



Annual report 2013/14

VOTE 26



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA



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DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

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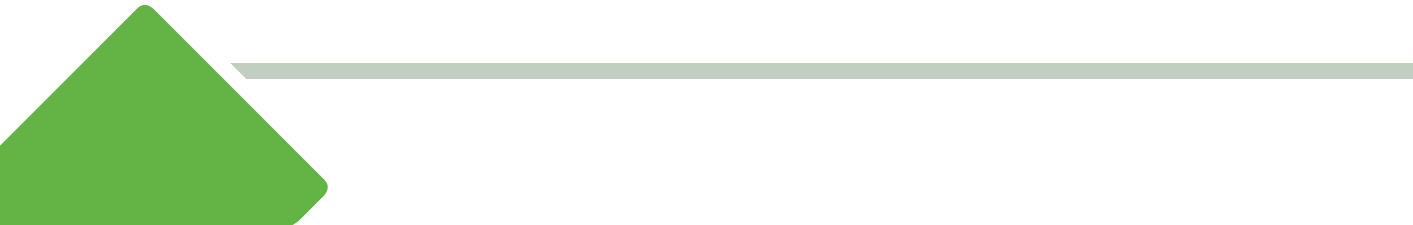
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agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Mr Senzeni Zokwana

Minister of Agriculture, Forestry and Fisheries

ANNUAL REPORT: 2013/14

I have the honour of submitting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2013 to 31 March 2014.

A handwritten signature in black ink, appearing to read 'E. Vries'.


Prof. Edith V. Vries

Director-General: Department of Agriculture, Forestry and Fisheries



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PART A

General information

Department of Agriculture, Forestry and Fisheries

PRETORIA

Physical address

20 Steve Biko (formerly Beatrix) Street, Arcadia, Pretoria 0002

Postal address

Private Bag X250, Pretoria 0001

CAPE TOWN

Physical address

1st Floor, Room 115, 120 Plein Street, Cape Town 8000

Postal address

Private Bag X9087, Cape Town 8000

TELEPHONE NUMBER/S

Pretoria

Tel.: 012 319 6000

Cape Town

Tel.: 021 467 4500

WEB ADDRESS

www.daff.gov.za

Acronyms

ABET	Adult Basic Education and Training	FMD	foot-and-mouth disease
ACHM	Africa Centre for Holistic Management	FMPPI	Framework for Managing Programme Performance Information
ADEP	Aquaculture Development and Enhancement Programme	FS	Free State
AETP	Agriculture Export Technologist Programme	FTA	free trade agreement/area
AI	avian influenza	FRAP	Fishing Rights Allocation Process
AIDS	acquired immune deficiency syndrome	GAAP	Generally Accepted Accounting Practice
AIMS	Agricultural Information Management System	GADI	Grootfontein Agricultural Development Institute
AgriBEE	Agricultural Black Economic Empowerment	GCIS	Government Communication and Information System
APAP	Agricultural Policy Action Plan	GDP	gross domestic product
APP	Annual Performance Plan	GM	genetically modified
ARC	Agricultural Research Council	GMO	genetically modified organism
ARV	anti-retroviral	GP	Gauteng Province
ASRDC	Agriculture and Sustainable Rural Development Committee (DEXCO subcommittee)	GPSSBC	General Public Service Sector Bargaining Council
AU	African Union	GPS	Global Positioning System
AUIBAR	Inter-African Bureau for Animal Resources	ha	hectares
AVCRT	Aquaculture value chain roundtable	HIV	human immunodeficiency virus
BAS	Basic Accounting System	HDI	historically disadvantaged individual
BBBEE	Broad-Based Black Economic Empowerment	HCT	HIV Counselling and Testing
BEE	Black Economic Empowerment	HOA	home owner's allowance
BNC	Binational Commission	HPG	Holistic Planned Grazing
BRICS	Brazil, Russia, India, China and South Africa	HR	human resources
CAAPD	Comprehensive African Agricultural Development Programme	HRD	Human Resource Development
CARA	Conservation of Agricultural Resources Act	HRM	Human Resource Management
CASP	Comprehensive Agricultural Support Programme	IAA	Internal Audit Activity
CC	climate change/Close Corporation	ICAC	International Cotton Advisory Committee
CEM	contagious equine metritis	ICT	information and communication technology
CEO	Chief Executive Officer	IDC	Industrial Development Corporation
CFO	Chief Financial Officer	IGDP	Integrated Growth and Development Plan
CHE	Council on Higher Education	IHRMP	Integrated Human Resource Management Plan
COMESA	Common Market for Eastern and Southern Africa	IOCV	International Organization of Citrus Virologists
COMPAS	Computerised Plantation Analysis System	IPAP	Industrial Policy Action Plan
CVO	Chief Veterinary Officer	IIR	Institute for International Research Training
DAFF	Department of Agriculture, Forestry and Fisheries	ISID	Institute for the Study of International Development
DDG	Deputy Director-General	IT	information technology
DEXCO	Departmental Executive Committee	IVLP	International Visitors Leadership Programme
DG	Director-General	JICA	Japan International Cooperation Agency
DDG: CS	Deputy Director-General: Corporate Services	KIM	Knowledge and Information Management
DDG: PPME	Deputy Director-General: Policy, Planning and Monitoring and Evaluation	KZN	KwaZulu-Natal
DFI	Departmental Financial Instructions	LOGIS	Logistical Information System
DoRA	Division of Revenue Act	LP	Limpopo Province
DPSA	Department of Public Service and Administration	Mafisa	Micro-agricultural Financial Institutions of South Africa
DPW	Department of Public Works	MLRA	Marine Living Resources Act
dti	Department of Trade and Industry	MLRF	Marine Living Resources Fund
DWA	Department of Water Affairs	MoU	Memorandum of Understanding
EAC	East African Cooperation	MP	Mpumalanga
EAP	Employee Assistance Programme	MSP	Master Systems Plan
EC	Eastern Cape	MSP-ICT	Master Systems Plan-Information and Communication Technology
EDMS	Electronic Document Management System	MTEF	Medium Term Expenditure Framework
EPMDS	Employee Performance Management and Development System	MTSF	Medium Term Strategic Framework
ERP	Enterprise Resource Planning	N/A	Not applicable
EU	European Union	NAMC	National Agricultural Marketing Council
EXCO	Executive Committee	NBS	Natal Building Society
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network	NBAC	National Bid Adjudication Committee
FAO	Food and Agriculture Organization		

NC	Northern Cape	SCM	Supply Chain Management
NDP	National Development Plan	SCOPA	Standing Committee on Public Accounts
NDPW	National Department of Public Works	SIP	Strategic Integrated Project
NERPO	National Emergent Red Meat Producers' Organisation	SITA	State Information Technology Agency
NGP	New Growth Path	SMME	small, medium and micro enterprise
NIPF	National Industrial Policy Framework	SMS	Senior Management Service
NRF	National Revenue Fund/National Research Foundation	SO	strategic objective
NW	North West	TAC	total allowable catch
NUFFIC	Organisation for International Cooperation in Higher Education (The Netherlands)	TB	tuberculosis
OA	Ocean acidification	TAE	total allowable estimate
OAG	Office of the Accountant-General	TNF	Tripartite Negotiating Forum
OBP	Onderstepoort Biological Products	ToR	Terms of Reference
ODC	Organisation Development Committee	TUP	temporary unplanted areas
OECD	Organisation for Economic Cooperation and Development	TV	television
OFDA	Office of Foreign Disaster Assistance (United States)	USA	United States of America
OHS	Occupational Health and Safety	USAID	United States Agency for International Development
OIE	International Office of Epizootics (World Organization for Animal Health)	VAT	value-added tax
OMP	Operational Management Procedure	WC	Western Cape
PAA	Public Audit Act	WCRL	West Coast rock lobster
PANAFRICAN	Pan-African Capital Holdings (Pty) Ltd	WCS	system for registration of capital works projects (Department of Public Works)
PC	Portfolio Committee	WIFM	Woodlands and Indigenous Forest Management (Directorate)
PCO	Pest Control Operator	WFP	World Food Programme
PFMA	Public Finance Management Act	WfW	Working for Water
PI	Procurement Instruction	WTO	World Trade Organization
PICC	Presidential Infrastructure Coordinating Commission	Directorates of the department	
PMD5	Performance Management and Development System	D: AFLS	Directorate: Agricultural and Forestry Legal Support
PPECB	Perishable Products Export Control Board	D: AIC	Directorate: Agriculture Inputs Control
PSCBC	Public Service Commission Bargaining Council	D: BR	Directorate: Budgets and Reporting
PSETA	Public Service Sector Education and Training Authority	D: CF	Directorate: Commercial Forestry
Q1	Quarter 1	D: EDPM	Employee Development and Performance Management
Q2	Quarter 2	D: ER	Directorate: Employee Relations
Q3	Quarter 3	D: FacM	Directorate: Facilities Management
Q4	Quarter 4	D: FIES	Directorate: Food Import and Export Standards
QMR	Quarterly Monitoring Report	D: FMEC	Directorate: Forestry Management (Eastern Cape)
R	South African Rand	D: FMKZN	Directorate: Forestry Management (KwaZulu-Natal)
RAMP	Repairs and Maintenance Project	D: FMMpuLim	Directorate: Forestry Management (Mpumalanga and Limpopo)
RDP	Reconstruction and Development Programme	D: FSQA	Directorate: Food Safety and Quality Assurance
R&D	Research and Development	D: GADI	Grootfontein Agricultural Development Institute
RSA	Republic of South Africa	D: GR	Directorate: Genetic Resources
SAA	South African Airways	D: HRM	Directorate: Human Resources Management
SABC	South African Broadcasting Corporation	D: InSS	Directorate: Infrastructure Support
SABPA	South African Berry Producers Association	D: IS	Directorate: Inspection Services
SACU	Southern African Customs Union	D: ITR	Directorate: International Trade
SADC	Southern African Development Community	D: LUSM	Directorate: Land Use and Soil Management
SAFCOL	South African Forestry Company Ltd	D: PH	Directorate: Plant Health
SAGAP	South African Good Agricultural Practices	D: PRS	Directorate: Policy Research Support
SANBI	South African National Biodiversity Institute	D: PSPM	Directorate: Provincial and SOEs Performance Monitoring
SANRAL	South African National Roads Agency Ltd	D: SCM	Directorate: Supply Chain Management
SAPS	South African Police Service	D: SEA	Directorate: Statistics and Economic Analysis
SAQA	South African Qualifications Authority	D: SET	Directorate: Sector Education and Training
SARS	South African Revenue Services	D: SHD	Directorate: Smallholder Development
SASSA	South African State Security Agency	D: SS	Directorate: Security Services
SAVC	South African Veterinary Council	D: WUID	Directorate: Water Use and Irrigation Development
SCOA	Standard Charts of Accounts		

Foreword by the Minister



Mr Senzeni Zokwana

It gives me pleasure to present the Annual report of the Department of Agriculture, Forestry and Fisheries (DAFF) for the 2013/14 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 Industrial Policy Action Plan (IPAP) and the Presidential Infrastructure Coordinating Commission (PICC) in the development and implementation of policies, programmes and strategies. Achievements and challenges for the 2013/14 financial year in relation to policy directives and strategic outcome related goals are also reflected.

ACHIEVEMENTS AND CHALLENGES

Food security

To address the challenges of poverty, unemployment and the inadequate access to food, the department re-prioritised food security and agrarian transformation as high-priority-focus areas. The National Policy on Food and Nutrition Security was approved by Cabinet in September 2013 to ensure the availability, accessibility and affordability of safe and nutritious food at national and household levels. This was followed by the launch of the Fetsa Tlala Food Production Initiative in October 2013 in the Northern Cape by His Excellency, President Jacob Zuma. As part of the initiative, 104 000 hectares of fallow land were planted with maize, beans and potatoes during the 2013/14 planting season.

Although South Africa can maintain the ability to meet national food requirements, 12 million citizens have insufficient access to food, are vulnerable to hunger and are food insecure. In our effort to reduce hunger and ensure that good nutrition is attained, the DAFF focused on the promotion and empowerment of smallholder producers. These producers were supported in various ways, among others, by providing inputs, training and advisory services, as well as access to finance and credit through Mafisa, the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema. This increased their competitive edge towards becoming sustainable producers to provide products to markets.

Employment

Agriculture has been identified as one of the key job drivers in the NDP to create a potential estimated 1 million new jobs by 2030. 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.

Improved livelihoods

The Marine Living Resources Amendment Bill was approved by Parliament in 2013, enabling government to implement the Small-scale Fisheries Policy for the allocation of commercial fishing rights to fishing communities and small-scale fishers. This legislative reform gives 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.

An independent review of the 2013 Fishing Rights Allocation Process (FRAP) was undertaken to ensure that the process was compliant with all relevant policies and legislation. An appeals process was instituted and extended to the end of

April 2014 to provide interim relief to those who previously held fishing rights. The department also embarked on a listening and communication campaign to afford all those who had grounds for appeal, an opportunity to voice their views.

Animal health

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. The necessary control and surveillance measures were implemented successfully and all conditions of the OIE were met. To strengthen our animal disease control capabilities, legislation was amended to make provision for compulsory community service for veterinarians from January 2015. In addition, 27 mobile veterinary clinics have been procured to be deployed in remote rural areas for the provision of primary animal health care services to livestock farmers.

Forestry and natural resource management

The Third Global Conference on Agriculture, Food and Nutrition Security and Climate Change was hosted successfully in 2013. The conference reached watershed conclusions such as the establishment of a Global Alliance on Climate Smart Agriculture, which will be launched by the General Secretary of the United Nations in 2014.

Exports and trade

Trade opportunities with other emerging economies have been concluded and trade on the African continent has been accelerated. Our top export products to the Southern African Development Countries (SADC) include soya-bean oil, sugar, food preparation, sunflower oil, wheat, maize and apples. South Africa's exports to SADC countries have increased from R5,3 billion in 2007 to almost R15 billion in 2012. The increase in exports from South Africa to Asian countries has also created new export opportunities. This market is expected to grow consistently and new ways to increase the export of agricultural, forestry and fisheries products will be explored, focusing on the diversification of South Africa's export market.

Since becoming a member of the Brazil, Russia, India, China and South Africa (BRICS) group of countries, South Africa has actively participated in the Agriculture Working Group of BRICS. New trade opportunities have been explored and agreements and Memoranda of Understanding (MoUs) with other member countries were concluded.

MEDIUM TO LONG-TERM GOALS

To meet the objective of reducing the incidence of hunger to zero by 2030, the department will continue to increase the number of hectares of land under production through the Fetsa Tlala Food Production Initiative over the Medium Term Expenditure Framework (MTEF) period, in line with our commitment to the Medium Term Strategic Framework (MTSF) for Outcome 7 on vibrant, equitable and sustainable rural communities and food security for all.

The DAFF will continue with the implementation of strategies and programmes such as Working for Fisheries, CASP, Ilima/Letsema and LandCare in the next five years to enhance the contribution of the agricultural, forestry and fisheries sectors to job creation and food security. The department will also support the creation of job opportunities for households in agricultural smallholder schemes, agro-processing, as well as the upgrading of conditions for farm workers.

The Agricultural Policy Action Plan (APAP) has its policy goals set out in the Integrated Growth and Development Plan (IGDP), with an implementation horizon of five years, to be reviewed annually. The APAP and IGDP are therefore positioned as the encompassing plans of the sector, in response to the NGP and the NDP. The Strategic Integrated Project (SIP) 11 will provide the necessary force towards building the agricultural economy, and in this instance, the upgrading of agricultural infrastructure.

To continue the economic growth of the sector, plans are being developed to organise smallholder producers into commodity-based organisations, thereby giving them collective bargaining power in negotiations for production inputs and markets. In addition, support and training will be provided to SMMEs and AgriBEE deals will be facilitated to ensure the transformation of the sector.

Through the Small-scale Fisheries Policy, the medium term goal is to transform the fisheries sector by providing support to small-scale fishing communities; ensuring sufficient access to fish stock; providing access to long-term fishing rights, thereby changing the socio-economic profile of the sector. This policy will further 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.

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. Secondly, 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, a word of thanks to the public entities, provincial departments as well as the Director-General and her 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

During the 2013/14 financial year, the focus for the department was on three key priority areas, namely food insecurity, unemployment and rural and economic development. These priority areas are aligned to achieve government outcomes to provide access to safe, sufficient and nutritious food to all our citizens; furthermore, to create decent employment in the agricultural, forestry and fisheries sectors, while enhancing and protecting our natural resources.

Many factors have an influence on the performance of the agricultural sector. These include the increase in labour costs, rising input costs such as fuel and electricity, the weak and unpredictable weather conditions. Meanwhile, high food prices still remain a problem to many of our people. Although there is food security at national level, about a quarter of the population is food insecure with inadequate access to food. Unavailability and unaffordability further contribute to food insecurity.

In response to these challenges, the department developed the National Policy on Food and Nutrition Security. This was followed by the launch of the Fetsa Tlala Food Production Initiative to mobilise smallholder producers to increase production and to access export market opportunities through the World Food Programme. Targeted support was also provided through the CASP and Ilima/Letsema in order to realise enhanced food production.

To contribute positively towards the food security status of the country, the department supported 40 000 subsistence producers in various ways, among others, the provision of inputs, training and advisory services. A further 16 000 smallholder producers were supported through infrastructure support, training and advisory services. To this end, about 901 forestry smallholder producers were supported with training and access to funding.

