14,7	-
Appraisers, valuers and related professionals	25	25	0,0	4
Auxiliary and related workers	112	105	6,3	-
Biochemistry, pharmacology, zoology and life science technicians	35	34	2,9	-
Building and other property caretakers	59	54	8,5	-
Bus and heavy vehicle drivers	18	17	5,6	-
Chemists	2	2	0,0	-
Cleaners in offices, workshops, hospitals, etc.	96	91	5,2	-

Critical occupation	Number of posts on	Number of	Vacancy	Number of employees
	approved establishment	posts filled	rate %	additional to the establishment
Client information clerks (switchboard, reception and information clerks)	11	9	18,2	-
Communication and information related	12	10	16,7	-
Computer system designers and analysts	10	10	0,0	-
Economists	82	67	18,3	-
Engineers and related professionals	12	3	75,0	7
Farmhands and workers	228	212	7,0	5
Farming forestry advisors and farm managers	102	83	18,6	-
Finance and economics related	31	24	22,6	-
Financial and related professionals	36	27	25,0	-
Financial clerks and credit controllers	133	128	3,8	-
Fishing mate/master	11	11	0,0	-
Food services aids and waiters	30	30	0,0	-
Forestry labourers	1 079	978	9,4	-
Head of department/chief executive officer	1	-	100,0	-
Health sciences related	5	3	40,0	-
Horticulturists, foresters, agricultural and forestry technicians	424	382	10,0	-
Household and laundry workers	15	12	20,0	-
Human resources and organisational development and related professionals	45	37	15,6	1
Human resources clerks	99	86	13,1	-
Human resources related	20	19	5,0	-
Information technology related	1	1	0,0	-
Language practitioners, interpreters and other communicators	28	24	14,3	2
Legal related	7	4	42,9	2
Librarians and related professionals	4	3	25,0	-
Library mail and related clerks	87	82	5,7	-
Light vehicle drivers	12	10	16,7	-
Logistical support personnel	35	33	5,7	-
Material-recording and transport clerks	115	110	4,3	-
Mechanical engineering technicians	4	2	50,0	-
Messengers, porters and deliverers	83	75	9,6	-
Meteorologist	1	1	0,0	-
Motor vehicle drivers	42	42	0,0	-





Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Motorised farm and forestry plant operators	75	72	4,0	-
Natural sciences related	13	5	61,5	-
Nature conservation and oceanographically related technicians	67	55	17,9	-
Other administrative and related clerks and organisers	458	424	7,4	28
Other administrative policy and related officers	137	120	12,4	1
Other information technology personnel	60	45	25,0	-
Photographic, lithographic and related workers	2	-	100,0	-
Printing and related machine operators	11	9	18,2	-
Printing planner and production controller	1	1	0,0	-
Quantity surveyors and related professionals	3	3	0,0	-
Rank: Minister	1	1	0,0	-
Rank: Deputy Minister	1	1	0,0	-
Regulatory inspectors	226	208	8,0	-
Risk management and security services	8	5	37,5	-
Road trade workers	6	6	0,0	-
Safety, health and quality inspectors	32	30	6,3	-
Secretaries and other keyboard operating clerks	126	122	3,2	1
Security guards	2	2	0,0	-
Security officers	405	373	7,9	-
Senior managers	125	100	20,0	7
Ship's deck officers and pilots	30	26	13,3	-
Social sciences related	1	1	0,0	-
Statisticians and related professionals	21	19	9,5	-
Trade workers	293	287	2,1	33
Trainees	0	0	0,0	270
Veterinarians	35	30	14,3	131
Veterinary assistants	5	4	20,0	-
Water plant and related operators	8	7	12,5	-
<b>Total</b>	<b>*6 201</b>	<b>*5 581</b>	<b>10,0</b>	<b>496</b>

\* Number of posts, including the Minister and Deputy Minister



### 3.3 Filling of SMS posts

The tables in this section provide information on employment and vacancies as these relate to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed time frames and disciplinary steps taken.

TABLE 3.3.1: SMS posts information as at 31 March 2016

SMS level	Total number of funded	Total number of SMS	% of SMS posts filled	Total number of	% of SMS posts
	SMS posts	posts filled		SMS posts vacant	vacant
Director-General	1	-	-	1	4,0
Salary level 15	8	8	8,0	-	-
Salary level 14	29	20	20,0	9	36,0
Salary level 13	87	72	72,0	15	60,0
<b>Total</b>	<b>125</b>	<b>100</b>	<b>100,0</b>	<b>25</b>	<b>100,0</b>

TABLE 3.3.2: SMS posts information as at 30 September 2015

SMS level	Total number of funded	Total number of SMS	% of SMS posts filled	Total number of	% of SMS posts
	SMS posts	posts filled		SMS posts vacant	vacant
Director-General	1	-	-	1	4,8
Salary level 15	8	5	4,8	3	14,2
Salary level 14	29	23	22,1	6	28,6
Salary level 13	87	76	73,1	11	52,4
<b>Total</b>	<b>125</b>	<b>104</b>	<b>100,0</b>	<b>21</b>	<b>100,0</b>

TABLE 3.3.3: Advertising and filling of SMS posts for the period 1 April 2015 to 31 March 2016

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised	Number of vacancies per level filled	Number of vacancies per level not filled
	in six months of becoming vacant	in six months after becoming vacant	in six months but filled in 12 months
Director-General	1	-	-
Salary level 15	2	-	2
Salary level 14	5	1	1
Salary level 13	4	2	1
<b>Total</b>	<b>12</b>	<b>3</b>	<b>4</b>

TABLE 3.3.4: Reasons for not having complied with the filling of funded vacant SMS posts—advertised within six months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months:
The department is currently in the process of prioritising the filling of the vacancies owing to the reduction of the budget allocation
Reasons for vacancies not filled within twelve months:
No suitable candidates could be obtained. Posts were re-advertised and in some cases headhunting took place



The department is currently in the process of prioritising the filling of the vacancies owing to the reduction of the budget allocation

**TABLE 3.3.5: Disciplinary steps taken for not complying with the prescribed time frame for the filling of SMS posts within 12 months for the period 1 April 2015 to 31 March 2016**

N/A

### 3.4 Job Evaluation

Within a nationally determined framework, Executive Authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the period under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**TABLE 3.4.1: Job evaluation by salary band for the period 1 April 2015 to 31 March 2016**

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1–2)	1 593	8	0,5	6	1,0	-	-
Skilled (Levels 3–5)	1 383	50	3,6	18	3,1	-	-
Highly skilled production (Levels 6–8)	1 820	209	11,5	22	3,8	4	0,7
Highly skilled supervision (Levels 9–12)	1 278	311	24,3	21	3,6	3	0,5
Senior Management Service Band A	87	-	-	-	-	-	-
Senior Management Service Band B	29	-	-	-	-	-	-
Senior Management Service Band C	8	-	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
<b>Total</b>	<b>*6 199</b>	<b>578</b>	<b>9,3</b>	<b>67</b>	<b>11,6</b>	<b>7</b>	<b>1,2</b>

\* Number of posts, excluding the Minister and Deputy Minister

The following table provides a summary of the number of employees whose positions were upgraded because of their posts being upgraded. The number of employees might differ from the number of posts upgraded because not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

**TABLE 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2015 to 31 March 2016**

Beneficiaries	African	Asian	Coloured	White	Total
Female	14	-	6	1	21
Male	25	-	45	7	77
<b>Total</b>	<b>39</b>	<b>-</b>	<b>51</b>	<b>8</b>	<b>98</b>
Employees living with disabilities					3

The following table summarises the number of cases where remuneration bands exceeded the grade determined by Job evaluation. Reasons for the deviations are provided in each case.

TABLE 3.4.3: Employees with salary levels higher than those determined by Job Evaluation by occupation for the period 1 April 2015 to 31 March 2016

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	1	7	11	Minister's approval
Administrative related	1	7	8	Grade progression
Administrative related	2	9	10	Job evaluation
Administrative related	1	9	12	Minister's approval
Administrative related	1	9	11	Minister's approval
Administrative related	1	10	11	Minister's approval
Administrative related	4	11	12	Minister's approval
Administrative related	1	13	12	Minister's approval
Administrative related	1	14	12	Minister's approval
Agricultural, animal, oceanography, forestry and other sciences	1	6	7	Grade progression
Agricultural, animal, oceanography, forestry and other sciences	3	9	11	Job evaluation
Agricultural, animal, oceanography, forestry and other sciences	1	10	11	Retention
Agriculture related	3	8	9	Job evaluation
Agriculture related	3	9	10	Grade progression
Agriculture related	1	10	11	Retention
Agriculture related	1	11	13	Retention
Agriculture related	1	12	13	Retention
Aircraft pilots and related associate professionals	1	11	12	Grade progression
All artisans in the building, metal, machinery, etc.	1	5	6	Grade progression
All artisans in the building, metal, machinery, etc.	2	6	7	Grade progression
All artisans in the building, metal, machinery, etc.	3	7	8	Grade progression
Auxiliary and related workers	4	4	5	Grade progression
Auxiliary and related workers	5	5	6	Grade progression
Auxiliary and related workers	11	6	7	Grade progression
Auxiliary and related workers	2	5	7	Job evaluation
Building and other property caretakers	50	2	3	Grade progression
Building and other property caretakers	2	4	5	Grade progression
Bus and heavy vehicle drivers	1	3	5	Job evaluation
Bus and heavy vehicle drivers	11	3	4	Grade progression
Bus and heavy vehicle drivers	9	4	5	Grade progression
Cleaners in offices, workshops, hospitals, etc.	1	2	7	Out of adjustment
Cleaners in offices, workshops, hospitals, etc.	22	2	3	Grade progression



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Cleaners in offices, workshops, hospitals, etc.	3	4	5	Grade progression
Cleaners in offices, workshops, hospitals, etc.	1	6	7	Grade progression
Economists	1	9	10	Grade progression
Economists	1	10	11	Job evaluation
Farmhands and labourers	1	2	5	Out of adjustment
Farmhands and labourers	26	2	3	Grade progression
Farming forestry advisors and farm managers	1	4	5	Grade progression
Farming forestry advisors and farm managers	5	8	9	Job evaluation
Farming forestry advisors and farm managers	1	9	10	Grade progression
Financial and related professionals	1	7	8	Grade progression
Financial clerks and credit controllers	2	5	6	Grade progression
Financial clerks and credit controllers	10	6	7	Grade progression
Financial clerks and credit controllers	9	7	8	Grade progression
Food services aids and waiters	9	2	3	Grade progression
Forestry labourers	643	2	3	Grade progression
Forestry labourers	2	2	4	Job evaluation
Forestry labourers	27	4	5	Job evaluation
Forestry labourers	3	5	6	Grade progression
Forestry labourers	1	6	7	Grade progression
Horticulturists, foresters, agricultural and forestry technicians	1	8	9	Grade progression OSD
Human resources and organisational development and related	1	7	9	Retention
Human resources and organisational development and related	1	9	12	Retention
Human resources clerks	1	5	6	Job evaluation
Human resources clerks	7	6	7	Grade progression
Human resources clerks	2	7	8	Grade progression
Human resources related	4	9	10	Minister's approval
Human resources related	2	11	12	Minister's approval
Library mail and related clerks	1	5	11	Minister's approval
Library mail and related clerks	4	5	6	Grade progression
Library mail and related clerks	9	6	7	Grade progression
Library mail and related clerks	1	7	8	Grade progression
Library mail and related clerks	1	8	11	Minister's approval
Logistical support personnel	2	7	8	Grade progression
Material-recording and transport clerks	3	5	6	Grade progression
Material-recording and transport clerks	12	6	7	Grade progression
Material-recording and transport clerks	1	7	8	Grade progression



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Messengers, porters and deliverers	1	2	4	Job evaluation
Messengers, porters and deliverers	26	2	3	Grade progression
Messengers, porters and deliverers	1	4	5	Grade progression
Messengers, porters and deliverers	1	5	7	Minister's approval
Motor vehicle drivers	2	2	3	Grade progression
Motor vehicle drivers	1	4	5	Job evaluation
Motorised farm and forestry plant operators	3	2	3	Grade progression
Motorised farm and forestry plant operators	1	4	5	Grade progression
Natural science related	2	6	9	Job evaluation
Natural science related	2	7	9	Job evaluation
Natural science related	1	8	10	Retention
Natural science related	1	8	9	Retention
Other administrative policy and related officers	1	7	8	Grade progression
Other administrative policy and related officers	1	6	8	Retention
Other administrative policy and related officers	1	9	10	Grade progression
Other administrative policy and related officers	1	11	12	Grade progression
Other administrative and related clerks and organisers	12	5	6	Grade progression
Other administrative and related clerks and organisers	1	5	7	Grade progression
Other administrative and related clerks and organisers	64	6	7	Grade progression
Other administrative and related clerks and organisers	8	7	8	Grade progression
Other information technology personnel	1	11	12	Grade progression
Regulatory inspectors	1	5	7	Retention
Regulatory inspectors	1	7	8	Grade progression
Secretaries and other keyboard operating clerks	1	5	8	Minister's approval
Secretaries and other keyboard operating clerks	2	6	7	Grade progression
Secretaries and other keyboard operating clerks	5	7	8	Grade progression
Security officers	3	2	3	Grade progression
Security officers	3	3	4	Grade progression
Security officers	3	5	6	Grade progression
Senior managers	1	9	14	Minister's approval
Senior managers	1	11	14	Minister's approval
Senior managers	6	12	14	Agricultural Attachés'
Senior managers	1	12	13	Agricultural Attachés'
Senior managers	3	12	15	Agricultural Attachés'
Senior managers	4	13	14	Minister's approval



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior managers	1	14	15	Minister's approval
Statisticians and related professionals	2	8	10	Job evaluation
Statisticians and related professionals	1	9	12	Job evaluation
Trade labourers	52	2	3	Grade progression
Trade labourers	4	4	4	Grade progression
Trade labourers	1	5	6	Grade progression
Veterinarians	4	11	12	Grade progression
Veterinarians	1	11	13	Retention
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				
<b>% of total employed</b>	<b>21,3</b>			

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

**TABLE 3.4.4: Profile of employees who had salary levels higher than those determined by Job Evaluation for the period 1 April 2015 to 31 March 2016**

Beneficiary	African	Asian	Coloured	White	Total
Female	604	-	9	66	679
Male	459	2	23	21	505
<b>Total</b>	<b>1 063</b>	<b>2</b>	<b>32</b>	<b>87</b>	<b>1 184</b>
Employees with a disability	-	-	-	-	-

### 3.5 Employment changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and by critical occupations.

**TABLE 3.5.1: Annual turnover rates by salary band for the period 1 April 2015 to 31 March 2016**

Salary band	Number of employees at beginning of period April 2015	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate (%)
Lower skilled (levels 1–2)	1 606	26	31	1,9
Skilled (levels 3–5)	1 387	31	217	15,6
Highly skilled production (levels 6–8)	1 654	33	86	5,2
Highly skilled supervision (levels 9–12)	1 113	29	56	5,0
Senior Management Service Band A	75	3	5	6,7
Senior Management Service Band B	24	1	1	4,2
Senior Management Service Band C	5	-	-	-
Senior Management Service Band D	1	-	1	100,0
<b>Total</b>	<b>*5 865</b>	<b>123</b>	<b>397</b>	<b>6,8</b>

\* Number of employees, excluding the Minister and Deputy Minister

TABLE 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2015 to 31 March 2016

Critical occupation	Number of employees at	Appointments and transfers	Terminations and transfers	Turnover rate (%)
	beginning of period 1 April 2015	into the Department	out of the Department	
Administrative related	138	4	7	5,1
Agricultural, animal, oceanography, forestry and other sciences	262	6	3	1,1
Agriculture related	348	4	15	4,3
Aircraft pilot and related associate professional	1			-
All artisans in building, metal, machinery, etc.	36		7	19,4
Appraisers, valuers and related professionals	24	1	1	4,2
Auxiliary and related workers	113	1	10	8,8
Biochemistry, pharmacology, zoology and life science technicians	34			-
Building and other property caretakers	61	4	9	14,8
Bus and heavy vehicle drivers	22		2	9,1
Chemists	2			-
Cleaners in offices, workshops, hospitals, etc.	90	3	4	4,4
Client information clerks	11		2	18,2
Communication and information related	10	1	1	10,0
Computer system designers and analysts	8	2		-
Economists	72	8	9	12,5
Engineers and related professionals	3			-
Farmhands and labourers	225	4	10	4,4
Farming, forestry advisors and farm managers	84	3	1	1,2
Finance and economics related	24		6	25,0
Financial and related professionals	27			-
Financial clerks and credit controllers	130	7	9	6,9





Critical occupation	Number of employees at	Appointments and transfers	Terminations and transfers	Turnover
	beginning of period 1 April 2015	into the Department	out of the Department	rate (%)
Food services aids and waiters	30			-
Forestry labourers	1 086	3	112	10,3
General legal administration and related professionals	-	1	1	-
Geologists, geophysicists, hydrologists and related professionals	-			-
Head of department/chief executive officer	1		1	100,0
Health sciences related	4		1	25,0
Horticulturists, foresters, agricultural and forestry technicians	394	13	17	4,3
Household and laundry workers	13	1	1	7,7
Human resources and organisational development and related professionals	38	2	3	7,9
Human resources clerks	93	4	10	10,8
Human resources related	18	1		-
Information technology related	1			-
Language practitioners, interpreters and other communicators	25	1	3	12,0
Legal related	3	1		-
Librarians and related professionals	4			-
Library, mail and related clerks	84	4	5	6,0
Light vehicle drivers	11			-
Logistical support personnel	32	1	1	3,1
Material-recording and transport clerks	110	3	4	3,6
Mechanical engineering technicians	2			-
Messengers, porters and deliverers	84	2	7	8,3
Meteorologists	1			-
Motor vehicle drivers	42		2	4,8



Critical occupation	Number of employees at	Appointments and transfers	Terminations and transfers	Turnover
	beginning of period 1 April 2015	into the Department	out of the Department	rate (%)
Motorised farm and forestry plant operators	84		9	10,7
Natural sciences related	5	1	1	20,0
Nature conservation and oceanography related technicians	57		1	1,8
Other administrative and related clerks and organisers	443	5	26	5,9
Other administrative policy and related officers	130	4	8	6,2
Other information technology personnel	46	3	4	8,7
Photographic, lithographic and related workers	2		1	50,0
Printing and related machine operators	10	2	2	20,0
Printing planners and production controllers	1			-
Quantity surveyors and related professionals	3			-
Rank: Minister	1			-
Rank: Deputy Minister	1			-
Regulatory inspectors	210	3	7	3,3
Risk management and security services	7		2	28,6
Road trade workers	7		1	14,3
Safety, health and quality inspectors	29	1	1	3,4
Secretaries and other keyboard operating clerks	122	1	3	2,5
Security officers	405	2	32	7,9
Senior managers	104	4	5	4,8
Ship's deck officers and pilots			1	-
Social sciences related	1			-
Statisticians and related professionals	20		1	5,0
Trade labourers	334	11	23	6,9
Veterinarians	32	1	3	9,4
Veterinary assistants	5		1	20,0



Critical occupation	Number of employees at	Appointments and transfers	Terminations and transfers	Turnover
	beginning of period 1 April 2015	into the Department	out of the Department	rate (%)
Water plant and related operators	7		1	14,3
<b>Total</b>	<b>*5 867</b>	<b>123</b>	<b>397**</b>	<b>6,8</b>

\* Number of employees, including the Minister and Deputy Minister

\*\* Number does not include the expiry of contract employees (trainees/interns)

The table below identifies the major reasons why staff left the Department.

TABLE 3.5.3: Reasons why staff left the Department for the period 1 April 2015 to 31 March 2016

Termination type	Number	% of total resignations
Death	47	7,0
Resignation	89	13,4
Expiry of contract	269	40,4
Dismissal operational changes	-	-
Dismissal misconduct	5	0,8
Dismissal inefficiency	-	-
Discharged because of ill health	7	1,0
Retirement	182	27,3
Transfer to other public service departments	67	10,1
Other	-	-
<b>Total</b>	<b>666*</b>	<b>100,0</b>
<b>Total number of employees who left as a % of total employment</b>		<b>11,9%</b>

\*The total of 666 includes expiry of contract employees (trainees/interns)

TABLE 3.5.4: Promotions by critical occupation for the period 1 April 2015 to 31 March 2016

Occupation	Employees	Promotions	Salary level promotions	Progressions	Notch progression
	1 April 2015	to another	as a % of employees	to another notch	as a % of employees
		salary level	by occupation	within a salary level	by occupation
Administrative related	138	3	2,2	96	69,6
Agricultural, animal, oceanography, forestry and other sciences	262	1	0,4	173	66,0
Agriculture related	348	8	2,3	273	78,4
Aircraft pilot and related associate professional	1	-	-	1	100,0
All artisans in building, metal, machinery, etc.	36	-	-	25	69,4

Occupation	Employees	Promotions	Salary level promo- tions	Progressions	Notch progres- sion
	1 April 2015	to another	as a % of employees	to another notch	as a % of em- ployees
		salary level	by occupation	within a salary level	by occupation
Appraisers, valuers and related professionals	24	-	-	11	45,8
Auxiliary and related workers	113	-	-	102	90,3
Biochemistry, pharmacology, zoology and life science technicians	34	-	-	19	55,9
Building and other property caretakers	61	-	-	61	100,0
Bus and heavy vehicle drivers	22	-	-	19	86,4
Chemists	2	-	-	2	100,0
Cleaners in offices, workshops, hospitals, etc.	90	1	1,1	60	66,7
Client information clerks (switchboard, reception and information clerks)	11	-	-	4	36,4
Communication and information related	10	-	-	6	60,0
Computer system designers and analysts	8	-	-	4	50,0
Economists	72	6	8,3	35	48,6
Engineers and related professionals	3	-	-	3	100,0
Farmhands and workers	225	-	-	126	56,0
Farming, forestry advisors and farm managers	84	1	1,2	36	42,9
Finance and economics related	24	3	12,5	23	95,8
Financial and related professionals	27	1	3,7	19	70,4
Financial clerks and credit controllers	130	1	0,8	98	75,4
Food services aids and waiters	30	-	-	18	60,0
Forestry workers	1 086	-	-	873	80,4
Head of department/ chief executive officer	1	-	-	-	-
Health sciences related	4	-	-	-	-



Occupation	Employees	Promotions	Salary level promotions	Progressions	Notch progression
	1 April 2015	to another	as a % of employees	to another notch	as a % of employees
		salary level	by occupation	within a salary level	by occupation
Horticulturists, foresters, agricultural and forestry technicians	394	2	0,5	270	68,5
Household and laundry workers	13	1	7,7	12	92,3
Human resources, organisation development and related professionals	38	1	2,6	29	76,3
Human resources clerks	93	1	1,1	62	66,7
Human resources related	18	-	-	11	61,1
Information technology related	1	-	-	1	100,0
Language practitioners, interpreters and other communicators	25	1	4,0	13	52,0
Legal related	3	-	-	3	100,0
Librarians and related professionals	4	-	-	2	50,0
Library, mail and related clerks	84	4	4,8	53	63,1
Light vehicle drivers	11	-	-	3	27,3
Logistical support personnel	32	-	-	25	78,1
Material-recording and transport clerks	110	2	1,8	71	64,5
Mechanical engineers	2	-	-	-	-
Messengers, porters and deliverers	84	-	-	55	65,5
Meteorologist	1	-	-	-	-
Motor vehicle drivers	42	-	-	31	73,8
Motorised farm and forestry plant operators	84	-	-	57	67,9
Natural sciences related	5	1	20,0	3	60,0
Nature conservation and oceanography related technicians	57	-	-	44	77,2
Other administrative and related clerks and organisers	443	1	0,2	311	70,2



Occupation	Employees	Promotions	Salary level promotions	Progressions	Notch progression
	1 April 2015	to another	as a % of employees	to another notch	as a % of employees
		salary level	by occupation	within a salary level	by occupation
Other administrative policy and related officers	130	1	0,8	90	69,2
Other information technology personnel	46	-	-	8	17,4
Photographic, lithographic and related workers	2	-	-	1	50,0
Printing and related machine operators	10	-	-	3	30,0
Printing planners and production controller	1	-	-	1	100,0
Quantity surveyors and related professionals	3	-	-	2	66,7
Rank: Minister and Deputy Minister	2	-	-	-	-
Regulatory inspectors	210	1	0,5	165	78,6
Risk management and security services	7	-	-	6	85,7
Road trade workers.	7	-	-	4	57,1
Safety, health and quality inspectors	29	-	-	8	27,6
Secretaries and other keyboard operating clerks	122	1	0,8	69	56,6
Security guards	4	-	-	-	-
Security officers	401	-	-	337	84,0
Senior managers	104	4	3,8	61	58,7
Social sciences related	1	-	-	1	100,0
Statisticians and related professionals	20	-	-	20	100,0
Trade workers	334	1	0,3	224	67,1
Veterinarians	32	-	-	20	62,5
Veterinary assistants	5	-	-	2	40,0
Water plant and related operators	7	-	-	4	57,1
<b>Total</b>	<b>*5 867</b>	<b>47</b>	<b>0,8</b>	<b>4 169</b>	<b>71,1</b>

\* Number of employees, including the Minister and Deputy Minister



TABLE 3.5.5: Promotions by salary band for the period 1 April 2015 to 31 March 2016

Salary band	Employees	Promotions to	Salary bands promotions	Progressions to	Notch progression
	1 April 2015	another salary level	as a % of employees	another notch	as a % of employees
			by salary level	within salary level	by salary bands
Lower skilled (levels 1–2)	1 606	-	-	1 100	68,5
Skilled (levels 3–5)	1 387	11	0,8	1 033	74,5
Highly skilled production (levels 6–8)	1 654	10	0,6	1 210	73,2
Highly skilled supervision (levels 9–12)	1 113	22	2,0	734	65,9
Senior Management (levels 13–16)	105	4	3,8	92	87,6
<b>Total</b>	<b>*5 865</b>	<b>47</b>	<b>0,8</b>	<b>4 169</b>	<b>71,1</b>

\* Number of employees, excluding the Minister and Deputy Minister

### 3.6 Employment Equity

TABLE 3.6.1: Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	44	7	-	5	31	3	1	6	97
Professionals	379	23	11	98	322	27	11	78	949
Technicians and associate professionals	477	124	6	86	448	46	9	54	1 252
Clerks	243	35	3	13	465	61	7	121	948
Service and sales workers	272	3	1	13	88	2	-	1	380
Craft and related trade workers	23	5	-	8	-	-	-	-	36
Plant, machine operators and assemblers	145	16	-	2	7	-	-	-	170
Elementary occupations	905	60	-	4	750	28	-	-	1 747
<b>Total</b>	<b>2 488</b>	<b>273</b>	<b>21</b>	<b>229</b>	<b>2 111</b>	<b>169</b>	<b>28</b>	<b>260</b>	<b>*5 579</b>
Employees with disabilities	16	5	-	8	12	3	1	12	57

\* Number of employees, excluding the Minister and Deputy Minister

TABLE 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (levels 15–16)	6				1			1	8
Senior management (level 13–14)	41	6		6	26	3	2	8	92
Professionally qualified and experienced specialists and mid-management (levels 9–12)	447	32	11	114	360	37	11	85	1 097
Skilled technical and academically qualified workers, junior management, supervisors, foremen (levels 6–8)	517	128	10	96	675	58	12	146	1 642
Semiskilled and discretionary decision making (levels 3–5)	761	77		13	341	50	3	19	1 264
Unskilled and defined decision making (levels 1–2)	716	30			708	21		1	1 476
<b>Total</b>	<b>2 488</b>	<b>273</b>	<b>21</b>	<b>229</b>	<b>2 111</b>	<b>169</b>	<b>28</b>	<b>260</b>	<b>*5 579</b>

\* Number of employees, excludes the Minister and Deputy Minister

TABLE 3.6.3: Recruitment for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	-	-	-	-
Senior management	2	-	-	-	1	-	-	1	4
Professionally qualified and experienced specialists and mid-management	9	-	1	2	12	1	-	4	29
Skilled technical and academically	6	1	-	-	26	-	-	-	33
(cont.)	6	1	-	-	26	-	-	-	33
qualified workers, junior management, supervisors, foremen									
Semiskilled and discretionary decision making	16	1	-	1	13	-	-	-	31
Unskilled and defined decision making	21	-	-	-	5	-	-	-	26
<b>Total</b>	<b>54</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>57</b>	<b>1</b>		<b>5</b>	<b>123</b>
Employees with disabilities	-	-	-	-	-	-	-	-	-





TABLE 3.6.4: Promotions for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	-	-	-	1	-	-	-	3
Senior management	-	-	-	-	-	-	-	1	1
Professionally qualified and experienced specialists and mid-management	10	3	-	-	7	-	-	1	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen	5	1	-	-	2	1	-	-	9
Semiskilled and discretionary decision making	6	1	-	-	4	-	-	-	11
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>23</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>45</b>
Employees with disabilities	-	-	-	-	1	-	-	1	2

TABLE 3.6.5: Terminations for the period 1 April 2015 to 31 March 2016

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	-	-	-	-	-	1	-	-	1
Senior management	3	1	-	-	-	-	1	1	6
Professionally qualified and experienced specialists and mid-management	24	-	-	5	22	-	1	4	56
Skilled technical and academically qualified workers, junior management, supervisors, foremen	32	3	1	2	32	2	1	14	87
Semiskilled and discretionary decision making	122	5	-	2	85	3	-	-	217
Unskilled and defined decision making	19	1	-	-	10	1	-	-	31
<b>Total</b>	<b>200</b>	<b>10</b>	<b>1</b>	<b>8</b>	<b>149</b>	<b>7</b>	<b>3</b>	<b>19</b>	<b>397</b>
Employees with disabilities	-	-	-	-	-	-	-	-	-

TABLE 3.6.6: Disciplinary action for the period 1 April 2015 to 31 March 2016

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	23	3	1	4	15	1	1	3	51



TABLE 3.6.7: Skills development for the period 1 April 2015 to 31 March 2016

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	23	-	-	-	22	-	-	-	45
Professionals	320	40	4	63	340	15	20	90	892
Technicians and associate professionals	315	29	-	29	298	14	10	90	785
Clerks	191	11	2	3	321	6	8	17	559
Service and sales workers	231	-	-	2	88	-	2	-	323
Craft and related trade workers	55	-	-	-	14	-	-	-	69
Plant, machine operators and assemblers	108	2	-	-	9	-	-	-	119
Elementary occupations	730	42	-	-	607	12	-	-	1 391
<b>Total</b>	<b>1 973</b>	<b>124</b>	<b>6</b>	<b>97</b>	<b>1 699</b>	<b>47</b>	<b>40</b>	<b>197</b>	<b>4 183</b>
Employees living with disabilities	2	1	-	1	2	-	-	2	8

### 3.7 Signing of performance agreements by SMS members

All SMS members must conclude and sign performance agreements within specific time frames. Information regarding the signing of performance agreements by the SMS members, the reasons for not complying within the prescribed time frames and disciplinary steps taken is presented below.

TABLE 3.7.1: Signing of performance agreements by SMS members as at 31 March 2016

SMS level	Total number of funded	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as
	SMS posts	members	performance agreements	% of total number of SMS members
Director-General	1	1	1	1,0
Salary level 15	8	5	5	4,8
Salary level 14	29	24	23	22,1
Salary level 13	88	74	72	69,2
<b>Total</b>	<b>126</b>	<b>104</b>	<b>101</b>	<b>97,1</b>

TABLE 3.7.2: Reasons for not having concluded performance agreements for all SMS members as at 31 March 2016

One SMS member was on long sick leave and another SMS member was transferred to a new role.

TABLE 3.7.3: Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 March 2016

(Audi alteram partem) letters are issued to the SMS members.



### 3.8 Performance rewards

To encourage good performance, the Department granted the following performance rewards during the year under review. The information is presented in terms of race, gender and disability, salary band and critical occupation.

TABLE 3.8.1: Performance rewards by race, gender and disability for the period 1 April 2015 to 31 March 2016

Race, gender and disability	Beneficiary profile			Cost	
	Number of	Number of	% of total	Cost	Average cost
	beneficiaries	employees	within group	(R'000)	per employee
African	915	4 571	20,0	18 233	19 927
Male	467	2 472	18,9	9 353	20 028
Female	448	2 099	21,3	8 880	19 821
Asian	14	48	29,2	403	28 786
Male	8	21	38,1	223	27 875
Female	6	27	22,2	180	30 000
Coloured	114	434	26,3	2 142	18 789
Male	66	268	24,6	1 066	16 152
Female	48	166	28,9	1 076	22 417
White	223	469	47,5	7 222	32 386
Male	96	221	43,4	3 567	37 156
Female	127	248	51,2	3 655	28 780
Employees with disabilities	22	57	38,6	542	24 636
<b>Total</b>	<b>1 288</b>	<b>5 579</b>	<b>23,1</b>	<b>28 542</b>	<b>22 160</b>

\* Number of employees, excludes the Minister and Deputy Minister

TABLE 3.8.2: Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2015 to 31 March 2016

Salary band	Beneficiary profile			Cost		
	Number of	Number of	% of total	Total cost	Average cost	Total cost as a %
	beneficiaries	employees	within salary bands	(R'000)	per employee	of the total personnel expenditure
Lower skilled (levels 1–2)	118	1 476	8,0	880	7 458	1,1
Skilled (levels 3–5)	281	1 264	22,2	2 780	9 893	0,7
Highly skilled production (levels 6–8)	526	1 642	32,0	10 269	19 523	1,9
Highly skilled supervision (levels 9–12)	330	1 097	30,1	12 940	39 212	2,3
<b>Total</b>	<b>1 255</b>	<b>5 479</b>	<b>23,0</b>	<b>26 869</b>	<b>21 410</b>	<b>1,7</b>



TABLE 3.8.3: Performance rewards by critical occupation for the period 1 April 2015 to 31 March 2016

Critical occupation	Beneficiary profile			Cost	
	Number of	Number of	% of total	Total cost	Average cost
	beneficiaries	employees	within occupation	(R'000)	per employee
Administrative related	78	135	57,8	2755	35 321
Agricultural, animal, oceanography, forestry and other sciences	75	261	28,7	2903	38 707
Agriculture related	65	353	18,4	2368	36 431
Aircraft pilot and related associate professionals	-	1	-	-	-
All artisans in building, metal, machinery, etc.	14	29	48,3	259	18 500
Appraisers, valuers and related professionals	7	25	28	273	39 000
Auxiliary and related workers	40	105	38,1	648	16 200
Biochemistry, pharmacology, zoology and life science technicians	12	34	35,3	289	24 083
Building and other property caretakers	8	54	14,8	66	8 250
Bus and heavy vehicle drivers	3	17	17,6	32	10 667
Chemists	1	2	50	35	35 000
Cleaners in offices, workshops, hospitals, etc.	27	91	29,7	221	8 185
Client information clerks (switchboard, reception and information clerks)	2	9	22,2	30	15 000
Communication and information related	6	10	60	266	44 333
Computer system designers and analysts	1	10	10	58	58 000
Economists	15	67	22,4	508	33 867
Engineers and related professionals	2	3	66,7	113	56 500
Farmhands and workers	21	212	9,9	170	8 095
Farming, forestry advisors and farm managers	12	83	14,5	269	22 417
Finance and economics related	16	24	66,7	715	44 688
Financial and related professionals	10	27	37,0	240	24 000
Financial clerks and credit controllers	27	128	21,1	420	15 556
Fishing mate/masters	11	11	100	134	12 182
Food services aids and waiters	12	30	40	102	8 500
Forestry workers	87	978	8,9	714	8 207



Critical occupation	Beneficiary profile			Cost	
	Number of	Number of	% of total	Total cost	Average cost
	beneficiaries	employees	within occupation	(R'000)	per employee
Head of department/chief executive officer	-	-	-	-	-
Health sciences related	-	3	-	-	-
Horticulturists, foresters, agricultural and forestry technicians	22	382	5,8	580	26 364
Household and laundry workers	3	12	25	24	8 000
Human resources and organisational development and related professionals	21	37	56,8	645	30 714
Human resources clerks	31	86	36,0	549	17 710
Human resources related	11	19	57,9	580	52 727
Information technology related	-	1	-	-	-
Language practitioners, interpreters and other communicators	18	24	75	465	25 833
Legal related	1	4	25	43	43 000
Librarians and related professionals	2	3	66,7	63	31 500
Library, mail and related clerks	26	82	31,7	438	16 846
Light vehicle drivers	-	10	-	-	-
Logistical support personnel	15	33	45,5	327	21 800
Material-recording and transport clerks	15	110	13,6	212	14 133
Mechanical engineering technicians	1	2	50	33	33 000
Messengers, porters and deliverers	32	75	42,7	313	9 781
Meteorologist	-	1	-	-	-
Motor vehicle drivers	6	42	14,3	58	9 667
Motorised farm and forestry plant operators	5	72	6,9	42	8 400
Natural science related	-	5	-	-	-
Nature conservation and oceanography related technicians	9	55	16,4	238	26 444
Other administrative and related clerks and organisers	126	424	29,7	1842	14 619
Other administrative policy and related officers	60	120	50	1332	22 200
Other information technology personnel	23	45	51,1	787	34 217
Photographic, lithographic and related	-	-	-	-	-



Critical occupation	Beneficiary profile			Cost	
	Number of	Number of	% of total	Total cost	Average cost
	beneficiaries	employees	within occupation	(R'000)	per employee
Printing and related machine operators	2	9	22,2	28	14 000
Printing planners and production controllers	-	1	-	-	-
Quantity surveyors and related professionals	-	3	-	-	-
Regulatory inspectors	49	208	23,6	965	19 693
Risk management and security services	4	5	80	124	31 000
Road trade workers	-	6	-	-	-
Safety, health and quality inspectors	-	30	-	-	-
Secretaries and other keyboard operating clerks	65	122	53,3	1457	22 415
Security officers	29	375	7,7	311	10 724
Senior managers	25	100	25	1272	50 880
Ship's deck officers and pilots	11	26	42,3	132	12 000
Social sciences related	1	1	100	45	45 000
Statisticians and related professionals	16	19	84,2	704	44 000
Trade workers	94	287	32,8	755	8 032
Veterinarians	8	30	26,7	347	43 375
Veterinary assistants	1	4	25	30	30 000
Water plant and related operators	-	7	-	-	-
<b>Total</b>	<b>1 288</b>	<b>5 579</b>	<b>23,1</b>	<b>28 542</b>	

\* Number of employees, excluding the Minister and Deputy Minister

TABLE 3.8.4: Performance related rewards (cash bonuses) by salary band for Senior Management Services for the period 1 April 2015 to 31 March 2016

Salary band	Beneficiary profile			Cost		
	Number of	Number of	% of total within	Total cost	Average cost	Total cost as a % of
	beneficiaries	employees	salary band	(R'000)	per employee	the total personnel expenditure
Band A	23	72	31,9	1 094	47 565	1,4
Band B	7	20	35,0	374	53 429	0,7
Band C	3	8	37,5	205	68 333	0,8
Band D	-	-	-	-	-	-
<b>Total</b>	<b>33</b>	<b>100</b>	<b>33,0</b>	<b>1 673</b>	<b>50 697</b>	<b>1,0</b>



### 3.9 Foreign workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

TABLE 3.9.1: Foreign workers by salary band for the period 1 April 2015 and 31 March 2016

Salary band	1 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	-	-	-	-	-	-
Skilled (level 3–5)	1	8,3	1	11,1	-	-
Highly skilled production (level 6–8)	-	-	-	-	-	-
Highly skilled supervision (level 9–12)	10	83,4	7	77,8	3	100,0
Senior management (levels 13–16)	1	8,3	1	11,1	-	-
<b>Total</b>	<b>12</b>	<b>100,0</b>	<b>9</b>	<b>100,0</b>	<b>3</b>	<b>100,0</b>

TABLE 3.9.2: Foreign workers by major occupation for the period 1 April 2015 and 31 March 2016

Major occupation	1 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative related	2	16,7	1	11,1	1	33,3
Agricultural, animal, oceanography, forestry and other sciences	4	33,4	4	44,5	-	-
Other administrative and related clerks and organisers	1	8,3	1	11,1	-	-
Veterinarians	3	25,0	2	22,2	1	33,3
Economists	1	8,3	-	-	1	33,3
Senior Managers	1	8,3	1	11,1	-	-
<b>Total</b>	<b>12</b>	<b>100,0</b>	<b>9</b>	<b>100,0</b>	<b>3</b>	<b>100,0</b>

### 3.10 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the Public Service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

TABLE 3.10.1: Sick leave for the period 1 January 2015 to 31 December 2015

Salary band	Total days	% days with medical	Number of employees	% of total employees	Average days	Estimated cost
		certification	using sick leave	using sick leave	per employee	(R'000)
Lower skilled (levels 1–2)	2 519		358	8,8	7	1 075
Skilled (levels 3–5)	9 706		1 340	33,0	7	5 716
Highly skilled production (levels 6–8)	10 119		1 435	35,4	7	11 372

Salary band	Total days	% days with medical certification	Number of employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Highly skilled supervision (levels 9–12)	5 362		839	20,7	6	10 640
Senior management (levels 13–16)	592		85	2,1	7	2 313
<b>Total</b>	<b>28 298</b>		<b>4 057</b>	<b>100,0</b>	<b>7</b>	<b>31 116</b>

\* Number of employees, excluding the Minister and Deputy Minister

TABLE 3.10.2: Incapacity leave for the period 1 January 2015 to 31 December 2015 (temporary and permanent)

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	304	100,0	16	10,9	19	144
Skilled (levels 3–5)	1 018	100,0	51	34,7	20	643
Highly skilled production (levels 6–8)	1 361	100,0	54	36,7	25	1 492
Highly skilled supervision (levels 9–12)	573	100,0	26	17,7	22	1 152
Senior management (levels 13–16)	-	-	-	-	-	-
<b>Total</b>	<b>3 256</b>	<b>100,0</b>	<b>147</b>	<b>100,0</b>	<b>22</b>	<b>3 431</b>

\* Number of employees, excluding the Minister and Deputy Minister

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires the management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

TABLE 3.10.3: Annual leave for the period 1 January 2015 to 31 December 2015

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1–2)	13 768	694	20
Skilled (levels 3–5)	56 703	2 431	23
Highly skilled production (levels 6–8)	42 750	1 920	22
Highly skilled supervision (levels 9–12)	27 197	1 179	23
Senior management (levels 13–16)	3 088	143	22
<b>Total</b>	<b>143 506</b>	<b>6 367</b>	<b>23</b>





TABLE 3.10.4: Capped leave for the period 1 January 2015 to 31 December 2015

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2015
Lower skilled (levels 1–2)	9	1	9	32
Skilled (levels 3–5)	1 258	137	9	89
Highly skilled production (levels 6–8)	283	26	11	66
Highly skilled supervision (levels 9–12)	212	18	12	61
Senior management (levels 13–16)	44	7	6	45
<b>Total</b>	<b>1 806</b>	<b>189</b>	<b>10</b>	<b>78</b>

The following table summarises payments made to employees as a result of leave that was not taken.

TABLE 3.10.5: Leave payouts for the period 1 April 2015 to 31 March 2016

Reason	Total amount (R'000)	Number of employees	Average per employee (R)
Leave payout for 2015/16 owing to non-utilisation of leave for the previous cycle	315	9	35 000
Capped leave payouts on termination of service for 2015/16	14 325	411	34 854
Current leave payout on termination of service for 2015/16	661	89	7 427
<b>Total</b>	<b>15 300</b>	<b>509</b>	<b>30 059</b>

### 3.11 HIV/Aids and health promotion programmes

TABLE 3.11.1: Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Agricultural machine users (farm workers, engineering services)	Preventative strategies through awareness campaigns, health-related education
Migrant workers (border posts and fence, quarantine stations and camps) projects (Infrastructure Support, WUID)	HIV counselling and testing, general screening tests
Shift workers	Provision of protective clothing and equipment
General workers (when coming into contact with body fluids)	Treatment through referrals

TABLE 3.11.2: Details of health promotion and HIV/Aids programmes

Questions	Yes	No	Details, if yes
1. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) who they represent	√		Ms Lexcy Manamela, Director: Employee Development and Performance Management

Questions	Yes	No	Details, if yes
<p>2. Does the Department have a designated unit or have you designated specific staff members to promote the health and well-being of its employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p> <p>3. Has the department introduced an employee assistance or health promotion programme for its employees? If so, indicate the key elements/services of the programme.</p>			<p>11 responsible for the four pillars of EHW Total budget: R6 455 000</p> <p><b>EAP programmes</b></p> <ul style="list-style-type: none"> <li>• Domestic violence</li> <li>• Substance abuse information</li> <li>• Electronic life skills orientation</li> <li>• Customary marriage education</li> <li>• Retirement Planning</li> <li>• Trauma Management</li> <li>• Financial Management</li> <li>• Counselling</li> <li>• Facilitation of family support</li> <li>• Stress management</li> <li>• Debt management</li> <li>• Placement in rehabilitation centres</li> <li>• Efforts in place to outsource a 24/7 service provider</li> </ul> <p><b>Health promotion and HIV and AIDS</b></p> <ul style="list-style-type: none"> <li>• Awareness campaigns vs. events calendar</li> <li>• Lifestyle disease management</li> <li>• HIV and AIDS management</li> <li>• Physical fitness</li> <li>• HIV counselling and testing</li> <li>• Screening tests</li> <li>• Condom accessibility</li> <li>• Intranet messages</li> </ul> <p><b>Policy and Procedure on Incapacity Leave and Ill-Health Retirement (PILIR)</b></p> <ul style="list-style-type: none"> <li>• Liaise between DAFF and the Health Risk Manager</li> <li>• Assist employees regarding the correct completion of relevant documents</li> <li>• Training in person and during awareness campaigns</li> </ul>
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) who they represent.</p>			<p>Hefer R                    D: AIC Baloyi S                    D: HRM Kabini O                    D: AIC Mochela T                    D: B Khoza J                    D: HRM</p>



Questions	Yes	No	Details, if yes
			Mathonsi L D: B Nkwane E D: IS Sefuli LL D: ER Ranphabana MT D: IT Smith W D: FacM Madzivhe SH D: IT Mailula P D: FacM Masemene R D: LUSM Mulalo S D: FIES Maja J Sekgala M D: FIES Mokwele J D: PH Mokhoti S D: GR Mokhothi S D: PH Mthimunye I D: GR Mahlangu L D: PRS Maja P D: GR Dikeledi MA D: PSPM Ngoepe R D: GR Mabogoane DN D: PSPM Nhlumayo R D: HRM Bouwer L D: HRM Willemse F D: FSQA Färber P D: HRM Conradie M D: FSQA Matthews C D: SHD Muller T D: FSQA Moshesh S D: PH Masenya S D: LUSM Ahmed H D: PH Letsosa K D: FSQA Africa S D: HRM Potye N D: SS
			Bester M D: SS Skosana E D: WUID Ntimane J D: SS Maria M. D: WUID Abrahams D D: SCM Bennnet R D: GADI Mothiba J D: SCM Booyesen R D: GADI Beja A D: SCM Oostendorp C D: SCM Fillis M D: GADI



Questions	Yes	No	Details, if yes
			Donald SMC D: GADI Louw G D: GADI Monkongkwana E D: GADI Mbotiy S D: GADI Mroro N D: GADI Nengwenani P D: GADI Reeners J D: GADI Tshikungulu AA D: GADI Van Heerden A D: GADI Wennaar A D: GADI Wennaar A D: GADI Magagule D D: InSS Matetela O D: LUSM Faku F D: InSS Mazwi P D: LUSM Gouws PE D: InSS Hlongwane K D: LUSM Nojaholo EC D: InSS Mahlatji L D: LUSM Makhubela SW D: InSS Mashabela F D: LUSM Tshikovha M D: InSS Mukwebo M D: LUSM Mangojane MJ D: InSS Vukeya Moris D: LUSM Ntswane TR D: InSS Adams M D: InSS Mogare MJ D: InSS Davids G D: InSS Mfolo LL D: InSS Coetzee N D: IS
			Ekstraal B D: PH Jeli T D: FSQA Seema S D: PH Wessels WJA. D: InSS Vakalisa T D: IS Hoorniet T D: InSS Davids N D: IS Claasen D D: InSS Nkwanyana L D: IS Mvunelo T D: IS Shibambu R D: IS Maduluni NP D: IS Jacobs DJ D: IS



Questions	Yes	No	Details, if yes
			Dindi SL D: IS
			Govender M D: IS
			Hlongwa BZ D: IS
			Hlungwane A D: IS
			Jai Jai DH D: IS
			Kamnqa L D: IS
			Latchoo L D: IS
			Ngcobo NN D: IS
			Ranjith R D: IS
			Ndawo TPS D: IS
			Leshilo MM D: IS
			Mathumbu K D: IS
			Mphego TA D: IS
			Mabunda GP D: IS
			Mjolo WT D: IS
			Chonco B D: IS
			Neluode FM D: IS
			Mbuluwa D D: IS
			Mbongwa SR D: IS
			Jacobs VK D: IS
			Moatshe RTJ D: IS
			Goilwang ME D: IS
			Mosesh SP D: IS
			Josephs L D: IS
			Andrews TC D: IS
			Mdangi N D: IS
			Mnyani AP D: IS
			Molala KS D: IS
			Benjamin DJ D: IS
			Nonzinyana S D: IS
			Maarman Z D: IS
			Nqubane N D: IS
			Nt'Sulungo B D: IS
			Ntsoane OK D: IS
			Selepe MT D: IS
			Mafestile P D: FMEC
			Tengani AK D: FMEC
			Tose P D: FMEC
			Mdunana M D: FME
			Coto G D: FMEC
			Peter LC D: IS
			Rossouw M D: IS
			Sekhula K D: IS
			Ngubo G D: FMEC



Questions	Yes	No	Details, if yes
			Phandle NC D: FMEC
			Sipoki N D: FMEC
			Dumzela M D: FMEC
			Gebhu N D: FMEC
			Zide ZG D: FMEC
			Majangaza Z D: FMEC
			Ndamase L D: FMEC
			Mvimbi L D: FMEC
			Mzizi NV D: FMEC
			Tapu NW D: FMEC
			Saul X D: FMEC
			Serage LV D: IS
			Shangase M D: IS
			Tsawe N D: IS
			Tinkane P D: IS
			Sekhula K D: IS
			Venter H D: GR
			Deveroux M D: EDPM
			Thavhana H D: FSQA
			Adonis J D: GR
			Matodzi A D: FSQA
			Majiyezi N D: FMEC
			Mrashula M D: FMEC
			Matshaka N D: FMEC
			Sidina C D: FMEC
			Donkrag L D: FMEC
			Ndidnwa N D: FMEC
			Kakaza NA D: FMEC
			Gqomo RM D: FMEC
			Mneno VN D: FMEC
			Mbana N D: FMEC
			Mehlomakhulu XI D: FMEC
			Zozi NS D: FMEC
			Menye NE D: FMEC
			Apolis NG D: FMEC
			April TP D: FMEC
			Jubeju N D: FMEC
			Fipaza L D: FMEC
			Roto N D: FMEC
			Bingwa S D: FMEC
			Mchashi B D: FMEC
			Sangcozi ZZ D: FMEC
			Sitshinga CN D: FMEC
			Sizani M D: FMEC



Questions	Yes	No	Details, if yes
			Gali N D: FMEC
			Gobongwana TJ D: FMEC
			Kilani NC D: FMEC
			Qolo Z D: FMEC
			Gona N D: FMEC
			Maziko M D: FMEC
			Dungulu M D: FMEC
			Tontsi ZC D: FMEC
			Ramncwana NW D: FMEC
			Apleni TM D: FMEC
			Bazi MC D: FMEC
			Mbita N D: FMEC
			Malindi B D: FMEC
			Mbangeni A D: FMEC
			Maboza M D: FMEC
			Nquma L D: FMEC
			Nhonho N D: FMEC
			Nyama B D: FMEC
			Kupiso N D: FMEC
			Matile L D: FMEC
			Bojana N D: FMEC
			Vayo N D: FMEC
			Nkobongosinathi N D: FMEC
			Pangomso NA D: FMEC
			Mredlana N D: FMEC
			Honitshwayo ND D: FMEC
			Damane P D: FMEC
			Luthuli V D: FMEC
			Mbangi NE D: FMEC
			Mohapi K D: FMEC
			Magingxa N D: FMEC
			Gcelu S D: FMEC
			Nodada BN D: FMEC
			Jongile F D: FMEC
			Mngadi SG D: FMKZN
			Ngcobo CE D: FMKZN
			Madonda SC D: FMKZN
			Mathenjwa MN D: FMKZN
			Mandlana NS D: FMEC
			Ndondose PP D: FMEC
			Mtshiki LP D: FMEC
			Qaba S D: FMEC
			Sineyi N D: FMEC
			Qalo M D: FMEC
			Selani M D: FMEC



Questions	Yes	No	Details, if yes
			Valelo N D: FMEC
			Botes O D: FMKZN
			Ngabeni N D: FMEC
			Ngubo NC D: FMKZN
			Madonda BR D: FMKZN
			Mbanjwa ZP D: FMKZN
			Gwala JN D: FMKZN
			Shoba TP D: FMKZN
			Jobe SJ D: FMKZN
			Dlamini JN D: FMKZN
			Tembe JM D: FMKZN
			Gumede R D: FMKZN
			Zondo S D: FMKZN
			Shezi BS D: FMKZN
			Mwalase SM D: FMKZN
			Eva Diphare D: FMKZN
			Govender S D: FMKZN
			Mkhize BE D: FMKZN
			Mtiyane AM D: FMKZN
			Nyawo DZ D: FMKZN
			Mbokazi BJ D: FMKZN
			Mlaba NM D: FMKZN
			Phori M D: FMKZN
			Gula ML D: FMKZN
			Maduna AT D: FMKZN
			Mtshezi EK D: FMKZN
			Mukwevho TM D: FMMpuLim
			Mashego KN D: FMMpuLim
			Mosoma BW D: F MMpuLim
			Sekone LL D: FMMpuLim
			Nange NS D: FMMpuLim
			Leseka J D: FMMpuLim
			Netshisaulu TS D: FMMpuLim
			Ramalatswa SI D: FMMpuLim
			Mphahlele TC D: FMMpuLim
			Maroga NJ D: FMMpuLim
			Leshalabe MP D: FMMpuLim
			Mukwevho TS D: FMMpuLim
			Neluvhola TE D: FMMpuLim
			Siobo NE D: FMMpuLim
			Mashandule AL D: FMMpuLim
			Nange NS D: FMMpuLim
			Ramabulana NR D: FMMpuLim
			Kubayi TF D: FMMpuLim





Questions	Yes	No	Details, if yes
			Muladi ME D: FMMpuLim
			Mutavhatsindi AE D: FMMpuLim
			Muhali MG D: FMMpuLim
			Mashego S D: FMMpuLim
			Mukwevho NR D: FMMpuLim
			Malope BF D: FMMpuLim
			Mahlaule MF D: FMMpuLim
			Theto NS D: FMMpuLim
			Mokoena MS D: FMMpuLim
			Mashile DA D: FMMpuLim
			Matshata LM D: FMMpuLim
			Segodi TS D: FMMpuLim
			Mathapo RD D: FMMpuLim
			Magakane ST D: FMMpuLim
			Raseokgo NM D: FMMpuLim
			Makhubedu F D: FMMpuLim
			Belemu MM D: FMMpuLim
			Maohlala R D: FMMpuLim
			Moropane MB D: FMMpuLim
			Maile LL D: FMMpuLim\
			Mokome ML D:FMMpuLim
			Malapane AE D: F MMpuLim
			Moeng GN D: F MMpuLim
			Dilebo KM D: FMMpuLim
			Mashego PW D: FMMpuLim
			Ndlovu MK D: FMMpuLim
			Malatole MA D: FMMpuLim
			Molobela E D: FMMpuLim
			Thethe LB D: FMMpuLim
			Nethwadzi L D: FMMpuLim
			Mashile N D:FMMpuLim
			Pebane MR D: FMMpuLim
			Malomane JE D: FMMpuLim
			Lebjane E D:FMMpuLim
			Mashaba D D: FMMpuLim
			Monareng ME D: FMMpuLim
			Monareng E D: FMMpuLim
			Thibela AW D: FMMpuLim
			Leshabane MP D: FMMpuLim
			Makhado PP D: FMMpuLim



Questions	Yes	No	Details, if yes
5. Has the Department reviewed its employment policies and practices of your Department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		HIV, AIDS and TB Policy, Occupational Health and Safety Policy, Employee
6. Has the Department introduced measures to protect HIV positive employees or those perceived to be HIV positive from discrimination? If so, list the key elements of these measures.	√		<b>Implementation of the following policies</b> <ul style="list-style-type: none"> <li>• HIV, AIDS and TB Policy</li> <li>• Employment Equity Act</li> <li>• Promotion of equality and Prevention of Unfair Discrimination Act 2000</li> <li>• Awareness education on stigma and discrimination</li> <li>• Increased uptake of HCT through GEMS The programme runs monthly</li> <li>• Increased male participation</li> <li>• Change of behaviour as observed by the high utilisation of condoms</li> </ul>
7. Does the Department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		
8. Has the Department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	√		

### 3.12 Labour relations

TABLE 3.12.1: Collective agreements for the period 1 April 2015 to 31 March 2016

Subject matter	Date
Dress Code	8 March 2016

The following table summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

TABLE 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2015 to 31 March 2016

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	8	18,6
Suspended without pay	20	46,5
Fine	-	-
Demotion	-	-
Dismissal	7	16,3
Not guilty	1	2,3
Resignation owing to misconduct	-	-
Case withdrawn	7	16,3
<b>Total</b>	<b>43</b>	<b>100,0</b>



TABLE 3.12.3: Types of misconduct addressed and disciplinary hearings for the period 1 April 2015 to 31 March 2016

Type of misconduct	Number	% of total
Misuse of government vehicle	8	15,1
Abscondment	1	1,9
Theft/fraud	13	24,5
Absent without authorisation	15	28,3
Alcohol abuse	1	1,9
Assault/threats to assault	2	3,8
Prejudicing the administration of the department	8	15,1
Insubordination	4	7,5
Performing remunerative employment without prior permission	1	1,9
<b>Total</b>	<b>53</b>	<b>100,0</b>

TABLE 3.12.4: Grievances logged for the period 1 April 2015 to 31 March 2016

	Number	% of total
Number of grievances resolved	50	49,0
*Number of grievances not resolved	52	51,0
<b>Total number of grievances lodged</b>	<b>102</b>	<b>100,0</b>

\* Grievances not resolved because they are still pending or were referred to the Public Service Commission on request of the aggrieved employee(s).

TABLE 3.12.5: Disputes logged with councils for the period 1 April 2015 to 31 March 2016

	Number	% of total
Number of disputes upheld	3	7,3
Number of disputes dismissed	11	26,8
Still pending	27	65,9
<b>Total number of disputes lodged</b>	<b>41</b>	<b>100,0</b>

TABLE 3.12.6: Strike actions for the period 1 April 2015 to 31 March 2016

Strike actions	
Total number of persons working days lost	-
Total costs of working days lost	-
Amount (R'000) recovered as a result of no work no pay	-

TABLE 3.12.7: Precautionary suspensions for the period 1 April 2015 to 31 March 2016

Precautionary suspensions	
Number of people suspended	3
Number of people whose suspension exceeded 30 days	2
Average number of days suspended	68
Cost (R'000) of suspensions	R257 773.23



### 3.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

TABLE 3.13.1: Training needs identified for the period 1 April 2015 to 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training ABET	Total
Legislators, senior officials and managers	Female	45	-	22	-	22
	Male	62	-	23	-	23
Professionals	Female	441	-	465	-	465
	Male	518	-	427	-	427
Technicians and associate professionals	Female	558	-	412	-	412
	Male	724	1	372	-	373
Clerks	Female	675	-	352	-	352
	Male	313	-	207	-	207
Service and sales workers	Female	97	-	87	3	90
	Male	322	-	233	-	233
Craft and related trade workers	Female	1	-	11	3	14
	Male	43	-	5	50	55
Plant and machine operators and assemblers	Female	7	-	9	-	9
	Male	171	-	110	-	110
Elementary occupations	Female	856	8	610	1	619
	Male	1 089	5	717	50	772
Gender subtotals	Female	2 680	8	1 968	7	1 983
	Male	3 244	6	2 094	100	2 200
<b>Total</b>		<b>5 924</b>	<b>14</b>	<b>4 062</b>	<b>107</b>	<b>4 183</b>

\* Number of employees, excluding the Minister and Deputy Minister



TABLE 3.13.2: Training provided for the period 1 April 2015 to 31 March 2016

Occupational category	Gender	Number of employees as at 1 April 2015	Training provided within the reporting period				
			Learnerships	Skills programmes and other short courses	Other forms of training		Total
					Bursaries	ABET	
Legislators, senior officials and managers	Female	45	-	49	3	-	52
	Male	62	-	57	2	-	59
Professionals	Female	441	-	225	13	-	238
	Male	518	-	175	16	-	191
Technicians and associate professionals	Female	558	-	154	15	-	169
	Male	724	1	130	14	-	145
Clerks	Female	675	-	182	21	-	203
	Male	313	-	115	12	-	127
Service and sales workers	Female	97	-	11	3	3	17
	Male	322	-	24	1	-	25
Craft and related trades workers	Female	1	-	181	-	-	181
	Male	43	-	249	-	53	302
Plant and machine operators and assemblers	Female	7	-	17	-	-	17
	Male	171	-	25	1	-	26
Elementary occupations	Female	856	4	80	3	-	87
	Male	1 089	7	78	2	-	87
Gender subtotals	Female	2 680	4	899	58	3	964
	Male	3 244	8	853	48	53	962
<b>Total</b>		<b>5 924</b>	<b>12</b>	<b>1 752</b>	<b>106</b>	<b>56</b>	<b>1 926</b>

\* Number of employees, excluding the Minister and Deputy Minister

### 3.14 Injury on duty

The following tables provide basic information of injury on duty.