As one of the productive sectors in the economy, the agricultural sector has the potential of contributing tremendously towards economic growth and job creation. Job growth is envisaged for the next five to ten years, especially in the areas of agro-processing and marketing, as well as exploring new export opportunities. Growth in the aquaculture sector has increased and could further contribute to job creation in the fisheries sector. Altogether 11 commodity-based cooperatives were established in order to unlock market access challenges. During the period under review, two agro-processing enterprises were identified for support in collaboration with the Gauteng and Mpumalanga provinces.

Two irrigation infrastructure anchor projects planned for 2013/14 were constructed at Vaalharts/Taung and Makhathini flats. This included structures such as dams, canals, fences, access roads, pump houses, installation of pumps, drainage systems, handling facilities for livestock, stores, etc. At the Vaalharts Irrigation Scheme, 265 ha were revitalised.

During the period under review, the number of hectares of agricultural land, woodlands, indigenous forests and temporary unplanted areas (TUPs) that were rehabilitated through the LandCare, CARA and Working for Water (WfW) programmes were increased. The land rehabilitated included 43 983,01 ha agricultural land; 612,31 ha woodlands and indigenous forests and 2 005,41 ha temporary unplanted areas (TUPs).

The Aquaculture Policy was approved by Parliament in June 2013. Through the implementation of the policy, aquaculture projects will be rolled out. By broadening the scope of the aquacultural subsector, the DAFF will continue to promote growth in the fisheries sector through facilitation of investment in production and support infrastructure.

The department continued with the campaign of acknowledging and rewarding women entrepreneurs contributing towards food security, agrarian reform and economic development through the Female Entrepreneur Awards. The gala

event was held on 23 August 2013 in Pretoria, Gauteng. 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.

The Tsolo and Potchefstroom colleges of agriculture were accredited by the Council on Higher Education (CHE). This was an important achievement to improve the quality of extension services rendered to producers of different categories.

In partnership with the agricultural sector and other parties, provincial consultations were held in all nine provinces in preparation of the signing of the Comprehensive African Agricultural Development Programme (CAADP) compact. Leaders from Southern African countries are participating in the development of regional compacts and ultimately realising regional integration.

The shift in demand from consumers in developing countries for food and fibre because of economic growth and the potential growth in the world population have led to changing consumption patterns in Africa and Asia, creating new market and export opportunities for agricultural products. The growth of these markets has also developed and increased considerably.

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 of agriculture, the Director-General and the departmental team for their contribution in striving towards economic freedom and food security for all our citizens.



Gen. Bheki Cele (MP)

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

Report of the Accounting Officer



Prof. Edith V. Vries

During the 2013/14 financial year, the Department of Agriculture, Forestry and Fisheries (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 Medium Term Strategic Framework (MTSF) priorities and the government's outcomes-based performance management approach, primarily on outcome 7 and supporting outcomes 4 and 10, which include contributing towards food security, employment through economic growth and the protection of our environmental assets and natural resources.

The DAFF was at all times directed by government's key policies, namely the National Development Plan (NDP), the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP), the 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 such as the Integrated Growth and Development Plan (IGDP) and the Agricultural Policy Action Plan (APAP) were developed. The Annual report focuses on the results, challenges, significant events and projects for the 2013/14 financial year.

OVERVIEW OF THE OPERATIONS OF THE DAFF

The Marine Living Resources Amendment Bill, which gives legal recognition to small-scale fishers, was approved by Parliament in 2013 and will enable the DAFF to implement the Small-scale Fisheries Policy. This legislative reform will promote the transformation of this subsector to assist fishing communities living along the coastal areas to sustain their livelihood, generate income and create jobs.

The DAFF also mobilised and supported smallholder agricultural producers to increase production and to access export market opportunities through the World Food Programme (WFP). During the 2013/14 production season, 88 smallholders produced sufficient high-quality maize, resulting in the export of 288 tons of maize through the WFP to Lesotho.

In an effort to improve the country's food security status, the National Policy on Food and Nutrition Security was approved by Cabinet, followed by the launch of the Fetsa Tlala Food Production Initiative. As part of this initiative, 104 000 ha of fallow land were placed under the production of maize and beans. Targeted support was provided through programmes such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema in order to realise enhanced food production at national and household level. These are significant milestones towards the eradication of hunger by 2030.

The DAFF was instrumental in restoring the country's foot-and-mouth disease- (FMD) free status. In February 2014 the World Organization for Animal Health (OIE) declared South Africa free of FMD. This meant that the three-year ban on the export of red meat owing to the disease was lifted because of successfully implementing control measures, conducting surveillance and controlling movement of animals inside the protection areas.

To facilitate employment creation, increase *per capita* income and support growth of labour-intensive agro-industries, especially in rural areas and small towns, the DAFF has developed specific sector strategies on agro-processing, marketing and small, medium and micro enterprises (SMMEs). Furthermore, the SIP 11 will provide the much needed leverage towards building the agricultural economy and the upgrading of agricultural infrastructure. Exports are one of the key indicators of economic growth and therefore the creation of new export opportunities with the BRICS group of countries

were explored and a number of trade agreements and Memoranda of Understanding (MoUs) concluded. The increase in exports from the RSA to Asian countries such as China, Indonesia, Japan and India have also created new export destinations for agricultural, forestry and fisheries products.

Furthermore, as part of the implementation of the Primary Animal Health Care Programme, a total expenditure of R49,119 million was incurred for the procurement of mobile clinics, emergency vehicles and laboratory equipment. Under the Economic Competitive Support Package an amount of R34,688 million was incurred in respect of the revitalisation of the 12 colleges of agriculture.

OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

Departmental receipts

Departmental receipts	2013/14			2012/13		
	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
Sales of goods and services other than capital assets	131 144	153 717	-22 573	112 909	153 689	-40 780
Transfers received	150	173	-23	115	169	-54
Fines, penalties and forfeits	50	49	1	27	44	-17
Interest, dividends and rent on land	17 815	8 237	9 578	15 000	8 871	6 129
Sale of capital assets	1 050	757	293	1 000	7 018	-6 018
Financial transactions in assets and liabilities	242 046	646 651	-404 605	16 000	28 238	-12 238
Total	392 255	809 584	-417 329	145 051	198 029	-52 978

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 R757 079 in 2013/14 compared to R7,018 million in 2012/13. The sales of redundant capital assets for 2013/14 included the sale of vehicles and trucks (R675 000). The sales of redundant capital assets for 2012/13 included the sale of the departmental helicopter (R5 million), farm and workshop equipment (R638 000) and vehicles, trucks and a bus (R1,3 million). Financial transactions in assets and liabilities included R637,208 million being refunds from unspent conditional grants and projects received from provincial governments and the Land Bank, compared to R17,176 million refunded during the 2012/13 financial year.

Programme expenditure

Programme name	2013/2014			2012/2013		
	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	704 671	681 583	23 088	660 453	647 240	13 213
Agricultural Production, Health and Food Safety	2 010 320	2 000 946	9 374	1 875 189	1 874 832	357
Food Security and Agrarian Reform	1 604 592	1 590 101	14 491	1 415 482	1 402 877	12 605
Trade Promotion and Market Access	256 452	256 334	118	212 506	212 169	337
Forestry	1 168 579	1 144 699	23 880	1 220 945	1 191 785	29 160
Fisheries	437 668	437 650	18	484 352	484 330	22
Total	6 182 282	6 111 313	70 969	5 868 927	5 813 233	55 694

Reasons for underexpenditure

Administration

The expenditure to the amount of R20,849 million for Capital Works was not incurred owing to the delays in the Department of Public Works' processes.

Agricultural Production, Health and Food Safety

Expenditure for Primary Animal Health Care to an amount of R9,070 million was not incurred due to procurement processes that were not completed.

Food Security and Agrarian Reform

Transfers to the amount of R6,0 million were not made due to the MoU with the University of Fort Hare that was not concluded and the project with the Water Research Commission that was stopped.

Expenditure under the Economic Competitiveness Support Package for Colleges of Agriculture to the amount of R7,312 million was not incurred due to procurement processes in the provinces that were not completed.

Forestry and Natural Resources Management

Payments to the amount of R19,997 million for the prevention and mitigation of disaster risks were not made as anticipated because controls for migratory pests and the construction of firebreaks were disrupted by persisted rains.

Transfer payments to the amount of R3,174 million in respect of the Conditional Grant for LandCare to the Eastern Cape Province was withheld owing to underspending by the province.

Virements

In total four virements, including the final virement, totalling R128,524 million, were granted. Expenses funded through this process included property management leases and municipal services, shortfalls, the shifting of the land management function from Programme 5 to Programme 3, provision of funds to the National Agricultural Marketing Council (NAMC) to perform certain functions in respect of SIP 11, the Female Entrepreneur Awards for the national event and the provision of funds for the harvesting and storage of the crop as part of the Integrated Food Security Production Intervention. The shifting of funds was effected between all six programmes and was approved by either the National Treasury or the DAFF's Chief Financial Officer. The details of 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 R7,488 million and R786 000 respectively were identified in the 2013/14 financial year through various control measures. These cases are being investigated in terms of the Departmental Financial Instructions (DFIs). The outcome of the investigations determines the appropriate disciplinary processes decided upon by the Accounting Officer.

Future plans of the department

The focus will be on major social and economic challenges facing the sector by means of actions to accelerate service delivery regarding employment creation, food security, rural development and skills development. Because more than 20% of the population is vulnerable to food insecurity, the Fetsa Tlala Food Production Initiative is aimed at ensuring food availability at local and household levels. The intention is to support producers to ensure food production on the identified 1 million ha of underutilised land through mechanisation services, production inputs and marketing of produce.

The provision of assistance to cooperatives and smallholder producers remains a priority for the DAFF. Through the establishment of small-scale cooperatives, smallholder producers can be developed to increase productivity and income by collectively negotiating better prices for seeds, transport and storage, as well as assisting them to expand market access and capture more of the value chain by getting involved in agro-processing activities. Investment in agro-processing will be increased as a means of reinvigorating specific strategic value chains such as soya beans, rooibos, beverages, fruit and vegetables, as well as forestry. Regarding exports and trade, it is not only important to improve the sector's trade balance, but to seek opportunities to increase the extent to which processed products rather than unprocessed products are exported, and to focus on diversification of the export market.

In the case of forestry, challenges such as stressed environments and looming climate change threats, have forced government to rise to the occasion to adhere to new stringent regimes for sustainable forest management, as well as legal protection for all natural forests.

One of the main focus areas in the fisheries sector is to provide development and assistance to communities in coastal areas. The aquaculture sector provides direct permanent employment opportunities mostly to poor coastal communities, alleviating poverty in disadvantaged areas. Through the Small-scale Fisheries Policy, the DAFF can broaden access to communities; promote partnerships and joint management of the limited marine resources.

Public-private partnerships

The DAFF did not enter into any public-private partnerships.

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

Through the MTEF processes and with the approval of Cabinet, additional funds were allocated for spending over the MTEF period on the upgrade and maintenance of buildings and laboratories of the Stellenbosch Plant Quarantine Station to the amount of R54,6 million; and the building and modernisation of the vaccine production facilities and equipment at Onderstepoort Biological Products (Pty) Ltd, to an amount of R492,4 million.

Furthermore, agriculture has been identified as a key job driver, together with other productive sectors. The implementation of the APAP, which translates the high-level policy responses of the planned IGDP into tangible, concrete actions, is the response of the sector to the NGP and the NDP.

Supply chain management

During the year under review no unsolicited bid proposals were concluded. Supply chain management (SCM) processes are in place and have been documented in accordance with Chapter 13 of the DFIs. The DAFF implemented the Basic Accounting System (BAS) and the Logistical Information System (LOGIS) for all orders, payments, assets and store items. Processes are also in place to prevent and detect irregular expenditure as prescribed by National Treasury, i.e. for Bid Specification Committees, Bid Evaluation Committees and Bid Adjudication Committees. SCM challenges experienced during the 2013/14 financial year were mostly irregular expenditure where SCM processes were not followed by line functionaries. These cases of irregular expenditure were only detected when suppliers claimed payment, but where orders were not issued for goods/services supplied or rendered. All cases of irregular expenditure were reported to the Accounting Officer.

Gifts and donations received in kind from non-related parties

Details of gifts and donations are reflected in Annexure 1K of the Financial Statements.

Exemptions and deviations received from the National Treasury

During the 2013/14 financial year the DAFF did not obtain approval from National Treasury for any exemptions and deviations in terms of the Public Finance Management Act and the Treasury Regulations.

Agricultural debt

The DAFF is continuing with the management of debts in terms of the repealed Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), read with the Agricultural Debt Management Repeal Act, 2008 (Act No. 15 of 2008).

This includes debt that resulted from loan assistance to farmers granted by the former Agricultural Credit Board until 1997, e.g., the payment of debt, purchasing of farms, farming equipment and production inputs and other debt emanating from certain special financial assistance measures to farmers at the time. A portion of this debt is still secured by means of mortgage bonds over immovable property and memorandums of agreement/notarial bonds where movable assets such as livestock, vehicles and farming implements were taken as collateral for the loans granted.

In 1998 when this type of financial assistance was finally phased out, the debt amounted to R1 140,7 million, the number of debtors was 9 614 and the number of accounts was 16 432. On 31 March 2014 the total outstanding debt was R97 420 952,73, the number of debtors was 408 and the number of accounts was 543. The net amount recovered during 2013/14 financial year was R13 271 239,02 and the debt written off amounted to R17 224 060,56.

During the year under review, it was also decided in terms of the applicable legislation to start a process to change most of the present interest rates applicable to the remaining outstanding accounts to the uniform interest rate determined by the Minister of Finance in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). Such interest changes will have to be done in consultation with the relevant debtors and it is envisaged that it will be implemented during the course of the next financial year.

Events after the reporting date

Following the national elections held on 7 May 2014, President Jacob Zuma appointed Mr Senzeni Zokwana as Minister of Agriculture, Forestry and Fisheries and Gen. Bheki Cele as Deputy Minister of Agriculture, Forestry and Fisheries on 26 May 2014.

CONCLUSION

In conclusion, I would like to express my gratitude to the Minister, the 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.



EDITH V. VRIES

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 report has been prepared in accordance with the guidelines on the Annual report as issued by National Treasury.

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 the preparation of the Annual Financial Statements and for the judgements made in this information.

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 of the department for the financial year ended 31 March 2014.

Yours faithfully



EDITH V. VRIES

ACCOUNTING OFFICER

Department of Agriculture, Forestry and Fisheries

Date: 29 August 2014

Strategic overview

VISION

A leading, dynamic, united, prosperous and people-centred sector

MISSION

Our vision will be achieved through developing and sustaining a sector that contributes and embraces:

- Economic growth (and development)
- Job creation
- Rural development
- Sustainable use of natural resources
- Food security

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, economic and rural development

Legislative and other mandates

The DAFF's legislative mandate covers the agriculture, forestry and fisheries value chains from inputs, production and value adding to retailing.

LEGISLATIVE MANDATE

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

Act No. and year	Purpose	Functional competence	Responsibility
<i>National competence</i>			
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	To establish the Agricultural Debt Account and to provide for the use of the account as a mechanism to manage agricultural debt repayment.	National	Directorate: Financial Accounting
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)	To provide 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 RSA; 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)	To provide for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the RSA prior to the commencement of the Constitution of the RSA.	National	Executing Authority

Act No. and year	Purpose	Functional competence	Responsibility
<i>National competence (cont.)</i>			
Agricultural Pests Act, 1983 (Act No. 36 of 1983)	Provides for measures by which agricultural pests may be prevented and combated.	National	Directorates: Plant Health Inspection Services and Land Use and Soil Management
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
Animal Improvement Act, 1998 (Act No. 62 of 1998)	The Act 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
Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)	The Act provides for the appointment of a Registrar of Fertilizers, 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: Agricultural Inputs Control
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	To provide for measures to promote the responsible development, production, use and application of genetically modified organisms (GMOs), to provide 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)	To make 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 mentioned association; and for matters connected therewith.	National	Executing Authority
KwaZulu Cane Growers' Association Act Repeal Act, 2002 (Act No. 24 of 2002)	To repeal the KwaZulu Cane Growers' Association Act, 1981 and to provide for matters connected therewith.	National	Executing Authority
Marine Living Resources Act, 1998 (Act No. 18 of 1998)	The Act 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
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	The Act provides for the establishment of a company to manage the institution known as Onderstepoort Biological Products.	National	Directorate: Animal Health
Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)	The Act provides for the control of perishable products intended for export from the RSA.	National	Directorate: Food Safety and Quality Assurance
Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)	The Act 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 grant of such rights; for the protection of such rights and the granting of licences in respect of the exercise thereof.	National	Directorate: Genetic Resources

Act No. and year	Purpose	Functional competence	Responsibility
<i>National competence (cont.)</i>			
Plant Improvement Act, 1976 (Act No. 53 of 1976)	The Act 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
<i>Concurrent and local competence</i>			
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 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 objects, functions, powers and duties.	Concurrent	Directorate: Policy Research Support
Animal Diseases Act, 1984 (Act No. 35 of 1984)	The Act provides for the control of animal diseases and parasites, for measures to promote animal health.	Concurrent	Directorate: Animal Health
Animal Identification Act, 2002 (Act No. 6 of 2002)	To consolidate the law relating to the identification of animals and provide for incidental matters.	Concurrent	Directorate: Veterinary Public Health
Animal Protection Act, 1962 (Act No. 71 of 1962)	To consolidate and amend 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)	The Act provides for control over the utilisation of the natural agricultural resources of the RSA in order to promote the conservation of the soil, water sources and vegetation and combating of weeds and invader plants.	Concurrent	Directorate: Land Use and Soil Management
Fencing Act, 1963 (Act No. 31 of 1963)	To consolidate 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
Liquor Products Act, 1989 (Act No. 60 of 1989)	The Act 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; for control over the import and export of certain alcoholic products.	Concurrent	Directorate: Food Safety and Quality Assurance
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	The Act 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 Local	Directorate: Marketing
Meat Safety Act, 2000 (Act No. 40 of 2000)	The Act 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)	Promote the sustainable management and development of forests for the benefit of all; create the conditions necessary to restructure forestry in state forests in relation to protection and sustainable use.	National, except indigenous forests Concurrent	Branch: Forestry

Act No. and year	Purpose	Functional competence	Responsibility
<i>Concurrent and local competence (cont.)</i>			
National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)	To combat veld, forest and mountain fires throughout the RSA.	Concurrent Local	Branch: Forestry
Performing Animals Protection Act, 1935 (Act No. 24 of 1935)	The Act 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
Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)	The Act 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)	The Act 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, 1982 (Act No. 19 of 1982)	The Act 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

Government policy frameworks that govern the DAFF are the following:

- National Development Plan (NDP)
- New Growth Path (NGP)
- Industrial Policy Action Plan (IPAP)
- Integrated Growth and Development Plan (IGDP) and Agricultural Policy Action Plan (APAP)
- Medium Term Strategic Framework (MTSF).