TABLE 3.14.1: Injury on duty for the period 1 April 2015 to 31 March 2016

Nature of injury on duty	Number	% of total
Required basic medical attention only	29	100,0
Temporary total disablement	-	-
Permanent disablement	-	-
Fatal	-	-
<b>Total</b>	<b>29</b>	<b>100,0</b>



### 3.15 Utilisation of consultants

TABLE 3.15.1: Report on consultant appointments using appropriated funds

Project title	Total number of consultants	Duration	Contract value in Rand
	who worked on the project	Work days	
1. Development of Integrated National Geo-referenced database comprising of land capability, land suitability, agricultural ecological zones, as well as land use data and information with an applicable scale of 1:50 000	1	245	R3 700 000
2. Skills programme – D: SET	1	60	R475 000
3. Learnership programme – D: SET	1	180	R470 774
4. Compilation of Annual reports for 2013/14 and 2014/15 on Commercial Timber Resources and Primary Roundwood Processing in SA – D: FRO	3	365	R1 230 000
5. Implementation of approved Norms and Standards for ATIs and their Governance and Financing Framework Facilitation of all consultative work towards a Green Paper and ultimately promulgation of a Bill for ATIs – D: SC	1	365	R8 000 000
6. The appointment of a professional service provider to reconfigure the current approved organisation structure into an integrated model with the aim to address effective performance of the Department of Agriculture, Forestry and Fisheries to improve service delivery – D: HRM	3	132	R920 000

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
6	10	1 347	R14 795 774

TABLE 3.15.2: Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)

Project title	Percentage ownership by HDI	Percentage management	Number of consultants from HDI
	groups	by HDI groups	groups that work on the project
1. Development of Integrated National Geo-referenced database comprising of land capability, land suitability, agricultural ecological zones, as well as land use data and information with an applicable scale of 1: 50 000 – D: LUSM	0%	0%	0
2. Skills programme – D: SET	100%	100%	1
3. Learnership programme – D: SET	100%	100%	1
Compilation of Annual reports for 2013/14 & and 2014/15 on Commercial Timber Resources Processing in SA – D: FRO	0%	0%	2



4. Implementation of approved Norms & Standards for ATIs & and their Governance & and Financing Framework & and Facilitation of all consultative work towards a Green Paper & and ultimately Promulgation of a Bill for ATIs – D: SC	100%	100%	1
5. The appointment of a professional service provider to reconfigure the current approved organisation structure into an integrated model with the aim to address effective performance of the Department of Agriculture, Forestry and Fisheries to improve service delivery – D: HRM	100%	100%	3

TABLE 3.15.3: Report on consultant appointments using donor funds

Project title	Total number of consultants who worked on the project	Duration Work days	Donor and contract value in Rand
1. National skills funds – D: SET	1	365	R17 619 564

Total number of projects	Total individual consultants	Total duration work days	Total contract value in Rand
1	1	365	R17 619 564

TABLE 3.15.4: Analysis of consultant appointments using donor funds, in terms of historically disadvantaged individuals (HDIs)

Project title	Percentage ownership by HDI	Percentage management	Number of consultants from HDI
	Groups	By HDI groups	Groups that work on the project
1. National skills funds – D: SET	100%	100%	1

### 3.16 Severance packages

TABLE 3.16.1: Granting of employee initiated severance packages for the period 1 April 2015 to 31 March 2016

No employees were granted severance packages for the period 1 April 2015 to 31 March 2016.



# Part E

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## Financial information





## Contents: Financial information

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for the year ended 31 March 2016

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# Report of the Auditor-General to Parliament on vote no. 24: Department of Agriculture, Forestry and Fisheries

## Report on the financial statements

### Introduction

1. I have audited the financial statements of the Department of Agriculture, Forestry and Fisheries set out on pages 158 to 284, which comprise the appropriation statement, the statement of financial position as at 31 March 2016, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Forestry and Fisheries as at 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the PFMA and DoRA.

### Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

### Restatement of corresponding figures

8. As disclosed in note 32.3.1 to the financial statements, the corresponding figures for 31 March 2015 have been restated as a result of an error discovered during the year ended 31 March 2016 in the financial statements of the department at, and for the year ended, 31 March 2015.



## Report on other legal and regulatory requirements

9. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2016:
- Programme 2: agricultural production, health and food on pages 50 to 54
  - Programme 3: food security and agrarian reform on pages 54 to 58
  - Programme 4: trade promotion and market access on pages 58 to 63
  - Programme 5: forestry and natural resources management on pages 63 to 66
11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information (FMPPI).
13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. The material findings in respect of the selected programmes are as follows:

### Programme 4: trade promotion and market access

#### Usefulness of performance information

#### Measurability of targets

15. Performance targets should be specific in clearly identifying the nature and required level of performance, as required by the FMPPI. A total of 29% of the targets were not specific.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:
- Programme 2: agricultural production, health and food
  - Programme 3: food security and agrarian reform
  - Programme 5: forestry and natural resources management

### Additional matters

17. I draw attention to the following matters:

#### Achievement of planned targets

18. Refer to the annual performance report on pages x to x and x to x for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness of the reported performance information in paragraph 15 of this report.

#### Adjustment of material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for programme 3: food security and agrarian reform, programme 4: trade promo-

tion and market access, and programme 5: forestry and natural resources management. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness of the reported performance information for programme 4: trade promotion and market access.

### **Compliance with legislation**

20. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My material findings on compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### **Annual financial statements**

21. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(b) of the PFMA. Material misstatements of biological assets, accruals and payables identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

### **Expenditure management**

22. Effective steps were not taken to prevent irregular expenditure of R899 000 as disclosed in note 26 to the financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

### **Internal control**

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.

### **Leadership**

24. Management did not exercise adequate oversight in the areas of performance planning and compliance with the FMPPI to ensure that performance targets were specific in clearly identifying the nature and required level of performance for programme 4: trade promotion and market access.
25. The department monitoring controls were not always effective to ensure the complete recording of biological assets, accruals and payables, which resulted in the financial statements being subjected to material corrections.
26. Action plans for the implementation of audit recommendations were not adequately monitored, resulting in a recurrence of material audit findings.

### **Financial and performance management**

27. The department did not always implement adequate reviewing and monitoring controls over information received from the branches and regions for reporting purposes. This resulted in the performance report and financial statements being subjected to material corrections after having been submitted for auditing.

*Auditor - General.*

Pretoria

31 July 2016



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Appropriation Statement

for the year ended 31 March 2016

Appropriation per programme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	739 418	–	49 435	788 853	785 802	3 051	99,6	758 973	738 441
2. Agricultural Production, Health and Food Safety	2 144 541	–	(1 257)	2 143 284	2 143 017	267	100,0	2 192 977	2 183 702
3. Food Security and Agrarian Reform	1 919 401	–	(8 866)	1 910 535	1 906 795	3 740	99,8	1 689 344	1 656 320
4. Trade Promotion and Market Access	233 907	–	3 420	237 327	236 758	569	99,8	307 319	307 000
5. Forestry and Natural Resources Management	906 216	–	(43 372)	862 844	862 280	564	99,9	1 303 983	1 303 645
6. Fisheries	465 267	–	640	465 907	465 890	17	100,0	439 787	439 765
<b>Total</b>	<b>6 408 750</b>	<b>–</b>	<b>–</b>	<b>6 408 750</b>	<b>6 400 542</b>	<b>8 208</b>	<b>99,9</b>	<b>6 692 383</b>	<b>6 628 873</b>

Reconciliation with statement of financial performance

Add

Departmental receipts

212 414

191 652

Aid assistance

764

582

**Actual amounts per statement of financial performance (total revenue)**

**6 621 928**

**6 884 617**

Add

Aid assistance

430

2 657

**Actual amounts per statement of financial performance (total expenditure)**

**6 400 972**

**6 631 530**

# Appropriation Statement

for the year ended 31 March 2016

Appropriation per economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 536 868</b>	<b>(55 291)</b>	<b>(3 161)</b>	<b>2 478 416</b>	<b>2 475 871</b>	<b>2 545</b>	<b>99,9</b>	<b>2 394 878</b>	<b>2 393 978</b>
Compensation of employees	1 763 005	(16 742)	(1 075)	1 745 188	1 761 116	(15 928)	100,9	1 661 857	1 661 596
Salaries and wages	1 522 179	(21 382)	6 087	1 506 884	1 522 939	(16 055)	101,1	1 440 009	1 439 973
Social contributions	240 826	4 640	(7 162)	238 304	238 177	127	99,9	221 848	221 623
Goods and services	772 331	(37 018)	(2 085)	733 228	714 755	18 473	97,5	732 733	732 095
Administrative fees	6 599	2 868	1 210	10 677	10 647	30	99,7	3 555	3 547
Advertising	13 230	(1 078)	(4 044)	8 108	8 104	4	100,0	26 488	26 480
Minor assets	10 765	(1 128)	(2 051)	7 586	7 178	408	94,6	6 915	6 851
Audit costs: External	14 444	(2 637)	(991)	10 816	10 816	–	100,0	10 362	10 362
Bursaries: Employees	4 719	(1 424)	(871)	2 424	2 417	7	99,7	2 728	2 724
Catering: Departmental activities	852	46	(158)	740	740	–	100,0	813	813
Communication	23 354	340	5 447	29 141	29 115	26	99,9	27 827	27 791
Computer services	20 415	2 774	(11 653)	11 536	11 530	6	99,9	35 430	35 424
Consultants: Business and advisory services	41 437	680	(19 069)	23 048	22 985	63	99,7	20 548	20 540
Infrastructure and planning services	4 092	(1 384)	1 001	3 709	3 708	1	100,0	6 958	6 957
Laboratory services	536	(317)	–	219	219	–	100,0	232	232
Legal services	3 971	102	1 263	5 336	5 334	2	100,0	8 523	8 519
Contractors	15 215	929	(6 521)	9 623	9 505	118	98,8	24 297	24 249
Agency and support/outsourced services	60 580	(1 704)	(34 237)	24 639	24 636	3	100,0	30 701	30 695
Entertainment	340	21	(51)	310	306	4	98,7	784	776
Fleet services	20 216	6 930	(5 194)	21 952	21 936	16	99,9	18 476	18 459
Inventory: Clothing material and supplies	–	854	(30)	824	823	1	99,9	–	–
Inventory: Farming supplies	6 369	11 642	(48)	17 963	17 959	4	100,0	7 709	7 708



## Appropriation Statement

for the year ended 31 March 2016

Appropriation per economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	520	613	–	1 133	1 132	1	99,9	473	474
Inventory: Fuel, oil and gas	238	984	(269)	953	952	1	99,9	266	266
Inventory: Materials and supplies	21	913	(11)	923	922	1	99,9	36	36
Inventory: Medical supplies	–	32	(1)	31	31	–	100,0	–	–
Inventory: Medicine	1 216	(723)	(443)	50	49	1	98,0	970	970
Inventory: Other supplies	17	2 281	(1 173)	1 125	1 123	2	99,8	121	121
Consumable supplies	74 520	(47 909)	(5 748)	20 863	20 814	49	99,8	42 653	42 602
Consumable: Stationery, printing and office supplies	22 230	(10 952)	(2 421)	8 857	8 826	31	99,6	10 733	10 707
Operating leases	53 767	(353)	37 062	90 476	90 460	16	100,0	84 521	84 510
Property payments	152 544	187	4 229	156 960	155 660	1 300	99,2	144 387	144 315
Travel and subsistence	140 027	5 175	3 023	148 225	131 940	16 285	89,0	128 713	128 554
Training and development	30 806	(4 221)	494	27 079	27 065	14	99,9	36 392	36 370
Operating payments	19 865	(2 112)	741	18 494	18 420	74	99,6	20 362	20 289
Venues and facilities	29 327	1 585	38 486	69 398	69 393	5	100,0	30 691	30 685
Rental and hiring	99	(32)	(57)	10	10	–	100,0	69	69
Interest and rent on land	1 532	(1 531)	(1)	–	–	–	–	288	287
Rent on land	1 532	(1 531)	(1)	–	–	–	–	288	287
<b>Transfers and subsidies</b>	<b>3 694 945</b>	<b>9 054</b>	<b>1 769</b>	<b>3 705 768</b>	<b>3 704 829</b>	<b>939</b>	<b>100,0</b>	<b>4 062 234</b>	<b>4 028 678</b>
Provinces and municipalities	2 172 640	120	85	2 172 845	2 172 723	122	100,0	2 390 280	2 363 349
Provinces	2 171 450	–	–	2 171 450	2 171 450	–	100,0	2 389 070	2 362 161
Provincial Revenue Funds	2 171 450	–	–	2 171 450	2 171 450	–	100,0	2 389 070	2 362 161

# Appropriation Statement

for the year ended 31 March 2016

Appropriation per economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities	1 190	120	85	1 395	1 273	122	91,3	1 210	1 188
Municipal bank accounts	1 190	120	85	1 395	1 273	122	91,3	1 210	1 188
Departmental agencies and accounts	1 138 091	1 825	–	1 139 916	1 139 915	1	100,0	1 354 598	1 354 212
Departmental agencies and accounts	1 138 091	1 825	–	1 139 916	1 139 915	1	100,0	1 354 598	1 354 212
Higher education institutions	3 312	–	–	3 312	3 307	5	99,8	7 000	3 000
Foreign governments and international organisations	32 379	–	–	32 379	31 911	468	98,6	39 001	38 784
Public corporations and private enterprises	314 715	–	93	314 808	314 800	8	100,0	222 305	222 298
Public corporations	314 714	–	–	314 714	314 714	–	100,0	221 976	221 976
Other transfers to public corporations	314 714	–	–	314 714	314 714	–	100,0	221 976	221 976
Private enterprises	1	–	93	94	86	8	91,5	329	322
Other transfers to private enterprises	1	–	93	94	86	8	91,5	329	322
Non-profit institutions	25 886	–	–	25 886	25 590	296	98,9	27 023	25 150
Households	7 922	7 109	1 591	16 622	16 583	39	99,8	22 027	21 885
Social benefits	5 981	7 109	1 075	14 165	14 131	34	99,8	19 306	19 268
Other transfers to households	1 941	–	516	2 457	2 452	5	99,8	2 721	2 617
<b>Payments for capital assets</b>	<b>176 937</b>	<b>46 237</b>	<b>–</b>	<b>223 174</b>	<b>218 466</b>	<b>4 708</b>	<b>97,9</b>	<b>235 012</b>	<b>205 970</b>
Buildings and other fixed structures	48 609	22 771	(29 151)	42 229	40 280	1 949	95,4	67 968	48 048
Buildings	10 530	22 103	(24 849)	7 784	5 972	1 812	76,7	26 409	6 496
Other fixed structures	38 079	668	(4 302)	34 445	34 308	137	99,6	41 559	41 552





## Appropriation Statement

for the year ended 31 March 2016

Appropriation per economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	128 160	23 432	29 181	180 773	178 029	2 744	98,5	166 618	157 499
Transport equipment	75 944	16 049	30 113	122 106	121 992	114	99,9	84 287	81 146
Other machinery and equipment	52 216	7 383	(932)	58 667	56 037	2 630	95,5	82 331	76 353
Biological assets	168	(138)	(30)	–	–	–	–	–	–
Intangible assets	–	172	–	172	157	15	91,3	426	423
<b>Payments for financial assets</b>	–	–	<b>1 392</b>	<b>1 392</b>	<b>1 376</b>	<b>16</b>	<b>98,8</b>	<b>259</b>	<b>247</b>
<b>Total</b>	<b>6 408 750</b>	<b>–</b>	<b>–</b>	<b>6 408 750</b>	<b>6 400 542</b>	<b>8 208</b>	<b>99,9</b>	<b>6 692 383</b>	<b>6 628 873</b>

## Appropriation Statement

for the year ended 31 March 2016

Programme 1: Administration									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Ministry	35 398	4 900	(684)	39 614	39 601	13	100,0	38 046	38 029
1.2 Departmental Management	23 613	12	(4 394)	19 231	19 212	19	99,9	22 879	22 860
1.3 Financial Administration	170 165	(1 800)	(5 241)	163 124	163 075	49	100,0	158 696	158 624
1.4 Internal Audit	7 011	(1 000)	(1 054)	4 957	4 953	4	99,9	4 018	4 015
1.5 Corporate Services	163 341	(250)	(126)	162 965	162 885	80	100,0	170 428	169 990
1.6 Stakeholders Relations, Communication and Legal Services	76 555	750	40 260	117 565	117 535	30	100,0	90 442	90 410
1.7 Policy Planning, Monitoring and Evaluation	83 663	(2 612)	(1 492)	79 559	79 522	37	100,0	72 114	72 079
1.8 Office Accommodation	179 672	–	22 166	201 838	199 019	2 819	98,6	202 350	182 434
<b>Total for subprogrammes</b>	<b>739 418</b>	<b>–</b>	<b>49 435</b>	<b>788 853</b>	<b>785 802</b>	<b>3 051</b>	<b>99,6</b>	<b>758 973</b>	<b>738 441</b>



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>697 211</b>	<b>(23 222)</b>	<b>70 313</b>	<b>744 302</b>	<b>743 125</b>	<b>1 177</b>	<b>99,8</b>	<b>701 374</b>	<b>701 191</b>
Compensation of employees	385 670	(6 478)	1 361	380 553	380 503	50	100,0	362 044	361 984
Salaries and wages	329 841	(6 422)	5 337	328 756	328 733	23	100,0	311 419	311 390
Social contributions	55 829	(56)	(3 976)	51 797	51 770	27	99,9	50 625	50 594
Goods and services	311 541	(16 744)	68 952	363 749	362 622	1 127	99,7	339 330	339 207
Administrative fees	1 897	2 034	1 601	5 532	5 528	4	99,9	991	989
Advertising	7 181	(1 160)	(4 163)	1 858	1 858	–	100,0	13 767	13 762
Minor assets	2 740	(606)	(1 363)	771	750	21	97,3	1 303	1 289
Audit costs: External	14 054	(3 273)	(839)	9 942	9 942	–	100,0	9 772	9 772
Bursaries: Employees	1 921	(314)	(551)	1 056	1 053	3	99,7	1 182	1 182
Catering: Departmental activities	343	9	(50)	302	302	–	100,0	397	397
Communication	9 547	584	6 481	16 612	16 609	3	100,0	15 615	15 612
Computer services	18 931	(268)	(8 841)	9 822	9 818	4	100,0	30 221	30 220
Consultants: Business and advisory services	6 343	93	43	6 479	6 478	1	100,0	5 449	5 446
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	458	88	(45)	501	501	–	100,0	657	657
Contractors	1 636	67	(1 080)	623	612	11	98,2	968	958
Agency and support/outsourced services	4 014	(751)	(543)	2 720	2 719	1	100,0	3 447	3 445
Entertainment	230	6	(50)	186	184	2	98,9	215	211
Fleet services	3 455	(48)	233	3 640	3 638	2	99,9	3 490	3 489
Inventory: Clothing material and supplies	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	3	(1)	2	2	–	100,0	–	–
Inventory: Materials and supplies	20	(1)	(9)	10	10	–	100,0	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	3 065	(307)	(363)	2 395	2 389	6	99,7	1 585	1 577
Consumable: Stationery, printing and office supplies	5 834	(1 045)	(1 315)	3 474	3 467	7	99,8	3 897	3 892
Operating leases	48 776	–	35 538	84 314	84 312	2	100,0	74 886	74 885
Property payments	127 627	(19 505)	9 944	118 066	117 046	1 020	99,1	110 966	110 951
Travel and subsistence	35 035	7 391	(3 182)	39 244	39 222	22	99,9	32 137	32 108
Training and development	3 754	(867)	(341)	2 546	2 542	4	99,8	4 179	4 176
Operating payments	3 530	(162)	(1 039)	2 329	2 318	11	99,5	3 729	3 716
Venues and facilities	11 140	1 288	38 887	51 315	51 312	3	100,0	20 456	20 452
Rental and hiring	10	–	–	10	10	–	100,0	21	21
Interest and rent on land	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>23 243</b>	<b>713</b>	<b>273</b>	<b>24 229</b>	<b>24 210</b>	<b>19</b>	<b>99,9</b>	<b>19 171</b>	<b>18 767</b>
Provinces and municipalities	57	3	(6)	54	48	6	88,9	55	48
Municipalities	57	3	(6)	54	48	6	88,9	55	48
Municipal bank accounts	57	3	(6)	54	48	6	88,9	55	48



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	22 605	–	(4)	22 601	22 600	1	100,0	16 759	16 373
Departmental agencies	22 605	–	(4)	22 601	22 600	1	100,0	16 759	16 373
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	65	65	62	3	95,4	78	76
Private enterprises	–	–	65	65	62	3	95,4	78	76
Other transfers to private enterprises	–	–	65	65	62	3	95,4	78	76
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	581	710	218	1 509	1 500	9	99,4	2 279	2 270
Social benefits	581	710	58	1 349	1 342	7	99,5	1 759	1 750
Other transfers to households	–	–	160	160	158	2	98,8	520	520
<b>Payments for capital assets</b>	<b>18 964</b>	<b>22 509</b>	<b>(21 477)</b>	<b>19 996</b>	<b>18 145</b>	<b>1 851</b>	<b>90,7</b>	<b>38 422</b>	<b>18 479</b>
Buildings and other fixed structures	10 500	22 103	(24 819)	7 784	5 972	1 812	76,7	26 313	6 401
Buildings	10 500	22 103	(24 819)	7 784	5 972	1 812	76,7	26 313	6 401
Machinery and equipment	8 464	390	3 342	12 196	12 157	39	99,7	12 107	12 078
Transport equipment	230	(2)	(6)	222	222	–	100,0	3 261	3 260
Other machinery and equipment	8 234	392	3 348	11 974	11 935	39	99,7	8 846	8 818
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	16	–	16	16	–	100,0	2	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>326</b>	<b>326</b>	<b>322</b>	<b>4</b>	<b>98,8</b>	<b>6</b>	<b>4</b>
<b>Total</b>	<b>739 418</b>	<b>–</b>	<b>49 435</b>	<b>788 853</b>	<b>785 802</b>	<b>3 051</b>	<b>99,6</b>	<b>758 973</b>	<b>738 441</b>

# Appropriation Statement

for the year ended 31 March 2016

1.1 Ministry									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>34 932</b>	<b>4 900</b>	<b>(609)</b>	<b>39 223</b>	<b>39 215</b>	<b>8</b>	<b>100,0</b>	<b>34 583</b>	<b>34 570</b>
Compensation of employees	19 687	–	543	20 230	20 226	4	100,0	17 684	17 680
Goods and services	15 245	4 900	(1 152)	18 993	18 989	4	100,0	16 899	16 890
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>13</b>	<b>–</b>	<b>2</b>	<b>15</b>	<b>13</b>	<b>2</b>	<b>86,7</b>	<b>53</b>	<b>51</b>
Provinces and municipalities	13	–	(3)	10	9	1	90,0	12	11
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	5	5	4	1	80,0	41	40
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>453</b>	<b>–</b>	<b>(78)</b>	<b>375</b>	<b>373</b>	<b>2</b>	<b>99,5</b>	<b>3 410</b>	<b>3 408</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	453	–	(78)	375	373	2	99,5	3 410	3 408
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>35 398</b>	<b>4 900</b>	<b>(684)</b>	<b>39 614</b>	<b>39 601</b>	<b>13</b>	<b>100,0</b>	<b>38 046</b>	<b>38 029</b>



## Appropriation Statement

for the year ended 31 March 2016

1.2 Departmental Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>22 815</b>	<b>(48)</b>	<b>(4 131)</b>	<b>18 636</b>	<b>18 622</b>	<b>14</b>	<b>99,9</b>	<b>22 047</b>	<b>22 034</b>
Compensation of employees	15 527	(60)	(2 787)	12 680	12 677	3	100,0	16 457	16 453
Goods and services	7 288	12	(1 344)	5 956	5 945	11	99,8	5 590	5 581
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>35</b>	<b>60</b>	<b>17</b>	<b>112</b>	<b>110</b>	<b>2</b>	<b>98,2</b>	<b>172</b>	<b>170</b>
Provinces and municipalities	5	–	(3)	2	1	1	50,0	1	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	27	27	27	–	100,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	30	60	(7)	83	82	1	98,8	171	170
<b>Payments for capital assets</b>	<b>763</b>	<b>–</b>	<b>(295)</b>	<b>468</b>	<b>465</b>	<b>3</b>	<b>99,4</b>	<b>660</b>	<b>656</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	763	–	(295)	468	465	3	99,4	660	656
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>–</b>	<b>100,0</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>23 613</b>	<b>12</b>	<b>(4 394)</b>	<b>19 231</b>	<b>19 212</b>	<b>19</b>	<b>99,9</b>	<b>22 879</b>	<b>22 860</b>

# Appropriation Statement

for the year ended 31 March 2016

1.3 Financial Administration									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>168 654</b>	<b>(2 126)</b>	<b>(5 274)</b>	<b>161 254</b>	<b>161 219</b>	<b>35</b>	<b>100,0</b>	<b>155 229</b>	<b>155 188</b>
Compensation of employees	130 408	(1 658)	2 399	131 149	131 140	9	100,0	123 467	123 453
Goods and services	38 246	(468)	(7 673)	30 105	30 079	26	99,9	31 762	31 735
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>101</b>	<b>359</b>	<b>55</b>	<b>515</b>	<b>507</b>	<b>8</b>	<b>98,4</b>	<b>1 006</b>	<b>986</b>
Provinces and municipalities	38	1	(2)	37	35	2	94,6	36	33
Departmental agencies and accounts	28	–	(4)	24	23	1	95,8	42	26
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	20	20	19	1	95,0	10	10
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	35	358	41	434	430	4	99,1	918	917
<b>Payments for capital assets</b>	<b>1 410</b>	<b>(33)</b>	<b>(274)</b>	<b>1 103</b>	<b>1 098</b>	<b>5</b>	<b>99,5</b>	<b>2 455</b>	<b>2 446</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 410	(33)	(274)	1 103	1 098	5	99,5	2 455	2 446
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>252</b>	<b>252</b>	<b>251</b>	<b>1</b>	<b>99,6</b>	<b>6</b>	<b>4</b>
<b>Total</b>	<b>170 165</b>	<b>(1 800)</b>	<b>(5 241)</b>	<b>163 124</b>	<b>163 075</b>	<b>49</b>	<b>100,0</b>	<b>158 696</b>	<b>158 624</b>





## Appropriation Statement

for the year ended 31 March 2016

1.4 Internal Audit									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>6 930</b>	<b>(1 000)</b>	<b>(991)</b>	<b>4 939</b>	<b>4 936</b>	<b>3</b>	<b>99,9</b>	<b>3 968</b>	<b>3 965</b>
Compensation of employees	4 791	–	(672)	4 119	4 117	2	100,0	3 514	3 513
Goods and services	2 139	(1 000)	(319)	820	819	1	99,9	454	452
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>27</b>	<b>27</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	27	27
<b>Payments for capital assets</b>	<b>81</b>	<b>–</b>	<b>(63)</b>	<b>18</b>	<b>17</b>	<b>1</b>	<b>94,4</b>	<b>23</b>	<b>23</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	81	–	(63)	18	17	1	94,4	23	23
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>7 011</b>	<b>(1 000)</b>	<b>(1 054)</b>	<b>4 957</b>	<b>4 953</b>	<b>4</b>	<b>99,9</b>	<b>4 018</b>	<b>4 015</b>

# Appropriation Statement

for the year ended 31 March 2016

1.5 Corporate Services									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>157 334</b>	<b>(686)</b>	<b>(4 807)</b>	<b>151 841</b>	<b>151 783</b>	<b>58</b>	<b>100,0</b>	<b>165 244</b>	<b>165 191</b>
Compensation of employees	114 439	(1 756)	(194)	112 489	112 476	13	100,0	105 869	105 852
Goods and services	42 895	1 070	(4 613)	39 352	39 307	45	99,9	59 375	59 339
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>2 185</b>	<b>101</b>	<b>34</b>	<b>2 320</b>	<b>2 316</b>	<b>4</b>	<b>99,8</b>	<b>2 225</b>	<b>1 850</b>
Provinces and municipalities	1	1	1	3	2	1	66,7	3	2
Departmental agencies and accounts	1 736	–	–	1 736	1 736	–	100,0	1 717	1 347
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	12	12	11	1	91,7	27	26
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	448	100	21	569	567	2	99,6	478	475
<b>Payments for capital assets</b>	<b>3 822</b>	<b>335</b>	<b>4 598</b>	<b>8 755</b>	<b>8 739</b>	<b>16</b>	<b>99,8</b>	<b>2 959</b>	<b>2 949</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	3 822	319	4 598	8 739	8 723	16	99,8	2 957	2 949
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	16	–	16	16	–	100,0	2	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>49</b>	<b>49</b>	<b>47</b>	<b>2</b>	<b>95,9</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>163 341</b>	<b>(250)</b>	<b>(126)</b>	<b>162 965</b>	<b>162 885</b>	<b>80</b>	<b>100,0</b>	<b>170 428</b>	<b>169 990</b>



## Appropriation Statement

for the year ended 31 March 2016

1.6 Stakeholder Relations, Communication and Legal Services									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>75 579</b>	<b>696</b>	<b>40 304</b>	<b>116 579</b>	<b>116 556</b>	<b>23</b>	<b>100,0</b>	<b>88 472</b>	<b>88 445</b>
Compensation of employees	51 215	(1 854)	700	50 061	50 054	7	100,0	47 013	47 005
Goods and services	24 364	2 550	39 604	66 518	66 502	16	100,0	41 459	41 440
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>65</b>	<b>54</b>	<b>168</b>	<b>287</b>	<b>286</b>	<b>1</b>	<b>99,7</b>	<b>561</b>	<b>558</b>
Provinces and municipalities	–	–	1	1	1	–	100,0	2	1
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	1	1	1	–	100,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	65	54	166	285	284	1	99,6	559	557
<b>Payments for capital assets</b>	<b>911</b>	<b>–</b>	<b>(212)</b>	<b>699</b>	<b>693</b>	<b>6</b>	<b>99,1</b>	<b>1 409</b>	<b>1 407</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	911	–	(212)	699	693	6	99,1	1 409	1 407
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>76 555</b>	<b>750</b>	<b>40 260</b>	<b>117 565</b>	<b>117 535</b>	<b>30</b>	<b>100,0</b>	<b>90 442</b>	<b>90 410</b>

# Appropriation Statement

for the year ended 31 March 2016

1.7 Policy, Planning, Monitoring and Evaluation									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>61 795</b>	<b>(2 751)</b>	<b>(1 259)</b>	<b>57 785</b>	<b>57 756</b>	<b>29</b>	<b>99,9</b>	<b>56 196</b>	<b>56 166</b>
Compensation of employees	49 603	(1 150)	1 372	49 825	49 813	12	100,0	48 040	48 028
Goods and services	12 192	(1 601)	(2 631)	7 960	7 943	17	99,8	8 156	8 138
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>20 844</b>	<b>139</b>	<b>(3)</b>	<b>20 980</b>	<b>20 978</b>	<b>2</b>	<b>100,0</b>	<b>15 127</b>	<b>15 125</b>
Provinces and municipalities	–	1	–	1	–	1	–	1	1
Departmental agencies and accounts	20 841	–	–	20 841	20 841	–	100,0	15 000	15 000
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	3	138	(3)	138	137	1	99,3	126	124
<b>Payments for capital assets</b>	<b>1 024</b>	<b>–</b>	<b>(239)</b>	<b>785</b>	<b>779</b>	<b>6</b>	<b>99,2</b>	<b>791</b>	<b>788</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 024	–	(239)	785	779	6	99,2	791	788
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>–</b>	<b>100,0</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>83 663</b>	<b>(2 612)</b>	<b>(1 492)</b>	<b>79 559</b>	<b>79 522</b>	<b>37</b>	<b>100,0</b>	<b>72 114</b>	<b>72 079</b>