National Development Plan

The NDP provides a long-term vision through to 2030 in dealing with the challenges of unemployment, inequality and creating a more inclusive society. Central to meeting the vision enshrined in the NDP is the implementation of the NGP, the IPAP and the National Infrastructure Plan. These short and medium-term plans provide a more detailed programme of action within the context of the NDP for the next five years.

These goals will be achieved only if the country confronts current structural and policy weaknesses, manages risks and exploits its economic strengths in ways that benefit the majority of our people—working people and the poor. Movement towards an inclusive and dynamic economy requires that the country should urgently launch the virtuous cycle that allows it to move to a new growth trajectory. Critically, economic policy must reduce unnecessary obstacles to growth and increase growth-enhancing investment, while fundamentally changing the structure of our economy. Growth requires new kinds of production and more equitable ownership in order to enhance employment creation and broaden access to the benefits of economic development. The strategic goals and associated objectives of the DAFF are:

- Effective and efficient strategic leadership, governance and administration
- Enabling environment for food security and sector transformation
- Enhancing production, employment and economic growth in the sector
- Sustainable use of natural resources in the sector

These goals are a response to achieve the NDP's 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 DAFF aims to continue providing comprehensive support to all categories of producers. The support will increase the number of people participating in different agricultural activities and therefore participating in the economy of the country. In rural areas, focus will be provided to support subsistence and smallholder producers in line with the expectations of the NDP that a third of the food surplus should be produced by small-scale farmers or households. The DAFF also 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, the 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 DAFF also aims to contribute by implementing various strategies to improve production efficiency 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, the Forestry Charter and the 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 (i) Fetsa Tlala, aimed at massive production of staple foods on fallow land that has the potential for agricultural production; (ii) Ilima/Letsema, aimed at supporting sustainable agriculture and promoting rural development for smallholder producers; and (iii) LandCare, to address land degradation problems and encourage the sustainable use of natural resources.

According to the NDP, agriculture also has the potential to create close to 1 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 to 2 million ha;
- Cultivating underused 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.

New Growth Path

The NGP is a national policy which broadly aims to unblock private investment and job creation to address systemic 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, the agricultural value chain, 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 manages the job drivers for growth such as in mining, commercial agriculture and smallholders, higher industries, etc.

The DAFF will capitalise on the job drivers mentioned above and specifically on areas relevant to the sector such as the agricultural value chains, rural development and African regional development. In the short to medium term the DAFF 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, the DAFF has contributed to the implementation of intergovernmental agro-processing programmes. Through the implementation of an agro-processing policy the DAFF will continue to facilitate access to appropriate agro-processing technology and mainstream markets.

As contribution to African regional development, the 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 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). The IPAP seeks to scale up key interventions

over a rolling three-year period, with a ten-year outlook on desired economic outcomes. The NIPF has the core objectives 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-traditional 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 to make employment dynamic and promote growth in the economy through its focus on the value-adding sectors that embody a combination of relatively high employment and growth multipliers. Government interventions set out in the NGP, the NDP Vision 2030 and other policy documents seek to ensure that critical 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 work 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 a competitive advantage in a number of fruit and beverage subsectors and, if fully exploited, would place the country among the top ten export producers in high-value agricultural products. Products such as high-quality wines, indigenous rooibos and honeybush tea, and certain fruit types are highly sought after in export markets.

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

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

Integrated Growth and Development Plan and Agricultural Policy Action Plan

The DAFF has developed the IGDP for agriculture, forestry and fisheries in response to the policy requirements of outcome 4 and 7 that relate to job creation, rural development and food security. The IGDP is further aligned to IPAP 2013 to 2016, the NGP and the NDP, by identifying priority commodities that could contribute to job creation and economic development.

The high-level responses offered in the IGDP have been translated into the new APAP, serving as the implementation arm of the IGDP. This first iteration of APAP is based on the model of IPAP and therefore identifies an ambitious but manageable number of focused actions, in anticipation of future APAP iterations that will take the process further. The APAP for its medium to long-term goal as set out in the IGDP is planned over a five-year period and will be updated on an annual basis. The encompassing objectives of APAP are to promote labour absorption and broaden market participation, strategic interventions aimed at increasing value-chain efficiencies and competitiveness, focusing on selected subsectors/value chains.

Medium Term Strategic Framework 2014 to 2019

In the current MTSF period emphasis will be on addressing unnecessary blockages to investment; providing opportunities for the unemployed, especially young people, to contribute to the economy; ensuring greater income equality by addressing the position of the working poor (who are mostly in domestic work, farm labour and the informal sector); supporting more equitable workplaces and increasing investment in new sources of growth and employment. Achieving this aim will depend crucially on, among others:

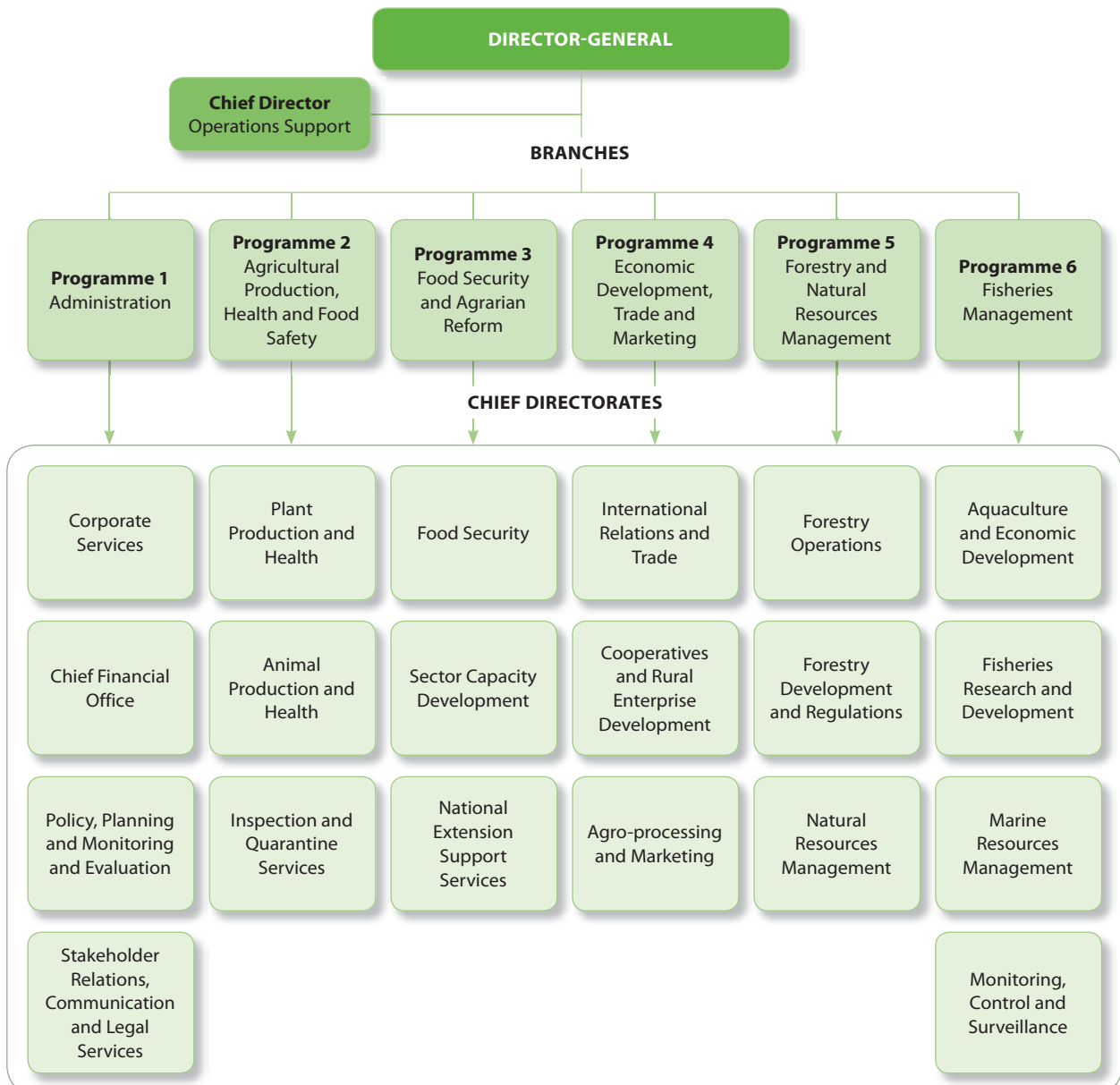
- Driving growth in the productive sectors and the other priority job drivers identified in the NGP, especially by addressing the main regulatory, infrastructural and skills constraints on growth while ensuring policy certainty as far as possible, through the implementation of IPAP and similar sector-based action plans for agriculture and mining;

- Supporting exports and African regional development, taking into account the constraints as well as the opportunities arising from the structural shifts now taking place in the global economy;
- Expanding public employment schemes, including the proposed youth brigades, as far as possible in ways that empower communities and support the involvement of youth in serving them; and
- Supporting rural development as far as possible, given economic realities, based above all on programmes to expand the role of smallholders in production for both food security and sale to formal retailers and processors.

The MTSF seeks to build on progress made in terms of the creation of more jobs, decent work and sustainable livelihoods for inclusive growth. In response, the DAFF will create and maintain an enabling environment to promote investment in on and off-farm infrastructure support to productive sectors and natural resource management.

Organisational structure

DEPARTMENTAL STRUCTURE



Entities reporting to the Minister

The table below indicates the entities which report to the Minister.

Name of entity	Legislative mandate	Financial relationship	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	The MLRF 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	The NAMC 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.
Ncera Farms (Pty) Ltd	A schedule 3B company in terms of the Public Finance Management Act, 1999 (Act No.1 of 1999)	Transfer payment	The company was established to provide agricultural extension services, mechanisation of agricultural production, provide training and advice on crops, vegetable and animal production, and on marketing of agricultural products to farmers and nearby communities.
Onderstepoort Biological Products Ltd (OBP)	Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	None	OBP's mandate is to prevent and control 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, 1983 (Act No. 9 of 1983) and the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)	Transfer payment (minor)	The Perishable Products Export Control 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.

Economic overview

New global market opportunities are becoming available with a shift in demand as consumers in developing countries become more affluent, while those in developed countries remain under pressure as a result of high levels of government debt. The shift in demand away from developed countries is further entrenched by population growth rates with developing countries showing the fastest growth. Innovative marketing strategies and increased investment in infrastructure are needed to utilise these shifts in demand.

Since the adoption of an open-border policy in the early nineties, South Africa has become a net importer in rand terms. A weaker rand has the ability to stimulate economic activity, and producers enjoy higher commodity and export prices. However, this comes at a considerable cost, as 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. It is beneficial if the exchange rate remains as stable as possible.

Interest rates determine the cost of capital, and because they are expected to remain relatively low over the coming few years, there is an ideal opportunity for producers to invest in capital expansion to grow and improve productivity. In

principle, producers are price takers at both ends of the value chain and can therefore only manage seasonal price volatility to some extent by forward contracting, using futures and derivatives. Over the past three decades, agriculture has experienced a cost curve (which means a significantly higher increase in input costs compared to output prices) of about 3% per annum. To counter this, producers have to become more productive by yielding higher production levels, while driving down costs through greater efficiency.

Using population growth as a proxy for potential growth in demand for food and fibre, it is clear that the growth in demand in Europe, North and South America and Oceania will remain fairly stable. A significant increase in demand is expected in Africa and Asia owing to the combined effect of economic growth and a potential growth in population of about 2,2 billion people over the next 35 years. Agriculture is in a favourable position and has been challenged to increase production as producers have to produce more food in the next 40 years than over the past 500 years. However, it does not necessarily mean higher commodity prices, as Africa and South America have the potential to substantially increase production. Investment in infrastructure is required to unlock this potential, especially in Africa.

According to estimates in the Quarterly Labour Force Survey of Statistics SA, there were an estimated 713 000 farm jobs in South Africa for Q4 of 2013/14, representing a year-on-year decline of 27 000 jobs. From the all-time low of 598 000 jobs in Q2 of 2011, it represents an increase of 19,2%. Furthermore, the General Household Survey of Statistics SA indicates that less than 231 000 or 2% of households in South Africa practise smallholder agriculture. By comparison, some 2,8 million or 18,4% of households practise subsistence agriculture.

AGRICULTURAL SECTOR

Primary agriculture contributes about 2,0% of the gross domestic product (GDP), despite the fact that the number of commercial farms has declined from almost 120 000 in 1950 to around 36 000 at present. 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, there is less reliance on labour and more on capital. 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.

The phenomenon of increasing farm sizes and declining farm employment is common to many other countries, especially developed 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 amid an increasing problem of rural unemployment. Redressing the problem 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 homeland areas.

It is important to note that the competitiveness of agriculture is being eroded by high and rising input costs. An argument is now emerging that the key is to promote a shift from conventional agriculture to conservation agriculture. Whereas there have long been arguments over conservation agriculture on the grounds of environmental sustainability and reducing production risk, another advantage of conservation agriculture 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, while reversing the trend of agriculture's negative contribution to the trade balance.

The challenge of growing the smallholder sector (small-scale farmers who produce for the purpose of deriving an income) is closely linked to the challenge of making smallholder agriculture more remunerative. Currently, more than half of all smallholder households live below the poverty line. Therefore, it is important to improve the footprint of government support services reaching smallholders. For instance, in 2010, only 8% of smallholders were visited by extension officers, but this increased to 13% in 2012, despite the considerably larger number of smallholders in 2012. This momentum must be increased, and other forms of support must improve as well.

Presently, about three quarters of smallholders farm within the former homeland areas, and the rest are divided 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 homeland areas, there are thousands of ha 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 local markets. Smallholders in urban areas receive little support at present, but could contribute to local vegetable production in particular. In commercial farming areas, land reform has created few smallholder opportunities to date, but has the potential to do far more.

FORESTRY SECTOR

Although forestry contributes a mere 0,4% of the GDP, it supports manufacturing subsectors such as sawmilling and paper and pulp production, as well as mining and construction. It is estimated that in 2012 there were about 63 000 jobs in commercial forestry itself, and a further 52 000 in direct processing jobs.

An analysis of the trends in commercial forestry plantings indicates that, firstly, there has been a marked decline in both softwood and hardwood plantings (ha planted since the mid-1990s), and secondly, there has been a marked increase in the area for pulpwood purposes as compared to the area 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 many former 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 according to projections South Africa will soon become a net importer, especially of saw logs. This will possibly result in significant cost increases for house construction. One subsector 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.

The conundrum facing the state is that on the one hand, it is felt that the privatisation (in the sense of long-term leases of state-owned plantations) of Category A plantations has not served the country well, while on the other hand, the state has not been sufficiently diligent in managing its remaining Category B and C plantations, even allowing for the fact that by definition these plantations were not as valuable to begin with. While it is clear that the private sector does have good management capacity and has ushered in efficiencies across the value chain, the state must still play a big role to ensure adequate levels of investment, especially for longer-rotation timber/saw log plantations. An option presently being considered is to shift responsibility for Category B and C plantations from DAFF to SAFCOL. However, this will require a phased approach, taking into account the several thousand DAFF employees tending these plantations, and the need for recapitalisation. Another question is how best to support the communities who have received ownership of plantations *via* the land restitution programme, and the many others destined to receive it.

FISHERIES SECTOR

The fisheries sector contributes roughly 0,1% of the GDP, which is small, even by agricultural standards. The total output is estimated at 600 000 tons, worth about R6 billion. 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 employed in industries that are at least partially dependent on the fishing sector. One of the main limitations is that catch volumes depend on fish stocks, which vary naturally and/or are subject to depletion because of overexploitation. Especially inshore species tend to be in a state of stock depletion, because of greater (and even illegal) access. According to one study, 68% of commercial line-fish stocks have collapsed (less than 10% of their pre-fishing populations), and a further 15% is overexploited. The DAFF seeks to prevent overexploitation by means of assigning total allowable catch (TAC) and/or total allowable effort (TAE) per species, which are adjusted on a regular basis, depending on the estimated state of the resource. The DAFF has also sought to promote transformation in the sector by modifying its licensing regime in line with the approved Small-scale Fisheries Sector Policy, which was gazetted in 2012.

The productive waters of the West Coast support a variety of commercially exploited marine life, including hake, anchovy, sardines, horse mackerel, tuna, snoek, rock lobster and abalone. Along the east coast, squid, line fish and a wide range of intertidal resources provide an important source of food and livelihood for coastal communities. Despite important progress made over the past ten years in restoring and improving the state of the country's marine resources, significant challenges remain. Almost 50% of our marine resources are fully exploited, with a further 15% overexploited, including commercial species such as West Coast rock lobster and Indian Ocean yellow-fin tuna populations. Of equal concern is the number of species of which the current stock status is uncertain.

While wild catch fisheries appear unlikely to expand beyond their present levels, aquaculture may well do so. 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 multi-pronged aquaculture promotion campaign. The total output of aquaculture is approximately 7 700 tons with an estimated value of about R0,7 billion. Growth in this subsector has been increasing by an average of 11% annually since 2010. The aquaculture subsector also provides more than 3 000 direct jobs and a further 3 000 indirect jobs.



PART B

Performance information

Auditor-General's report: Predetermined objections

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 paragraph 10 to 25, page 124 to 125 of the Report of the Auditor-General, published in Part E: Financial information.

Overview of departmental performance

SERVICE DELIVERY ENVIRONMENT

During the year under review, the MSP-ICT Programme Plan and Procurement Plan were approved. An unqualified audit report on financial statements for 2012/13 was achieved. The Marine Living Resources Amendment Bill was passed by the National Council of Provinces on 12 March 2014. Altogether 1 300 producers benefited from animal improvement schemes. The National Pig Survey and avian influenza animal disease surveillances were conducted.

A total of five landrace crops were repatriated into seven villages of Mpumalanga, which are Phakani, Mvangatini, Malekutu, Mbonisweni, Chweni, Luphisi and Mahushu. In response to contributing towards the improvement of the food security status, the department supported 40 000 subsistence producers in various ways, among others, the provision of inputs, training and advisory services. Altogether 16 000 smallholder producers were supported through training, advisory services and infrastructure support and 901 forestry smallholder producers were supported. A total of 23 fish farms were supported and 265 ha were revitalised at the Vaalharts Irrigation Scheme. The Tsolo and Potchefstroom colleges of agriculture have been accredited by the Council of Higher Education (CHE). This is critical in improving the quality of extension services rendered to producers of different categories.

Two agro-processing enterprises, i.e., Sungula Trading Enterprises and Ikwezi Development Projects and Services Primary Cooperative were identified for support in collaboration with Gauteng and Mpumalanga provinces, respectively. Altogether 11 commodity-based cooperatives were established in order to unlock market access challenges. CAADP provincial consultations were held in all nine provinces in preparation of the signing of a CAADP compact. Climate change adaptation and mitigation programmes have been developed and approved. A total of 43 983,01 ha of agricultural land were rehabilitated. Altogether 679 sea-based inspections were conducted during the period under review.

SERVICE DELIVERY IMPROVEMENT PLAN

Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement
Issuing of licences (for consumptive activities) to ensure sustainable forest management	Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public	Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public	Turnaround time: 110 days to issue licence	3 906 licences were issued according to provisions of the National Forests Act
Issuing of registration certificates/approvals for stock and agricultural remedies to ensure effective and safe products	Agrochemicals industry	Agrochemicals industry	85% of agricultural and stock remedy evaluations within stated processing times (see Appendix A)	73,2% of agricultural remedy applications processed and finalised within time frames 23,3% of stock remedy applications processed and finalised within time frames

Consultation arrangement with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Meetings with stakeholders, telephones, e-mails, site inspections and verification through DAFF regional offices	Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public	Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public	Clients visited estate offices This is the only option available because most estate offices do not have access to e-mails and internet. Some do not have Telkom landlines
Quarterly liaison meetings held with stakeholders Participate in multilateral meetings Gazette draft regulations/policies for public comment	Agrochemicals industry	Agrochemicals industry	Attended and participated in all scheduled liaison meetings with the industry Did not directly participate in the international multilateral meetings Stock remedies policy drafted but not gazetted for public comment

Service delivery access strategy

Access strategy	Actual achievements
Clients to access forms on departmental website	Clients accessed forms on DAFF website and some through estate offices
Electronic submission of application forms	Awareness programmes were conducted
Clients can request information through the DAFF website, telephone, e-mail and letters or by visiting the office (contact tel. number for Registrar: 012 319 7303)	Information (i.e. application forms, regulations, registration requirement guidelines, contact details, etc.) was published on the DAFF website. In addition, clients were assisted through telephone, fax, e-mail as well as visiting the department
Brochures and pamphlets available online	Brochures and pamphlets drafted but not finalised yet

Service information tool

Type of information tool	Actual achievements
Easy access of information on DAFF website	Clients can access application forms on DAFF website. They can also access application forms and licensing guidelines through estate offices
A total of 80% operational documents (regulations, guidelines, application forms, etc.) will be readily available in the national office and published on the DAFF website	All operational documents are published on the DAFF website and provided to the applicant per request
Conduct/participate in five stakeholder workshops	Participated in six stakeholder workshops

Complaints mechanism

Complaints mechanism	Actual achievements
Appeal committee to deal with declined licences. Regional head to attend to queries/complaints (e-mail or telephone)	One licence for building on state forest land was declined but not appealed yet. A letter was written and signed by the Director and sent to the applicant
Head of Administration: DavidM@daff.gov.za/Registrar or MalutaM@daff.gov.za	Three complaints were received One complaint regarding the selling of unregistered pet treats. Products were recalled from all distribution points until registration is obtained One complaint regarding an unregistered PCO—PCO refused to give address. Follow-up action is scheduled

Complaints mechanism (cont.)

Complaints mechanism	Actual achievements
	<p>One complaint regarding an unregistered PCO—PCO refused to give address. Follow-up action is scheduled</p> <p>One case registered with SAPS unregistered PCO</p> <p>Two admission of guilt fines were paid for selling an unregistered product (farm feed): R1 000,00 and R500,00, respectively</p> <p>One R700,00 admission of guilt fine was paid for repackaging of a stock remedy</p>

APPENDIX A: Standard time frames agreed to between the DAFF and the industry

Type of application	Acknowledgement (days)	Technical screening (days)	Target (months)
Applications containing new molecule	14	30	18
Generic applications	14	30	12
Label amendments	14	30	12
Formulation change	14	30	6–12
Additional source/manufacture	7	30	3 (stock remedies)
Administrative applications	7	30	6 (agricultural remedies)
Packaging	7	30	3
Change of shelf life	7	14	3
Import permits	7	7	1
Advertisement	7	7	1

ORGANISATIONAL ENVIRONMENT

Refinement investigations were undertaken following the restructuring of the department, but could only be done within the current MTEF budget allocation, which resulted in critical functional areas not being capacitated to improve service delivery to the agricultural, forestry and fisheries sectors, respectively. Alignment and optimal use of resources (human, facilities and financial) because of the partially integrated organisational structure model, remain a challenge. The reconfiguration of the approved organisational structure into an integrated model will be investigated with the aim to address the economic, efficient and effective performance of the department and to improve service delivery.

During the period under review, the department also focused on reducing its vacancy rate and strengthening its knowledge and information management systems.

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The Marine Living Resources Amendment Bill, which gives legal recognition to small-scale fishers, was approved by Parliament and will enable the department to implement the Small-scale Fisheries Policy. This legislative reform 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.

Although there is food security at national level, about a quarter of the population is food insecure with inadequate access to food. Unavailability and unaffordability further contribute to food insecurity. In response to these challenges, the National Policy on Food and Nutrition Security was approved by Cabinet in September 2013, followed by the launch of the Fetsa Tlala Food Production Initiative by the President in October 2013.

As part of the Food Production Programme, 104 000 ha of fallow land were placed under the production of maize and beans. Targeted support was also provided such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema in order to realise enhanced food production at, especially, household level.

Because exports are one of the key indicators of economic growth, the creation of new export opportunities with the BRICS group of countries was explored and a number of trade agreements and MoUs concluded. The increase in exports to Asian countries such as China, Indonesia, Japan and India has also created new export destinations for agricultural, forestry and fisheries products.

The DAFF has also succeeded in restoring the country's FMD-free status, and going forward the department will implement compulsory community veterinary services for the remote rural areas in order to further strengthen the country's disease control capabilities.

The department has developed and is implementing specific sector strategies on agro-processing, marketing, as well as small, medium and micro enterprises (SMMEs) to facilitate employment creation, increase in *per capita* income and support growth of labour-intensive agro-industries, especially in rural areas and small towns.

Strategic outcome oriented goals

The DAFF has six strategic goals and a number of strategic objectives to support each goal. The following strategic goals and objectives were implemented over the medium term through strategic action programmes:

SG 1: Increased profitable production of food, fibre and timber products by all categories of producers

Strategic objectives

- SO 1: Promote efficient production, handling and processing of food, fibre and timber.
- SO 2: Coordinate government food security initiative.
- SO 3: Improve production systems anchored in commodities with a competitive and comparative advantage in each province.
- SO 4: Comprehensive support towards rural development.

SG 2: Sustained management of natural resources

Strategic objectives

- SO 1: Ensure the sustainable management and efficient use of natural resources.
- SO 2: Ensure protection of indigenous genetic resources.
- SO 3: Increase contribution to green jobs to improve livelihoods.

SG 3: Effective national regulatory services and risk management systems

Strategic objectives

- SO 1: Manage the level of risks associated with food, diseases, pests, natural disasters and trade.
- SO 2: Establish and maintain effective early-warning and mitigation systems.

SG 4: A transformed and united sector

Strategic objectives

- SO 1: Increase equity, ownership and participation of previously disadvantaged individuals (PDIs).
- SO 2: Enhance systems to support the effective utilisation of assets.
- SO 3: Improve social working conditions in the sector.
- SO 4: Provide leadership and support to research, training and extension in the sector.

SG 5: Increased contribution of the sector to economic growth and development

Strategic objectives

- SO 1: Increase growth, income and sustainable job opportunities in the value chain.
- SO 2: Increase the level of public and private investment in the sector.
- SO 3: Increase market access for South African and African agricultural, forestry and fisheries products, domestically and internationally.
- SO 4: Increase production of feedstock to support the manufacturing sector.

SG 6: Effective and efficient governance

Strategic objectives

- SO 1: Establish and strengthen cooperative governance and functional relations with local and international stakeholders.
- SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.
- SO 3: Provide effective audit, investigative and legal, human resources and financial risk management.
- SO 4: Improve departmental service excellence through implementation of quality standards, Batho Pele principles and the general legislative mandate.
- SO 5: Provide leadership and manage communication and information.

Strategic goals and outcomes

MTSF priority area	Strategic goal	Outcome	Programme
1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods	SG 1: Increased profitable production of food, fibre and timber products by all categories of producers	7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	2, 3, 4, 5 and 6
2. Massive programmes to build economic and social infrastructure	SG 2: Sustained management of natural resources	10: Protect and enhance our environmental assets and natural resources	5 and 6
3. A comprehensive rural development strategy linked to land and agrarian reform and food security			
4. Strengthen the skills and human resource base	SG 3: Effective national regulatory services and risk management systems	7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	2 and 5
5. Improve the health profile of society	SG 4: A transformed and united sector	12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	1
6. Intensify the fight against crime and corruption			
7. Build cohesive, caring and sustainable communities	SG 5: Increased contribution of the sector to economic growth and development	4: Decent employment through inclusive economic growth	1, 4, 5 and 6
8. Pursuing regional development, African enhancement and enhanced international cooperation			
9. Sustainable resource management and use	SG 6: Effective and efficient governance	11: Create a better South Africa, a better Africa and better world	1 and 4
10. Build a developmental state, including improving of public services and strengthening democratic institutions			

In terms of government's outcomes-based performance management approach, the department focuses mainly on the implementation of three of the 12 national outcomes and these are:

Outcome 4: Decent employment through inclusive economic growth;

Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all;

Outcome 10: Protect and enhance our environmental assets and natural resources (by protecting the country's biodiversity—output 4).

Together with other productive sectors, agriculture has been identified as a job driver and this makes DAFF an important partner in the implementation of outcome 4. The department has developed an Agricultural Policy Action Plan (APAP) in support of this outcome. The draft APAP will translate the high-level policy responses of the planned IGDP into tangible, concrete actions. The APAP and IGDP are positioned as the encompassing plans of the sector, in response to the NGP and the NDP. The Strategic Integrated Project (SIP 11) will also provide the much-needed leverage towards building the agricultural economy, and especially, the upgrading of agricultural infrastructure.

In relation to outcome 7, the DAFF is coordinating the implementation of output 1 and 2 which are *Sustainable agrarian transformation with small and large-scale farmers and improved access to affordable and diverse food*. The following are some of the key achievements impacting on increasing production in particular at smallholder level and eradication of poverty and hunger, particularly at household and subsistence level of production. For the period under review, 16 000 smallholder and 40 000 subsistence producers have been supported in various ways, 267 ha of irrigation were revitalised at Vaalharts, 128 783 food production gardens were established across all provinces, 58 737 households were provided with production inputs, 977 producers were linked with mainstream markets, 5 403 mainly smallholder producers accessed financial support and credit, 11 commodity-based cooperatives were established and two agro-processing enterprises were identified for support in collaboration with two provinces: Gauteng and Mpumalanga.

With regard to outcome 10, environmental assets and natural resources are well protected and continually enhanced. The DAFF is mainly contributing to output 2: Reduced greenhouse gas emissions, climate change and improved atmospheric quality; output 3: Sustainable environmental management; and output 4: Protected biodiversity. Altogether 46 600,73 ha of land were rehabilitated through LandCare, CARA and Working for Water Programme and by rehabilitating unplanted areas in KwaZulu-Natal (KZN), Eastern Cape (EC), Limpopo (LP) and Mpumalanga (MP). The annual TAC/TAE in abalone, hake, West Coast rock lobster (WCRL) and linefish were set in line with the agreed Operational Management Procedure (OMP) consulted with relevant fisheries stakeholders. Management measures were adjusted and incorporated in the amended fishing permit conditions and catch landings reconciled in all four identified fishing sectors.

Performance information by programme

PROGRAMME 1: ADMINISTRATION

Purpose

Provide strategic leadership, management and support services to the department. The aim of the programme is to lead, support and promote agricultural, forestry and fisheries resource management through policies, strategies and programmes to enhance sustainable use, and to achieve economic growth, job creation, food security, rural development and transformation.

The programme comprises the Ministry; Office of the Director-General; Chief Financial Office; Internal Audit; Corporate Services; Stakeholder Relations, Communication and Legal Services; Policy, Planning and Monitoring and Evaluation; and Office Accommodation.

Chief Financial Office: Provides the department with sound financial services.

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

Stakeholder Relations, Communication and Legal Services: Provides the department with legal support services, establishes and strengthens international and stakeholder relations, manages communication support services and fisheries partnership management services.

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

Strategic objectives (SO)

SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.

SO 3: Provide effective audit, investigative and legal, human resource and financial risk management.

SO 5: Provide leadership and manage communication and information.

Performance against annual targets

Branch: Corporate Services

SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Integrated Human Resource Management Plan (IHRMP) submitted to DPSA and implemented	As at 31 March 2013, the vacancy rate was 13,1% and 148 posts still have to be filled to reach the target	Vacancy rate reduced to 11%	Units with high vacancy rates were identified and interactions with line managers were held. This resulted in an achievement of 9,5% in reduction of the vacancy rate	1,5	High-level meetings were arranged by the DDG: CS with all the DDGs to address challenges relating to the filling of vacancies in their respective branches

SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
IHRMP submitted to DPSA and implemented	<p>100% of 35 identified beneficiaries registered for learnership programme</p> <p>62,4% of 237 identified employees registered for the ABET Programme</p> <p>38,2% of 3 095 employees attended skills training programmes</p> <p>32,2% of 350 employees were awarded bursaries</p>	HRD Strategy Implementation Plan approved	The 2013/14 HRD Strategy Implementation Plan was approved and a total of 2 153 learners were trained in various training programmes		
IHRMP submitted to DPSA and implemented	89% of performance reviews have been achieved, these include 19 mid-term reviews of 106 filled SMS positions (18%) and 5 508 biannual assessments of 6 116 filled level 1 to 12 positions (90%)	100% adherence to PMDS	<p>A total of 92% performance agreements were finalised and submitted. 92% of the biannual assessments and midterm reviews were finalised and submitted</p> <p>Completed the biannual assessments for 8 branches</p> <p>Completed the qualitative assessment for all submitted. Performance agreements for SMS members for 2013/14</p> <p>A total of 1 004 employees were trained on EPMDS in the 2013/14 performance cycle</p>	The 100% adherence target was not achieved owing to employees who are on maternity leave, long illness, suspension and new appointments. The policy requires an employee to at least work for 4 months in a semester to be eligible for assessment	<p>Strategic partnering with branches will be introduced in the 2014/15 performance cycle</p> <p>Employee Development and Performance Management Forum with the regional offices will be active. The forum will assist with monitoring at the regional offices</p> <p>The PMDS awareness sessions will continue in the 2014/15 performance cycle</p>
IHRMP submitted to DPSA and implemented	N/A	<p>Conduct management interventions implemented in 4 regions</p> <p>Number of regions in which conduct management interventions have been implemented</p>	<p>Management interventions were conducted in 4 regions through consultations</p> <p>Visits were made to LP, KZN, MP and EC regions where HR policies, among others, were discussed</p>		

SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT (CONT.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
IHRMP submitted to DPSA and implemented	N/A	Adjusted IHRMP approved and submitted to DPSA by 30 June	The adjusted IHRMP was approved by DG and the Minister and submitted to DPSA as planned		
IHRMP submitted to DPSA and implemented	N/A	IHRMP implementation report submitted to DPSA (September 2013 and March 2014)	The IHRMP implementation reports (for September 2013 and March 2014) approved by both the DG and the Minister were submitted to the DPSA as required		