## Appropriation Statement

for the year ended 31 March 2016

1.8 Office Accommodation									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>169 172</b>	<b>(22 207)</b>	<b>47 080</b>	<b>194 045</b>	<b>193 038</b>	<b>1 007</b>	<b>99,5</b>	<b>175 635</b>	<b>175 632</b>
Compensation of employees	–	–	–	–	–	–	–	–	–
Goods and services	169 172	(22 207)	47 080	194 045	193 038	1 007	99,5	175 635	175 632
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>10 500</b>	<b>22 207</b>	<b>(24 914)</b>	<b>7 793</b>	<b>5 981</b>	<b>1 812</b>	<b>76,7</b>	<b>26 715</b>	<b>6 802</b>
Buildings and other fixed structures	10 500	22 103	(24 819)	7 784	5 972	1 812	76,7	26 313	6 401
Machinery and equipment	–	104	(95)	9	9	–	100,0	402	401
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>179 672</b>	<b>–</b>	<b>22 166</b>	<b>201 838</b>	<b>199 019</b>	<b>2 819</b>	<b>98,6</b>	<b>202 350</b>	<b>182 434</b>

## Appropriation Statement

for the year ended 31 March 2016

Programme 2: Agricultural Production, Health and Food Safety									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Management	2 756	(7)	(567)	2 182	2 180	2	99,9	1 610	1 607
2.2 Inspection and Laboratory Services	325 566	7	(2 933)	322 640	322 468	172	99,9	317 632	317 457
2.3 Plant Production and Health	545 523	–	(1 562)	543 961	543 925	36	100,0	536 436	536 377
2.4 Animal Production and Health	466 763	–	3 805	470 568	470 511	57	100,0	308 148	299 110
2.5 Agricultural Research	803 933	–	–	803 933	803 933	–	100,0	1 029 151	1 029 151
<b>Total for subprogrammes</b>	<b>2 144 541</b>	<b>–</b>	<b>(1 257)</b>	<b>2 143 284</b>	<b>2 143 017</b>	<b>267</b>	<b>100,0</b>	<b>2 192 977</b>	<b>2 183 702</b>



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>539 266</b>	<b>(1 197)</b>	<b>(28 842)</b>	<b>509 227</b>	<b>509 016</b>	<b>211</b>	<b>100,0</b>	<b>490 821</b>	<b>490 587</b>
Compensation of employees	437 294	(1 352)	962	436 904	444 404	(7 500)	101,7	401 756	401 688
Salaries and wages	378 129	(5 878)	2 611	374 862	382 399	(7 537)	102,0	345 822	345 789
Social contributions	59 165	4 526	(1 649)	62 042	62 005	37	99,9	55 934	55 899
Goods and services	101 972	155	(29 804)	72 323	64 612	7 711	89,3	89 065	88 899
Administrative fees	958	368	(102)	1 224	1 219	5	99,6	586	583
Advertising	2 022	(922)	(1)	1 099	1 099	–	100,0	7 484	7 483
Minor assets	2 016	(746)	(94)	1 176	1 162	14	98,8	1 080	1 064
Audit costs: External	–	220	(152)	68	68	–	100,0	–	–
Bursaries: Employees	1 033	(320)	(105)	608	608	–	100,0	507	506
Catering: Departmental activities	7	4	–	11	11	–	100,0	58	58
Communication	4 408	(278)	(97)	4 033	4 026	7	99,8	3 994	3 981
Computer services	446	33	(251)	228	228	–	100,0	447	447
Consultants: Business and advisory services	2 114	(1 621)	(28)	465	465	–	100,0	1 111	1 110
Infrastructure and planning services	505	(168)	–	337	337	–	100,0	672	672
Laboratory services	466	(247)	–	219	219	–	100,0	230	230
Legal services	2 921	(306)	707	3 322	3 322	–	100,0	6 162	6 160
Contractors	1 587	(294)	(42)	1 251	1 239	12	99,0	1 978	1 967
Agency and support / outsourced services	24 909	226	(24 809)	326	326	–	100,0	2 048	2 047
Entertainment	28	(3)	(2)	23	23	–	100,0	22	22
Fleet services	6 575	6 740	(5 336)	7 979	7 974	5	99,9	7 315	7 311
Inventory: Clothing material and supplies	–	796	(10)	786	786	–	100,0	–	–
Inventory: Farming supplies	130	129	181	440	439	1	99,8	1 055	1 055

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Food and food supplies	–	1	–	1	–	1	–	(1)	–
Inventory: Fuel, oil and gas	–	355	(2)	353	353	–	100,0	1	1
Inventory: Materials and supplies	1	1	(1)	1	–	1	–	–	–
Inventory: Medical supplies	–	32	(1)	31	31	–	100,0	–	–
Inventory: Medicine	1 151	(705)	(443)	3	3	–	100,0	935	935
Inventory: Other supplies	12	2 279	(1 168)	1 123	1 122	1	99,9	59	59
Consumable supplies	7 542	(3 714)	(582)	3 246	3 234	12	99,6	9 079	9 066
Consumable: Stationery, printing and office supplies	4 436	(1 981)	(148)	2 307	2 299	8	99,7	3 100	3 093
Operating leases	537	(337)	–	200	198	2	99,0	252	250
Property payments	4 131	(869)	21	3 283	3 267	16	99,5	3 801	3 783
Travel and subsistence	26 520	3 218	3 403	33 141	25 543	7 598	77,1	29 429	29 384
Training and development	1 761	(719)	(24)	1 018	1 016	2	99,8	2 091	2 088
Operating payments	5 172	(912)	(443)	3 817	3 791	26	99,3	5 128	5 102
Venues and facilities	510	(73)	(233)	204	204	–	100,0	414	414
Rental and hiring	74	(32)	(42)	–	–	–	–	28	28
Interest and rent on land	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>1 549 828</b>	<b>1 067</b>	<b>420</b>	<b>1 551 315</b>	<b>1 551 296</b>	<b>19</b>	<b>100,0</b>	<b>1 629 211</b>	<b>1 629 195</b>
Provinces and municipalities	466 794	15	86	466 895	466 889	6	100,0	460 754	460 748
Provinces	466 713	–	–	466 713	466 713	–	100,0	460 625	460 625
Provincial Revenue Funds	466 713	–	–	466 713	466 713	–	100,0	460 625	460 625





## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities	81	15	86	182	176	6	96,7	129	123
Municipal bank accounts	81	15	86	182	176	6	96,7	129	123
Departmental agencies and accounts	804 133	–	–	804 133	804 133	–	100,0	1 029 151	1 029 151
Departmental agencies	804 133	–	–	804 133	804 133	–	100,0	1 029 151	1 029 151
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	268 400	–	8	268 408	268 407	1	100,0	127 663	127 662
Public corporations	268 400	–	–	268 400	268 400	–	100,0	127 500	127 500
Other transfers to public corporations	268 400	–	–	268 400	268 400	–	100,0	127 500	127 500
Private enterprises	–	–	8	8	7	1	87,5	163	162
Other transfers to private enterprises	–	–	8	8	7	1	87,5	163	162
Non-profit institutions	10 000	–	–	10 000	10 000	–	100,0	10 200	10 200
Households	501	1 052	326	1 879	1 867	12	99,4	1 443	1 434
Social benefits	501	1 052	277	1 830	1 818	12	99,3	1 429	1 422
Other transfers to households	–	–	49	49	49	–	100,0	14	12
<b>Payments for capital assets</b>	<b>55 447</b>	<b>130</b>	<b>26 811</b>	<b>82 388</b>	<b>82 355</b>	<b>33</b>	<b>100,0</b>	<b>72 797</b>	<b>63 775</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	55 447	130	26 811	82 388	82 355	33	100,0	72 797	63 775
Transport equipment	36 010	4 450	27 328	67 788	67 787	1	100,0	28 420	25 290

## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other machinery and equipment	19 437	(4 320)	(517)	14 600	14 568	32	99,8	44 377	38 485
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	354	354	350	4	98,9	148	145
<b>Total</b>	<b>2 144 541</b>	<b>–</b>	<b>(1 257)</b>	<b>2 143 284</b>	<b>2 143 017</b>	<b>267</b>	<b>100,0</b>	<b>2 192 977</b>	<b>2 183 702</b>



## Appropriation Statement

for the year ended 31 March 2016

2.1 Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 732</b>	<b>(7)</b>	<b>(561)</b>	<b>2 164</b>	<b>2 162</b>	<b>2</b>	<b>99,9</b>	<b>1 583</b>	<b>1 581</b>
Compensation of employees	2 223	(300)	(393)	1 530	1 529	1	99,9	1 004	1 003
Goods and services	509	293	(168)	634	633	1	99,8	579	578
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3</b>	<b>3</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	3	3
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>24</b>	<b>–</b>	<b>(6)</b>	<b>18</b>	<b>18</b>	<b>–</b>	<b>100,0</b>	<b>24</b>	<b>23</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	24	–	(6)	18	18	–	100,0	24	23
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>2 756</b>	<b>(7)</b>	<b>(567)</b>	<b>2 182</b>	<b>2 180</b>	<b>2</b>	<b>99,9</b>	<b>1 610</b>	<b>1 607</b>

# Appropriation Statement

for the year ended 31 March 2016

2.2 Inspection and Laboratory Services									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>321 854</b>	<b>(324)</b>	<b>(2 599)</b>	<b>318 931</b>	<b>318 793</b>	<b>138</b>	<b>100,0</b>	<b>308 802</b>	<b>308 659</b>
Compensation of employees	275 229	(228)	(1 572)	273 429	280 952	(7 523)	102,8	263 653	263 612
Goods and services	46 625	(96)	(1 027)	45 502	37 841	7 661	83,2	45 149	45 047
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>367</b>	<b>241</b>	<b>145</b>	<b>753</b>	<b>742</b>	<b>11</b>	<b>98,5</b>	<b>994</b>	<b>987</b>
Provinces and municipalities	52	13	54	119	116	3	97,5	100	97
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	157	157
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	315	228	91	634	626	8	98,7	737	733
<b>Payments for capital assets</b>	<b>3 345</b>	<b>90</b>	<b>(774)</b>	<b>2 661</b>	<b>2 640</b>	<b>21</b>	<b>99,2</b>	<b>7 702</b>	<b>7 678</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	3 345	90	(774)	2 661	2 640	21	99,2	7 702	7 678
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>295</b>	<b>295</b>	<b>293</b>	<b>2</b>	<b>99,3</b>	<b>134</b>	<b>133</b>
<b>Total</b>	<b>325 566</b>	<b>7</b>	<b>(2 933)</b>	<b>322 640</b>	<b>322 468</b>	<b>172</b>	<b>99,9</b>	<b>317 632</b>	<b>317 457</b>



## Appropriation Statement

for the year ended 31 March 2016

2.3 Plant Production and Health									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>68 111</b>	<b>(19)</b>	<b>(1 495)</b>	<b>66 597</b>	<b>66 568</b>	<b>29</b>	<b>100,0</b>	<b>64 800</b>	<b>64 752</b>
Compensation of employees	59 711	(18)	634	60 327	60 317	10	100,0	55 428	55 412
Goods and services	8 400	(1)	(2 129)	6 270	6 251	19	99,7	9 372	9 340
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>476 730</b>	<b>19</b>	<b>9</b>	<b>476 758</b>	<b>476 755</b>	<b>3</b>	<b>100,0</b>	<b>470 720</b>	<b>470 715</b>
Provinces and municipalities	466 724	1	3	466 728	466 726	2	100,0	460 635	460 633
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	3	3	3	–	100,0	–	–
Non-profit institutions	10 000	–	–	10 000	10 000	–	100,0	10 000	10 000
Households	6	18	3	27	26	1	96,3	85	82
<b>Payments for capital assets</b>	<b>682</b>	<b>–</b>	<b>(98)</b>	<b>584</b>	<b>580</b>	<b>4</b>	<b>99,3</b>	<b>913</b>	<b>908</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	682	–	(98)	584	580	4	99,3	913	908
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>–</b>	<b>100,0</b>	<b>3</b>	<b>2</b>
<b>Total</b>	<b>545 523</b>	<b>–</b>	<b>(1 562)</b>	<b>543 961</b>	<b>543 925</b>	<b>36</b>	<b>100,0</b>	<b>536 436</b>	<b>536 377</b>

## Appropriation Statement

for the year ended 31 March 2016

2.4 Animal Production and Health									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>146 569</b>	<b>(847)</b>	<b>(24 187)</b>	<b>121 535</b>	<b>121 493</b>	<b>42</b>	<b>100,0</b>	<b>115 636</b>	<b>115 595</b>
Compensation of employees	100 131	(806)	2 293	101 618	101 606	12	100,0	81 671	81 661
Goods and services	46 438	(41)	(26 480)	19 917	19 887	30	99,8	33 965	33 934
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>268 798</b>	<b>807</b>	<b>266</b>	<b>269 871</b>	<b>269 866</b>	<b>5</b>	<b>100,0</b>	<b>128 343</b>	<b>128 339</b>
Provinces and municipalities	18	1	29	48	47	1	97,9	19	18
Departmental agencies and accounts	200	–	–	200	200	–	100,0	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	268 400	–	5	268 405	268 404	1	100,0	127 503	127 502
Non-profit institutions	–	–	–	–	–	–	–	200	200
Households	180	806	232	1 218	1 215	3	99,8	621	619
<b>Payments for capital assets</b>	<b>51 396</b>	<b>40</b>	<b>27 689</b>	<b>79 125</b>	<b>79 117</b>	<b>8</b>	<b>100,0</b>	<b>64 158</b>	<b>55 166</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	51 396	40	27 689	79 125	79 117	8	100,0	64 158	55 166
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>37</b>	<b>37</b>	<b>35</b>	<b>2</b>	<b>94,6</b>	<b>11</b>	<b>10</b>
<b>Total</b>	<b>466 763</b>	<b>–</b>	<b>3 805</b>	<b>470 568</b>	<b>470 511</b>	<b>57</b>	<b>100,0</b>	<b>308 148</b>	<b>299 110</b>



## Appropriation Statement

for the year ended 31 March 2016

2.5 Agricultural Research									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>803 933</b>	-	-	<b>803 933</b>	<b>803 933</b>	-	<b>100,0</b>	<b>1 029 151</b>	<b>1 029 151</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	803 933	-	-	803 933	803 933	-	100,0	1 029 151	1 029 151
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>803 933</b>	-	-	<b>803 933</b>	<b>803 933</b>	-	<b>100,0</b>	<b>1 029 151</b>	<b>1 029 151</b>

# Appropriation Statement

for the year ended 31 March 2016

Programme 3: Food Security and Agrarian Reform									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Management	3 781	(60)	314	4 035	4 031	4	99,9	2 496	2 492
3.2 Food Security	1 282 982	(174)	(11 865)	1 270 943	1 270 761	182	100,0	1 061 585	1 037 487
3.3 Sector Capacity Development	261 998	174	1 568	263 740	260 194	3 546	98,7	235 884	232 811
3.4 National Extension Support Services	370 640	60	1 117	371 817	371 809	8	100,0	389 379	383 530
<b>Total for subprogrammes</b>	<b>1 919 401</b>	<b>-</b>	<b>(8 866)</b>	<b>1 910 535</b>	<b>1 906 795</b>	<b>3 740</b>	<b>99,8</b>	<b>1 689 344</b>	<b>1 656 320</b>





## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>256 497</b>	<b>(22 654)</b>	<b>(4 476)</b>	<b>229 367</b>	<b>228 522</b>	<b>845</b>	<b>99,6</b>	<b>213 561</b>	<b>213 463</b>
Compensation of employees	133 257	(1 952)	(140)	131 165	131 149	16	100,0	120 904	120 889
Salaries and wages	117 430	(2 265)	623	115 788	115 780	8	100,0	107 265	107 350
Social contributions	15 827	313	(763)	15 377	15 369	8	99,9	13 639	13 539
Goods and services	123 240	(20 702)	(4 336)	98 202	97 373	829	99,2	92 657	92 574
Administrative fees	1 089	71	(150)	1 010	999	11	98,9	451	450
Advertising	2 102	(688)	(160)	1 254	1 254	–	100,0	1 678	1 678
Minor assets	3 399	1 696	(208)	4 887	4 531	356	92,7	3 846	3 830
Audit costs: External	390	416	–	806	806	–	100,0	590	590
Bursaries: Employees	495	(190)	(38)	267	266	1	99,6	414	413
Catering: Departmental activities	6	8	(2)	12	12	–	100,0	32	32
Communication	3 184	(1 047)	(162)	1 975	1 973	2	99,9	1 824	1 822
Computer services	620	1 446	(799)	1 267	1 266	1	99,9	195	194
Consultants: Business and advisory services	4 558	3 503	(603)	7 458	7 397	61	99,2	11 509	11 507
Infrastructure and planning services	685	(530)	(1)	154	154	–	100,0	2 108	2 107
Laboratory services	25	(25)	–	–	–	–	–	2	2
Legal services	91	(82)	(3)	6	5	1	83,3	87	87
Contractors	560	1 170	(61)	1 669	1 584	85	94,9	1 783	1 777
Agency and support/outsourced services	4 030	(661)	(1 137)	2 232	2 232	–	100,0	756	756
Entertainment	28	(1)	(2)	25	25	–	100,0	26	25
Fleet services	1 795	350	(136)	2 009	2 006	3	99,9	2 112	2 110

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	–	23	–	23	23	–	100,0	–	–
Inventory: Farming supplies	239	1 096	(2)	1 333	1 333	–	100,0	192	191
Inventory: Food and food supplies	520	178	–	698	698	–	100,0	474	474
Inventory: Fuel, oil and gas	238	(201)	–	37	36	1	97,3	265	265
Inventory: Materials and supplies	–	402	–	402	402	–	100,0	36	36
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	65	(18)	–	47	46	1	97,9	35	35
Inventory: Other supplies	–	2	–	2	1	1	50,0	60	60
Consumable supplies	34 392	(30 101)	(86)	4 205	4 189	16	99,6	6 325	6 317
Consumable: Stationery, printing and office supplies	5 846	(4 847)	(181)	818	812	6	99,3	1 106	1 103
Operating leases	49	(49)	–	–	–	–	–	3	3
Property payments	1 113	20 975	(76)	22 012	21 763	249	98,9	8 787	8 780
Travel and subsistence	32 311	(11 242)	(2 286)	18 783	18 759	24	99,9	16 917	16 901
Training and development	21 655	(1 830)	2 198	22 023	22 021	2	100,0	25 999	25 995
Operating payments	3 570	(1 586)	(391)	1 593	1 587	6	99,6	2 709	2 699
Venues and facilities	185	1 060	(50)	1 195	1 193	2	99,8	2 316	2 315
Rental and hiring	–	–	–	–	–	–	–	20	20
Interest and rent on land	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>1 606 964</b>	<b>756</b>	<b>55</b>	<b>1 607 775</b>	<b>1 607 667</b>	<b>108</b>	<b>100,0</b>	<b>1 399 548</b>	<b>1 366 658</b>
Provinces and municipalities	1 581 376	21	51	1 581 448	1 581 446	2	100,0	1 367 165	1 340 253
Provinces	1 581 125	–	–	1 581 125	1 581 125	–	100,0	1 366 847	1 339 938
Provincial Revenue Funds	1 581 125	–	–	1 581 125	1 581 125	–	100,0	1 366 847	1 339 938
Municipalities	251	21	51	323	321	2	99,4	318	315
Municipal bank accounts	251	21	51	323	321	2	99,4	318	315
Departmental agencies and accounts	15 095	–	–	15 095	15 095	–	100,0	16 527	16 527
Departmental agencies	15 095	–	–	15 095	15 095	–	100,0	16 527	16 527
Higher education institutions	750	–	–	750	745	5	99,3	4 678	678
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	5 623	–	10	5 633	5 631	2	100,0	5 466	5 464
Public corporations	5 622	–	–	5 622	5 622	–	100,0	5 420	5 420
Other transfers to public corporations	5 622	–	–	5 622	5 622	–	100,0	5 420	5 420
Private enterprises	1	–	10	11	9	2	81,8	46	44
Other transfers to private enterprises	1	–	10	11	9	2	81,8	46	44
Non-profit institutions	2 000	–	–	2 000	1 905	95	95,3	2 660	788
Households	2 120	735	(6)	2 849	2 845	4	99,9	3 052	2 948
Social benefits	179	735	(9)	905	902	3	99,7	954	950

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other transfers to households	1 941	–	3	1 944	1 943	1	99,9	2 098	1 998
<b>Payments for capital assets</b>	<b>55 940</b>	<b>21 898</b>	<b>(4 708)</b>	<b>73 130</b>	<b>70 345</b>	<b>2 785</b>	<b>96,2</b>	<b>76 203</b>	<b>76 168</b>
Buildings and other fixed structures	38 079	553	(4 187)	34 445	34 308	137	99,6	41 559	41 552
Other fixed structures	38 079	553	(4 187)	34 445	34 308	137	99,6	41 559	41 552
Machinery and equipment	17 861	21 189	(521)	38 529	35 896	2 633	93,2	34 220	34 193
Transport equipment	3 206	7 959	–	11 165	11 059	106	99,1	11 009	11 007
Other machinery and equipment	14 655	13 230	(521)	27 364	24 837	2 527	90,8	23 211	23 186
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	156	–	156	141	15	90,4	424	423
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>263</b>	<b>263</b>	<b>261</b>	<b>2</b>	<b>99,2</b>	<b>32</b>	<b>31</b>
<b>Total</b>	<b>1 919 401</b>	<b>–</b>	<b>(8 866)</b>	<b>1 910 535</b>	<b>1 906 795</b>	<b>3 740</b>	<b>98,8</b>	<b>1 689 344</b>	<b>1 656 320</b>



## Appropriation Statement

for the year ended 31 March 2016

3.1 Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>3 781</b>	<b>(149)</b>	<b>355</b>	<b>3 987</b>	<b>3 984</b>	<b>3</b>	<b>99,9</b>	<b>2 438</b>	<b>2 435</b>
Compensation of employees	2 259	–	698	2 957	2 956	1	100,0	1 866	1 865
Goods and services	1 522	(149)	(343)	1 030	1 028	2	99,8	572	570
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>–</b>	<b>89</b>	<b>(41)</b>	<b>48</b>	<b>47</b>	<b>1</b>	<b>97,9</b>	<b>58</b>	<b>57</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	89	(41)	48	47	1	97,9	58	57
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>3 781</b>	<b>(60)</b>	<b>314</b>	<b>4 035</b>	<b>4 031</b>	<b>4</b>	<b>99,9</b>	<b>2 496</b>	<b>2 492</b>

## Appropriation Statement

for the year ended 31 March 2016

3.2 Food Security									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>68 354</b>	<b>(803)</b>	<b>(7 477)</b>	<b>60 074</b>	<b>59 973</b>	<b>101</b>	<b>99,8</b>	<b>58 780</b>	<b>58 757</b>
Compensation of employees	48 536	(1 753)	(3 886)	42 897	42 889	8	100,0	41 408	41 402
Goods and services	19 818	950	(3 591)	17 177	17 084	93	99,5	17 372	17 355
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>1 174 495</b>	<b>385</b>	<b>12</b>	<b>1 174 892</b>	<b>1 174 883</b>	<b>9</b>	<b>100,0</b>	<b>960 538</b>	<b>936 473</b>
Provinces and municipalities	1 167 994	–	19	1 168 013	1 168 012	1	100,0	949 831	929 768
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	750	–	–	750	745	5	99,3	4 678	678
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	5 622	–	–	5 622	5 622	–	100,0	5 425	5 425
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	129	385	(7)	507	504	3	99,4	604	602
<b>Payments for capital assets</b>	<b>40 133</b>	<b>244</b>	<b>(4 414)</b>	<b>35 963</b>	<b>35 892</b>	<b>71</b>	<b>99,8</b>	<b>42 235</b>	<b>42 226</b>
Buildings and other fixed structures	38 079	458	(4 187)	34 350	34 284	66	99,8	40 336	40 329
Machinery and equipment	2 054	(214)	(227)	1 613	1 608	5	99,7	1 899	1 897
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>14</b>	<b>14</b>	<b>13</b>	<b>1</b>	<b>92,5</b>	<b>32</b>	<b>31</b>
<b>Total</b>	<b>1 282 982</b>	<b>(174)</b>	<b>(11 865)</b>	<b>1 270 943</b>	<b>1 270 761</b>	<b>182</b>	<b>100,0</b>	<b>1 061 585</b>	<b>1 037 487</b>



## Appropriation Statement

for the year ended 31 March 2016

3.3 Sector Capacity Development									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>157 767</b>	<b>(21 752)</b>	<b>1 502</b>	<b>137 517</b>	<b>136 782</b>	<b>735</b>	<b>99,5</b>	<b>121 749</b>	<b>121 686</b>
Compensation of employees	74 829	(199)	3 238	77 868	77 862	6	100,0	70 808	70 803
Goods and services	82 938	(21 553)	(1 736)	59 649	58 920	729	98,8	50 941	50 883
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>88 596</b>	<b>371</b>	<b>43</b>	<b>89 010</b>	<b>88 911</b>	<b>99</b>	<b>99,9</b>	<b>80 422</b>	<b>77 436</b>
Provinces and municipalities	69 509	21	32	69 562	69 561	1	100,0	58 789	57 777
Departmental agencies and accounts	15 095	–	–	15 095	15 095	–	100,0	16 527	16 527
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	1	–	10	11	9	2	81,8	1	–
Non-profit institutions	2 000	–	–	2 000	1 905	95	95,3	2 660	788
Households	1 991	350	1	2 342	2 341	1	100,0	2 445	2 344
<b>Payments for capital assets</b>	<b>15 635</b>	<b>21 555</b>	<b>(226)</b>	<b>36 964</b>	<b>34 253</b>	<b>2 711</b>	<b>92,7</b>	<b>33 713</b>	<b>33 689</b>
Buildings and other fixed structures	–	95	–	95	24	71	25,3	1 223	1 223
Machinery and equipment	15 635	21 304	(226)	36 713	34 088	2 625	92,8	32 066	32 043
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	156	–	156	141	15	90,4	424	423
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>249</b>	<b>249</b>	<b>248</b>	<b>1</b>	<b>99,6</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>261 998</b>	<b>174</b>	<b>1 568</b>	<b>263 740</b>	<b>260 194</b>	<b>3 546</b>	<b>98,7</b>	<b>235 884</b>	<b>232 811</b>

# Appropriation Statement

for the year ended 31 March 2016

3.4 National Extension Support Services									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>26 595</b>	<b>50</b>	<b>1 144</b>	<b>27 789</b>	<b>27 783</b>	<b>6</b>	<b>100,0</b>	<b>30 594</b>	<b>30 585</b>
Compensation of employees	7 633	–	(190)	7 443	7 442	1	100,0	6 822	6 819
Goods and services	18 962	50	1 334	20 346	20 341	5	100,0	23 772	23 766
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>343 873</b>	<b>–</b>	<b>–</b>	<b>343 873</b>	<b>343 873</b>	<b>–</b>	<b>100,0</b>	<b>358 588</b>	<b>352 749</b>
Provinces and municipalities	343 873	–	–	343 873	343 873	–	100,0	358 545	352 708
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	40	39
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	3	2
<b>Payments for capital assets</b>	<b>172</b>	<b>10</b>	<b>(27)</b>	<b>155</b>	<b>153</b>	<b>2</b>	<b>98,7</b>	<b>197</b>	<b>196</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	172	10	(27)	155	153	2	98,7	197	196
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>370 640</b>	<b>60</b>	<b>1 117</b>	<b>371 817</b>	<b>371 809</b>	<b>8</b>	<b>100,0</b>	<b>389 379</b>	<b>383 530</b>





## Appropriation Statement

for the year ended 31 March 2016

Programme 4: Trade Promotion and Market Access									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Management	3 232	–	(87)	3 145	3 142	3	99,9	2 643	2 641
4.2 International Relations and Trade	106 147	–	8 376	114 523	113 991	532	99,5	134 095	133 812
4.3 Cooperatives and Rural Enterprise Development	68 240	–	(3 937)	64 303	64 289	14	100,0	112 629	112 613
4.4 Agro-processing and Marketing	56 288	–	(932)	55 356	55 336	20	100,0	57 952	57 934
<b>Total for subprogrammes</b>	<b>233 907</b>	<b>–</b>	<b>3 420</b>	<b>237 327</b>	<b>236 758</b>	<b>569</b>	<b>99,8</b>	<b>307 319</b>	<b>307 000</b>

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>124 393</b>	<b>(2 087)</b>	<b>3 514</b>	<b>125 820</b>	<b>125 730</b>	<b>90</b>	<b>99,9</b>	<b>139 484</b>	<b>139 395</b>
Compensation of employees	92 761	(262)	(3 366)	89 133	94 374	(5 241)	105,9	97 848	97 826
Salaries and wages	84 062	(2 118)	(3 589)	78 355	83 607	(5 252)	106,7	87 482	87 470
Social contributions	8 699	1 856	223	10 778	10 767	11	99,9	10 366	10 356
Goods and services	31 632	(1 825)	6 880	36 687	31 356	5 331	85,5	41 636	41 569
Administrative fees	854	(76)	(115)	663	661	2	99,7	481	480
Advertising	731	161	(71)	821	819	2	99,8	743	743
Minor assets	484	(3)	(38)	443	436	7	98,4	91	88
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	277	(52)	(88)	137	136	1	98,3	170	170
Catering: Departmental activities	427	(55)	(94)	278	278	–	100,0	246	246
Communication	1 006	457	(442)	1 021	1 018	3	99,7	1 092	1 088
Computer services	164	2	1	167	166	1	99,5	218	214
Consultants: Business and advisory services	2 098	(1 019)	(547)	532	532	–	100,0	573	572
Infrastructure and planning services	–	–	–	–	–	–	–	2 572	2 572
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	–	–	–	–	–	–	–	25	25
Contractors	25	21	8	54	52	2	96,3	92	87
Agency and support/outsourced services	1 730	(69)	(1)	1 660	1 659	1	99,9	4 679	4 679
Entertainment	22	19	14	55	53	2	96,4	495	493
Fleet services	229	26	(78)	177	176	1	99,4	216	215



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	173	29	(125)	77	75	2	97,4	266	262
Consumable: Stationery, printing and office supplies	1 152	(407)	(122)	623	619	4	99,4	501	497
Operating leases	4 405	33	1 524	5 962	5 950	12	99,8	9 380	9 372
Property payments	56	(37)	53	72	68	4	94,4	61	54
Travel and subsistence	14 380	(2 258)	4 528	16 650	11 371	5 279	68,3	11 521	11 507
Training and development	715	156	(499)	372	371	1	99,7	1 970	1 967
Operating payments	2 474	987	3 361	6 822	6 815	7	99,9	4 974	4 969
Venues and facilities	215	260	(374)	101	101	-	100,0	1 270	1 269
Rental and hiring	15	-	(15)	-	-	-	-	-	-
<b>Interest and rent on land</b>	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>108 838</b>	<b>2 087</b>	<b>(44)</b>	<b>110 881</b>	<b>110 409</b>	<b>472</b>	<b>99,6</b>	<b>166 945</b>	<b>166 724</b>
Provinces and municipalities	21	–	(17)	4	3	1	80,1	3	2
Municipalities	21	–	(17)	4	3	1	80,1	3	2
Municipal bank accounts	21	–	(17)	4	3	1	80,1	3	2
Departmental agencies and accounts	34 635	1 825	–	36 460	36 460	–	100,0	37 830	37 830
Departmental agencies	34 635	1 825	–	36 460	36 460	–	100,0	37 830	37 830
Higher education institutions	100	–	–	100	100	–	100,0	–	–
Foreign governments and international organisations	32 379	–	–	32 379	31 911	468	98,6	39 001	38 784
Public corporations and private enterprises	40 692	–	2	40 694	40 693	1	100,0	89 067	89 067
Public corporations	40 692	–	–	40 692	40 692	–	100,0	89 056	89 056
Other transfers to public corporations	40 692	–	–	40 692	40 692	–	100,0	89 056	89 056
Private enterprises	–	–	2	2	1	1	50,0	11	11
Other transfers to private enterprises	–	–	2	2	1	1	50,0	11	11
Non-profit institutions	986	–	–	986	986	–	100,0	–	–
Households	25	262	(29)	258	256	2	99,2	1 044	1 041
Social benefits	25	262	(29)	258	256	2	99,2	1 044	1 041
Other transfers to households	–	–	–	–	–	–	–	–	–