SUBPROGRAMME: CHIEF INFORMATION OFFICE

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
MSP implemented	<p>The fourth draft of the MSP was received on 18 March 2013</p> <p>100% of DAFF directorates interviewed and information collected. All subprogramme managers have been requested to confirm their directorate's needs</p> <p>Prioritisation of identified MSP projects to be scheduled. SITA will do configuration management once subprogrammes have confirmed their directorate's needs</p>	ICT implementation plan of priority projects of the MSP approved	The MSP-ICT Programme Plan and Procurement Plan were approved by both the CIO (22 January 2014) and DG (16 February 2014)		
Knowledge and Information Management (KIM) Strategy implemented	Compilation and finalisation of KIM Strategy is still ongoing. A feasibility study on the development of on and off-storage is currently being conducted	Implement stage 1 of the EDMS (testing and rollout of Change Management Plan)	During the year under review, EDMS was tested and the Change Management Plan was approved for the rollout of stage 1 of EDMS implementation		

Branch: Chief Financial Office

SUBPROGRAMME: FINANCIAL MANAGEMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Improved financial management controls	Unqualified audit report for 2011/12 was achieved. Audit Matrix was developed to address the 2011/12 audit findings and was submitted to National Treasury on 28 September 2012	Unqualified audit report on financial statements	Unqualified audit report for 2012/13 was achieved. Audit Matrix was developed to address the 2012/13 audit findings and was submitted to National Treasury		

Branch: Stakeholder Relations, Communication and Legal Services

SUBPROGRAMME: LEGAL SERVICES

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Legislation review project completed	Project Plan has been developed 9 bills are currently being finalised by the directorate concerned and/or with the state law advisor and/or are on their way to Parliament	24 Acts reviewed	On 12 March 2014, the Marine Living Resources Amendment Bill was passed by the National Council of Provinces The Minister has approved the submission to notify the WTO of the Plant Health Bill	23 Acts	All other Bills were put on hold in preparation for the new administration, except the Marine Living Resources Amendment Bill

SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
DAFF Communication Strategy implemented	A total of 12 media plans were developed for the year and were all approved by the Acting Chief Director	Refine and oversee the implementation of the DAFF Communication Strategy	A total of 9 media plans were developed and approved Q1—A Communication and Media Plan was developed and implemented for the 2013 National Assembly Budget Vote on 29 May 2013 and National Council of Provinces Budget Vote on 11 June 2013	None	

SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
DAFF Communication Strategy implemented (cont.)			<p>Q2—Media plan for the Female Entrepreneur Awards was developed and implemented and the gala event was held on 23 August 2013 in Pretoria, Gauteng</p> <p>A media plan for Arbor Week was implemented and Arbor Week was launched on 3 September 2013 at Hammarsdale, KZN</p> <p>A media plan for the Integrated Food and Nutrition Security Plan was developed and implemented in Dutywa, EC on 17 July and in LP on 27 July 2013</p> <p>A communication and media plan was developed for Heritage Day and implemented. On 24 September 2013, Heritage Day was observed</p> <p>Q3—A media plan for World Food Day was developed and implemented on 16 October 2013 in Mahikeng</p> <p>Media plans for <i>ad hoc</i> campaigns included the following:</p> <ul style="list-style-type: none"> • A media plan for the Fetsa Tlala Food Production Initiative was developed and implemented in Kuruman, NC, on 24 October 2013 • A media plan was developed and implemented for the BRICS Ministers of Agriculture and Agrarian Development meeting held in Pretoria from 29 to 30 October 2013 		

SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
DAFF Communication Strategy implemented (cont.)			<p>Q4—A communication and media plan was developed for human rights awareness but there was an oversight with implementation</p> <p>The campaign was run internally in the department by commemorating 16 Days of Activism for No Violence against Women and Children, HIV/Aids Day, International Day of People with Disabilities and Human Rights Day. This was celebrated on 4 December 2013</p> <p>A media and communication plan was developed and implemented following the release of the OIE report on the Performance of Veterinary Services in SA. Under leadership of the DG, a presentation was made to the Portfolio Committee on 11 February 2014</p>		

Branch: Policy, Planning and Monitoring and Evaluation

SUBPROGRAMME: POLICY DEVELOPMENT AND PLANNING

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Programme/project decision support management system implemented	Programme planning and development support	Develop (design) a programme/project decision support management system	The front-end of the system has been designed, now left with the SQL server database for data storage, and the hosting server from where the system will be accessed	The department initiated a process to finalise another Agricultural Information Management System (AIMS) managed under a separate branch	Directorate ICT is still organising space on the server, which should be finalised by the end of April
Policy Analysis Framework implemented	Review existing policies	Review status of internal policies and procedures	The status of internal policies and procedures has been completed, and the report has been approved by EXCO	None	

SUBPROGRAMME: POLICY DEVELOPMENT AND PLANNING (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
R&D Programme approved	Implement targeted R&D Programme	Develop and finalise the targeted R&D Programme with service provider	The targeted R&D Programme was developed and completed for implementation with service providers	None	

Strategy to overcome areas of underperformance

The management of performance is done as follows:

- One-on-one basis during office and informal visits.
- Quarterly branch meetings.
- During the preplanned meetings by the directorates.
- When assessing individual performance agreements.

Subprogramme expenditure

Subprogramme	2013/14			2012/13		
	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
Ministry	28 627	28 611	16	28 447	28 432	15
Department Management	18 880	18 862	18	44 485	44 453	32
Financial Administration	133 170	133 112	58	124 964	124 888	76
Internal Audit	4 967	4 963	4	6 087	6 075	12
Corporate Services	170 356	170 285	71	148 513	148 445	68
Stakeholder Relations, Communication and Legal Services	92 812	92 777	35	56 370	56 307	63
Policy, Planning and Monitoring and Evaluation	67 926	65 897	2 029	72 712	72 568	144
Office Accommodation	187 933	167 076	20 857	178 875	166 072	12 803
Total Programme 1	704 671	681 583	23 088	660 453	647 240	13 213

PROGRAMME 2: AGRICULTURAL PRODUCTION, HEALTH AND FOOD SAFETY

Purpose

Manage the 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 increased agricultural productivity with the emphasis on a sustainable plant production system, efficient use of genetic resources and manages risks associated with plant pests, diseases and GMOs.

Animal Production and Health: Aims to improve livestock production through the implementation of animal production and health strategies, projects and programmes founded on sound animal health and production management principles, an informed extension service and sustainable natural resource 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 1: Promote efficient production, handling and processing of food, fibre and timber products.

SO 1: Ensure protection of indigenous genetic resources.

SO 1: Manage the level of risk associated with food, diseases, pests, natural disasters and trade.

SO 2: Establish and maintain effective early-warning and mitigation systems.

Performance against annual targets

Branch: Agricultural Production, Health and Food Safety

SUBPROGRAMME: ANIMAL PRODUCTION AND HEALTH

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of producers benefiting from animal improvement schemes	1 398 producers participated in the Kaonafatso ya Dikgomo Scheme 36 producers participated in the Milk Recording and Improvement Scheme	1 300 (Kaonafatso ya Dikgomo = 1 200; Pig Scheme = 100)	1 200 producers benefitted through participation in the Kaonafatso ya Dikgomo Scheme while 100 benefitted through the Pig Scheme. The activities of beneficiation, among others, include ear tagging, weighing, dipping and general pig management	None	
Planned surveillance conducted	A number of interventions were coordinated and 7 reports were compiled on 7 diseases, which are: <ul style="list-style-type: none"> • FMD • Avian influenza • CEM • Corridor disease • Anthrax • Rabies • African horse sickness 	2	Two planned animal disease surveillances were conducted, which are the National Pig Survey and avian influenza (AI). Reports on the surveillances are available, which cover the outbreak and detection of AI and to prove the eradication of pig diseases		

SUBPROGRAMME: ANIMAL PRODUCTION AND HEALTH (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Planned surveillance conducted (cont.)	Two reports on detection and control of <i>Bactrocera invadens</i> were submitted. These reports detail the detections and measures undertaken to limit and/or eradicate the pest. The report covers actions undertaken in LP and MP	1	A final report on the National Exotic Fruit Fly Surveillance Programme of South Africa was concluded, which covers the measures undertaken to limit and/or eradicate the pest		

SUBPROGRAMME: PLANT PRODUCTION AND HEALTH

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of indigenous agricultural genetic resources conserved	The Animal Genetic report covering both Zulu sheep characterisation and the <i>ex situ</i> conserved Afrikaner cattle material in North West was compiled	2 animal species conserved (Afrikaner cattle [FS] and Zulu sheep [KZN])	A progress report on the <i>in situ</i> conservation programme for the Afrikaner cattle in Dr Ruth Segomotsi Mompati District is available. Semen evaluation was concluded by the ARC in preparation for the synchronisation of all cows and for artificial insemination. A Memorandum of Agreement was concluded between DAFF and RAMSEM on the project of <i>in situ</i> conservation of Zulu sheep in KZN	Artificial insemination to be performed on Afrikaner cows 100 embryos to be transferred to 100 surrogate ewes at ARC-Irene Embryos to be collected from 15 Zulu sheep ewes The laparoscopic artificial insemination to be performed on 15 Zulu sheep ewes	The project activities are mostly inter-dependent. A service provider had to be appointed to execute the <i>in situ</i> conservation project (collection of semen and artificial insemination). Although the contract between DAFF and the service provider was signed in November 2013, this output was also heavily dependent on the breeding seasons (for both sheep and cattle) and the gestation period (for sheep). With regard to Zulu sheep it would have been impossible to have the progeny delivered in December 2013 as the breeding season is from October to November, and the gestation period is 4 months. Progenies could therefore only be expected to be delivered around April 2014. For Afrikaner cattle it would

SUBPROGRAMME: PLANT PRODUCTION AND HEALTH (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of indigenous agricultural genetic resources conserved (cont.)		5 landrace crops repatriated in MP	5 landrace crops were repatriated to 7 villages of MP, which are Phakani, Mvangatini, Malekutu, Mbonisweni, Chweni, Luphisi and Mahushu		have been impossible to conduct the pregnancy diagnosis before 4 months after the breeding period, i.e. February to April. Confirming pregnant cattle could therefore only be done around June 2014

SUBPROGRAMME: INSPECTION AND QUARANTINE SERVICES

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of regulatory compliance and monitoring interventions implemented	4 regulatory compliance and monitoring intervention reports were compiled	4 interventions (quarantine inspections, surveillances and testing)	An Annual report on the regulatory compliance and monitoring interventions was concluded. The report involves the implementation of plant and animal quarantine, inspections, surveillance and testing		

Strategy to overcome areas of underperformance

The management of performance is done as follows:

Directorates

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

Chief Directorates

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

Branch

- Weekly DDG and Chief Directors' meetings
- Monthly branch meetings
- Special performance review sessions
- Critical analysis and revision of performance.

Subprogramme expenditure

Subprogramme	2013/14			2012/13		
	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
Management	2 414	2 409	5	985	983	2
Inspection and Quarantine Services	296 774	296 590	184	272 811	272 608	203
Plant Production and Health	507 073	507 009	64	489 026	488 946	80
Animal Production and Health	253 805	244 684	9 121	169 341	169 269	72
Agricultural Research	950 254	950 254	0	943 026	943 026	0
Total Programme 2	2 010 320	2 000 946	9 374	1 875 189	1 874 832	357

PROGRAMME 3: FOOD SECURITY AND AGRARIAN REFORM

Purpose

Facilitate and promote household food security and agrarian reform programmes and initiatives targeting subsistence and smallholder producers. The programme comprises three subprogrammes, namely, Food Security; Sector Capacity Development; and National Extension Support Services.

Food Security: Facilitates the development of smallholder producers; provides implements and infrastructure; and provides national frameworks to promote the sustainable households and national food production programme by improving production systems of subsistence, smallholder and commercial producers in the agricultural, forestry and fisheries sector to achieve food security livelihoods.

Sector Capacity Development: Provides support to sector education and training, as well as colleges; facilitates and coordinates key special programmes, such as the implementation of the resolutions on vulnerable workers in the sector; and supports sustainable growth and equitable participation. This entails facilitating and supporting education and training skills; promoting the development of centres of excellence on skills training; and developing, managing and coordinating the sector transformation policy and strategy in line with government objectives.

National Extension Support Services: Develops national extension policies, norms and standards, and strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector. This entails ensuring that all extension officers are registered with professional bodies to improve their professionalism and accountability.

Strategic objectives

SO 2: Coordinate government food security initiatives.

SO 4: Provide leadership and support to research, training and extension in the sector.

Performance against annual targets

Branch: Food Security and Agrarian Reform

SUBPROGRAMME: FOOD SECURITY

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of subsistence producers supported	121 000	130 000	40 000 subsistence producers have been supported in various ways, among others, provision with inputs, training and advisory services	90 000	133 000 producers were reported to have been supported. Analyses of evidence led to the disqualification of others as they were not fully compliant with the indicator description as prescribed in Annexure E. The major challenge is the reluctance of producers to provide the identification number, among others. Altogether 3 322 producers were validated to have been supported after the Q4 report was finalised to add to the 36 678 cumulative total achieved at the end of Q3
Number of smallholder producers supported	21 000	16 000	16 000 smallholder producers have been supported, among others, through training, advisory services and infrastructure support		None
Number of infrastructure anchor projects established	–	2 (Taung and Makhathini irrigation infrastructure projects)	Structures (dams, canals, fences, access roads, pump houses, installation of pumps, drainage systems, handling facilities for livestock, stores, etc.) planned for 2013/14 for the two anchor projects Makhathini and Vaalharts/Taung were constructed/ completed	None	None

SUBPROGRAMME: SECTOR CAPACITY DEVELOPMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of colleges of agriculture accredited by the Council of Higher Education (CHE)	6	2 (Tsolo, OR Tambo District and Potchefstroom, Dr Kenneth Kaunda District)	Tsolo and Potchefstroom colleges have been accredited by the CHE	None	None

Strategy to overcome areas of underperformance

The Programme: 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 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.

Subprogramme expenditure

Subprogramme	2013/14			2012/13		
	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
Management	4 806	4 802	4	2 167	2 165	2
Food Security	1 031 472	1 025 427	6 045	871 963	865 829	6 134
Sector Capacity Development	199 433	191 049	8 384	192 315	185 864	6 451
National Extension Support Services	368 881	368 823	58	349 037	349 019	18
Total Programme 3	1 604 592	1 590 101	14 491	1 415 482	1 402 877	12 605

PROGRAMME 4: ECONOMIC DEVELOPMENT, TRADE AND MARKETING

Purpose

Promote economic development, trade and market access for agricultural, forestry and fisheries products and foster international relations for the sector. The programme comprises the following three subprogrammes: International Relations and Trade; Agro-processing and Marketing; and Cooperatives and Rural Enterprise 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 Enterprise Development: Facilitates and supports the development of business to ensure transformation of the agricultural, forestry and fisheries sectors.

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

Strategic objectives

SO 1: Increase growth, income and sustainable job opportunities in the value chain.

SO 2: Coordinate government food security initiative.

SO 3: Increase market access for South African agricultural, forestry and fisheries products, domestically and internationally.

Performance against annual targets

Branch: Economic Development, Trade and Marketing

SUBPROGRAMME: AGRO-PROCESSING AND MARKETING

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Agro-processing Strategy implemented	4 reports on 11 agro-processing subsector profiles have been completed. The subsectors are as follows: food products, beverages, tobacco, textiles, wearing apparel, leather and leather products, footwear, wood and wood products, paper and paper products, rubber products and furniture	2 agro-processing enterprises supported	Two agro-processing enterprises were identified for support in collaboration with two provinces: Gauteng and Mpumalanga The projects supported were: <ul style="list-style-type: none"> • Sungula Trading Enterprises • Ikwezi Development Projects and Services Primary Cooperative 	These projects were implemented and supported through provincial equitable share but not through AgriBEE as planned	Tedious and rigorous appraisal processes by the Land Bank led to the utilisation of provincial equitable shares in order to implement and support the agro-processing projects
Marketing Strategy implemented	The fisheries value chain network has been established	Aquaculture value chain roundtable/network institutionalised	A comprehensive progress report on the activities and the work of the AVCRT and its working groups has been sent to the DG and the Minister. The main achievements are the following: <ul style="list-style-type: none"> • Established two additional working groups, one on labour matters and the other on public awareness and promotion; • Refined the Terms of Reference for the Marketing and Certification Working Group; • Facilitated funding of aquaculture projects through ADEP; • Undertook an audit of aquaculture legislation as groundwork for a new Aquaculture Act; • Reviewed regulations for alien invasive species relating to aquaculture 		

SUBPROGRAMME: COOPERATIVES AND RURAL ENTERPRISE DEVELOPMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of commodity-based cooperatives established to support smallholder producers	<p>115 cooperatives constituting 1 376 farmers have been established. The distribution of cooperatives are as follows:</p> <p>NW: 27, FS: 6, MP: 22, KZN: 16, NC: 3, LP: 31, EC: 3 and GP: 7</p> <p>105 cooperatives were trained on the Farm-Together Training Programme</p>	9 (one per province)	<p>11 commodity-based cooperatives were established during the year under review</p> <p>A total of 110 cooperatives were supported with training, using the Farm-Together Cooperative Training Programme in the following provinces:</p> <ul style="list-style-type: none"> • LP = 3 cooperatives (21 participants) • GP = 26 cooperatives (104 participants) • MP = 21 cooperatives (73 participants) • NW = 8 cooperatives (22 participants) • WC = 16 cooperatives (164 participants) • FS = 12 cooperatives (165 participants) • NC = 16 cooperatives (50 participants) • EC = 8 cooperatives (15 participants) <p>A total of 65 cooperatives were supported with training on business planning using the business plan guidelines in the following provinces:</p> <ul style="list-style-type: none"> • FS = 5 cooperatives (24 participants) • MP = 10 cooperatives (53 cooperatives) • LP = 42 cooperatives (111 participants) • WC = 2 cooperatives (7 participants) • NC = 6 cooperatives (11 participants) 		The exceeding of the target in other provinces was mainly owing to the demand from that province to assist smallholder farmers' access to the school nutrition market through cooperatives. As a result, demands for supporting smallholder farmers and establishing commodity cooperatives for collective training have increased

SUBPROGRAMME: INTERNATIONAL RELATIONS AND TRADE

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Trade Development Strategy implemented	<p>Approved progress report, indicating progress made on the following negotiations has been compiled:</p> <p>SACU consultation meetings, Tripartite Trade Negotiating Forum (TTNF) and Tripartite Committee of Senior Officials</p>	Participate in Tripartite FTA negotiations	<p>Four (4) progress reports on participation in Tripartite FTA negotiations, covering the following were submitted:</p> <ul style="list-style-type: none"> • Interdepartmental meetings • SACU consultation meetings • Tripartite Trade Negotiating Forum meetings • Senior officials meeting and meeting of Ministers of Trade and Industry 		
International Relations Strategy implemented	<p>Engagement meetings with counterparts (bilateral). Attended 9 meetings: 3 BNC; 2 Senior Officials and 4 inter-departmental meetings</p> <p>Engagement meetings with counterparts (Brazil, India, China and South Africa)</p> <p>Facilitated the attendance of meetings in multilateral forums and foreign offices: FAO, OECD, ICAC, etc.</p>	<p>Implement the South-South Cooperation Agreement with emphasis on BRICS</p> <p><i>Existing bilateral</i> China and India</p> <p><i>Existing multilateral</i> FAO World Forestry Congress; FAO capacity building</p> <p><i>New agreements</i> Vietnam, Russia, Argentina and Cuba</p>	<p>Implementation of bilateral and multilateral engagements and new agreements facilitated:</p> <p><i>BRICS</i>: DAFF hosted all the activities under the BRICS Agriculture Group, namely: Working Group, Climate Change seminar and the Ministerial meeting, which culminated in the Declaration of the Ministers</p> <p>Argentina Agreement was signed by the Minister and her counterpart from Argentina</p> <p>The department is currently processing the following new agreements:</p> <p>Iran, South Korea, Russia, Palestine, OECD and the agreement with Turkey is ready for signing</p>	Russia, Cuba and Turkey agreements	<p>The Russia Agreement is still being re-negotiated</p> <p>Cuba Agreement has been sent to Cuba for inputs from the government</p> <p>The deviation to work on these agreements has been informed by interest from the mentioned countries</p> <p>The agreement with Turkey will be signed as soon as the parties are ready</p>

SUBPROGRAMME: INTERNATIONAL RELATIONS AND TRADE (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
International Relations Strategy implemented	Draft CAADP Communication Strategy has been completed and is being sent to stakeholders for comment	Implementation of CAADP	<p>CAADP provincial consultations were held in all 9 provinces in preparation of the signing of CAADP compact</p> <p><i>CAADP implementation in the country</i></p> <p>All provinces, the private sector and the youth consultations have been done. Consolidated priority areas of investment were identified as these appear on the attached matrix. Provincial teams were appointed for all provinces</p> <p>The Youth Consultative Workshop was held from 11 to 12 March 2014 at the ARC Head Office, Hatfield</p> <p>A national study on the budget of agriculture, forestry and fisheries for the past ten years has been commissioned with the assistance of the World Bank. The report is expected at the end of April 2014</p> <p>The North West Province has received an interim report from the University of North West on the analytical work commissioned to collate information and facts for use in the development of the investment plans. The report was tabled at the meeting of the North West CAADP Team in Mahikeng on 28 February 2014. The final report is expected by the end of April 2014</p>		

Strategy to overcome areas of underperformance

Branch meetings are held quarterly to discuss performance and adoption of corrective measures where these are required.

SUBPROGRAMME EXPENDITURE

Subprogramme	2013/14			2012/13		
	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
Management	1 375	1 373	2	1 832	1 829	3
International Relations and Trade	134 551	134 472	79	103 893	103 589	304
Cooperatives and Rural Enterprise Development	60 501	60 486	15	61 510	61 498	12
Agro-processing and Marketing	60 025	60 003	22	45 271	45 253	18
Total Programme 4	256 452	256 334	118	212 506	212 169	337

PROGRAMME 5: FORESTRY AND NATURAL RESOURCES MANAGEMENT

Purpose

Develop and facilitate the implementation of policies and targeted programmes to ensure management of forests, sustainable use and protection of land and water, as well as managing agricultural risks and disasters.

There are three subprogrammes in the Forestry Programme, namely, Forestry Operations; Forestry Development and Regulations; and Natural Resources Management.

Forestry Operations: To ensure sustainable management of forestry operations through managing state forests and woodlands, other state assets in the region and to render coordination and operational support.

Forestry Oversight and Regulations: Ensures effective development of policies for forestry regulation and oversight by promoting the optimum development of arboriculture, commercial and urban forestry and the development of small-scale 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 and the efficient development and revitalisation of irrigation schemes and water use. The subprogramme will facilitate climate change mitigation and adaptation, risk and disaster management, as well as promote, regulate and coordinate the sustainable use of natural resources (land and soil).

Strategic objectives

SO 2: Coordinate government food security initiative.

SO 1: Ensure the sustainable management and efficient use of natural resources.

SO 2: Increase the level of public and private investment in the sector.

Performance against annual targets

Branch: Forestry and Natural Resources Management

SUBPROGRAMME: FORESTRY OPERATIONS

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of small producers (growers) supported	1 219 small forestry producers supported with training and linked to funders	1 300	901 small producers (growers) were supported	399	Difficulties in getting identity numbers from all individual producers owing to their resistance in providing signatures

SUBPROGRAMME: FORESTRY OPERATIONS (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of small producers (growers) supported (cont.)					and ID documents, among others, have reduced the volume of admissible evidences to 901 which satisfy the standard

SUBPROGRAMME: NATURAL RESOURCES MANAGEMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Increased number of hectares on irrigation schemes revitalised	114 ha were revitalised at Makhathini Irrigation Scheme	250 ha	265 ha were revitalised at Vaalharts Irrigation Scheme	The target was exceeded with 15 ha	The cause of overachievement was the result of the K-6 mainline, which had to be constructed in total to be able to accommodate K-6 farms' subsurface water discharge. Otherwise late installation of the remainder of the line could have resulted in a water logging problem on the K-6 farms, which consist of 5 farms
Climate change (CC) Adaptation and Mitigation Plan implemented	The draft plan is scheduled for tabling at the ASRDC meeting in April 2013 in order to obtain recommendation for departmental approval	Develop and submit CC adaptation and mitigation programmes for approval	Climate change adaptation and mitigation programmes have been developed and approved	N/A	N/A
Increased number of hectares of agricultural land, woodlands, indigenous forests and (TUPs) rehabilitated	92 742 ha already rehabilitated through LandCare, CARA and Working for Water (WfW) About 700 ha of state indigenous forests were rehabilitated by DAFF in the Eastern Cape, KwaZulu-Natal, Limpopo and Mpumalanga	32 280 ha	Total number of hectares rehabilitated are as follows: Agricultural land: 43 983,01 Woodlands: 612,31	Agricultural land: 13 983,01 Woodlands and indigenous forests: 112,31	<i>Agricultural land</i> Target exceeded owing to the incentive allocation that provinces received from the Department of Public Works <i>Woodlands and indigenous forests</i> Other forestry operations were suspended owing to budget constraints. WIFM employees (forestry services aids) had to do more work on rehabilitation

SUBPROGRAMME: NATURAL RESOURCES MANAGEMENT (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Increased number of hectares of agricultural land, woodlands, indigenous forests and (TUPs) rehabilitated (cont.)			TUPs: 2 005,41	TUPs: 225,41	<p><i>Other regions (TUPs)</i> North West Province had a dry spell during 2013 and conditions were not favourable for planting trees. At least 100 mm of rainfall is needed to put seedlings into the ground</p> <p><i>LP and MP (TUPs)</i> Heavy rainfalls and damaged roads in the respective compartments due for planting</p> <p><i>KZN and EC (TUPs)</i> An overachievement of ha was the result of the good rainfall. In Quarter 1 and 2 the region never achieved the set targets owing to poor rainfall and has managed to catch up</p>

SUBPROGRAMME: FORESTRY OVERSIGHT AND REGULATIONS

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Charter undertakings implemented	<p>ToRs developed for readvertising of the tender to develop guidelines and training for four subsectors: Growers, sawmillers, honey producers and pole producers</p> <p>The tender was advertised in time and during evaluation, no suitable bidders could be identified. In most cases, the bidders did not comply to supply chain procedures</p>	DAFF plantation growth and SMME strategies implemented	<p>SMMEs guidelines/toolkits that were developed and approved were the targeted intervention for implementation of the strategy and this had been achieved</p> <p>The progress report indicating the state of implementation on the State Plantation Strategy was developed and approved</p>	<p>N/A</p> <p>N/A</p>	<p>N/A</p> <p>N/A</p>

Strategy to overcome areas of underperformance

The Branch: Forestry and Natural Resources Management holds quarterly branch meetings during the course of the financial year to consider administration and performance issues in the branch. Participation at these meetings is open to subdirector level (deputy directors).

Before the 10th day of the month, after the end of a quarter, the branch manager further convenes a separate meeting/engagement between the Directorate: Monitoring and Evaluation together with respective directorates in the branch led by chief directors to assess the scope and validity of performance evidence submitted by directors on the Knowledge Bank. This has ensured that all directors submit monthly reports on the Knowledge Bank.

Subprogramme expenditure

Subprogramme	2013/14			2012/13		
	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
Management	4 303	4 296	7	1 957	1 953	4
Forestry Operations	468 356	468 206	150	430 130	429 423	707
Forestry Oversight and Regulations	48 810	48 358	452	46 359	46 221	138
Natural Resources Management	647 110	623 839	23 271	742 499	714 188	28 311
Total Programme 5	1 168 579	1 144 699	23 880	1 220 945	1 191 785	29 160

PROGRAMME 6: FISHERIES MANAGEMENT

Purpose

Promote the development, management, monitoring and sustainable uses 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 Resources Management; and Monitoring, Control and Surveillance.

Aquaculture and Economic Development: Ensures 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: Ensures the promotion of sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.

Marine Resources Management: Ensures 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 initiative.

SO 2: Ensure the protection of indigenous genetic resources.

SO 3: Increase market access for South African agricultural, forestry and fisheries products, domestically and internationally.

Performance against annual targets

Branch: Fisheries Management

SUBPROGRAMME: AQUACULTURE MANAGEMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Number of fish farms supported	11 fish farms	10 fish farms	23 fish farms supported	Overperformance with 13 fish farms	Aquaculture awareness campaigns and partnerships with other government departments increased interest from investors

SUBPROGRAMME: MONITORING, CONTROL AND SURVEILLANCE

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Enforcement and compliance measure to combat poaching improved	A total of 1 044 sea-based inspections, 940 vessel landings and 315 rights holders investigations were conducted in the 5 key fisheries sectors: Hake, WCRL, linefish, abalone and squid	Facilitate approval and implementation of the Integrated Fisheries Security Strategy (IFSS)	The CD: MCS has engaged the Institute for Security Studies to review the document and a draft has been produced The IFSS has been implemented by conducting 679 sea-based inspections, 1 557 land-based vessel inspections and 292 investigations of rights holders	Overachievement of 79 sea-based inspections Overachievement of 757 land-based inspections Overachievement of 17 investigations	When the target was set, there was no indication when the inshore patrol vessels would be sea-ready and inspections were focused on inshore inspections with the small craft. Some vessels were inspected more than once

SUBPROGRAMME: MARINE RESOURCES MANAGEMENT

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Depleted fish stocks rebuilt (abalone, hake, WCRL and linefish)	Abalone, hake and WCRL TACs were approved. The TAE for linefish was also approved	4 sectors	Annual TACs/TAEs in abalone, hake, West Coast rock lobster and linefish were set in line with the agreed Operational Management Procedure (OMP) consulted with relevant fisheries stakeholders. Management measures adjusted and incorporated in the amended fishing permit conditions and catch landings reconciled in all four identified fishing sectors		

SUBPROGRAMME: MARINE RESOURCES MANAGEMENT (cont.)

Performance indicator	Actual achievement 2012/13	Planned target 2013/14	Actual achievement 2013/14	Deviation from planned target to actual achievement 2013/14	Comments on deviations
Increased support to SMMEs within the sector	The revised general policy and 8 sector-specific policies will be finalised in 2013/14	Allocate 70% of fishing rights in 8 sectors to SMMEs	The General Policy on the Allocation and Management of Fishing Rights as well as 8 sector-specific (hake handline, demersal shark, tuna pole-line, KZN prawn trawl, traditional linefish, squid, oysters and white mussels) policies were revised, approved and gazetted. A call for rights application was made and more than 90% of fishing rights were allocated in 8 fishing sectors to SMMEs	Overachievement of 20% fishing rights were allocated in 8 fishing sectors to SMMEs	Owing to the absence of an application fee when applying for fishing rights, a larger number of SMMEs than anticipated lodged applications

Strategy to overcome areas of underperformance

Discussions around the performance of the branch are one-on-one owing to the specific nature of functions of the chief directorates.

The branch representative deputy directors, directors and chief directors contributed to corrective actions to address outstanding performance deliverables.

Subprogramme expenditure

Subprogramme	2013/14			2012/13		
	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
Management	749	748	1	926	925	1
Aquaculture and Economic Development	35 827	35 822	5	28 743	28 739	4
Monitoring, Control and Surveillance	72 575	72 571	4	68 231	68 226	5
Marine Resources Management	17 979	17 975	4	17 387	17 382	5
Fisheries Research and Development	56 993	56 989	4	52 700	52 693	7
Marine Living Resources Fund	253 545	253 545	0	316 365	316 365	0
Total Programme 6	437 668	437 650	18	484 352	484 330	22

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
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 agricultural sector</p>	33 819	33 819	The strategic objectives as stated in the Strategic Plan were achieved
Agricultural Research Council	Conducts research and develops and transfers technology that promotes the agricultural and related industries	950 254	905 954	<p>Peer-reviewed journals increased to 302 (more than double that from 2009)</p> <p>19 new cultivars with improved yield and nutrient content</p> <p>Increased farmer support through issuing of technologies, information dissemination, training and creation of agribusiness SMMEs</p>
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	253 545	114 284 (139 261 was deferred to 2014/15)	<p>Through the Aquaculture Development and Enhancement Programme (ADEP), 20 aquaculture farms were technically and financially supported</p> <p>The General Policy on the Allocation and Management of Fishing Rights, as well as eight sector-specific policies were revised, approved and gazetted (hake handline, demersal shark, tuna pole-line, KZN prawn trawl, traditional linefish, squid, oysters and white mussels)</p> <p>In terms of a call for rights application, 593 successful applicants, of which 90% were SMMEs, were allocated to seven years commercial fishing rights in the eight fishing sectors</p> <p>Increased law enforcement efforts were exerted within four key fishery sectors, namely hake, abalone, West Coast rock lobster and traditional line fish in addition to large pelagic and squid</p> <p>The annual targets of 600 vessel inspections at sea, 800 land-based inspections and 275 rights holder investigations were all met and exceeded</p>
Perishable Products Export Control Board	Ensure that perishable products intended for export from South Africa meet the international quality standards	600	600	Training was provided to 25 students from previously disadvantaged communities in the Agriculture Export Technologist Programme (AETP)

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
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	5 020	4 841	Mechanisation services: Five villages were assisted Crop Production: Vegetable produce was sold to the market and the community Livestock: Maintained healthy and good-quality livestock, such as Nguni cattle and Boer goats
Land and Agricultural Bank of South Africa	The Land Bank administers the AgriBEE Fund that allocates grants to promote rural community-based empowerment groups	33 347	–	By instruction of National Treasury, an amount of R228,6 million was surrendered to the National Revenue Fund
Onderstepoort Biological Products	Funds provided for building and modernisation of vaccine production facilities equipment	96 500	70 900	Freeze-dried viral product packaging facility completed Vial washer and steriliser ordered Freeze dryer replaced and upgraded ERP system acquired (finance and manufacturing modules) Steam generators and autoclave acquired Automatic glass washer acquired Sterility improved in the production area: <ul style="list-style-type: none"> • By constructing alternative walkways • Additional doors built and access control upgraded • Visitor centre constructed • Staff common rooms removed from production area and consolidated separately from production

TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2013 to 31 March 2014.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S 38(1)(j) of the PFMA	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	275 593	272 928	The transfer of R3,173 million, in respect of LandCare, was withheld by the national transferring officer
FS	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	206 844	204 186	Service provider not meeting contractual obligations
GP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	79 581	79 460	Service provider not meeting contractual obligations