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Payments for capital assets</b>	<b>676</b>	<b>–</b>	<b>(59)</b>	<b>617</b>	<b>610</b>	<b>7</b>	<b>98,8</b>	<b>866</b>	<b>858</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Transport equipment	–	–	–	–	–	–	–	276	275
Other machinery and equipment	676	–	(59)	617	610	7	98,8	590	583
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>–</b>	<b>100,0</b>	<b>24</b>	<b>23</b>
<b>Total</b>	<b>233 907</b>	<b>–</b>	<b>3 420</b>	<b>237 327</b>	<b>236 758</b>	<b>569</b>	<b>99,8</b>	<b>307 319</b>	<b>307 000</b>

# Appropriation Statement

for the year ended 31 March 2016

4.1 Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>3 232</b>	–	<b>(88)</b>	<b>3 144</b>	<b>3 141</b>	<b>3</b>	<b>99,9</b>	<b>2 610</b>	<b>2 608</b>
Compensation of employees	2 043	–	209	2 252	2 251	1	100,0	1 939	1 938
Goods and services	1 189	–	(297)	892	890	2	99,8	671	670
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	–	–	<b>1</b>	<b>1</b>	<b>1</b>	–	<b>100,0</b>	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	1	1	1	–	100,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	–	–	–	–	–	–	–	<b>33</b>	<b>33</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	33	33
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>3 232</b>	–	<b>(87)</b>	<b>3 145</b>	<b>3 142</b>	<b>3</b>	<b>99,9</b>	<b>2 643</b>	<b>2 641</b>



## Appropriation Statement

for the year ended 31 March 2016

4.2 International Relations and Trade									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>73 398</b>	<b>(30)</b>	<b>8 294</b>	<b>81 662</b>	<b>81 603</b>	<b>59</b>	<b>99,9</b>	<b>94 461</b>	<b>94 402</b>
Compensation of employees	57 128	(30)	(1 486)	55 612	60 863	(5 251)	109,4	66 010	65 995
Goods and services	16 270	–	9 780	26 050	20 740	5 310	79,6	28 451	28 407
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>32 504</b>	<b>30</b>	<b>(9)</b>	<b>32 525</b>	<b>32 056</b>	<b>469</b>	<b>98,6</b>	<b>39 093</b>	<b>38 875</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	100	–	–	100	100	–	100,0	–	–
Foreign governments and international organisations	32 379	–	–	32 379	31 911	468	98,6	39 001	38 784
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	25	30	(9)	46	45	1	97,8	92	91
<b>Payments for capital assets</b>	<b>245</b>	<b>–</b>	<b>82</b>	<b>327</b>	<b>323</b>	<b>4</b>	<b>98,8</b>	<b>518</b>	<b>512</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	245	–	82	327	323	4	98,8	518	512
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>–</b>	<b>100,0</b>	<b>23</b>	<b>23</b>
<b>Total</b>	<b>106 147</b>	<b>–</b>	<b>8 376</b>	<b>114 523</b>	<b>113 991</b>	<b>532</b>	<b>99,5</b>	<b>134 095</b>	<b>133 812</b>

# Appropriation Statement

for the year ended 31 March 2016

4.3 Cooperatives and Rural Enterprise Development									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>27 295</b>	<b>(1 958)</b>	<b>(3 823)</b>	<b>21 514</b>	<b>21 504</b>	<b>10</b>	<b>100,0</b>	<b>21 290</b>	<b>21 278</b>
Compensation of employees	19 006	(133)	(1 736)	17 137	17 134	3	100,0	16 637	16 635
Goods and services	8 289	(1 825)	(2 087)	4 377	4 370	7	99,8	4 653	4 643
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>40 713</b>	<b>1 958</b>	<b>(16)</b>	<b>42 655</b>	<b>42 653</b>	<b>2</b>	<b>100,0</b>	<b>91 261</b>	<b>91 259</b>
Provinces and municipalities	21	–	(17)	4	3	1	80,1	3	2
Departmental agencies and accounts	–	1 825	–	1 825	1 825	–	100,0	1 825	1 825
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	40 692	–	1	40 693	40 692	1	100,0	89 067	89 067
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	133	–	133	133	–	100,0	366	365
<b>Payments for capital assets</b>	<b>232</b>	<b>–</b>	<b>(98)</b>	<b>134</b>	<b>132</b>	<b>2</b>	<b>98,5</b>	<b>77</b>	<b>76</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	232	–	(98)	134	132	2	98,5	77	76
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>–</b>
<b>Total</b>	<b>68 240</b>	<b>–</b>	<b>(3 937)</b>	<b>64 303</b>	<b>64 289</b>	<b>14</b>	<b>100,0</b>	<b>112 629</b>	<b>112 613</b>





## Appropriation Statement

for the year ended 31 March 2016

4.4 Agro-processing and Marketing									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>20 468</b>	<b>(99)</b>	<b>(869)</b>	<b>19 500</b>	<b>19 482</b>	<b>18</b>	<b>99,9</b>	<b>21 123</b>	<b>21 107</b>
Compensation of employees	14 584	(99)	(353)	14 132	14 126	6	100,0	13 262	13 258
Goods and services	5 884	–	(516)	5 368	5 356	12	99,8	7 861	7 849
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>35 621</b>	<b>99</b>	<b>(20)</b>	<b>35 700</b>	<b>35 699</b>	<b>1</b>	<b>100,0</b>	<b>36 591</b>	<b>36 590</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	34 635	–	–	34 635	34 635	–	100,0	36 005	36 005
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	986	–	–	986	986	–	100,0	–	–
Households	–	99	(20)	79	78	1	98,7	586	585
<b>Payments for capital assets</b>	<b>199</b>	<b>–</b>	<b>(43)</b>	<b>156</b>	<b>155</b>	<b>1</b>	<b>99,4</b>	<b>238</b>	<b>237</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	199	–	(43)	156	155	1	99,4	238	237
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>56 288</b>	<b>–</b>	<b>(932)</b>	<b>55 356</b>	<b>55 336</b>	<b>20</b>	<b>100,0</b>	<b>57 952</b>	<b>57 934</b>

## Appropriation Statement

for the year ended 31 March 2016

Programme 5: Forestry and Natural Resources Management									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Management	41 762	–	(16 322)	25 440	25 435	5	100,0	5 986	5 979
5.2 Forestry Operations	450 709	(260)	(10 137)	440 312	440 188	124	100,0	454 962	454 781
5.3 Forestry Oversight and Regulation	56 592	–	(3 324)	53 268	52 944	324	99,4	49 371	49 336
5.4 Natural Resources Management	357 153	260	(13 589)	343 824	343 713	111	100,0	793 664	793 549
<b>Total for subprogrammes</b>	<b>906 216</b>	<b>–</b>	<b>(43 372)</b>	<b>862 844</b>	<b>862 280</b>	<b>564</b>	<b>99,9</b>	<b>1 303 983</b>	<b>1 303 645</b>



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>712 857</b>	<b>(5 937)</b>	<b>(44 248)</b>	<b>662 672</b>	<b>662 464</b>	<b>208</b>	<b>100,0</b>	<b>661 623</b>	<b>661 341</b>
Compensation of employees	507 379	(6 504)	(470)	500 405	503 672	(3 267)	100,7	491 290	491 208
Salaries and wages	434 134	(5 934)	588	428 788	432 092	(3 304)	100,8	423 460	423 419
Social contributions	73 245	(570)	(1 058)	71 617	71 580	37	99,9	67 830	67 789
Goods and services	203 946	2 098	(43 777)	162 267	158 792	3 475	97,9	170 045	169 846
Administrative fees	1 801	471	(24)	2 248	2 240	8	99,6	1 046	1 045
Advertising	1 194	1 531	351	3 076	3 074	2	99,9	2 816	2 814
Minor assets	2 126	(1 469)	(348)	309	299	10	96,8	595	580
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	993	(548)	(89)	356	354	2	99,4	455	453
Catering: Departmental activities	69	80	(12)	137	137	–	100,0	80	80
Communication	5 209	624	(333)	5 500	5 489	11	99,8	5 302	5 288
Computer services	254	1 561	(1 763)	52	52	–	100,0	4 349	4 349
Consultants: Business and advisory services	26 324	(276)	(17 934)	8 114	8 113	1	100,0	1 906	1 905
Infrastructure and planning services	2 902	(686)	1 002	3 218	3 217	1	100,0	1 606	1 606
Laboratory services	45	(45)	–	–	–	–	–	–	–
Legal services	501	402	604	1 507	1 506	1	99,9	1 592	1 590
Contractors	11 407	(35)	(5 346)	6 026	6 018	8	99,9	19 476	19 460
Agency and support/outsourced services	25 897	(449)	(7 747)	17 701	17 700	1	100,0	19 771	19 768
Entertainment	32	–	(11)	21	21	–	100,0	26	25
Fleet services	8 162	(138)	123	8 147	8 142	5	99,9	5 343	5 334

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and supplies	–	35	(20)	15	14	1	93,3	–	–
Inventory: Farming supplies	6 000	10 417	(227)	16 190	16 187	3	100,0	6 462	6 462
Inventory: Food and food supplies	–	434	–	434	434	–	100,0	–	–
Inventory: Fuel, oil and gas	–	827	(266)	561	561	–	100,0	–	–
Inventory: Materials and supplies	–	511	(1)	510	510	–	100,0	–	–
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	5	–	(5)	–	–	–	–	2	2
Consumable supplies	29 348	(13 816)	(4 592)	10 940	10 927	13	99,9	25 398	25 380
Consumable: Stationery, printing and office supplies	4 962	(2 672)	(655)	1 635	1 629	6	99,6	2 129	2 122
Operating leases	–	–	–	–	–	–	–	–	–
Property payments	19 617	(377)	(5 713)	13 527	13 516	11	99,9	20 772	20 747
Travel and subsistence	31 781	8 066	560	40 407	37 045	3 362	91,7	38 709	38 654
Training and development	2 921	(961)	(840)	1 120	1 115	5	99,6	2 153	2 144
Operating payments	5 119	(439)	(747)	3 933	3 909	24	99,4	3 822	3 803
Venues and facilities	17 277	(950)	256	16 583	16 583	–	100,0	6 235	6 235
Rental and hiring	–	–	–	–	–	–	–	–	–
Interest and rent on land	1 532	(1 531)	(1)	–	–	–	–	288	287
Rent on land	1 532	(1 531)	(1)	–	–	–	–	288	287



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>147 449</b>	<b>4 237</b>	<b>1 050</b>	<b>152 736</b>	<b>152 417</b>	<b>319</b>	<b>99,8</b>	<b>595 608</b>	<b>595 590</b>
Provinces and municipalities	124 392	81	(29)	124 444	124 337	107	99,9	562 303	562 298
Provinces	123 612	–	–	123 612	123 612	–	100,0	561 598	561 598
Provincial Revenue Funds	123 612	–	–	123 612	123 612	–	100,0	561 598	561 598
Municipalities	780	81	(29)	832	725	107	87,1	705	700
Municipal bank accounts	780	81	(29)	832	725	107	87,1	705	700
Departmental agencies and accounts	3 000	–	4	3 004	3 004	–	100,0	3 000	3 000
Departmental agencies	3 000	–	4	3 004	3 004	–	100,0	3 000	3 000
Higher education institutions	2 462	–	–	2 462	2 462	–	100,0	2 322	2 322
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	8	8	7	1	87,5	31	29
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	8	8	7	1	87,5	31	29
Other transfers to private enterprises	–	–	8	8	7	1	87,5	31	29
Non-profit institutions	12 900	–	–	12 900	12 699	201	98,4	14 163	14 162
Households	4 695	4 156	1 067	9 918	9 908	10	99,9	13 789	13 779
Social benefits	4 695	4 156	766	9 617	9 609	8	99,9	13 774	13 765
Other transfers to households	–	–	301	301	299	2	99,3	15	14

## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Payments for capital assets</b>	<b>45 910</b>	<b>1 700</b>	<b>(567)</b>	<b>47 043</b>	<b>47 010</b>	<b>32</b>	<b>99,9</b>	<b>46 724</b>	<b>46 690</b>
Buildings and other fixed structures	30	115	(145)	–	–	–	–	96	95
Buildings	30	–	(30)	–	–	–	–	96	95
Other fixed structures	–	115	(115)	–	–	–	–	–	–
Machinery and equipment	45 712	1 723	(392)	47 043	47 011	32	99,9	46 628	46 595
Transport equipment	36 498	3 642	2 791	42 931	42 924	7	100,0	41 321	41 314
Other machinery and equipment	9 214	(1 919)	(3 183)	4 112	4 087	25	99,4	5 307	5 281
Biological assets	168	(138)	(30)	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>393</b>	<b>393</b>	<b>388</b>	<b>5</b>	<b>98,7</b>	<b>28</b>	<b>24</b>
<b>Total</b>	<b>906 216</b>	<b>–</b>	<b>(43 372)</b>	<b>862 844</b>	<b>862 280</b>	<b>564</b>	<b>99,9</b>	<b>1 303 983</b>	<b>1 303 645</b>



## Appropriation Statement

for the year ended 31 March 2016

5.1 Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>41 670</b>	<b>–</b>	<b>(16 284)</b>	<b>25 386</b>	<b>25 382</b>	<b>4</b>	<b>100,0</b>	<b>5 341</b>	<b>5 335</b>
Compensation of employees	3 930	(566)	(343)	3 021	3 020	1	100,0	3 019	3 017
Goods and services	37 740	566	(15 941)	22 365	22 362	3	100,0	2 322	2 318
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>53</b>	<b>52</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	53	52
<b>Payments for capital assets</b>	<b>92</b>	<b>–</b>	<b>(38)</b>	<b>54</b>	<b>53</b>	<b>1</b>	<b>98,1</b>	<b>592</b>	<b>592</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	92	–	(38)	54	53	1	98,1	592	592
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>41 762</b>	<b>–</b>	<b>(16 322)</b>	<b>25 440</b>	<b>25 435</b>	<b>5</b>	<b>100,0</b>	<b>5 986</b>	<b>5 979</b>

# Appropriation Statement

for the year ended 31 March 2016

5.2 Forestry Operations									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>399 307</b>	<b>(5 108)</b>	<b>(12 199)</b>	<b>382 000</b>	<b>381 902</b>	<b>98</b>	<b>100,0</b>	<b>396 474</b>	<b>396 328</b>
Compensation of employees	317 547	(3 138)	2 840	317 249	319 838	(2 589)	100,8	317 196	317 155
Goods and services	80 228	(439)	(15 038)	64 751	62 064	2 687	95,9	78 990	78 886
Interest and rent on land	1 532	(1 531)	(1)	–	–	–	–	288	287
<b>Transfers and subsidies</b>	<b>12 424</b>	<b>3 165</b>	<b>1 156</b>	<b>16 745</b>	<b>16 734</b>	<b>11</b>	<b>99,9</b>	<b>19 411</b>	<b>19 401</b>
Provinces and municipalities	166	27	(43)	150	145	5	96,7	149	146
Departmental agencies and accounts	–	–	4	4	4	–	100,0	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	2	2	2	–	100,0	3	2
Non-profit institutions	8 081	–	–	8 081	8 081	–	100,0	7 839	7 838
Households	4 177	3 138	1 193	8 508	8 502	6	99,9	11 420	11 415
<b>Payments for capital assets</b>	<b>38 978</b>	<b>1 683</b>	<b>881</b>	<b>41 542</b>	<b>41 529</b>	<b>13</b>	<b>100,0</b>	<b>39 050</b>	<b>39 028</b>
Buildings and other fixed structures	30	–	(30)	–	–	–	–	96	95
Machinery and equipment	38 780	1 821	941	41 542	41 529	13	100,0	38 954	38 933
Biological assets	168	(138)	(30)	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>25</b>	<b>25</b>	<b>23</b>	<b>2</b>	<b>92,0</b>	<b>27</b>	<b>24</b>
<b>Total</b>	<b>450 709</b>	<b>(260)</b>	<b>(10 137)</b>	<b>440 312</b>	<b>440 188</b>	<b>124</b>	<b>100,0</b>	<b>454 962</b>	<b>454 781</b>





## Appropriation Statement

for the year ended 31 March 2016

5.3 Forestry Oversight and Regulation									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>48 369</b>	–	<b>(3 148)</b>	<b>45 221</b>	<b>45 201</b>	<b>20</b>	<b>100,0</b>	<b>39 868</b>	<b>39 837</b>
Compensation of employees	29 286	–	(455)	28 831	28 824	7	100,0	26 661	26 650
Goods and services	19 083	–	(2 693)	16 390	16 377	13	99,9	13 207	13 187
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>7 881</b>	–	<b>5</b>	<b>7 886</b>	<b>7 584</b>	<b>302</b>	<b>96,2</b>	<b>9 207</b>	<b>9 206</b>
Provinces and municipalities	600	–	–	600	500	100	83,3	500	500
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	2 462	–	–	2 462	2 462	–	100,0	2 322	2 322
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	5	5	4	1	80,0	–	–
Non-profit institutions	4 819	–	–	4 819	4 618	201	95,8	6 324	6 324
Households	–	–	–	–	–	–	–	61	60
<b>Payments for capital assets</b>	<b>342</b>	–	<b>(188)</b>	<b>154</b>	<b>153</b>	<b>1</b>	<b>99,4</b>	<b>295</b>	<b>293</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	342	–	(188)	154	153	1	99,4	295	293
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	–	<b>7</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>85,7</b>	<b>1</b>	<b>–</b>
<b>Total</b>	<b>56 592</b>	–	<b>(3 324)</b>	<b>53 268</b>	<b>52 944</b>	<b>324</b>	<b>99,4</b>	<b>49 371</b>	<b>49 336</b>

# Appropriation Statement

for the year ended 31 March 2016

5.4 Natural Resources Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>223 511</b>	<b>(829)</b>	<b>(12 617)</b>	<b>210 065</b>	<b>209 979</b>	<b>86</b>	<b>100,0</b>	<b>219 940</b>	<b>219 841</b>
Compensation of employees	156 616	(2 800)	(2 512)	151 304	151 990	(686)	100,5	144 414	144 386
Goods and services	66 895	1 971	(10 105)	58 761	57 989	772	98,7	75 526	75 455
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>127 144</b>	<b>1 072</b>	<b>(111)</b>	<b>128 105</b>	<b>128 099</b>	<b>6</b>	<b>100,0</b>	<b>566 937</b>	<b>566 931</b>
Provinces and municipalities	123 626	54	14	123 694	123 692	2	100,0	561 654	561 652
Departmental agencies and accounts	3 000	–	–	3 000	3 000	–	100,0	3 000	3 000
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	1	1	1	–	100,0	28	27
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	518	1 018	(126)	1 410	1 406	4	99,7	2 255	2 252
<b>Payments for capital assets</b>	<b>6 498</b>	<b>17</b>	<b>(1 222)</b>	<b>5 293</b>	<b>5 276</b>	<b>17</b>	<b>99,7</b>	<b>6 787</b>	<b>6 777</b>
Buildings and other fixed structures	–	115	(115)	–	–	–	–	–	–
Machinery and equipment	6 498	(98)	(1 107)	5 293	5 276	17	99,7	6 787	6 777
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>361</b>	<b>361</b>	<b>359</b>	<b>2</b>	<b>99,4</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>357 153</b>	<b>260</b>	<b>(13 589)</b>	<b>343 824</b>	<b>343 713</b>	<b>111</b>	<b>100,0</b>	<b>793 664</b>	<b>793 549</b>



## Appropriation Statement

for the year ended 31 March 2016

Programme 6: Fisheries									
Subprogramme	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Management	2 168	–	(20)	2 148	2 147	1	100,0	3 160	3 159
6.2 Aquaculture	32 798	758	247	33 803	33 800	3	100,0	29 956	29 952
6.3 Monitoring Control and Surveillance	87 950	(1 165)	389	87 174	87 169	5	100,0	78 062	78 056
6.4 Marine Resources Management	20 353	137	(145)	20 345	20 341	4	100,0	19 182	19 176
6.5 Fisheries Research and Development	63 375	270	169	63 814	63 810	4	100,0	58 096	58 091
6.6 Marine Living Resources Fund	258 623	–	–	258 623	258 623	–	100,0	251 331	251 331
<b>Total for subprogrammes</b>	<b>465 267</b>	<b>–</b>	<b>640</b>	<b>465 907</b>	<b>465 890</b>	<b>17</b>	<b>100,0</b>	<b>439 787</b>	<b>439 765</b>

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>206 644</b>	<b>(194)</b>	<b>578</b>	<b>207 028</b>	<b>207 014</b>	<b>14</b>	<b>100,0</b>	<b>188 015</b>	<b>188 001</b>
Compensation of employees	206 644	(194)	578	207 028	207 014	14	100,0	188 015	188 001
Salaries and wages	178 583	1 235	517	180 335	180 328	7	100,0	164 561	164 555
Social contributions	28 061	(1 429)	61	26 693	26 686	7	100,0	23 454	23 446
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>258 623</b>	<b>194</b>	<b>15</b>	<b>258 832</b>	<b>258 830</b>	<b>2</b>	<b>100,0</b>	<b>251 751</b>	<b>251 744</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-

# Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	258 623	-	-	258 623	258 623	-	100,0	251 331	251 331
Departmental agencies	258 623	-	-	258 623	258 623	-	100,0	251 331	251 331
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	194	15	209	207	2	99,0	420	413
Social benefits	-	194	12	206	204	2	99,0	346	340
Other transfers to households	-	-	3	3	3	-	100,0	74	73
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-



## Appropriation Statement

for the year ended 31 March 2016

Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	47	47	46	1	97,9	21	20
<b>Total</b>	<b>465 267</b>	<b>–</b>	<b>640</b>	<b>465 907</b>	<b>465 890</b>	<b>17</b>	<b>100,0</b>	<b>439 787</b>	<b>439 765</b>

## Appropriation Statement

for the year ended 31 March 2016

6.1 Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	2 168	–	(20)	2 148	2 147	1	100,0	3 160	3 159
Compensation of employees	2 168	–	(20)	2 148	2 147	1	100,0	3 160	3 159
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	–	–	–	–	–	–	–	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
<b>Payments for capital assets</b>	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	–	–	–	–	–	–	–	–	–
<b>Total</b>	<b>2 168</b>	<b>–</b>	<b>(20)</b>	<b>2 148</b>	<b>2 147</b>	<b>1</b>	<b>100,0</b>	<b>3 160</b>	<b>3 159</b>





## Appropriation Statement

for the year ended 31 March 2016

6.2 Aquaculture									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>32 798</b>	<b>621</b>	<b>247</b>	<b>33 666</b>	<b>33 663</b>	<b>3</b>	<b>100,0</b>	<b>29 900</b>	<b>29 897</b>
Compensation of employees	32 798	621	247	33 666	33 663	3	100,0	29 900	29 897
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>137</b>	<b>–</b>	<b>137</b>	<b>137</b>	<b>–</b>	<b>100,0</b>	<b>56</b>	<b>55</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	137	–	137	137	–	100,0	56	55
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>32 798</b>	<b>758</b>	<b>247</b>	<b>33 803</b>	<b>33 800</b>	<b>3</b>	<b>100,0</b>	<b>29 956</b>	<b>29 952</b>

# Appropriation Statement

for the year ended 31 March 2016

6.3 Monitoring Control and Surveillance									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>87 950</b>	<b>(1 189)</b>	<b>330</b>	<b>87 091</b>	<b>87 087</b>	<b>4</b>	<b>100,0</b>	<b>77 847</b>	<b>77 844</b>
Compensation of employees	87 950	(1 189)	330	87 091	87 087	4	100,0	77 847	77 844
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>24</b>	<b>12</b>	<b>36</b>	<b>36</b>	<b>–</b>	<b>100,0</b>	<b>194</b>	<b>192</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	24	12	36	36	–	100,0	194	192
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>47</b>	<b>47</b>	<b>46</b>	<b>1</b>	<b>97,9</b>	<b>21</b>	<b>20</b>
<b>Total</b>	<b>87 950</b>	<b>(1 165)</b>	<b>389</b>	<b>87 174</b>	<b>87 169</b>	<b>5</b>	<b>100,0</b>	<b>78 062</b>	<b>78 056</b>



## Appropriation Statement

for the year ended 31 March 2016

6.4 Marine Resources Management									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>20 353</b>	<b>117</b>	<b>(148)</b>	<b>20 322</b>	<b>20 319</b>	<b>3</b>	<b>100,0</b>	<b>19 168</b>	<b>19 164</b>
Compensation of employees	20 353	117	(148)	20 322	20 319	3	100,0	19 168	19 164
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>20</b>	<b>3</b>	<b>23</b>	<b>22</b>	<b>1</b>	<b>95,7</b>	<b>14</b>	<b>12</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	20	3	23	22	1	95,7	14	12
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>20 353</b>	<b>137</b>	<b>(145)</b>	<b>20 345</b>	<b>20 341</b>	<b>4</b>	<b>100,0</b>	<b>19 182</b>	<b>19 176</b>

# Appropriation Statement

for the year ended 31 March 2016

6.5 Fisheries Research and Development									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>63 375</b>	<b>257</b>	<b>169</b>	<b>63 801</b>	<b>63 798</b>	<b>3</b>	<b>100,0</b>	<b>57 940</b>	<b>57 937</b>
Compensation of employees	63 375	257	169	63 801	63 798	3	100,0	57 940	57 937
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>–</b>	<b>13</b>	<b>–</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>92,3</b>	<b>156</b>	<b>154</b>
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	13	–	13	12	1	92,3	156	154
<b>Payments for capital assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
<b>Payments for financial assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>63 375</b>	<b>270</b>	<b>169</b>	<b>63 814</b>	<b>63 810</b>	<b>4</b>	<b>100,0</b>	<b>58 096</b>	<b>58 091</b>



## Appropriation Statement

for the year ended 31 March 2016

6.6 Marine Living Resources Fund									
Economic classification	2015/16							2014/15	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>258 623</b>	-	-	<b>258 623</b>	<b>258 623</b>	-	<b>100,0</b>	<b>251 331</b>	<b>251 331</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	258 623	-	-	258 623	258 623	-	100,0	251 331	251 331
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>258 623</b>	-	-	<b>258 623</b>	<b>258 623</b>	-	<b>100,0</b>	<b>251 331</b>	<b>251 331</b>

## Notes to the Appropriation Statement

for the year ended 31 March 2016

### 1 DETAILS OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):

Details of these transactions can be viewed in the Note on Transfers and Subsidies and Annexure 1 (A-H) to the Annual Financial Statements.

### 2 DETAILS OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT):

Details of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

### 3 DETAILS ON PAYMENTS FOR FINANCIAL ASSETS

Details of these transactions per programme can be viewed in the Note on Payments for Financial Assets to the Annual Financial Statements.

### 4 EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):

#### 4.1 Per programme

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Administration	788 853	785 802	3 051	0,4
Agricultural Production, Health and Food Safety	2 143 284	2 143 017	267	0,0
Food Security and Agrarian Reform	1 910 535	1 906 795	3 740	0,2
Trade Promotion and Market Access	237 327	236 758	569	0,2
Forestry Natural Resources Management	862 844	862 280	564	0,1
Fisheries	465 907	465 890	17	0,0
<b>Total</b>	<b>6 408 750</b>	<b>6 400 542</b>	<b>8 208</b>	<b>0,1</b>

#### *Administration*

The expenditure amounting to R2,812 million for Capital Works in respect of the Stellenbosch Plant Quarantine Station: Upgrading and maintenance of building and laboratories and other Capital Works projects was not incurred due to the delays in the Department of Public Works' SCM processes.

#### *Food Security and Agrarian Reform*

Expenditure in respect of Economic Competitiveness and Support Package for Provincial and Rural Agricultural Colleges to the amount of R3,408 million was not incurred.



## Notes to the Appropriation Statement

for the year ended 31 March 2016

### 4.2 Per economic classification

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
<b>Current payments</b>				
Compensation of employees	1 745 188	1 761 116	(15 928)	(0,9)
Goods and services	733 228	714 755	18 473	2,5
<b>Subtotal</b>	<b>2 478 416</b>	<b>2 475 871</b>	<b>2 545</b>	<b>0,1</b>
<b>Transfers and subsidies</b>				
Provinces and municipalities	2 172 845	2 172 723	122	0,0
Departmental agencies and accounts	1 139 916	1 139 915	1	0,0
Higher education institutions	3 312	3 307	5	0,2
Public corporations and private enterprises	314 808	314 800	8	0,0
Foreign governments and international organisations	32 379	31 911	468	1,4
Non-profit institutions	25 886	25 590	296	1,1
Households	16 622	16 583	39	0,2
<b>Subtotal</b>	<b>3 705 768</b>	<b>3 704 829</b>	<b>939</b>	<b>0,2</b>
<b>Payments for capital assets</b>				
Buildings and other fixed structures	42 229	40 280	1 949	4,6
Machinery and equipment	180 773	178 029	2 744	1,5
Intangible assets	172	157	15	8,5
<b>Subtotal</b>	<b>223 174</b>	<b>218 466</b>	<b>4 708</b>	<b>2,1</b>
<b>Payments for financial assets</b>	<b>1 392</b>	<b>1 376</b>	<b>16</b>	<b>1,1</b>
<b>Total</b>	<b>6 408 750</b>	<b>6 400 542</b>	<b>8 208</b>	<b>0,1</b>

The expenditure amounting to R2,812 million for Capital Works in respect of the Stellenbosch Plant Quarantine Station: Upgrading and maintenance of building and laboratories and other Capital Works projects was not incurred due to the delays in the Department of Public Works' SCM processes. Expenditure in respect of Economic Competitiveness and Support Package for Provincial and Rural Agricultural Colleges amounting to R3,408 million was not incurred.