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for funds not spent by the entity
KZN	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	287 036	264 036	Service provider not meeting contractual obligations
LP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	271 427	266 528	Service provider not meeting contractual obligations
MP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	185 080	184 383	Service provider not meeting contractual obligations
NC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	453 628	453 628	N/A
NW	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	224 059	218 409	Service provider not meeting contractual obligations
WC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	165 346	165 346	N/A
Subtotal				2 148 594	2 108 904	
<i>Municipalities</i>						
City of Tshwane	Local government	Vehicle licences	N/A	589	589	N/A
Inxuba Yethemba	Local government	Vehicle licences	N/A	15	15	N/A
Mbombela	Local government	Vehicle licences	N/A	1	1	N/A
Rustenburg	Local government	Vehicle licences	N/A	2	2	N/A
Langeberg	Local government	Vehicle licences	N/A	250	250	N/A
City of Johannesburg	Local government	Vehicle licences	N/A	250	250	N/A
Subtotal				1 107	1 107	
<i>Departmental agencies</i>						
Primary Agricultural Sector Education and Training Authority	Departmental agency	Contribution to operations	N/A	1 672	1 672	N/A
National Student Financial Aid Scheme	Departmental agency	Bursaries for agricultural studies	N/A	14 727	14 727	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	27	27	N/A
National Research Foundation	Departmental agency	To optimise DAFF's investment in research	N/A	7 000	7 000	N/A
Small Enterprise Development Agency	Departmental agency	Emerging farmers' agri-business management skills	N/A	2 000	2 000	N/A
Subtotal				28 426	28 426	

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S 38(1)(j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for funds not spent by the entity
<i>Higher education institutions</i>						
University of Pretoria	Higher education institutions	Promote greening	N/A	2 191	2 191	N/A
University of KZN	Higher education institutions	Contribution to student support capacity and small-scale processing plant engineering	N/A	616	616	N/A
Subtotal				2 807	2 807	
<i>Public corporations</i>						
Forest Sector Charter Council	Public corporation	Contribution to operations	N/A	3 531	3 531	N/A
Subtotal				3 531	3 531	
<i>Private enterprises</i>						
Claims against the state	Private enterprises	Motor vehicle accidents	N/A	713	713	N/A
National Wool Growers' Association of SA	Private enterprises	Contribution towards a scientific assessment for predator management	N/A	1 000	1 000	N/A
Subtotal				1 713	1 713	
<i>Foreign governments and international organisations</i>						
Foreign rates and taxes	Foreign governments and international organisations	Rates and taxes paid in foreign region	N/A	304	304	N/A
International organisations	Foreign governments and international organisations	Membership fees	N/A	33 224	33 224	N/A
Food and Agriculture Organization of the United Nations	Foreign governments and international organisations	Contribution to World Forest Congress	N/A	10 917	10 917	N/A
Food and Agriculture Organization of the United Nations	Foreign governments and international organisations	Pledge to the African Solidarity Trust Fund	N/A	2 000	2 000	N/A
Subtotal				46 445	46 445	
<i>Non-profit institutions</i>						
Deciduous Fruit Producers' Trust	Non-profit institution	Contribution to the pest control programme	N/A	7 649	7 649	N/A
Forestry South Africa	Non-profit institution	Promote greening	N/A	5 788	5 788	N/A
Colleges in the sector	Non-profit institution	Contribution to tuition and book fees of agricultural students	N/A	1 508	1 508	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S 38(1)(j) of the PFMA	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 UMA Rural Development Foundation	N/A	4 081	4 081	N/A
Subtotal				19 026	19 026	
<i>Households</i>						
Social benefits	Households	Leave gratuities	N/A	10 778	10 778	N/A
Claims against the state	Households	Excess payment, subsidised motor insurance	N/A	62	62	N/A
Bursaries (non-employees)	Households	Grootfontein Agricultural Development Institute students	N/A	1 325	1 325	N/A
Female Entrepreneur Awards	Households	Prize money	N/A	1 050	1 050	N/A
Subtotal				13 215	13 215	

The following table reflects the transfer payments which were budgeted for in the period 1 April 2013 to 31 March 2014, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
<i>Agencies</i>				
Water Research Commission	Contribution for research project	3 000	–	Project was stopped
<i>Higher education institutions</i>				
University of Fort Hare	Contribution to research on animal traction	3 000	–	MoU was not finalised
<i>Non-profit institutions</i>				
Food and Trees for Africa	School greening	300	–	MoU was not finalised
Total		6 300	–	

Conditional grants

CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

The tables below describe each of the conditional grants paid by the department.

CONDITIONAL GRANT 1: Comprehensive Agricultural Support Programme (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

Department to whom the grant has been transferred	
<i>Eastern Cape: Department of Rural Development and Agrarian Reform (cont.)</i>	
Expected outputs of the grant	<ul style="list-style-type: none"> • 4 694 subsistence, smallholder and commercial farmers supported through CASP • 700 youth and 1 928 female farmers supported through CASP • 65 on/off farm infrastructure provided • 1 840 beneficiaries of CASP trained on farming methods • 4 694 beneficiaries of CASP with markets identified • 1 261 jobs created • 113 extension personnel recruited and maintained in the system • 202 extension officers upgraded qualifications at various institutions • 3 successful partnerships created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 1 646 subsistence, smallholder and commercial farmers supported through CASP • 304 youth and 602 female farmers supported through CASP • 59 on/off farm infrastructure projects completed • 1 474 beneficiaries of CASP trained on farming methods • 1 646 beneficiaries of CASP with markets identified • 998 temporary jobs created • 16 extension personnel recruited and maintained in the system • 150 extension officers upgraded qualifications at various institutions • 3 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R219 055
Amount transferred (R'000)	R219 055
Reasons if amount as per DoRA was not transferred (R'000)	N/A
Amount spent by the department (R'000)	R216 390
Reasons for the funds unspent	Service provider did not meet contractual obligations
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"> • 238 subsistence, smallholder and commercial farmers supported through CASP • 60 youth and 102 female farmers supported through CASP • 9 on/off farm infrastructure provided • 950 beneficiaries of CASP trained on farming methods • 100 beneficiaries of CASP with markets identified • 546 jobs created • 51 extension personnel recruited and maintained in the system • 275 extension officers upgraded qualifications at various institutions • 0 successful partnerships created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 220 subsistence, smallholder and commercial farmers supported through CASP • 0 youth and 24 female farmers supported through CASP • 8 on/off farm infrastructure projects completed • 1 210 beneficiaries of CASP trained on farming methods • 220 beneficiaries of CASP with markets identified • 610 temporary jobs created • 43 extension personnel recruited and maintained in the system • 78 extension officers upgraded qualifications at various institutions • 0 successful partnerships created to support farmers

Department to whom the grant has been transferred	
<i>Free State: Department of Agriculture and Rural Development (cont.)</i>	
Amount per amended DoRA (R'000)	R140 274
Amount transferred (R'000)	R140 274
Reasons if amount as per DoRA was not transferred (R'000)	N/A
Amount spent by the department (R'000)	R140 274
Reasons for the funds unspent	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 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"> • 600 subsistence, smallholder and commercial farmers supported through CASP • 59 youth and female farmers supported through CASP • 26 on/off farm infrastructure provided • 400 beneficiaries of CASP trained on farming methods • 30 beneficiaries of CASP with markets identified • 200 jobs created • 58 extension personnel recruited and maintained in the system • 15 extension officers upgraded qualifications at various institutions • 4 successful partnerships created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 359 subsistence, smallholder and commercial farmers supported through CASP • 46 youth and female farmers supported through CASP • 2 on/off farm infrastructure provided • 309 beneficiaries of CASP trained on farming methods • 41 beneficiaries of CASP with markets identified • 132 jobs created • 51 extension personnel recruited and maintained in the system • 7 extension officers upgraded qualifications at various institutions • 3 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R55 880
Amount transferred (R'000)	R55 880
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R55 759
Reasons for the funds unspent	Service provider did not meet contractual obligations
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 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"> • 4 072 subsistence, smallholder and commercial farmers supported through CASP • 553 youth and 4 620 female farmers supported through CASP • 24 on/off farm infrastructure provided • 2 500 beneficiaries of CASP trained on farming methods • 124 beneficiaries of CASP with markets identified • 1 500 jobs created • 37 extension personnel recruited and maintained in the system • 369 extension officers upgraded qualifications at various institutions • 2 successful partnerships created to support farmers

Department to whom the grant has been transferred	
<i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development (cont.)</i>	
Actual outputs achieved	<ul style="list-style-type: none"> • 4 072 subsistence, smallholder and commercial farmers supported through CASP • 1 272 youth and 3 018 female farmers supported through CASP • 35 on/off farm infrastructure projects completed • 3 000 beneficiaries of CASP trained on farming methods • 124 beneficiaries of CASP with markets identified • 2 257 temporary jobs created • 360 extension personnel recruited and maintained in the system • 55 extension officers upgraded qualifications at various institutions • 6 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R202 522
Amount transferred (R'000)	R202 522
Reasons if amount as per DoRA was not transferred (R'000)	N/A
Amount spent by the department (R'000)	R202 522
Reasons for the funds unspent	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"> • 8 378 subsistence, smallholder and commercial farmers supported through CASP • 51 youth and 854 female farmers supported through CASP • 91 projects with infrastructure repaired • 300 beneficiaries of CASP trained on farming methods • 300 beneficiaries of CASP with markets identified • 5 000 jobs created • 56 extension personnel recruited and maintained in the system • 100 extension officers upgraded qualifications at various institutions • 6 000 ha of land ploughed and planted • 1 successful partnership created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 20 164 subsistence, smallholder and commercial farmers supported through CASP • 22 youth and 372 female farmers supported through CASP • 89 projects with infrastructure repaired • 721 beneficiaries of CASP trained on farming methods • 700 beneficiaries of CASP with markets identified • 6 840 permanent jobs and 5 299 temporary jobs created • 168 extension personnel recruited and maintained in the system • 102 extension officers upgrading qualifications in various institutions • 56 000 ha of land ploughed and planted • 0 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R208 020
Amount transferred (R'000)	R208 020
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R208 020
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Department to whom the grant has been transferred	
<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
Expected outputs of the grant	<ul style="list-style-type: none"> • 9 488 subsistence, smallholder and commercial farmers supported through CASP • 351 youth and 3 359 female farmers supported through CASP • 34 on/off farm infrastructure provided • 3 000 beneficiaries of CASP trained on farming methods • 9 488 beneficiaries of CASP with markets identified • 974 jobs created • 30 extension personnel recruited and maintained in the system • 77 extension officers upgraded qualifications at various institutions • 1 successful partnership created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 8 022 subsistence, smallholder and commercial farmers supported through CASP • 336 youth and 2 982 female farmers supported through CASP • 17 on/off farm infrastructure provided • 6 201 beneficiaries of CASP trained on farming methods • 8 022 beneficiaries of CASP with markets identified • 626 jobs created • 21 extension personnel recruited and maintained in the system • 51 extension officers upgraded qualifications at various institutions • 1 successful partnership created to support farmers
Amount per amended DoRA (R'000)	R130 986
Amount transferred (R'000)	R130 986
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R130 289
Reasons for the funds unspent	Service provider did not meet contractual obligations
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"> • 830 subsistence, smallholder and commercial farmers supported through CASP • 80 youth and 250 female farmers supported through CASP • 40 on/off farm infrastructure provided • 800 beneficiaries of CASP trained on farming methods • 900 beneficiaries of CASP with markets identified • 1 000 jobs created • 37 extension personnel recruited and maintained in the system • 15 extension officers upgraded qualifications at various institutions • 2 successful partnerships created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 929 subsistence, smallholder and commercial farmers supported through CASP • 83 youth and 255 female farmers supported through CASP • 40 on/off farm infrastructure provided • 1 354 beneficiaries of CASP trained on farming methods • 929 beneficiaries of CASP with markets identified

Department to whom the grant has been transferred	
<i>Northern Cape: Department of Agriculture, Land Reform and Rural Development (cont.)</i>	
	<ul style="list-style-type: none"> • 235 jobs created • 0 extension personnel recruited and 37 maintained in the system • 15 extension officers upgraded qualifications at various institutions • 3 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R371 539
Amount transferred (R'000)	R371 539
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R371 539
Reasons for the funds unspent	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 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"> • 5 535 subsistence, smallholder and commercial farmers supported through CASP • 5 842 youth and female farmers supported through CASP • 77 on/off farm infrastructure provided • 662 beneficiaries of CASP trained on farming methods • 5 535 beneficiaries of CASP with markets identified • 1 638 jobs created • 42 extension personnel recruited and maintained in the system • 0 extension officers upgraded qualifications at various institutions • 5 successful partnerships created to support farmers
Actual outputs achieved	<ul style="list-style-type: none"> • 4 047 subsistence, smallholder and commercial farmers supported through CASP • 2 644 youth and female farmers supported through CASP • 77 on/off farm infrastructure provided • 284 beneficiaries of CASP trained on farming methods • 5 146 beneficiaries of CASP with markets identified • 1 125 jobs created • 49 extension personnel recruited and maintained in the system • 0 extension officers upgraded qualifications at various institutions • 5 successful partnerships created to support farmers
Amount per amended DoRA (R'000)	R169 663
Amount transferred (R'000)	R169 663
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R165 198
Reasons for the funds unspent	Service provider did not meet contractual obligations
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter
<i>Western Cape: 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

Department to whom the grant has been transferred	
<i>Western Cape: Department of Agriculture (cont.)</i>	
Expected outputs of the grant	<ul style="list-style-type: none"> • 470 subsistence, smallholder and commercial farmers supported through CASP • 1 500 youth and 500 female farmers supported through CASP • 27 on/off farm infrastructure provided • 30 beneficiaries of CASP trained on farming methods • 400 beneficiaries of CASP with markets identified • 380 jobs created • 79 extension personnel recruited and maintained in the system • 11 extension officers upgraded qualifications at various institutions • 10 successful partnerships created to support farmers • 309 ha of land ploughed and planted
Actual outputs achieved	<ul style="list-style-type: none"> • 542 subsistence, smallholder and commercial farmers supported through CASP • 1 729 youth and 652 female farmers supported through CASP • 32 on/off farm infrastructure provided • 36 beneficiaries of CASP trained on farming methods • 432 beneficiaries of CASP with markets identified • 436 jobs created • 79 extension personnel recruited and maintained in the system • 7 extension officers upgraded qualifications at various institutions • 10 successful partnerships created to support farmers • 652 ha of land ploughed and planted
Amount per amended DoRA	R106 376
Amount transferred (R'000)	R106 376
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R106 376
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

CONDITIONAL GRANT 2: Ilima/Letsema

Department to whom the grant has been transferred	
<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"> • 7 915 ha planted • 0 tons of maize produced within agricultural development corridors • 16 796 beneficiaries/entrepreneurs supported by the grant • 510 ha rehabilitated and expanded irrigation schemes
Actual outputs achieved	<ul style="list-style-type: none"> • Total of 6 110 ha planted • 16 000 tons of maize produced • Total of 6 407 beneficiaries/entrepreneurs supported by the grant • 0 ha rehabilitated and expanded irrigation schemes
Amount per amended DoRA (R'000)	R43 845
Amount transferred (R'000)	R43 845
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R43 845
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Department to whom the grant has been transferred	
<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"> • 3 447 ha planted • 0 tons of maize produced within agricultural development corridors • 6 497 beneficiaries/entrepreneurs supported by the grant • 8 newly established infrastructure/plants through the grant • 0 ha rehabilitated and expanded irrigation schemes
Actual outputs achieved	<ul style="list-style-type: none"> • 1 947 ha planted • 0 tons of maize produced within agricultural development corridors • 11 950 beneficiaries/entrepreneurs supported by the grant • 8 newly established infrastructure/plants through the grant • 30 ha rehabilitated and expanded irrigation schemes
Amount per amended DoRA (R'000)	R57 999
Amount transferred (R'000)	R57 999
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R55 341
Reasons for the funds unspent	Poor performance by service providers Delay in procurement process
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"> • 2 045 ha planted • 12 270 tons maize produced within agricultural development corridors • 47 beneficiaries/entrepreneurs supported by the grant • 0 smallholder farmer supported with production inputs (maize, piggery and poultry)
Actual outputs achieved	<ul style="list-style-type: none"> • 2 089 ha planted • 12 534 tons of maize produced within agricultural development corridors • 0 beneficiaries/entrepreneurs supported by the grant • 143 smallholder farmers supported with production inputs (maize, piggery and poultry)
Amount per amended DoRA (R'000)	R17 538
Amount transferred (R'000)	R17 538
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R17 538
Reasons for the funds unspent	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	<ul style="list-style-type: none"> • 6 767 ha planted • 33 932 tons of maize produced within agricultural development corridors • 11 206 beneficiaries/entrepreneurs supported by the grant • 9 newly established infrastructure/plants through the grant • 24 000 beneficiaries/entrepreneurs supported by the grant

Department to whom the grant has been transferred	
<i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development (cont.)</i>	
Actual outputs achieved	<ul style="list-style-type: none"> • 8 483 ha planted • 25 450 tons of maize produced within agricultural development corridors • 3 590 beneficiaries/entrepreneurs supported by the grant • 8 newly established infrastructure/plants through the grant • 25 000 beneficiaries/entrepreneurs supported by the grant
Amount per amended DoRA (R'000)	R65 768
Amount transferred (R'000)	R65 768
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R42 768
Reasons for the funds unspent	Poor performance by service providers Delay in procurement process
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter
<i>Limpopo: Department of Agriculture</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"> • 37 873 ha planted • 7 285 tons of maize produced within agricultural development corridors • 6 110 beneficiaries/entrepreneurs supported by the grant • 172 newly established infrastructure/plants through the grant
Actual outputs achieved	<ul style="list-style-type: none"> • 45 623 ha planted • 0 tons maize produced within agricultural development corridors • 9 220 beneficiaries/entrepreneurs supported by the grant • 172 newly established infrastructure/plants through the grant
Amount per amended DoRA (R'000)	R43 845
Amount transferred (R'000)	R43 845
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R42 353
Reasons for the funds unspent	Poor performance by service providers Delay in procurement process
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 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"> • 33 960 ha planted • 32 500 tons of maize produced within agricultural development corridors • 18 740 beneficiaries/entrepreneurs supported by the grant • 0 newly established infrastructure/plants through the grant • 0 ha rehabilitated and expanded irrigation schemes
Actual outputs achieved	<ul style="list-style-type: none"> • 20 952 ha planted • 19 463 tons of maize produced within agricultural development corridors • 6 573 beneficiaries/entrepreneurs supported by the grant • 0 newly established infrastructure/plants through the grant • 0 ha rehabilitated and expanded irrigation schemes