## Notes to the Appropriation Statement

for the year ended 31 March 2016

### 4.3 Per conditional grant

	Final ap- propriation	Actual ex- penditure	Variance	Variance as a % of final ap- propriation
	R'000	R'000	R'000	%
Comprehensive Agricultural Support Programme (CASP)	1 639 726	1 639 726	–	0,0
Infrastructure Development and Poverty Relief (LandCare)	65 011	65 011	–	0,0
Ilima/Letsema	466 713	466 713	–	0,0
<b>Total</b>	<b>2 171 450</b>	<b>2 171 450</b>	<b>–</b>	<b>0,0</b>





## Statement of Financial Performance

for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
<b>Revenue</b>			
Annual appropriation	1.1	6 408 750	6 692 383
Departmental revenue	2	212 414	191 652
Aid assistance	3	764	582
<b>Total revenue</b>		<b>6 621 928</b>	<b>6 884 617</b>
<b>Expenditure</b>			
<b>Current expenditure</b>			
Compensation of employees	4.1,4.2	1 761 116	1 661 596
Goods and services	5	714 755	732 095
Interest and rent on land	6	–	287
Aid assistance	3	172	2 542
<b>Total current expenditure</b>		<b>2 476 043</b>	<b>2 396 520</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	8	3 704 829	4 028 678
Aid assistance	3	258	115
<b>Total transfers and subsidies</b>		<b>3 705 087</b>	<b>4 028 793</b>
<b>Expenditure for capital assets</b>			
Tangible assets	9	218 309	205 547
Intangible assets	9	157	423
<b>Total expenditure for capital assets</b>		<b>218 466</b>	<b>205 970</b>
<b>Payments for financial assets</b>	7	<b>1 376</b>	<b>247</b>
<b>Total expenditure</b>		<b>6 400 972</b>	<b>6 631 530</b>
<b>Surplus for the year</b>		<b>220 956</b>	<b>253 087</b>
<b>Reconciliation of net surplus/(deficit) for the year</b>			
<b>Voted funds</b>		<b>8 208</b>	<b>63 510</b>
Annual appropriation		8 208	63 510
Departmental revenue and NRF Receipts	15	212 414	191 652
Aid assistance	3	334	(2 075)
<b>Surplus for the year</b>		<b>220 956</b>	<b>253 087</b>

## Statement of Financial Position

for the year ended 31 March 2016

	<i>Note</i>	2015/16 R'000	2014/15 R'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	39 950	70 084
Prepayments and advances	11	581	1 332
Receivables	12	2 398	1 280
<b>Non-current assets</b>			
Investments	13	474 038	326 572
Receivables	12	6 534	4 089
<b>Total assets</b>		<b>523 501</b>	<b>403 357</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	14	8 208	63 510
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	33 218	8 475
Payables	16	6 396	3 142
Aid assistance unutilised	3	334	94
<b>Non-current liabilities</b>			
Payables	17	474 040	326 575
<b>Total liabilities</b>		<b>522 196</b>	<b>401 796</b>
<b>Net assets</b>		<b>1 305</b>	<b>1 561</b>
<b>Represented by:</b>			
Recoverable revenue		1 305	1 561
<b>Total</b>		<b>1 305</b>	<b>1 561</b>



## Statement of Change in Net Assets

for the year ended 31 March 2016

	<i>Note</i>	2015/16 R'000	2014/15 R'000
<b>Recoverable revenue</b>			
Opening balance		1 561	1 487
Transfers:		(256)	74
Irrecoverable amounts written off	7.1	(1 100)	(127)
Debts recovered (included in departmental receipts)		(2 178)	(1 887)
Debts raised		3 022	2 088
Closing balance		1 305	1 561
<b>Total</b>		<b>1 305</b>	<b>1 561</b>

# Cash Flow Statement

for the year ended 31 March 2016

	Note	2015/16 R'000	2014/15 R'000
<b>Cash flows from operating activities</b>			
Receipts		6 620 208	6 883 583
Annual appropriated funds received	1.1	6 408 750	6 692 383
Departmental revenue received	2	206 583	185 053
Interest received	2	4 111	5 565
Aid assistance received	3	764	582
Net (increase) decrease in working capital		442	7 208
Surrendered to Revenue Fund	14, 15	(251 181)	(268 246)
Surrendered to Reconstruction and Development Programme (RDP) Fund/donor	3	(94)	(6 548)
Current payments		(2 476 043)	(2 396 520)
Payments for financial assets	7	(1 376)	(247)
Transfers and subsidies paid		(3 705 087)	(4 028 793)
<b>Net cash flow available from operating activities</b>	<b>18</b>	<b>186 869</b>	<b>190 437</b>
<b>Cash flows from investing activities</b>			
Payments for capital assets	9	(218 466)	(205 970)
Proceeds from sale of capital assets	2	1 720	1 034
(Increase) decrease in investments		(147 466)	(46 541)
<b>Net cash flows from investing activities</b>		<b>(364 212)</b>	<b>(251 477)</b>
<b>Cash flows from financing activities</b>			
Increase (decrease) in net assets		(256)	74
Increase (decrease) in non-current payables		147 465	46 541
<b>Net cash flows from financing activities</b>		<b>147 209</b>	<b>46 615</b>
Net increase (decrease) in cash and cash equivalents		(30 134)	(14 425)
Cash and cash equivalents at beginning of period		70 084	84 509
<b>Cash and cash equivalents at end of period</b>	<b>19</b>	<b>39 950</b>	<b>70 084</b>



## Accounting Policies

for the year ended 31 March 2016

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements fairly presents the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act No. 1 of 1999 (as amended by Act No. 29 of 1999) and the Treasury Regulations, issued in terms of the PFMA and the annual Division of Revenue Act (DORA).

### 1. PRESENTATION OF THE FINANCIAL STATEMENTS

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standards.

#### 1.2 Going Concern

The financial statements have been prepared on a going concern basis.

#### 1.3 Presentation currency

Amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the department.

#### 1.4 Rounding

Unless otherwise stated, financial figures have been rounded to the nearest one thousand Rand (R'000).

#### 1.5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment/receipt unless stated otherwise.

#### 1.6 Comparative figures

##### 1.6.1 *Prior period comparative information*

Prior period comparative information has been presented in the current year's financial statements. Where necessary, figures included in the prior period financial statements have been reclassified to ensure that the format in which the information has been presented is consistent with the format of the current year's financial statements.

##### 1.6.2 *Current year comparison with budget*

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

## Accounting Policies

for the year ended 31 March 2016

### 2. REVENUE

#### 2.1 Appropriated funds

Appropriated funds comprise of departmental allocations, as well as direct charges against revenue funds (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustment budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.

#### 2.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National Revenue Fund (NRF), unless stated otherwise.

Any amount owing to the NRF at the reporting date is recognised as a payable in the statement of financial position.

#### 2.3 Accrued departmental revenue

Accruals in respect of departmental revenue are recorded in the notes to the financial statements when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the department
- The amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

### 3. AID ASSISTANCE

#### 3.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received.

In-kind aid assistance is recorded in the notes to the annual financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

#### 3.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.



## Accounting Policies

for the year ended 31 March 2016

### 4. EXPENDITURE

#### 4.1 Compensation of employees

##### 4.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

Other employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the notes to the financial statements at face value.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of the expenditure for capital assets in the statement of financial performance.

##### 4.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

##### 4.1.3 Termination benefits

Termination benefits such as severance packages are recognised in the statement of financial performance as a transfer to households on the date of payment.

##### 4.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised in the statement of financial performance as a transfer to households on the date of payment.

Long-term employee benefits, which give rise to a present legal or constructive obligation, are recognised in the notes to the financial statements.

#### 4.2 Goods and services

Payments made for goods and/or services are recognised in the statement of financial performance on the date of payment.

The expense is classified as capital expense if the goods and services were acquired for a capital project, or the total consideration paid is more than the capitalisation threshold (currently R5 000).

#### 4.3 Interest and rent on land

Interest and rental payments are recognised in the statement of financial performance on the date of payment.

This expenditure excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and for the fixed structures on it, the total amount is classified under goods and services.

#### 4.4 Financial transactions in assets and liabilities

Debts are written off when they are identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds, with the exception of debt transferred

## Accounting Policies

for the year ended 31 March 2016

to the department from the Agricultural Debt Account, after the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001) had been repealed during the 2008/09 financial year.

Debt written off is recorded in the notes to the financial statements.

No provision is made for irrecoverable amounts, but an estimate is included in the notes to the financial statements. The estimate in respect of the Agricultural Debt Account debtors is based on the calculation of impairments on financial instruments in accordance with Generally Accepted Accounting Practice (GAAP).

All other losses are recognised once authorisation has been granted for the recognition thereof.

Debtors are measured at cost plus accrued interest where interest is charged, less amounts already settled or written off.

### 4.5 Transfers and subsidies

Transfers and subsidies are recognised in the statement of financial performance on the date of payment.

### 4.6 Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament with funding and the related funds are received
- approved by Parliament without funding and is written off against the appropriation in the statement of financial performance
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

### 4.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.

### 4.8 Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.





## Accounting Policies

for the year ended 31 March 2016

### 5. ASSETS

#### 5.1 Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

#### 5.2 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

#### 5.3 Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

Write-offs are made according to the department's write-off policy.

#### 5.4 Investments

Investments are recognised in the statement of financial position at cost.

#### 5.5 Inventory

At the date of acquisition, inventories are recorded at cost price in the notes to the financial statements.

Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and replacement value.

#### 5.6 Capital assets

##### 5.6.1 Movable assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliable, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

## Accounting Policies

for the year ended 31 March 2016

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.

Repairs and maintenance are expensed as current “goods and services” in the statement of financial performance.

### 5.6.2 *Immovable assets*

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

Repairs and maintenance are expensed as current “goods and services” in the statement of financial performance.

### 5.6.3 *Intangible assets*

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

### 5.6.4 *Biological assets: Forestry*

Biological assets (plantations) are measured at standing value. The standing value is the value of the standing, marketable timber that is present in a stand at the age when the value is computed. The standing value is determined with reference to the market volume, obtained from a growth model or yield table, which is applicable to a specific species, site and silvicultural re-



## Accounting Policies

for the year ended 31 March 2016

gime. The department uses the Computerised Plantation Analysis System (COMPAS) for managing the growing stock data base.

The valuation is performed annually and is recognised in the notes to the financial statements. Biological assets (plantations) are subsequently carried at fair value.

### 5.6.5 *Heritage assets: Forestry*

Indigenous forests are valued at R1 per hectare and are demarcated as state forests in terms of Chapter 3 of the National Forests Act, 1998 (Act No. 84 of 1998).

The valuation is performed annually and is recognised in the notes to the financial statements.

## 6. LIABILITIES, PROVISIONS AND CONTINGENTS

### 6.1 Payables

Payables are recognised in the statement of financial position at cost.

### 6.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

### 6.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

### 6.4 Commitments

Commitments are recorded at cost in the disclosure notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities, thereby incurring future expenditure that will result in the outflow of cash.

### 6.5 Accrued expenditure

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

### 6.6 Employee benefits

Short-term employee benefits, which give rise to a present legal or constructive obligation, are recorded in the notes to the financial statements.

### 6.7 Leases

#### *Finance leases*

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

## Accounting Policies

for the year ended 31 March 2016

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- Cost, being the fair value of the asset
- The sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

### **Operating lease**

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

### **6.8 Impairment of financial assets**

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

An assessment of whether there is an indication of possible impairment is done at each reporting date.

### **6.9 Provisions**

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

## **7. RECEIVABLES**

Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

## **8. NET ASSETS**

### **8.1 Capitalisation reserve**

The capitalisation reserve comprises financial assets and/or liabilities originating from prior reporting period, which are recognised for the first time in the Statement of Financial Position in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the NRF when the underlying asset is disposed and the related funds are received.

### **8.2 Recoverable revenue**

Amounts are recognised as recoverable revenue when a payment made during a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the NRF when recovered, or transferred to the statement of financial performance when written off.



## Accounting Policies

for the year ended 31 March 2016

### 9. RELATED PARTY TRANSACTIONS

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

### 10. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation, including their close family members where relevant, is recorded in the notes to the financial statements.

### 11. PRINCIPAL-AGENT ARRANGEMENTS

Where principal-agent arrangements exist, the total payment made and the nature, circumstances and terms relating to the arrangements are disclosed in the notes to the financial statements.

### 12. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events have been disclosed in the notes to the financial statements.

### 13. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with Modified Cash Standards (MCS) requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively during the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 1. ANNUAL APPROPRIATION

### 1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2015/16		2014/15	
	Final ap- pro- priation	Actual funds re- ceived	Final appro- priation	Appropria- tion received
	R'000	R'000	R'000	R'000
Administration	788 853	788 853	758 973	758 973
Agricultural Production, Health and Food Safety	2 143 284	2 143 284	2 192 977	2 192 977
Food Security and Agrarian Reform	1 910 535	1 910 535	1 689 344	1 689 344
Trade Promotion and Market Access	237 327	237 327	307 319	307 319
Forestry and Natural Resources Management	862 844	862 844	1 303 983	1 303 983
Fisheries	465 907	465 907	439 787	439 787
<b>Total</b>	<b>6 408 750</b>	<b>6 408 750</b>	<b>6 692 383</b>	<b>6 692 383</b>

## 2. DEPARTMENTAL REVENUE

	Note	2015/16 R'000	2014/15 R'000
Sales of goods and services other than capital assets	2	186 027	163 230
Fines, penalties and forfeits	2	270	33
Interest, dividends and rent on land	2	5 143	6 727
Sales of capital assets	2	1 720	1 034
Transactions in financial assets and liabilities	2	18 899	19 901
Transfers received	2	355	727
<b>Departmental revenue collected</b>		<b>212 414</b>	<b>191 652</b>

Note 2.5 Transactions in financial assets and liabilities includes an amount of R6,788 million being refunds of unspent conditional grants and projects received from the provincial departments, compared to R13,863 million refunded during the 2014/15 financial year.



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 2.1 Sales of goods and services other than capital assets

	<i>Note</i>	2015/16 R'000	2014/15 R'000
Sales of goods and services produced by the department		185 974	163 186
Sales by market establishment		2 347	2 370
Administrative fees		149 966	129 749
Other sales		33 661	31 067
Sales of scrap, waste and other used current goods		53	44
<b>Total</b>		<b>186 027</b>	<b>163 230</b>

### 2.2 Fines, penalties and forfeits

Fines		2	8
Penalties		268	25
<b>Total</b>		<b>270</b>	<b>33</b>

### 2.3 Interest, dividends and rent on land

Interest		4 111	5 565
Rent on land		1 032	1 162
<b>Total</b>		<b>5 143</b>	<b>6 727</b>

### 2.4 Sale of capital assets

Tangible assets		1 720	1 034
Machinery and equipment	32.2	1 720	1 034
<b>Total</b>		<b>1 720</b>	<b>1 034</b>

### 2.5 Transactions in financial assets and liabilities

Receivables		3 955	4 752
Other Receipts including Recoverable Revenue		14 944	15 149
<b>Total</b>		<b>18 899</b>	<b>19 901</b>

### 2.6 Transfers received

Public corporations and private enterprises		355	727
<b>Total</b>		<b>355</b>	<b>727</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 3. AID ASSISTANCE

	2015/16	2014/15
	R'000	R'000
Opening balance	94	8 717
Transferred from statement of financial performance	334	(2 075)
Paid during the year	(94)	(6 548)
<b>Closing balance</b>	<b>334</b>	<b>94</b>

*Transferred from statement of financial performance:*  
*Revenue: R764 000*  
*Current expenditure: (R172 000)*  
*Transfer expenditure: (R258 000)*  
*Balance: R334 000*

#### 3.1 Analysis of balance by source

Aid assistance from RDP	334	94
<b>Closing balance</b>	<b>334</b>	<b>94</b>

#### 3.2 Analysis of balance

Aid assistance unutilised	334	94
<b>Closing balance</b>	<b>334</b>	<b>94</b>
Aid assistance not requested/not received	2 022	–

*R2,022 million was requested for the Grass-fed markets and value chains for small-scale and emerging beef cattle farmers in South Africa, but not received on 31/03/2016.*





## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 4. COMPENSATION OF EMPLOYEES

#### 4.1 Salaries and wages

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Basic salary		1 198 822	1 118 985
Performance award		28 669	31 280
Service based		3 353	3 313
Compensative/circumstantial		15 432	12 083
Periodic payments		–	69
Other non-pensionable allowances		276 664	274 243
<b>Total</b>		<b>1 522 940</b>	<b>1 439 973</b>

#### 4.2 Social contributions

Pension		152 143	150 224
Medical		85 638	71 009
Bargaining council		395	388
Insurance		–	2
<b>Total</b>		<b>238 176</b>	<b>221 623</b>
<b>Total compensation of employees</b>		<b>1 761 116</b>	<b>1 661 596</b>
Average number of employees		5 687	6 007

*The average number of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries. Compensation of employees - excludes R15,378 million as project costs (refer to Note 9).*

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 5. GOODS AND SERVICES

	<b>Note</b>	<b>2015/16</b>	<b>2014/15</b>
		<b>R'000</b>	<b>R'000</b>
Administrative fees		10 647	3 547
Advertising		8 104	26 480
Minor assets	5.1	7 178	6 851
Bursaries (employees)		2 417	2 724
Catering		740	813
Communication		29 115	27 791
Computer services	5.2	11 530	35 424
Consultants: Business and advisory services		22 985	20 540
Infrastructure and planning services		3 708	6 957
Laboratory services		219	232
Legal services		5 334	8 519
Contractors		9 505	24 249
Agency and support/outsourced services		24 636	30 695
Entertainment		306	776
Audit cost – external	5.3	10 816	10 362
Fleet services		21 936	18 459
Inventory	5.4	22 991	9 575
Consumables	5.5	29 640	53 309
Operating leases		90 460	84 510
Property payments	5.6	155 660	144 315
Rental and hiring		10	69
Travel and subsistence	5.7	131 940	128 554
Venues and facilities		69 393	30 685
Training and development		27 065	36 370
Other operating expenditure	5.8	18 420	20 289
<b>Total</b>		<b>714 755</b>	<b>732 095</b>

*Goods and services – excludes R18,806 million disclosed as project costs (refer to Note 9).*

*DAFF is busy with a process to reclassify consumable and inventory items in terms of the AMD/MCS.*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 5.1 Minor assets

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
<b>Tangible assets</b>		<b>7 178</b>	<b>6 841</b>
Biological assets		–	177
Machinery and equipment		7 166	6 601
Transport assets		12	63
<b>Intangible assets</b>		<b>–</b>	<b>10</b>
Software		–	10
<b>Total</b>		<b>7 178</b>	<b>6 851</b>

### 5.2 Computer services

SITA computer services	3 187	22 481
External computer service providers	8 343	12 943
<b>Total</b>	<b>11 530</b>	<b>35 424</b>

### 5.3 Audit cost – external

Regularity audits	10 816	10 362
<b>Total</b>	<b>10 816</b>	<b>10 362</b>

### 5.4 Inventory

Clothing material and accessories		823	–
Farming supplies		17 959	7 708
Food and food supplies		1 132	474
Fuel, oil and gas		952	266
Materials and supplies		922	36
Medical supplies		49	–
Medicine		31	970
Other supplies	5.4.1	1 123	121
<b>Total</b>		<b>22 991</b>	<b>9 575</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 5.4.1 Other supplies

	Note	2015/16	2014/15
	5.4	R'000	R'000
Ammunition and security supplies		–	10
Other		1 123	111
<b>Total</b>		<b>1 123</b>	<b>121</b>

### 5.5 Consumables

Consumable supplies	20 814	42 600
Uniform and clothing	5 808	7 191
Household supplies	1 425	4 609
Communication accessories	–	1
IT consumables	1 012	597
Other consumables	12 569	30 202
Stationery, printing and office supplies	8 826	10 709
<b>Total</b>	<b>29 640</b>	<b>53 309</b>

*Other consumables: includes gardening and farming supplies, fuel, materials and laboratory supplies.*

### 5.6 Property payments

Municipal services	25 649	27 926
Property management fees	87 859	76 312
Property maintenance and repairs	21 743	11 500
Other	20 409	28 577
<b>Total</b>	<b>155 660</b>	<b>144 315</b>

*Other: includes cleaning and security services.*

### 5.7 Travel and subsistence

Local	112 280	112 718
Foreign	19 660	15 836
<b>Total</b>	<b>131 940</b>	<b>128 554</b>



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 5.8 Other operating expenditure

	Note	2015/16 R'000	2014/15 R'000
Professional bodies, membership and subscription fees		1 376	1 078
Resettlement costs		792	3 325
Other		16 252	15 886
<b>Total</b>		<b>18 420</b>	<b>20 289</b>

*Other: includes insurance for subsidised vehicles, school boarding/tuition cost and printing and publication services.*

### 6. INTEREST AND RENT ON LAND

Rent on land		–	287
<b>Total</b>		<b>–</b>	<b>287</b>

### 7. PAYMENTS FOR FINANCIAL ASSETS

Debts written off	7.1	1 376	247
<b>Total</b>		<b>1 376</b>	<b>247</b>

#### 7.1 Debts written off

##### Recoverable revenue written off

##### Trade debt

Irrecoverable/uneconomical	276	118
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##### Staff debt

Irrecoverable/uneconomical	740	116
Claims settled or waived to the advantage of the state	–	11

##### Other debt

Irrecoverable/uneconomical (student debt)	236	–
Irrecoverable/uneconomical (dishonoured cheque)	–	2
Irrecoverable/uneconomical (private claims)	124	–
<b>Total debt written off</b>	<b>1 376</b>	<b>247</b>

*The increase in the amount written off can be attributed to the enhancement of internal controls, the continued analysis of the debt due and the consequent identification of cases in terms of the Debtors Framework, Departmental Financial Instructions and National Treasury Regulations, where there is no further possibility of collection.*

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 8. TRANSFERS AND SUBSIDIES

	<i>Note</i>	<b>2015/16</b>	<b>2014/15</b>
		<b>R'000</b>	<b>R'000</b>
Provinces and municipalities	37, 38	2 172 723	2 363 349
Departmental agencies and accounts	<i>Annex 1B</i>	1 139 915	1 354 212
Higher education institutions	<i>Annex 1C</i>	3 307	3 000
Foreign governments and international organisations	<i>Annex 1E</i>	31 911	38 784
Public corporations and private enterprises	<i>Annex 1D</i>	314 800	222 298
Non-profit institutions	<i>Annex 1F</i>	25 590	25 150
Households	<i>Annex 1G</i>	16 583	21 885
<b>Total</b>		<b>3 704 829</b>	<b>4 028 678</b>
		<hr/>	<hr/>
Unspent funds transferred to the above beneficiaries		12 619	29 523
		<hr/>	<hr/>

*The amount of R12,619 million represents funds transferred by DAFF to the provinces which were not spent by the provinces.*

## 9. EXPENDITURE FOR CAPITAL ASSETS

<b>Tangible assets</b>		<b>218 309</b>	<b>205 547</b>
Buildings and other fixed structures	34.1	40 280	48 048
Machinery and equipment	32.1	178 029	157 499
<b>Intangible assets</b>		<b>157</b>	<b>423</b>
Software	33.1	157	423
<b>Total</b>		<b>218 466</b>	<b>205 970</b>
		<hr/>	<hr/>
The following amounts have been included as project costs in expenditure for capital assets			
Compensation of employees		15 378	17 360
Goods and services		18 806	22 710
<b>Total</b>		<b>34 184</b>	<b>40 070</b>
		<hr/>	<hr/>



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 9.1 Analysis of funds utilised to acquire capital assets – 2015/16

	<i>Note</i>	<b>Voted funds</b>	<b>Total</b>
		<b>R'000</b>	<b>R'000</b>
<b>Tangible assets</b>		<b>218 309</b>	<b>218 309</b>
Buildings and other fixed structures		40 280	40 280
Machinery and equipment		178 029	178 029
<b>Intangible assets</b>		<b>157</b>	<b>157</b>
Software		157	157
<b>Total</b>		<b>218 466</b>	<b>218 466</b>

### 9.2 Analysis of funds utilised to acquire capital assets – 2014/15

<b>Tangible assets</b>		<b>205 547</b>	<b>205 547</b>
Buildings and other fixed structures		48 048	48 048
Machinery and equipment		157 499	157 499
<b>Intangible assets</b>		<b>423</b>	<b>423</b>
Software		423	423
<b>Total</b>		<b>205 970</b>	<b>205 970</b>

### 9.3 Finance lease expenditure included in expenditure for capital assets

<b>Tangible assets</b>		<b>36 584</b>	<b>41 410</b>
Machinery and equipment	32.1	36 584	41 410
<b>Total</b>		<b>36 584</b>	<b>41 410</b>

*Machinery and equipment consist of:*

*Finance leases for transport equipment: R30,641 million*

*Finance leases for other machinery (photo copier machines and official cell phones): R5,943 million.*

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 10. CASH AND CASH EQUIVALENTS

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Consolidated Paymaster General Account		39 976	69 817
Cash receipts		(69)	21
Cash on hand		43	246
<b>Total</b>		<b>39 950</b>	<b>70 084</b>

### 11. PREPAYMENTS AND ADVANCES

Travel and subsistence	581	1 332
<b>Total</b>	<b>581</b>	<b>1 332</b>

*The Department of Agriculture, Forestry and Fisheries is acting as an agent for the Department of Environmental Affairs. A separate fund was created to manage the funds (see Note 35.2: Department acting as the agent).*

*An advance to the value of R18,200 million was paid to the MLRF for Operation Phakisa: Aquaculture.*

### 12. RECEIVABLES

	<i>Note</i>	2015/16			2014/15		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	849	–	849	92	–	92
Recoverable expenditure	12.2	370	–	370	50	–	50
Staff debt	12.3	159	21	180	66	–	66
Other debtors	12.4	1 020	6 513	7 533	1 072	4 089	5 161
<b>Total</b>		<b>2 398</b>	<b>6 534</b>	<b>8 932</b>	<b>1 280</b>	<b>4 089</b>	<b>5 369</b>





## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 12.1 Claims recoverable

	<b>Note</b>	<b>2015/16</b>	<b>2014/15</b>
		<b>R'000</b>	<b>R'000</b>
National departments	12 and Annex 4	849	51
Provincial departments		–	41
<b>Total</b>		<b>849</b>	<b>92</b>

### 12.2 Recoverable expenditure (disallowance accounts)

Disallowance: Dishonoured cheques		–	32
Disallowance: Miscellaneous		370	18
<b>Total</b>		<b>370</b>	<b>50</b>

### 12.3 Staff debt

Salaries: Deduction disallowance account		26	52
Salaries: Tax debt		29	14
Salary: Reversal Control		125	–
<b>Total</b>		<b>180</b>	<b>66</b>

### 12.4 Other debtors

Debt account		7 533	5 161
<b>Total</b>		<b>7 533</b>	<b>5 161</b>

*The debt increased from previous years as a result of intensified monitoring actions and the effectiveness of internal control to identify and record debt due.*

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 13. INVESTMENTS

	2015/16	2014/15
	R'000	R'000
<b>Non-current</b>		
Shares and other equity		
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products Ltd	1	1
Abattoir Industry Fund	16 574	16 434
National Forestry Recreation and Access Trust	6 357	5 967
Forestry Lease Rental Trust Fund	451 105	304 169
<b>Total non-current</b>	<b>474 038</b>	<b>326 572</b>
<b>Analysis of non-current investments</b>		
Opening balance	326 572	280 031
Additions in cash	152 236	50 011
Disposals for cash	(4 770)	(3 470)
<b>Closing balance</b>	<b>474 038</b>	<b>326 572</b>

*The Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust fund are managed separately from DAFF's voted funds.*

*Refer also to Note 17.*

## 14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2015/16	2014/15
	R'000	R'000
Opening balance	63 510	70 969
Transfer from statement of financial performance	8 208	63 510
Paid during the year	(63 510)	(70 969)
<b>Closing balance</b>	<b>8 208</b>	<b>63 510</b>



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
<b>Opening balance</b>		<b>8 475</b>	<b>14 100</b>
Transfer from statement of financial performance (as restated)		212 414	191 652
Paid during the year		(187 671)	(197 277)
<b>Closing balance</b>		<b>33 218</b>	<b>8 475</b>

### 16. PAYABLES – CURRENT

Amounts owing to other entities			
Advances received	16.1	2 094	2 210
Clearing accounts	16.2	1 000	932
Other payables	16.3	3 302	–
<b>Total</b>		<b>6 396</b>	<b>3 142</b>

#### 16.1 Advances received

National departments	1 981	2 115
Other institutions	113	95
<b>Total</b>	<b>2 094</b>	<b>2 210</b>

*An advance of R19,601 million was received from DHET for the DAFF-NSF Capacity Building Project. R17,620 million was paid to Itumeleng Training Solutions as strategic partner (Project Manager). The balance amounts to R1,981 million.*

*An advance was received from the Department of Environmental Affairs for Operation Phakisa: Aquaculture. A separate fund was created to manage the advance. Subsequently, DAFF paid the advance to the MLRF for implementation of the programme. The advance is therefore not reflected in the above note.*

Refer also to Annexure 8B

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 16.2 Clearing accounts

	2015/16	2014/15
	R'000	R'000
Salary: ACB recalls	–	7
Salary: Income tax	338	723
Salary: Pension fund	6	2
Salary: Bargaining Council	1	–
Salary: Reversal account	655	200
<b>Total</b>	<b>1 000</b>	<b>932</b>

### 16.3 Other payables

Telephone control account	1 735	–
Disallowance miscellaneous	950	–
Sport fees	617	–
<b>Total</b>	<b>3 302</b>	<b>–</b>

## 17. PAYABLES – NON-CURRENT

					2015/16	2014/15
	Note	One to two years	Two to three years	More than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Other payables	17.1	194 006	40 063	239 971	474 040	326 575
<b>Total</b>		<b>194 006</b>	<b>40 063</b>	<b>239 971</b>	<b>474 040</b>	<b>326 575</b>

*Other payables consist of the Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust Fund that are managed separately from DAFF's voted funds.*

*Refer also to Note 13.*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 17.1 Other payables

	2015/16	2014/15
	R'000	R'000
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products Ltd	1	1
Abattoir Industry Fund	16 574	16 434
National Forestry Recreation and Access Trust	6 356	5 967
Forestry Lease Rental Trust Fund	451 108	304 172
<b>Total</b>	<b>474 040</b>	<b>326 575</b>

### 18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2015/16	2014/15
	R'000	R'000
Net surplus/(deficit) as per statement of financial performance	220 956	253 087
Add back non cash/cash movements not deemed operating activities	(34 087)	(62 650)
(Increase)/decrease in receivables – current	(3 563)	2 960
(Increase)/decrease in prepayments and advances	751	2 143
Increase/(decrease) in payables – current	3 254	2 105
Proceeds from sale of capital assets	(1 720)	(1 034)
Expenditure on capital assets	218 466	205 970
Surrenders to Revenue Fund	(251 181)	(268 246)
Surrenders to RDP Fund/Donor	(94)	(6 548)
<b>Net cash flow generated by operating activities</b>	<b>186 869</b>	<b>190 437</b>

### 19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	2015/16	2014/15
	R'000	R'000
Consolidated Paymaster General account	39 976	69 817
Cash receipts	(69)	21
Cash on hand	43	246
<b>Total</b>	<b>39 950</b>	<b>70 084</b>

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 20. CONTINGENT LIABILITIES

### 20.1 Contingent liabilities

		Note	2015/16 R'000	2014/15 R'000
<b>Liable to</b>	<b>Nature</b>			
Housing loan guarantees	Employees	Annex 3A	57	57
Claims against the department		Annex 3B	147 415	115 170
Intergovernmental payables (unconfirmed balances)		Annex 5	–	17 014
Other		Annex 3B	26 038	10 356
<b>Total</b>			<b>173 510</b>	<b>142 597</b>

The cases reported under contingent liabilities in Annexure 3A represent a housing loan guarantee that was issued to an employee still in the employment of DAFF. Any possible outflow of funds will firstly be recovered from the salary/service benefits of the employee before any debt is raised.

The cases reported under contingent liabilities in Annexure 3B represent legal cases instituted against DAFF which are in various stages of investigation/legal actions.

Other: Camping allowance – The camping allowance payable is subject to investigation by Directorate: Employee Relations in conjunction with Directorate: Animal Health.

The annual tariffs for camping allowance are determined by the DPSA.

## 21. COMMITMENTS

<b>Current expenditure</b>	<b>180 996</b>	<b>180 857</b>
Approved and contracted	173 000	162 437
Approved but not yet contracted	7 996	18 420
<b>Capital expenditure</b>	<b>13 676</b>	<b>18 582</b>
Approved and contracted	13 270	17 602
Approved but not yet contracted	406	980
<b>Total commitments</b>	<b>194 672</b>	<b>199 439</b>

The commitments amounting to R136,935 million are for longer than a year.

Due to the amendment of the 2015/16 MCS/AMD, commitments pertaining to cleaning and security services are now included.

Subsequently, the prior year was restated with R33,734 million.



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 22. ACCRUALS AND PAYABLES NOT RECOGNISED

#### 22.1 Accruals

			2015/16	2014/15
			Total	Total
	30 days	30+ days	R'000	R'000
<b>Listed by economic classification</b>				
Goods and services	30 415	12 720	43 135	26 357
Capital assets	3 619	3 591	7 210	365
<b>Total</b>	<b>34 034</b>	<b>16 311</b>	<b>50 345</b>	<b>26 722</b>
<b>Listed by programme level</b>				
Administration			21 852	13 644
Agricultural Production, Health and Food Safety			4 845	1 499
Food Security and Agrarian Reform			3 158	4 184
Trade Promotion and Marketing Access			15 158	3 508
Forestry and Natural Resources Management			5 332	3 887
<b>Total</b>			<b>50 345</b>	<b>26 722</b>

*Due to the amendments of the 2015/16 MCS/AMD, this note was split between accruals and payables.*

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 22.2 Payables not recognised

			2015/16	2014/15
			R'000	R'000
	30 days	30+ days	Total	Total
Listed by economic classification				
Goods and services	37 299	88 353	125 652	24 818
Capital assets	8 288	8 328	16 616	4 501
<b>Total</b>	<b>45 587</b>	<b>96 681</b>	<b>142 268</b>	<b>29 319</b>
<b>Listed by programme level</b>				
Administration			63 310	18 744
Agricultural Production, Health and Food Safety			14 454	2 517
Food Security and Agrarian Reform			39 716	2 072
Trade Promotion and Marketing Access			5 455	1 312
Forestry and Natural Resources Management			19 299	4 674
Fisheries			34	–
<b>Total</b>			<b>142 268</b>	<b>29 319</b>

*Due to the amendments of the 2015/16 MCS/AMD, this note was split between accruals and payables.*

	Note	2015/16	2014/15
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	36 041	–
Confirmed balances with other government entities	Annex 5	4 645	–
<b>Total</b>		<b>40 686</b>	<b>–</b>





## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 23. EMPLOYEE BENEFITS

	Note	2015/16 R'000	2014/15 R'000
Leave entitlement		71 007	69 673
Service bonus (Thirteenth cheque)		49 209	47 382
Performance awards		26 427	23 979
Capped leave commitments		126 853	130 695
Other		4 515	4 243
<b>Total</b>		<b>278 011</b>	<b>275 972</b>

*Other: At this stage the department is not able to reliably measure the long-term portion of the Long Service Awards.*

*Performance awards are based on the 1,5% of the 2015/16 budget for compensation of employees.*

### 24. LEASE COMMITMENTS

#### 24.1 Operating leases expenditure

	Land	Buildings and other fixed struc- tures	Total
<b>2015/16</b>			
Not later than 1 year	1	206 536	206 537
Later than 1 year and not later than 5 years	3	409 872	409 875
Later than 5 years	43	5 947	5 990
<b>Total lease commitments</b>	<b>47</b>	<b>622 355</b>	<b>622 402</b>
<b>2014/15</b>			
Not later than 1 year	1	185 788	185 789
Later than 1 year and not later than 5 years	2	438 560	438 562
Later than five years	44	22 385	22 429
<b>Total lease commitments</b>	<b>47</b>	<b>646 733</b>	<b>646 780</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

*The projected commitments for the month-to-month leases are included in the above figures. The projected monthly rental tariffs are based on the last rental tariffs claimed by National Department of Public Works (NDPW) in the January, February and March 2016 lease invoice. The projected renewal periods are per DAFF's needs assessments and the procurement instruction issued by NDPW. State owned accommodation charges over the MTEF period are included in the above figure.*

*Shared facilities: The following office accommodation is still being shared between DWS and DAFF (Forestry). DWS is the user department and is paying the rent: King William's Town, Mthatha, Thohoyandou, Sekhukhune, Giyani (Mopani) Waterberg DWS, Capricon DWS, Polokwane, Bronkhorstspuit and Mafikeng.*

*Leases extended by NDPW (month-to-month basis). The following lease agreements have expired and NDPW extends the leases on a month-to-month basis to allow monthly rental payments until the finalisation of the lease renewals or acquisition of alternative office space as per Procurement Instruction issued: Kempton Park – Trust Bank Building, PMB Laager Centre Building. De Aar – Locust Depot, Port Alfred – Harbour View Building, Mossel Bay – Searle's Manor, Kleinmond – 43 Main Road, Old Mutual Square, 185/189 Longmarket Street, PMB and Vryburg – 95 Vry Street.*

### 24.2 Finance leases expenditure

	Machinery and equip- ment	Total
<b>2015/16</b>		
Not later than 1 year	7 092	7 092
Later than 1 year and not later than 5 years	3 548	3 548
<b>Total lease commitments</b>	<b>10 640</b>	<b>10 640</b>
<b>2014/15</b>		
Not later than 1 year	6 399	6 399
Later than 1 year and not later than 5 years	6 272	6 272
<b>Total lease commitments</b>	<b>12 671</b>	<b>12 671</b>

*The finance leases represent 233 photo copier machines and 37 departmental cellular devices.*

*DAFF is currently in a process to purchase vehicles to replace the Phakisa vehicles. Until the latter process is finalised, DAFF will lease Phakisa vehicles on a monthly basis as from 15 November 2015 until February 2017 when the contract expires (previous contract: Month-to-month – 15 November 2014 until 14 November 2015).*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 25. ACCRUED DEPARTMENTAL REVENUE

	<i>Note</i>	2015/16	2014/15
		R'000	R'000
Sales of goods and services other than capital assets		8 417	7 041
Interest, dividends and rent on land		32 568	36 775
Transactions in financial assets and liabilities		37 247	43 020
<b>Total</b>		<b>78 232</b>	<b>86 836</b>

#### 25.1 Analysis of accrued departmental revenue

<b>Opening balance</b>		<b>86 836</b>	<b>105 790</b>
Less: Amounts received		(87 390)	(78 410)
Add: Amounts recognised		79 062	59 574
Less: Amounts written-off/reversed as irrecoverable	7.1	(276)	(118)
<b>Closing balance</b>		<b>78 232</b>	<b>86 836</b>

#### 25.2 Accrued department revenue written off

	2015/16	2014/15
	R'000	R'000
Nature of losses		
Irrecoverable/uneconomical (trade debt)	276	118
<b>Total</b>	<b>276</b>	<b>118</b>

*Agriculture Debt Account: Debt to the amount of R4,477 million was written off during the year.*

#### 25.3 Impairment of accrued departmental revenue

Estimate of impairment of accrued departmental revenue	43 082	45 859
<b>Total</b>	<b>43 082</b>	<b>45 859</b>

*The impairment includes trade debt (R6 268) and the Agriculture Debt Account (R43,076 million).*

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 26. IRREGULAR EXPENDITURE

### 26.1 Reconciliation of irregular expenditure

	2015/16	2014/15
	R'000	R'000
<b>Opening balance</b>	<b>2 761</b>	<b>7 795</b>
Prior period error	–	168
As restated	2 761	7 963
Add: Irregular expenditure – relating to current year	829	2 687
Less: Prior year amounts condoned	(1 862)	(6 778)
Less: Current year amounts condoned	(829)	(1 083)
Less: Amounts not condoned and not recoverable	–	(28)
<b>Closing balance</b>	<b>899</b>	<b>2 761</b>
Analysis of awaiting condonation per age classification		
Current year	–	2 024
Prior years	899	737
<b>Total</b>	<b>899</b>	<b>2 761</b>

### 26.2 Details of irregular expenditure – current year

Incident	Disciplinary steps taken/criminal proceedings	2015/16
		R'000
Dr. Rooda Praktyk	No disciplinary action taken	3
EnviroServ Waste Management	Issued verbal warnings	7
First Choice Conference and Events	Verbal warning must be issued	15
Wahenga Institute Association	Under investigation	84
Ultimate Recruitment Solutions	Under investigation	720
<b>Total</b>		<b>829</b>

*The cases of irregular expenditure emanates from non-adherence to supply chain management procedures.*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 26.3 Details of irregular expenditure condoned

		2015/16 R'000
Dr. Roode Praktyk	Director-General	3
EnviroServ Waste Management	Director-General	7
First Choice Conference and Events	Director-General	15
Wahenga Institute Association	Director-General	84
Ultimate Recruitment Solutions	Director-General	720
<b>Subtotal</b>		<b>829</b>
<b>Irregular expenditure condoned – prior year</b>		
Deltamune (Pty) Ltd	Director-General	168
Environpulse CC	Director-General	18
Nashua	Director-General	322
Torque Technical Computer Training	Director-General	7
Fenzo Projects	Director-General	58
BKT Exhibitions	Director-General	316
OB MEDIA Solutions CC	Director-General	973
<b>Subtotal</b>		<b>1 862</b>
<b>Total</b>		<b>2 691</b>

### 26.4 Prior period error

	2014/15 R'000
Nature of prior period error	
Relating to 2013/14	168
Nashua: R322 – R154 = R168	168
<b>Total prior period errors</b>	<b>168</b>

*The irregular expenditure for Nashua was initially reported as R154 000. The final investigation revealed that the irregular expenditure amounted to R322 000.*

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 27. FRUITLESS AND WASTEFUL EXPENDITURE

### 27.1 Reconciliation of fruitless and wasteful expenditure

	2015/16	2014/15
	R'000	R'000
<b>Opening balance</b>	<b>246</b>	<b>61</b>
Fruitless and wasteful expenditure – relating to current year	1	199
Less: Amounts resolved	(246)	(14)
<b>Closing balance</b>	<b>1</b>	<b>246</b>

### 27.2 Analysis of awaiting resolution per economic classification

	2015/16	2014/15
	R'000	R'000
Current	1	246
<b>Total</b>	<b>1</b>	<b>246</b>

### 27.3 Analysis of current year's fruitless and wasteful expenditure

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2015/16</b>
		<b>R'000</b>
Cancellation of official visit	Under investigation	1
<b>Total</b>		<b>1</b>

### 27.4 Details of fruitless and wasteful expenditures under investigation (not included in the main note)

<b>Incident</b>	<b>2015/16</b>
	<b>R'000</b>
No shows – travel agency bookings	27
<b>Total</b>	<b>27</b>



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 28. RELATED PARTY TRANSACTIONS

Ministerial portfolio	Department	Schedule	Public entity
Agriculture, Forestry and Fisheries	Agriculture, Forestry and Fisheries	3A	Agricultural Research Council
		3A	National Agricultural Marketing Council
		3A	Perishable Products Export Control Board
		3B	Ncera Farms (Pty) Ltd
		3B	Onderstepoort Biological Products
		3A	Marine Living Resources Fund

*Note: All departments and public entities in the national sphere of government are related parties.*

### 29. KEY MANAGEMENT PERSONNEL

	No. of Individuals	2015/16 R'000	2014/15 R'000
Political office bearers (provide detail below)	2	4 033	4 262
Officials:			
Level 15 to 16	22	28 562	26 369
Level 14 (incl. CFO if at a lower level)	47	46 399	35 691
Family members of key management personnel	2	1 075	–
<b>Total</b>		<b>80 069</b>	<b>66 322</b>

### 30. IMPAIRMENT (OTHER THAN RECEIVABLES, ACCRUED DEPARTMENTAL REVENUE, LOANS AND INVESTMENTS)

Debtors (BAS debt)	25	42
<b>Total</b>	<b>25</b>	<b>42</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 31. PROVISIONS

	2015/16	2014/15
	R'000	R'000
Camping allowance payable to officials from the Directorate: Animal Health	–	26 038
<b>Total</b>	<b>–</b>	<b>26 038</b>

*The classification of the payment of camping allowance has changed to a "possible obligation" as it is yet to be confirmed whether the entity has a present obligation that could lead to an outflow of resources, therefore it is now reported in Note 20: Contingent Liabilities.*

#### 31.1 Reconciliation of movement in provisions – 2015/16

	Provision	Total provisions
	R'000	R'000
<b>Opening balance</b>	<b>26 038</b>	<b>26 038</b>
Change in provision due to change in estimation of inputs	(26 038)	(26 038)
<b>Closing balance</b>	<b>–</b>	<b>–</b>

#### Reconciliation of movement in provisions – 2014/15

<b>Opening balance</b>	<b>26 038</b>	<b>26 038</b>
Increase in provision	26 038	26 038
<b>Closing balance</b>	<b>26 038</b>	<b>26 038</b>





## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 32. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2016

	Opening balance	Value ad- justments	Additions	Disposals	Closing bal- ance
	R'000	R'000	R'000	R'000	R'000
<b>Heritage assets</b>	<b>190</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>190</b>
Heritage assets	190	–	–	–	190
<b>Machinery and equipment</b>	<b>386 545</b>	<b>10 432</b>	<b>127 897</b>	<b>95 553</b>	<b>429 321</b>
Transport assets	131 570	2 964	73 975	58 532	149 977
Computer equipment	105 150	20	19 995	8 834	116 331
Furniture and office equipment	32 913	21	3 661	2 037	34 558
Other machinery and equipment	116 912	7 427	30 266	26 150	128 455
<b>Biological assets</b>	<b>547 210</b>	<b>–</b>	<b>236 110</b>	<b>2 016</b>	<b>781 304</b>
Biological assets	547 210	–	236 110	2 016	781 304
<b>Total movable tangible capital assets</b>	<b>933 945</b>	<b>10 432</b>	<b>364 007</b>	<b>97 569</b>	<b>1 210 815</b>

*The amount at additions in respect of biological assets is due to an increase in volume, new plantings and the inclusion of Lowveld plantations.*

#### Movable Tangible Capital Assets under investigation

	Number	Value R'000
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	16	224

*The assets could not be found during the asset verification project. The cases are under investigation.*

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 32.1 Additions

Additions to movable tangible capital assets per assets per asset register for the year ended 31 March 2016

	Cash	Non-cash	(Capital work in progress current costs and finance lease payments)	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>178 029</b>	<b>7 726</b>	<b>(60 084)</b>	<b>2 226</b>	<b>127 897</b>
Transport assets	121 992	6 391	(54 141)	(267)	73 975
Computer equipment	17 265	529	–	2 201	19 995
Furniture and office equipment	3 544	66	–	51	3 661
Other machinery and equipment	35 228	740	(5 943)	241	30 266
<b>Biological assets</b>	<b>–</b>	<b>236 110</b>	<b>–</b>	<b>–</b>	<b>236 110</b>
<b>Biological assets</b>	<b>–</b>	<b>236 110</b>	<b>–</b>	<b>–</b>	<b>236 110</b>
<b>Total additions to movable tangible capital assets</b>	<b>178 029</b>	<b>243 836</b>	<b>(60 084)</b>	<b>2 226</b>	<b>364 007</b>

*The capital work in progress comprises of the following:*

*Transport assets: Phakisa vehicles leased and mobile clinics not finalised.*

*Other machinery and equipment – photo copier machines leased*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 32.2 Disposals

#### Disposals of movable tangible capital assets per asset register for the year ended 31 March 2016

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	<b>13 308</b>	<b>82 245</b>	<b>95 553</b>	<b>1 720</b>
Transport assets	5 731	52 801	58 532	1 440
Computer equipment	4 780	4 054	8 834	55
Furniture and office equipment	202	1 835	2 037	1
Other machinery and equipment	2 595	23 555	26 150	224
<b>Biological assets</b>	<b>–</b>	<b>2 016</b>	<b>2 016</b>	<b>–</b>
Biological assets	–	2 016	2 016	–
<b>Total disposal of movable tangible capital assets</b>	<b>13 308</b>	<b>84 261</b>	<b>97 569</b>	<b>1 720</b>

The following amounts that are included in non-cash disposal are assets in the process of being transferred or are already transferred to the provinces:

VPH (Primary Animal Health Care): R50 134 772.04

Sector Colleges: R22 319 515.43

DIRCO: R151 296.25

# Notes to the Annual Financial Statements

for the year ended 31 March 2016

## 32.3 Movement for 2014/15

### Movement in tangible capital assets per asset register for the year ended 31 March 2015

	Opening balance	Prior peri- od error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Heritage assets</b>	<b>190</b>				<b>190</b>
Heritage assets	190	–	–	–	190
<b>Machinery and equipment</b>	<b>364 104</b>	<b>483</b>	<b>124 629</b>	<b>102 671</b>	<b>386 545</b>
Transport assets	120 873	575	50 216	40 094	131 570
Computer equipment	97 661	556	13 899	6 966	105 150
Furniture and office equipment	31 921	(1 406)	4 150	1 752	32 913
Other machinery and equipment	113 649	758	56 364	53 859	116 912
<b>Biological assets</b>	<b>557 981</b>	<b>–</b>	<b>8 140</b>	<b>18 911</b>	<b>547 210</b>
Biological assets	557 981	–	8 140	18 911	547 210
<b>Total movable tangible capital assets</b>	<b>922 275</b>	<b>483</b>	<b>132 769</b>	<b>121 582</b>	<b>933 945</b>

#### 32.3.1 Prior period error

	Note	2014/15 R'000
<b>Nature of prior period error</b>		<b>483</b>
Data and price corrections	32.3	2 491
Data and price corrections		(2 008)
<b>Relating to 2014/15</b>		<b>7 758</b>
Data and price corrections		(362)
Biological assets – Lowveld plantations in Mpumalanga		8 120
<b>Total prior period errors</b>		<b>8 241</b>

*The majority of errors are due to Asset Register amendments on incorrect asset categories.  
Biological assets – Lowveld plantations decommissioned in Mpumalanga.*



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 32.4 Minor Assets

#### Movement in minor assets per the asset register for the year ended as at 31 March 2016

	Intangible assets	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000	R'000
<b>Opening balance</b>	<b>262</b>	<b>70 361</b>	<b>1 389</b>	<b>72 012</b>
Value adjustments	–	44	–	44
Additions	–	8 620	1 573	10 193
Disposals	–	6 583	1 562	8 145
<b>Total minor assets</b>	<b>262</b>	<b>72 442</b>	<b>1 400</b>	<b>74 104</b>
Number of R1 minor assets	8	45 500	6	45 514
Number of minor assets at cost	164	51 498	1 047	52 709
<b>Total number of minor assets</b>	<b>172</b>	<b>96 998</b>	<b>1 053</b>	<b>98 223</b>

Number  
Value  
R'000

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

Intangible Assets	5	14
Machinery and equipment	63	42

*The assets could not be found during the asset verification project. The cases are under investigation.*

#### Movement in minor assets per the asset register for the year ended as at 31 March 2015

	Intangible assets	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	759	65 936	1 480	68 175
Prior period errors	(505)	(193)	–	(698)
Additions	11	9 147	764	9 922
Disposals	3	4 529	855	5 387
<b>Total minor assets</b>	<b>262</b>	<b>70 361</b>	<b>1 389</b>	<b>72 012</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

Number of R1 minor assets	12	46 255	6	46 273
Number of minor assets at cost	444	49 601	1 096	51 141
<b>Total minor assets</b>	<b>456</b>	<b>95 856</b>	<b>1 102</b>	<b>97 414</b>

### 32.4.1 Prior period error

	Note	2014/15
	32.4	R'000
<b>Nature of prior period error:</b>		
<b>Relating to prior years [affecting the opening balance]</b>		<b>(698)</b>
Asset category changes and price corrections		(698)
<b>Relating to 2014/15</b>		<b>(1)</b>
OME GADI – asset category changes		(1)
<b>Total prior period errors</b>		<b>(699)</b>

*The majority of the errors are due to asset category changes and price corrections.*

### 32.5 Movable assets written off

#### Movable assets written off for the year ended as at 31 March 2016

	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	15 556	468	16 024
<b>Total movable assets written off</b>	<b>15 556</b>	<b>468</b>	<b>16 024</b>

#### Movable assets written off for the year ended as at 31 March 2015

	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	11 654	500	12 154
<b>Total movable assets written off</b>	<b>11 654</b>	<b>500</b>	<b>12 154</b>



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 32.6 S42 Movable capital assets

**Major assets subjected to transfer in terms of S42 of the PFMA – 31 March 2016**

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of assets	1	2 336	–	2 337
Value of the assets (R'000)	141	72 606	–	72 747

**Minor assets subjected to transfer in terms of S42 of the PFMA – 31 March 2016**

Number of assets	–	3 409	–	3 409
Value of the assets (R'000)	–	3 901	–	3 901

**Major assets subjected to transfer in terms of S42 of the PFMA – 31 March 2015**

Number of assets	1	145	–	146
Value of the assets (R'000)	423	82 446	–	82 869

**Minor assets subjected to transfer in terms of S42 of the PFMA – 31 March 2015**

Number of assets	2	58	60 000	60 060
Value of the assets (R'000)	2	3 806	32	3 840

### 33. INTANGIBLE CAPITAL ASSETS

**Movement in intangible capital assets per asset register for the year ended 31 March 2016**

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	12 888	–	286	141	13 033
<b>Total intangible capital assets</b>	<b>12 888</b>	<b>–</b>	<b>286</b>	<b>141</b>	<b>13 033</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 33.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2016

	Cash	Non-Cash	(Develop- ment work in pro- gress – current costs)	Received current year, not paid (Paid current year, re- ceived pri- or year)	Total
	R'000	R'000	R'000	R'000	R'000
Software	157	6 054	(6 054)	129	286
<b>Total additions to intangible capital assets</b>	<b>157</b>	<b>6 054</b>	<b>(6 054)</b>	<b>129</b>	<b>286</b>

### 33.2 Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2016

	Non-cash disposal	Total dis- posals
	R'000	R'000
Software	141	141
<b>Total disposals of intangible capital assets</b>	<b>141</b>	<b>141</b>

Software procured for the sector Colleges and transferred

### 33.3 Movement for 2014/15

Movement in intangible capital assets per asset register for the year ended 31 March 2015

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Software	12 288	1 023	423	12 888
<b>Total intangible capital assets</b>	<b>12 288</b>	<b>1 023</b>	<b>423</b>	<b>12 888</b>





## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 34. IMMOVABLE TANGIBLE CAPITAL ASSETS

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2016

	Opening balance	Value ad- justments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Buildings and other fixed structures</b>	<b>642</b>	<b>541</b>	<b>34 600</b>	<b>34 980</b>	<b>803</b>
Dwellings	642	541	–	380	803
Other fixed structures	–	–	34 600	34 600	–
<b>Total immovable tangible capital assets</b>	<b>642</b>	<b>541</b>	<b>34 600</b>	<b>34 980</b>	<b>803</b>

#### 34.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2016

	Cash	(Capital work in progress current costs and finance lease payments)	Total
	R'000	R'000	R'000
<b>Building and other fixed structures</b>	<b>40 280</b>	<b>(5 680)</b>	<b>34 600</b>
Other fixed structures	40 280	(5 680)	34 600
<b>Total additions to immovable tangible capital assets</b>	<b>40 280</b>	<b>(5 680)</b>	<b>34 600</b>

#### 34.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2016

	Non-cash disposal	Total disposals
	R'000	R'000
<b>Buildings and other fixed structures</b>	<b>34 980</b>	<b>34 980</b>
Dwellings	380	380
Other fixed structures	34 600	34 600
<b>Total disposals of immovable tangible capital assets</b>	<b>34 980</b>	<b>34 980</b>

*Dwelling of Rossbach plantation transferred to the community.*

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 34.3 Movement for 2014/15

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2015

	Opening balance	Prior peri- od error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Buildings and other fixed structures</b>	<b>580</b>	<b>62</b>	<b>12 199</b>	<b>12 199</b>	<b>642</b>
Dwellings	580	62	–	–	642
Other fixed structures	–	–	12 199	12 199	–
<b>Total immovable tangi- ble capital assets</b>	<b>580</b>	<b>62</b>	<b>12 199</b>	<b>12 199</b>	<b>642</b>

#### 34.3.1 Prior period error

	Note	2014/15 R'000
<b>Nature of prior period error</b>		
<b>Relating to 1999/2000 and 2003/2004 [affecting the opening balance]</b>		<b>62</b>
Head Office price corrections and asset category changes		74
GADI – asset category changes		(12)
<b>Total prior period errors</b>		<b>62</b>

### 34.4 Immovable assets valued at R1

Immovable assets valued at R1 in the asset register as at 31 March 2015

	Buildings and other fixed struc- tures	Total
	R	R
R1 immovable assets	139	139
<b>Total</b>	<b>139</b>	<b>139</b>

219 imovable assets valued at cost of R670,580,00 (not included above)



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 34.5 S42 Immovable assets

#### Assets subjected to transfer in terms of S42 of the PFMA – 2015/16

	Number of assets	Value of assets R'000
<b>Buildings and other fixed structures</b>	<b>10</b>	<b>83 558</b>
Dwellings	5	380
Other fixed structures	5	83 178
<b>Total</b>	<b>10</b>	<b>83 558</b>

#### Assets subjected to transfer in terms of S42 of the PFMA – 2014/15

<b>Buildings and other fixed structures</b>	<b>11</b>	<b>31 225</b>
Other fixed structures	11	31 225
<b>Total</b>	<b>11</b>	<b>31 225</b>

## 35. PRINCIPAL-AGENT ARRANGEMENTS

### 35.1 Department acting as the principal

	2015/16 R'000	2014/15 R'000
Transfer payment to Land and Agriculture Development Bank of South Africa	36 762	35 348
<b>Total</b>	<b>36 762</b>	<b>35 348</b>

*The Land and Agriculture Development Bank of South Africa acts as the administrator and manager of the AgriBEE Fund (Agricultural Black Economic Empowerment Fund). The AgriBEE Fund is utilised to provide funding for the start-up of agribusiness ventures and the purchase of equity in existing agribusinesses that are geared towards the ownership of agribusiness by AgriEE beneficiaries.*

*Also refer to Annexure 1D – Statement of Transfers/Subsidies to Public Corporation and private enterprises.*

## Notes to the Annual Financial Statements

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### 35.2 Department acting as the agent

#### 35.2.1 Revenue received for agency activities

	2015/16	2014/15
	R'000	R'000
(a) Department of Higher Education and Training (DHET) – National Skills Fund (NSF)	17 486	3 615
(b) Department of Environmental Affairs – Operation Phakisa: Aquaculture	18 200	–
<b>Total</b>	<b>35 686</b>	<b>3 615</b>

(a) The purpose of the funding is to implement skills development initiatives to optimise returns on the selected CASP projects for the period October 2014 to March 2017.

(b) The funding was received from DEA and paid to the MLRF for the Operation Phakisa: Aquaculture.

#### 35.2.2 Reconciliation of funds and disbursements – 2015/16

Category of revenue or expenditure per arrangement	Total funds received	Expenditure incurred against funds
	R'000	R'000
Department of Higher Education and Training - Training and Development: Non-employees	17 486	17 619
Department of Environmental Affairs - Operation Phakisa Aquaculture	18 200	598
<b>Total</b>	<b>35 686</b>	<b>18 217</b>

#### 35.2.3 Reconciliation of carrying amount of receivables and payables – 2015/16

##### Payables

Name of principal entity	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal
	R'000	R'000
Department of Higher Education and Training	17 619	17 619
Department of Environmental Affairs	598	598
<b>Total</b>	<b>18 217</b>	<b>18 217</b>



## Notes to the Annual Financial Statements

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### 36. PRIOR PERIOD ERRORS

#### 36.1 Correction of prior period errors

	Note	2014/15 R'000
<b>Assets</b>		
Moveable tangible capital assets – Note 32.3		8 241
Minor assets – Note 32.4.1		(669)
Immovable tangible capital assets – Note 34.3.1		62
<b>Net effect</b>		<b>7 634</b>
<b>Liabilities</b>		
Irregular expenditure – Note 26.4		168
<b>Net effect</b>		<b>168</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 37. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province/grant	Division of Revenue Act		Grant allocation		Actual transfer by DAFF	Transfer		Re-allocations by National Treasury or national department	Spent		2014/15 Division of Revenue Act	
	R'000	R'000	Rolovers	Adjustments		Total available	Funds withheld		Amount received by provincial department	Amount spent by provincial department		% of available funds spent by department
<b>Summary by province</b>												
Eastern Cape	322 706	-	(8 635)		314 071	-	314 071	-	314 071	307 112	98,0	285 725
Free State	237 277	-	(96)		237 181	-	237 181	-	237 181	232 804	98,0	212 760
Gauteng	111 289	-	(607)		110 682	-	110 682	-	110 682	110 676	100,0	85 690
KwaZulu-Natal	306 229	-	(1)		306 228	-	306 228	-	306 228	306 228	100,0	292 579
Limpopo	322 182	-	(190)		321 992	-	321 992	-	321 992	321 992	100,0	282 113
Mpumalanga	221 902	-	(178)		221 724	-	221 724	-	221 724	221 697	100,0	161 068
Northern Cape	212 530	-	(272)		212 258	-	212 258	-	212 258	212 258	100,0	457 855
North West	253 374	-	(6 585)		246 789	-	246 789	-	246 789	245 539	94,0	233 612
Western Cape	200 594	-	(69)		200 525	-	200 525	-	200 525	200 525	100,0	350 759
<b>Subtotal</b>	<b>2 188 083</b>	<b>-</b>	<b>(16 633)</b>		<b>2 171 450</b>	<b>-</b>	<b>2 171 450</b>	<b>-</b>	<b>2 171 450</b>	<b>2 158 831</b>	<b>-</b>	<b>2 362 161</b>

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, to certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 37. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (CONT.)

Name of province/grant	Grant allocation			Transfer			Spent		2014/15 Division of Revenue Act		
	Division of Revenue Act	Rollovers	Adjustments	Total avail- able	Actual trans- fer by DAFF	Funds with- held	Re-allocations by Na- tional Treas- ury or na- tional de- partment	Amount re- ceived by provincial department		Amount spent by provincial department	% of avail- able funds spent by de- partment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000		R'000	%
<b>Summary by grant</b>											
Comprehensive Agricultural Support Programme (CASP)	1 650 952	-	(11 226)	1 639 726	1 639 726	-	-	1 639 726	1 630 339	99,0	1 833 699
Infrastructure development and poverty relief (LandCare)	66 363	-	(1 352)	65 011	65 011	-	-	65 011	64 838	100,0	67 837
Ilima/Leisema	470 768	-	(4 055)	466 713	466 713	-	-	466 713	463 654	99,0	460 625
<b>Subtotal</b>	<b>2 188 083</b>	<b>-</b>	<b>(16 633)</b>	<b>2 171 450</b>	<b>2 171 450</b>	<b>-</b>	<b>-</b>	<b>2 171 450</b>	<b>2 158 831</b>	<b>-</b>	<b>2 362 161</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 37. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (CONT.)

Name of province/grant	Division of Revenue Act		Grant allocation		Actual transfer by DAFF	Transfer		Re-allocations by National Treasury or national department	Spent		2014/15 Division of Revenue Act		
	R '000	R '000	R '000	R '000		R '000	R '000		R '000	R '000		R '000	%
Eastern Cape	261 909	-	(7 510)	254 399	254 399	-	-	-	254 399	249 389	98,0	228 810	
Free State	171 012	-	(96)	170 916	170 916	-	-	-	170 916	166 539	97,0	146 531	
Gauteng	82 454	-	(123)	82 331	82 331	-	-	-	82 331	82 331	100,0	60 816	
KwaZulu-Natal	226 161	-	-	226 161	226 161	-	-	-	226 161	226 161	100,0	212 632	
Limpopo	261 844	-	-	261 844	261 844	-	-	-	261 844	261 844	100,0	225 873	
Mpumalanga	169 684	-	-	169 684	169 684	-	-	-	169 684	169 684	100,0	108 901	
Northern Cape	135 768	-	(259)	135 509	135 509	-	-	-	135 509	135 509	100,0	378 390	
North West	195 066	-	(3 169)	191 897	191 897	-	-	-	191 897	191 897	100,0	179 410	
Western Cape	147 054	-	(69)	146 985	146 985	-	-	-	146 985	146 985	100,0	292 336	
<b>Subtotal</b>	<b>1 650 952</b>	<b>-</b>	<b>(11 226)</b>	<b>1 639 726</b>	<b>1 639 726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 639 726</b>	<b>1 630 339</b>	<b>-</b>	<b>1 833 699</b>	



## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 37. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (CONT.)

Name of province/grant	Grant allocation			Transfer		Spent		2014/15 Division of Revenue Act		
	Division of Revenue Act	Rollovers	Adjust- ments	Total avail- able	Actual transfer by DAFF	Funds withheld	Re-allocations by National Treasury or national depart- ment		Amount received by provin- cial depart- ment	Amount spent by provincial depart- ment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%
<b>Infrastructure development and poverty relief (LandCare)</b>										
Eastern Cape	10 666	-	(666)	10 000	10 000	-	-	10 000	10 000	100,0
Free State	5 275	-	-	5 275	5 275	-	-	5 275	5 275	100,0
Gauteng	4 601	-	-	4 601	4 601	-	-	4 601	4 595	100,0
KwaZulu-Natal	10 666	-	-	10 666	10 666	-	-	10 666	10 666	100,0
Limpopo	10 001	-	(190)	9 811	9 811	-	-	9 811	9 811	100,0
Mpumalanga	5 948	-	-	5 948	5 948	-	-	5 948	5 921	100,0
Northern Cape	7 302	-	(11)	7 291	7 291	-	-	7 291	7 291	100,0
North West	7 971	-	(485)	7 486	7 486	-	-	7 486	7 346	98,0
Western Cape	3 933	-	-	3 933	3 933	-	-	3 933	3 933	100,0
<b>Subtotal</b>	<b>66 363</b>	<b>-</b>	<b>(1 352)</b>	<b>65 011</b>	<b>65 011</b>	<b>-</b>	<b>-</b>	<b>65 011</b>	<b>64 838</b>	<b>-</b>
										<b>67 837</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 37. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (CONT.)

Name of province/grant	Grant allocation			Transfer		Spent		2014/15 Division of Revenue Act		
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer by DAFF	Funds withheld	Re-allocations by National Treasury or national department		Amount received by provin- cial depart- ment	Amount spent by provincial depart- ment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%
<b>Ililima/Letsema</b>										
Eastern Cape	50 131	-	(459)	49 672	49 672	-	-	49 672	47 723	96,0
Free State	60 990	-	-	60 990	60 990	-	-	60 990	60 990	100,0
Gauteng	24 234	-	(484)	23 750	23 750	-	-	23 750	23 750	100,0
KwaZulu-Natal	69 402	-	(1)	69 401	69 401	-	-	69 401	69 401	100,0
Limpopo	50 337	-	-	50 337	50 337	-	-	50 337	50 337	100,0
Mpumalanga	46 270	-	(178)	46 092	46 092	-	-	46 092	46 092	100,0
Northern Cape	69 460	-	(2)	69 458	69 458	-	-	69 458	69 458	100,0
North West	50 337	-	(2 931)	47 406	47 406	-	-	47 406	46 296	98,0
Western Cape	49 607	-	-	49 607	49 607	-	-	49 607	49 607	100,0
Subtotal	470 768	-	(4 055)	466 713	466 713	-	-	466 713	463 654	-
<b>Total</b>	<b>2 188 083</b>	<b>-</b>	<b>(16 633)</b>	<b>2 171 450</b>	<b>2 171 450</b>	<b>-</b>	<b>-</b>	<b>2 171 450</b>	<b>2 158 831</b>	<b>-</b>

## Notes to the Annual Financial Statements

for the year ended 31 March 2016

### 38. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of municipality	Grant allocation				Transfer		
	Other transfers	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000		R'000	R'000	%
City of Tshwane	1 072	–	(220)	852	733	–	–
Inxuba Yethemba	5	–	6	11	11	–	–
Khara Hais	2	–	(1)	1	–	–	–
Mbombela	30	–	–	30	29	–	–
Rustenburg	–	–	–	–	–	–	–
Makhado	80	–	(80)	–	–	–	–
Breede Valley	1	–	–	1	–	–	–
ETH Ethekwini	–	–	250	250	250	–	–
Emnambithi-Ladysmith	–	–	250	250	250	–	–
<b>Total</b>	<b>1 190</b>	<b>–</b>	<b>205</b>	<b>1 395</b>	<b>1 273</b>	<b>–</b>	<b>–</b>

*National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, to certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.*

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1B

#### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/agency/ac- count	Transfer allocation				Transfer		2014/15
	Adjusted appropri- ation	Rollovers	Adjustments	Total avail- able	Actual transfer	% of avail- able funds transferred	Appropri- ation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Primary Agriculture Sector Education and Training Authority	937	–	–	937	937	100,0	901
Agricultural Research Council	803 933	–	–	803 933	803 933	100,0	1 029 151
Marine Living Resources Fund	258 623	–	–	258 623	258 623	100,0	251 331
National Agricultural Marketing Council	34 635	–	–	34 635	34 635	100,0	36 005
National Student Financial Aid Scheme	14 495	–	–	14 495	14 495	100,0	15 927
Perishable Products Export Control Board	600	–	–	600	600	100,0	600
Water Research Commission	3 000	–	–	3 000	3 000	100,0	3 000
South African Broadcasting Corporation (SABC)	28	–	–	28	27	96,0	42
National Research Foundation	15 841	–	5 000	20 841	20 841	100,0	15 000
Small Enterprise Development Agency	–	–	1 825	1 825	1 825	100,0	1 825
FP&M SETA	429	–	–	429	429	100,0	446
Public Sector SETA	–	–	370	370	370	100,0	370
ARC – National Emerging Beef Farmer award	–	–	100	100	100	100,0	100
ARC – National Beef Cattle Herd of the year award	–	–	100	100	100	100,0	100
<b>Total</b>	<b>1 132 521</b>	<b>–</b>	<b>7 395</b>	<b>1 139 916</b>	<b>1 139 915</b>	<b>–</b>	<b>1 354 798</b>



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1C

#### STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

Name of higher education institution	Transfer allocation				Transfer			2014/15
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Pretoria	2 462	–	–	2 462	2 462	–	–	2 322
University of Fort Hare	4 500	–	(4 500)	–	–	–	–	4 000
University of KwaZulu-Natal	750	–	–	750	745	5	1,0	678
North West University	100	–	–	100	100	–	–	–
<b>Total</b>	<b>7 812</b>	<b>–</b>	<b>(4 500)</b>	<b>3 312</b>	<b>3 307</b>	<b>5</b>	<b>–</b>	<b>7 000</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1D

#### STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/ private enterprise	Transfer allocation				Expenditure				2014/15
	Adjusted appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Public Corporations</b>									
Transfers	312 914	–	1 800	314 714	314 714	100,0	–	–	221 976
Forest Sector Charter Council	3 930	–	–	3 930	3 930	100,0	–	–	3 708
Land and Agri Bank of SA	36 762	–	–	36 762	36 762	100,0	–	–	85 348
Ncera Farms (Pty) Ltd	3 822	–	1 800	5 622	5 622	100,0	–	–	5 420
Onderstepoort Biological Products (Pty) Ltd	268 400	–	–	268 400	268 400	100,0	–	–	127 500
<b>Subtotal</b>	<b>312 914</b>	<b>–</b>	<b>1 800</b>	<b>314 714</b>	<b>314 714</b>	<b>100,0</b>	<b>–</b>	<b>–</b>	<b>221 976</b>
<b>Private Enterprises</b>									
Transfers	1	–	93	94	86	91,5	–	–	329
Red Meat Industry Forum	1	–	–	1	1	100,0	–	–	1
Claims against the state	–	–	93	93	85	91,4	–	–	328
<b>Subtotal</b>	<b>1</b>	<b>–</b>	<b>93</b>	<b>94</b>	<b>86</b>	<b>91,5</b>	<b>–</b>	<b>–</b>	<b>329</b>
<b>Total</b>	<b>312 915</b>	<b>–</b>	<b>1 893</b>	<b>314 808</b>	<b>314 800</b>	<b>100,0</b>	<b>–</b>	<b>–</b>	<b>222 305</b>



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1E

#### STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government/ international organisation	Transfer allocation				Expenditure		2014/15
	Adjusted appropria- tion Act	Rollovers	Adjust- ments	Total avail- able	Actual transfer	% of availa- ble funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Foreign rates and taxes	366	–	–	366	306	84,0	539
International Union for the Protection of New Varieties of Plants	640	37	–	677	677	100,0	639
Office International des Epizooties	1 500	124	–	1 624	1 624	100,0	1 350
Organisation for Economic Cooperation and Development	430	–	–	430	161	37,0	342
International Grains Council	200	16	–	216	215	100,0	200
Office International de la Vigne et du Vin	658	132	–	790	789	100,0	808
Food and Agriculture Organization of the United Nations	20 000	1 082	–	21 082	21 029	100,0	20 077
Consultative Group on International Agricultural Research	5 000	1 375	–	6 375	6 375	100,0	7 140
Commonwealth Agricultural Bureau International	260	17	–	277	276	100,0	263
International Dairy Federation	50	–	–	50	50	100,0	50
International Seed Testing Association	160	–	–	160	97	61,0	95
International Cotton Advisory Council	240	61	–	301	301	100,0	769
United Nations Council (FAO)	–	–	–	–	–	–	4 523
International Fund for Agricultural Development	–	–	–	–	–	–	2 164
International Commission of Agricultural Engineering	20	–	–	20	–	–	33
International Union of Forest Research Organisations	10	1	–	11	11	100,0	9
<b>Total</b>	<b>29 534</b>	<b>2 845</b>	<b>–</b>	<b>32 379</b>	<b>31 911</b>	<b>–</b>	<b>39 001</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1F

#### STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	Transfer allocation				Expenditure		2014/15
	Adjusted appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Sterile Insect Technique	10 000	–	–	10 000	10 000	100,0	10 000
Forestry South Africa	4 419	–	–	4 419	4 418	100,0	6 024
School Support: Agricultural students—tuition and book fees	2 000	–	–	2 000	1 905	95,0	2 660
Food and Trees for Africa	400	–	–	400	200	50,0	200
LIMA Rural Development Foundation	8 862	–	(781)	8 081	8 081	100,0	7 839
Citrus Growers Association of South Africa	986	–	–	986	986	100,0	–
<b>Total</b>	<b>26 667</b>	<b>–</b>	<b>(781)</b>	<b>25 886</b>	<b>25 590</b>	<b>–</b>	<b>26 723</b>





## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1G

#### STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation				Expenditure		2014/15
	Adjusted appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Social benefits	3 422	–	10 743	14 165	14 131	100,0	19 306
Claims against the state	–	–	516	516	511	99,0	630
Bursaries (non-employees)	1 391	–	–	1 391	1 391	100,0	1 391
DAFF–Female Entrepreneur Awards	100	–	450	550	550	100,0	–
<b>Total</b>	<b>4 913</b>	<b>–</b>	<b>11 709</b>	<b>16 622</b>	<b>16 583</b>	<b>–</b>	<b>21 327</b>

# Annexures to the Annual Financial Statements

for the year ended 31 March 2016

## ANNEXURE 1H

### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
<b>Received in cash</b>			
<i>Current financial year 2015/16</i>			
AU-IBAR/OIE	CVO's Meeting	42	–
OIE	OIE World Organisation for Animal Health	114	–
United States of America	To participate in the international training on pest risk	2	–
Cochran Fellowship	Cochran Fellowship Programme	85	–
AU-IBAR	Attend the reinforcing veterinary governance	22	–
USDA/USDA-APHIS	Emergency Poultry Disease Response Course	7	–
Nepad Planning and Coordination Agency (NPCA)	Inaugural Session on Pan-African Alliance	2	–
Food and Agriculture Organization (FAO)	Participation in the Criteria and Indicators Workshop	4	–
Royal Museum for Central Africa in Belgium (RMCA)	Training – Taxonomy and systematic eradication of African fruit flies	2	–
AFF African Forest	Eleventh Session of the United Nations' Forum on Forests	1	–
AU-IBAR (African Union-Inter African Bureau)	Stakeholders meeting to validate the livestock	7	–
The Union for the Protection of New Varieties	To attend a training course on Contributing Data to the Pluto Database	24	–
World Trade Organization	To attend the meeting of the World Trade Organization	11	–
NUFFIC (Netherland Organisation for International Cooperation)	To attend the refresher Course for Alumni on Innovative	1	–
COMESA	Training Workshop	9	–
SASVEPM	Symposium of the International Society for Veterinary Epidemiology and Preventive Medicine	18	–
SADC Secretariat	SADC Regional Awareness Creation Workshop	4	–
<i>Previous financial year 2014/15</i>			
USDA-APHIS	International course on Risk Analysis for Animal Health	–	4
OIE	OIE Council Meeting	–	39
The Cochran Fellowship USA	Short Course Programme offered by the Cochran Fellowship USA	–	44
AU-IBAR	The Comprehensive African Agriculture Development Programme	–	8
AU-IBAR	Sixth Pan-African CVO's meeting	–	7
SADC	SADC Sanitary and Phytosanitary Technical Committee meeting	–	4
The World Trade Organization	Course for Sanitary and Phytosanitary	–	16



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
ADROID	Conference on Building Resilience	–	10
SADC	Training: Management of National Enquiry Point (NEP)	–	9
USDA-APHIS	Course for International Diagnostics Laboratory Network and Quality Assurance	–	9
IAEA and FAO	Course: Global Information (GIS) for fruit fly programme	–	7
OIE	Conference on international movement of competition horses	–	3
USAD United States Department of Agriculture	Course: International Transboundary Animal Diseases	–	12
UNFCCC Secretariat	REDD+ and Expert Committee meeting	–	12
OIE	OIE World Organisation for Animal Health meeting	–	15
WTO, OMC World Trade Organization	Workshop on risk analysis		8
SWEDAC	Training: SIDA International Training Programme	–	20
OIE	21st Regional Conference of the OIE for Africa	–	4
<b>Subtotal</b>		<b>355</b>	<b>231</b>
<b>Received in kind</b>			
<b>Current financial year 2015/16</b>			
Various	Promotional gifts	22	–
AU- IBAR/OIE	CVO'S Meetings	8	–
OIE	OIE World Organisation for Animal Health	72	–
SADC	To participate in the SADC Regional Workshop to review	9	–
United States of America	To participate in the International Training on pest risk	74	–
Cochran Fellowship	Cochran Fellowship Programme	29	–
AFF African Forest	Eleventh Session of the United Nations Forum on Forest	11	–
NUFFIC (Netherland Organisation for International)	To attend NICHE-ZAF-041 (TACAT) Annually Reporting Meetings	28	–
GM Basics	EasyNote ME, touch (Packard Bell an ACER Brand)	5	–
United States of America	To participate in the international training on pest risk analysis	91	–
SAPPI	Forestry Indaba	28	–
SANSOR (South African National Council)	To attend the Seed Science Course	13	–
SAVC (South African)	Honorarium	49	–
Nepad Coordinating Agency and the World Bank	To attend the Workshop on Agriculture Public Expenditure	69	–
Various	46th Session of the UPOV	48	–

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
Bioversity International	The second Steering Committee Meeting of the SADC Crop Wild Relatives	23	–
South African Food Lab	To attend the South African Food Lab Retreat	6	–
Institute for Poverty, Land and Agrarian Studies	Workshop	4	–
SANSOR (South African National Seed)	The development and implementation of a modern laboratory information	453	–
NUFFIC (Netherland Organisation for International Cooperation)	DAFF-TACATI Conference	1 500	–
TOTAL SA	Arbor Week, Arbor City Award and 4 million trees programmes	2 400	–
TOTAL SA	Female Entrepreneur Awards for six categories	1 250	–
Old Mutual	Ministerial Special Award	100	–
Mondi	Ministerial Disabled Female Entrepreneur Award	50	–
Omnia Fertilizer	Sponsor fertiliser to Female Farm Award	150	–
Mastrat	Sponsored eight tablets uploaded with AgriSuite Online software	50	–
Various	Travel and subsistence for a site visits	5	–
Various	Africa Veterinary Technicians Associates meeting	65	–
Various	World Food Day Launch and Commemoration	3 705	–
AU-IBAR	To participate in a colloquium on codex	26	–
Telkom	To attend a conference the Telkom Business Digital Tour	53	–
IPM (Institute of People Management)	To attend the Institute of People Management Conference	4	–
Sundays River Citrus Company	Site visit	1	–
Senor (South African National Seed Organisation)	To attend the 2015 International Seed Testing	42	–
NUFFIC (Netherland Organisation for International Cooperation)	Innovative approaches for safe food production in emerging economics	5	–
Various supplies	Upon Technical Working party for the Fruits crops in 2015	48	–
Pet Food Association	Pet Food Association Congress	14	–
South African Sugar	Meeting and field trip	2	–
Dutch Consortium (Centre for Development)	Assets	1 800	–
SARIA	SARIA workshop	79	–
Fruit SA	Support to inspectors	90	–
Africa Solidarity Trust	Workshop	23	–
Africa Solidarity Trust	Workshop on fruit flies	15	–
Bioversity International	Office equipment	27	–



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
Winter Cereal Trust	International Wheat Conference	20	–
SASVEPM	Symposium of the International Society for Veterinary Epidemiology and Preventive Medicine	39	–
SADC Secretariat	SADC Regional Awareness Creation Workshop	17	–
FAO	Southern Africa's multidisciplinary team meeting	13	–
Merck Animal Health	Joint Industry and AU-IBAR Workshop	17	–
Bioversity International	Scientific Writing Workshop	14	–
ZZ2	Meeting	1	–
University of Witwatersrand	Seventh International Workshop	12	–
Potato Certificates	Meeting – Seed Potatoes	14	–
SADC	Harmonisation of regulation of pesticides	21	–
European Union	Training on feed law	23	–
Nepad Coordinating Agency and the World Bank	Second Permanent Secretaries Leadership Retreat Workshop	27	–
<b>Previous financial year 2014/15</b>			
Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ)	Renewable Energy training course	–	149
AU-IBAR	The Comprehensive African Agriculture Development Programme	–	31
Fruit Fly Africa	Ninth International Symposium on Fruit Flies of Economic Importance	–	30
African Legal Biosafety	Short Course: GMO	–	6
FAO	Training: Reducing Emissions from Deforestation and Forest Degradation	–	343
NUFFIC	Training: MDF training and consultancy	–	31
FAO	Seventh session of the Intergovernmental Technical working group on plant genetic resources for food and agriculture	–	18
FAO	Stakeholder consultation on plant genetic resources for food and agriculture	–	46
Total SA	Arbor week	–	2 400
Toxicology Society of South Africa	TOXSA workshop	–	10
Total SA	DAFF – Female entrepreneur awards	–	1 250
Old Mutual	DAFF – Female entrepreneur awards	–	100
Industrial Development Corporation of SA	DAFF – Female entrepreneur awards	–	100
USDA-APHIS	Course for International Diagnostics Laboratory Network and Quality Assurance	–	28
Various	Gifts	–	14

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
South African Veterinary Council	Honorarium	–	24
French Ministry	11th session of the Inter GI training	–	66
UNFCCC Secretariat	Redd and Expert Committee meeting	–	10
OIE	OIE World Organisation for Animal Health meeting	–	18
FAO	Steering Committee meeting on International Arrangement of Forests	–	70
USAD United States Department of Agriculture	Course: International Transboundary Animal Diseases	–	27
FAO	Exchange Programme for National Focal Points of Global Food Market Information Group	–	122
Intergraded Seed Sector Development (ISSD)	Meeting: Plant Variety Protection in Africa	–	8
Time Media	HRM Strategic Planning Session	–	40
SWEDAC	Training	–	122
SADC	Workshop: SADC Variety Release System	–	23
FAO	ICT Equipment	–	217
OECD	Training	–	78
Land Bank	Wholesale Finance Facility Stakeholder Engagement Conference	–	1
NEPAD	Workshop: AU-NEPAD guidance note on tracking public expenditure	–	44
CropLife	Annual CropLife Africa Middle East Regulatory Workshop	–	32
FAO	Training: Terra-Amazon system	–	87
SADC Plant Genetic Resource Centre (SPGRC)	SADC Plant Genetic Resource Centre, NPGRC Technical Planning and review meeting	–	12
AU-IBAR	CODEX Committee Africa Colloquium meeting	–	27
South African Breweries	SAB 2015 heritage tour	–	42
HORTGRO	Attending the Forelle Early Market Access Programme ( FEMA)	–	5
South African Sugar Association (SARA)	Site visit	–	2
Agriculture Science Consultants (ASC)	Site visit	–	5
FAO	FAO training workshop	–	20
World Trade Organization (WTO)	Sanitary and Phytosanitary Advanced Thematic course	–	24
African Centre for Biosafety	Workshop for Plant Improvement Bill and Plant Breeder's Rights	–	26
Adama South Africa	Congress	–	11
USAID	USAID Disaster Risk Reduction Training Programme and second biannual meeting of the Southern African Society for Disaster Reduction	–	10
Entomology Society of Southern Africa (ESSA)	Book – Insects of cultivated plants and natural pastures in South Africa	–	1



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

Name of organisation	Nature of gift, donation or sponsorship	2015/16	2014/15
		R'000	R'000
United Nations – Forum on Forests	Media Literacy and Grants Application Skills Workshop	–	88
Omnia Fertilizer	DAFF – Female Entrepreneur Awards	–	50
Impendulo Foundation	DAFF – Female Entrepreneur Awards	–	50
Sakata	DAFF – Female Entrepreneur Awards	–	25
Manstrat	DAFF – Female Entrepreneur Awards	–	40
South African National Seed Organisation (SANSOR)	Gift (microwave ovens)	–	3
The International Life Science Institute (ILSI–India)	International Conference	–	11
World Trade Organization (WTO)	Workshop on risk analysis	–	39
World Trade Organization (WTO)	Sanitary and Phytosanitary Advanced Thematic course	–	20
OIE	Conference on International Movement of Competition Horses	–	36
SADC Secretariat through the European Union (EU)	Training: Management of National Enquiry Point (NEP)	–	42
IAEA and FAO	Course: Global Information (GIS) for fruit fly programme	–	27
<b>Subtotal</b>		<b>12 764</b>	<b>6 161</b>
<b>Total</b>		<b>13 119</b>	<b>6 392</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1I

#### STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening bal- ance	Revenue	Expenditure	Surrender to RDP	Closing bal- ance
		R'000	R'000	R'000	R'000	R'000
<b>Received in cash</b>						
Biodiversity International	Conservation and use of wild crop relatives in three ACP countries	94	506	172	94	334
United States Agency for International Development (USAID)	Response of vegetation, soil, animal and water cycle to different management regimes: Victoria Falls Zimbabwe	–	258	258	–	–
<b>Total</b>		<b>94</b>	<b>764</b>	<b>430</b>	<b>94</b>	<b>334</b>





## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 1J

#### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship	2015/16	2014/15
	R'000	R'000
<b>Made in kind</b>		
Arbor Week – The greening projects of the department in the disadvantaged sector of the population	1 317	750
Corporate gifts	6	–
<b>Total</b>	<b>1 323</b>	<b>750</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 2A

#### STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State entity's PFMA Schedule type (state year-end if not 31 March)	% held		Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(loss) for the year R'000		Losses guaranteed
		2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	Yes/No
<b>National/provincial public entity</b>												
Ncera Farms (Pty) Ltd	Farmer support and related activities in Kidd's Beach district		-	1	1		-		-		-	No
Onderstepoort Biological Products (Pty) Ltd	Manufacturing of vaccines and related products		-	1	1		-		-		-	No
<b>Total</b>			-	<b>2</b>	<b>2</b>		-		-		-	



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 3A

#### STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2016 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2015	Guarantees drawn-downs during the year	Guarantees repayments/ cancelled/ reduced/ re-released during the year	Revaluations	Closing balance 31 March 2016	Guaranteed interest for year ended 31 March 2016	Realised losses not recoverable, i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	57	57	–	–	–	57	–	–
<b>Total</b>		<b>57</b>	<b>57</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>57</b>	<b>–</b>	<b>–</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 3B

#### STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2016

Nature of Liability	Opening balance 1 April 2015	Liabilities in- curred during the year	Liabilities paid/ cancelled/re- duced during the year	Liabilities recov- erable (Provide details hereun- der)	Closing balance 31 March 2016
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>				–	
Claims against the department	115 170	61 122	28 877	–	147 415
<b>Subtotal</b>	<b>115 170</b>	<b>61 122</b>	<b>28 887</b>		<b>147 415</b>
<b>Other</b>					
Occupation Specific Dispensation (OSDs)	10 356	–	10 356	–	–
Compensation – Camping allowance	–	26 038	–	–	26 038
<b>Subtotal</b>	<b>10 356</b>	<b>26 038</b>	<b>10 356</b>	<b>–</b>	<b>26 038</b>
<b>Total</b>	<b>125 526</b>	<b>87 160</b>	<b>39 233</b>	<b>–</b>	<b>173 453</b>



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 3B (CONTINUED)

Nature of Liabilities recoverable	Opening balance 1 April 2015	Details of liability and recoverability	Movement during year	Closing balance 31 March 2016
	R'000		R'000	R'000
Vehicle accident – compensation	233	Claims: Motor vehicle accidents still under investigation	(31)	202
		Claims – Private case	4	4
Fire claim – Amathole Forestry Company (High Court North Gauteng)	978	Fire claim	(978)	–
NTK Limpopo Agricultural (Pty) Ltd	227	Sale (goods sold and delivered)	(227)	–
Buffalo Conservation 97 (Pty) Ltd and Dr DI Mtshali	8 426	Prohibition of movement of animals	–	8 426
Cape Sawmills (Pty) Ltd	4 046	Fire claim	(4 046)	–
Cresta Meats (Pty) Ltd	9 766	Storage costs during the period of the attachment of the meat	–	9 766
Golden Star Agencies CC	158	Claim: Vehicle accident	–	158
Penpoint Stationers	223	Goods allegedly sold and delivered to DAFF	(223)	–
Komape K	788	Breach of the employment agreement	637	1 425
Gooden JM	886	Ban for the exportation of citrus fruit	(886)	–
Braam Modie and 16 others	13 642	Damage to their properties	–	13 642
Waldeck M	43	Collision claim	(43)	–
Engelbrecht L	34	Damage to their properties	–	34
Landman J	200	Compensation	–	200
Eastern Cape Rural Development Agency	22 205	Claim for failure to effect payment in respect of work done	(22 205)	–
Swanvest 234 (EDMS) Beperk	53 315	Failure to issue import permits	–	53 315
Woodworks M&J	–	Civil claim	60 000	60 000
Brainwave Projects 596 CC	–	Contractual	82	82
BIE Inspection Services (Pty) Ltd	–	Goods sold delivered	161	161
Occupation Specific Dispensation (OSDs)	10 356	Compensation	(10 356)	–
Camping allowance payable to officials from the Directorate: Animal Health	–	Compensation	26 038	26 038
<b>Total</b>	<b>125 526</b>		<b>47 927</b>	<b>173 453</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 4

#### CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2015/16	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Government Entities</b>								
Marine Living Resources Fund (DAFF)	131	31	718	20	849	51	01/04/2016	131
<b>Provincial departments</b>								
Gauteng	–	–	–	20	–	20		
Limpopo	–	–	–	21	–	21		
<b>Total</b>	<b>131</b>	<b>31</b>	<b>718</b>	<b>61</b>	<b>849</b>	<b>92</b>		<b>131</b>



## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 5

#### INTER-GOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
<b>National Departments</b>						
Department of Environmental Affairs	212	–	–	–	–	–
Department of International Relations and Cooperation	4 164	–	–	–	–	–
Department of Justice	878	–	–	301	878	301
Department of Public Works	26 640	–	–	16 635	–	–
South African Police Services	31	–	–	–	–	–
<b>Provincial departments</b>						
<b>Free State</b>						
Department of Agriculture	–	–	–	78	–	78
<b>KwaZulu-Natal</b>						
Provincial Government: Agriculture	715	–	–	–	715	–
<b>Free State</b>						
Provincial Government: Agriculture	2 709	–	–	–	2 709	–
<b>Northern Cape</b>						
Provincial Government: Agriculture	50	–	–	–	50	–
<b>Eastern Cape</b>						
Provincial Government: Agriculture	642	–	–	–	642	–
<b>Subtotal</b>	<b>36 041</b>	<b>–</b>	<b>–</b>	<b>17 014</b>	<b>4 994</b>	<b>379</b>
<b>Other government entity</b>						
Telkom SA	1 838	–	–	–	1 838	–
SITA	1 698	–	–	–	1 698	–
Office of the Auditor-General	1 109	–	–	–	1 109	–
<b>Subtotal</b>	<b>4 645</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4 645</b>	<b>–</b>
<b>Total</b>	<b>40 686</b>	<b>–</b>	<b>–</b>	<b>17 014</b>	<b>9 639</b>	<b>379</b>

## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 7

#### MOVEMENT IN CAPITAL WORK IN PROGRESS

##### Movement in capital work in progress for the year ended 31 March 2016

	Opening balance	Current year capital WIP	Completed assets	Closing balance
	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	–	23 500	–	23 500
Transport assets	–	23 500	–	23 500
<b>Buildings and other fixed structures</b>	58 467	40 280	(83 179)	15 568
Other fixed structures	58 467	40 280	(83 179)	15 568
<b>Software</b>	–	6 054	–	6 054
Software	–	6 054	–	6 054
<b>Total</b>	<b>58 467</b>	<b>69 834</b>	<b>(83 179)</b>	<b>45 122</b>

##### Movement in capital work in progress for the year ended 31 March 2015

	Opening balance	Prior period error	Current year capital WIP	Completed assets	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>Machinery and equipment</b>	10 837	–	–	(10 837)	–
Transport assets	10 837	–	–	(10 837)	–
<b>Buildings and other fixed structures</b>	41 643	1	48 048	(31 225)	58 467
Other fixed structures	41 643	1	48 048	(31 225)	58 467
<b>Total</b>	<b>52 480</b>	<b>1</b>	<b>48 048</b>	<b>(42 062)</b>	<b>58 467</b>





## Annexures to the Annual Financial Statements

for the year ended 31 March 2016

### ANNEXURE 8B

#### INTER-ENTITY ADVANCES RECEIVED (NOTE 21 AND NOTE 22)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	R'000	R'000	R'000	R'000	R'000	R'000
<b>National Departments Current</b>						
Department of Higher Education and Training	–	–	1 981	2 115	1 981	2 115
<b>Subtotal</b>		<b>–</b>	<b>1 981</b>	<b>2 115</b>	<b>1 981</b>	<b>2 115</b>
<b>Other institutions Current</b>						
Citrus Growers Association	68	95	–	–	68	95
African Agriculture Development	–	–	45	–	45	–
<b>Subtotal</b>	<b>68</b>	<b>95</b>	<b>45</b>	<b>–</b>	<b>113</b>	<b>95</b>
<b>Total</b>	<b>68</b>	<b>95</b>	<b>2 026</b>	<b>2 115</b>	<b>2 094</b>	<b>2 210</b>

An advance of R19,601 million was received from the DHET for the DAFF-NSF Capacity Building Project.

R17,620 million was paid to Itumeleng Training Solutions as a strategic partner (Project Manager).

An advance of R18,200 million was received from the Department of Environmental Affairs for Operation Phakisa: Agriculture and MLRF expended R598 180.