Department to whom the grant has been transferred	
<i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration (cont.)</i>	
Amount per amended DoRA (R'000)	R43 845
Amount transferred (R'000)	R43 845
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R43 845
Reasons for the funds unspent	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 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"> • 1 055 ha planted • 10 350 tons produced within agricultural development corridors, e.g. maize • 3 440 beneficiaries/entrepreneurs supported by the grant • 10 newly established infrastructure/plants through the grant • 2 ha rehabilitated and expanded irrigation schemes
Actual outputs achieved	<ul style="list-style-type: none"> • 1 198 ha planted • 10 350 tons of maize produced within agricultural development corridors • 6 149 beneficiaries/entrepreneurs supported by the grant • 11 newly established infrastructure/plants through the grant • 2 ha rehabilitated and expanded irrigation schemes
Amount per amended DoRA (R'000)	R70 034
Amount transferred (R'000)	R70 034
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R70 034
Reasons for the funds unspent	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 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"> • 15 164 ha planted • 605 beneficiaries/entrepreneurs supported by the grant • 20 newly established infrastructure/plants through the grant
Actual outputs achieved	<ul style="list-style-type: none"> • 11 762 ha planted • 442 beneficiaries/entrepreneurs supported by the grant • 20 newly established infrastructure/plants through the grant
Amount per amended DoRA (R'000)	R43 845
Amount transferred (R'000)	R43 845
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R42 068
Reasons for the funds unspent	Poor performance by service providers Delay in procurement process
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Department to whom the grant has been transferred	
<i>Western Cape: Department of Agriculture</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"> • 138 ha planted • 620 beneficiaries/entrepreneurs supported by the grant • 0 newly established infrastructure/plants through the grant • 0 ha rehabilitated and expanded irrigation schemes
Actual outputs achieved	<ul style="list-style-type: none"> • 185 ha planted • 758 beneficiaries/entrepreneurs supported by the grant • 0 newly established infrastructure/plants through the grant • 0 ha rehabilitated and expanded irrigation schemes
Amount per amended DoRA (R'000)	R51 737
Amount transferred (R'000)	R51 737
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R51 737
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

CONDITIONAL GRANT 3: LandCare

Department to whom the grant has been transferred	
<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"> • 4 282 ha rangeland protected and rehabilitated • 2 838 ha soil cultivated/land protected and rehabilitated • 510 Junior LandCare beneficiaries involved in the programme • 2 capacity-building initiatives conducted • 647 beneficiaries benefitting from capacity-building initiatives • 2 awareness campaigns conducted • 1 088 people with an increased awareness • 8 968 ha of land where weeds and invader plants are under control • 223 km of fence erected • 800 green jobs created • 40 beneficiaries adopting/practising sustainable production technologies and practices
Actual outputs achieved	<ul style="list-style-type: none"> • 2 557 ha rangeland protected and rehabilitated • 1 312 ha soil cultivated land protected and rehabilitated • 110 Junior LandCare beneficiaries involved in the programme • 3 capacity-building initiatives conducted and LandCarers attended • 362 beneficiaries benefitting from capacity-building initiatives • 2 awareness campaigns conducted • 1 212 people with an increased awareness • 5 397 ha of land where weeds and invader plants are under control • 99 km of fence erected • 819 green jobs created • 775 beneficiaries adopting/practising sustainable production technologies and practices

Department to whom the grant has been transferred	
<i>Eastern Cape: Department of Rural Development and Agrarian Reform (cont.)</i>	
Amount per amended DoRA (R'000)	R15 866
Amount transferred (R'000)	R12 693
Reasons if amount as per DoRA was not transferred	An amount of R3,173 million was not transferred due to underperformance by the province and non-compliance to the National Grant Framework
Amount spent by the department/municipality (R'000)	R12 693
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<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"> • 5 000 ha of rangeland protected and rehabilitated • 783 ha of soil cultivated land protected and rehabilitated • 1 000 Junior LandCare beneficiaries involved in the programme • 3 capacity-building initiatives conducted and LandCarers attended • 5 awareness campaigns conducted and LandCarers attended • 3 570 ha of land where weeds and invader plants are under control • 200 km of fence erected • 300 temporary jobs were created
Actual outputs achieved	<ul style="list-style-type: none"> • 3 000 ha rangeland protected and rehabilitated • 976 ha soil cultivated/land protected and rehabilitated • 1 000 Junior LandCare beneficiaries involved in the programme • 3 capacity-building initiatives conducted and LandCarers attended • 8 awareness campaigns conducted and LandCarers attended • 6 490 ha of land where weeds and invader plants are under control • 200 km of fence erected • 341 temporary jobs were created
Amount per amended DoRA (R'000)	R8 571
Amount transferred (R'000)	R8 571
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R8 571
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<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"> • 0 ha rangeland protected and rehabilitated • 1 ha of water resources protected and rehabilitated • 630 ha of land where weeds and invader plants are under control • 14 km of fence erected
Actual outputs achieved	<ul style="list-style-type: none"> • 5,54 ha rangeland protected and rehabilitated • 1 ha of water resources protected and rehabilitated • 859,3 ha of land where weeds and invader plants are under control • 13 km of fence erected

Department to whom the grant has been transferred	
<i>Gauteng: Department of Agriculture and Rural Development (cont.)</i>	
Amount per amended DoRA (R'000)	R6 163
Amount transferred (R'000)	R6 163
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R6 163
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs 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"> • 120 Junior LandCare beneficiaries involved in the programme • 473 beneficiaries benefitting from capacity-building initiatives • 10 awareness campaigns conducted and LandCarers attended • 4 127 ha of land where weeds and invader plants are under control • 131 km of fence erected • 816 jobs to be created
Actual outputs achieved	<ul style="list-style-type: none"> • 120 Junior LandCare beneficiaries involved in the programme • 615 beneficiaries benefitting from capacity-building initiatives • 11 awareness campaigns conducted and LandCarers attended • 2 723,5 ha of land where weeds and invader plants are under control • 48 km of fence erected • 895 jobs were created
Amount per amended DoRA (R'000)	R18 746
Amount transferred (R'000)	R18 746
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R18 746
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<i>Limpopo: Department of Agriculture</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"> • 20 capacity-building initiatives conducted and LandCarers attended • 270 awareness campaigns conducted and LandCarers attended • 3 500 ha of land where weeds and invader plants are under control • 251 km of fence erected • 1 500 beneficiaries adopting LandCare production technologies and practices • 600 green jobs to be created
Actual outputs achieved	<ul style="list-style-type: none"> • 15 capacity-building initiatives conducted and LandCarers attended • 113 awareness campaigns conducted and LandCarers attended • 2 764 ha of land where weeds and invader plants are under control • 194 km of fence erected • 35 beneficiaries adopting LandCare production technologies and practises • 797 jobs created

Department to whom the grant has been transferred	
<i>Limpopo: Department of Agriculture (cont.)</i>	
Amount per amended DoRA (R'000)	R19 562
Amount transferred (R'000)	R19 562
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R16 155
Reasons for the funds unspent	Unspent due to factors revolving to time frame of accomplishing the procurement processes
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<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"> • 3 700 ha rangeland protected and rehabilitated • 587 ha soil cultivated land protected and rehabilitated • 2 876 youths successfully attending organised Junior LandCare initiatives • 3 ha of water resources protected and rehabilitated • 24 capacity-building initiatives conducted for JuniorLandCare • 595 people with improved capacity and skills levels benefiting from capacity-building initiatives • 5 618 people with an increased awareness • 920 ha of land where weeds and invader plants are under control • 450 green jobs created • 72 beneficiaries adopting sustainable production technologies and practices
Actual outputs achieved	<ul style="list-style-type: none"> • 3 712 ha rangeland protected and rehabilitated • 290 ha soil cultivated land protected and rehabilitated • 2 876 youths successfully attending organised Junior LandCare initiatives • 1 ha of water resources protected and rehabilitated • 24 capacity-building initiatives conducted for JuniorLandCare • 738 people with improved capacity and skills levels benefiting from capacity-building initiatives • 5 618 people with an increased awareness • 818 ha of land where weeds and invader plants are under control • 481 green jobs created • 72 beneficiaries adopting sustainable production technologies and practices
Amount per amended DoRA (R'000)	R10 249
Amount transferred (R'000)	R10 249
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R10 249
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<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

Department to whom the grant has been transferred	
<i>Northern Cape: Department of Agriculture, Land Reform and Rural Development (cont.)</i>	
Expected outputs of the grant	<ul style="list-style-type: none"> • 5 695 ha rangeland protected and rehabilitated • 190 Junior LandCare beneficiaries involved in the programme • 11 water resources protected and rehabilitated • 52 capacity-building initiatives conducted for Junior LandCare • 0 people capacitated in fencing, safe handling and application of herbicides • 350 people attended awareness campaigns • 1 LandCare committee/LandCare group established • 14 ha of land where weeds and invader plants are under control
Actual outputs achieved	<ul style="list-style-type: none"> • 5 697 ha rangeland protected and rehabilitated • 216 Junior LandCare beneficiaries involved in the programme • 11 water resources protected and rehabilitated • 0 capacity-building initiatives conducted for Junior LandCare • 75 people capacitated in fencing, safe handling and application of herbicides • 350 people attended awareness campaigns • 1 LandCare committee/LandCare group established. • 25 ha of land where weeds and invader plants are under control
Amount per amended DoRA (R'000)	R12 055
Amount transferred (R'000)	R12 055
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department/municipality (R'000)	R12 055
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly
<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"> • 2 501 ha rangeland protected and rehabilitated • 250 Junior LandCare beneficiaries involved in the programme • 2 water resources protected and rehabilitated • 1 awareness campaign conducted • 7 035 ha of land where weeds and invader plants are under control • 199 km of fence erected • 271 green jobs to be created
Actual outputs achieved	<ul style="list-style-type: none"> • 0 ha rangeland protected and rehabilitated • 220 Junior LandCare beneficiaries involved in the programme • 2 water resources protected and rehabilitated • 1 awareness campaign conducted • 6 618 ha of land where weeds and invader plants are under control • 190 km of fence erected • 271 green jobs created
Amount per amended DoRA (R'000)	R10 552
Amount transferred (R'000)	R10 551
Reasons if amount as per DoRA was not transferred	Omission—R1 000 not transferred.
Amount spent by the department (R'000)	R10 143
Reasons for the funds unspent	Unspent due to factors revolving around time frames of accomplishing the procurement processes
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly

Department to whom the grant has been transferred	
<i>Western Cape: Department of Agriculture</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"> • 0 ha rangeland protected and rehabilitated • 936 ha soil cultivated/land protected and rehabilitated • 8 200 Junior LandCare beneficiaries involved in the programme • 92 ha of water resources protected and rehabilitated • 2 939 people with improved capacity and skills levels benefiting from capacity-building initiatives • 12 518 people with an increased awareness • 818 ha of land where weeds and invader plants are under control • 600 green jobs to be created
Actual outputs achieved	<ul style="list-style-type: none"> • 28 167 ha rangeland protected and rehabilitated • 522,77 ha soil cultivated land protected and rehabilitated • 8 862 Junior LandCare involved in the programme • 77 ha of water resources protected and rehabilitated • 6 044 people with improved capacity and skills levels benefiting from capacity-building initiatives • 11 322 people with an increased awareness • 664,73 ha of land where weeds and invader plants are under control • 678 green jobs created
Amount per amended DoRA (R'000)	R7 233
Amount transferred (R'000)	R7 233
Reasons if amount as per DoRA was not transferred	N/A
Amount spent by the department (R'000)	R7 233
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly

Donor funds

DONOR FUNDS RECEIVED

Donor: United States Agency for International Development (USAID)	
Full amount of the funding	R587 545,00
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
Expected outputs	<ul style="list-style-type: none"> • Complete field monitoring in Zimbabwe • Train ACHM staff in the vegetation and landscape function analysis techniques • Capture and analyse data • Interpret data and write final annual report
Actual outputs achieved	<p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> • Field monitoring and training of ACHM staff completed • Two reports completed: Ecological Monitoring: Dimbangombe, Zimbabwe: USAID-funded project number RFUC 013; Summary of Preliminary Results 2013, prepared for Drs Michael Brown and Dammi Carr by Dr Mike Peel, USAID/OFDA 3rd party evaluation, Livestock Programming

Donor: United States Agency for International Development (USAID) (cont.)	
Amount received	R98 188
Amount spent by the department	R98 188
Reasons for the funds unspent	None
Monitoring mechanism by the donor	A steering committee
Donor: Department of Trade and Industry	
Full amount of the funding	R27 070 000,00
Period of the commitment	The commencing date is 21 March 2012 for a period of three years or until the project is completed
Purpose of the funding	To conduct a Smallholder Establishment Programme that supports innovative projects to create employment for the marginalised and create necessary conditions for sustainable and inclusive growth
Expected outputs	<ul style="list-style-type: none"> • Area-based plans for target districts • Improved access to input and output markets in target districts • Functioning land rental markets in target districts • Functioning farmer-to-farmer extension programme in target districts • Investment in agro-processing capacity in target districts • Subdivision manual produced
Actual outputs achieved	<p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> • Five reports on district-based stakeholder engagements and consultations received (NC, FS, GP, WC and MP). Universities of KZN, NW and Fort Hare submitted their first reports • Certification of smallholder producers on SAGAP in partnership with PPECB: Pre-audits and audits completed in LP, NC, FS and WC
Amount received (R'000)	Opening balance for the financial year 2013/14: R17 469
Amount spent by the department (R'000)	R8 752
Reasons for the funds unspent (R'000)	<p>Closing balance for 2013/14: R8 717</p> <p>Tenders have been advertised, awaits finalisation</p> <p>Waiting for signing of delivery agreement with the FAO</p>
Monitoring mechanism by the donor	A project steering committee
Donor: National Research Foundation (German government)	
Full amount of the funding	R301 600,00
Period of the commitment	1 July 2010 to 30 June 2013
Purpose of the funding	Research on the ocean acidification of carbon dioxide increase. The project investigated the potential impact of ocean acidification on South African marine resources, especially West Coast rock lobster (WCRL) and farmed abalone—South African-German research collaboration. The funding was mainly for the exchange of scientists from both countries but also for research support (small instruments, consumables) and a workshop
Expected outputs	<p>Data sets on the impact of ocean acidification on:</p> <ul style="list-style-type: none"> • WCRL • Abalone • Sea urchins • Shy sharks • Training of South African and German students
Actual outputs achieved	<p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> • Large data sets from concluded experiments on WCRL (short-term impact of OA on male and female physiology, egg development, shell calcification, long-term impact [7 months] on juvenile growth and shell calcification, biochemical changes on the lobsters' respiratory pigments). Four publications are at various stages of preparation, two of which will be submitted to journals soon • Data set on short and long-term impact of OA on farmed abalone (physiology of adults, growth and shell calcification of adults). One paper in preparation • Small data set on impact of OA on sea urchin physiology. Data set on impact on egg fertilisation in preincubated parents (transgeneration effect) • Data set on impact of OA on shy shark physiology and dentin (on skin). One paper in preparation

Donor: National Research Foundation (German government) (cont.)	
Actual outputs achieved (cont.)	Students: <ul style="list-style-type: none"> • One SA student successfully upgraded from M.Sc. to Ph.D.; large part of Ph.D. completed • Two co-supervised SA students completed B.Sc. Hons degrees on abalone and sea urchins respectively • One German student completed B.Sc. (shy sharks) • One Slovenian Ph.D. student completed important experiments in her first year of Ph.D.
Amount received	R40 000,00
Amount spent by the department	R40 000,00
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	Annual progress report submitted to NRF and German government agency (by German partner)

Capital investment

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

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

- Minor upgrading and repairs at the Grootfontein Agricultural Development Institute (GADI), Middelburg (EC 048337).
- Construction of additional office accommodation and the construction of an agrochemical store at the Stellenbosch Plant Quarantine Station.
- The RAMP project at Sefala building was supposed to have been finalised though only minimal work still needs to be executed because the project was 95% completed. Owing to the non-performance of the contractor, his/her appointment had to be terminated, which delayed the project's delivery date because a new contractor had to be appointed for completion.

Infrastructure projects that are currently in progress and the expected dates of completion are the following:

- Upgrading of electrical substation (WCS 51208): Approval for NBAC for the procurement strategy, a contractor will be appointed by April 2014.
- Construction of sniffer dog facility (WCS 51626): PI and site have to be identified by Town Planning.
- Alterations to the entrance at Polka Drive (WCS 51209): Council still busy with the issue of reducing speed along the main road.
- Construction of seed banks at Sterkspruit (WCS 51639) and Mutale (WCS 51592): The Department of Public Works (DPW) was requested to source a suitable site for the DAFF in Sterkspruit.
- Construction of a waste containment dam at Upington (WCS 51539): The *status quo* remains the same.
- Refurbishment and extension of the Skukuza Veterinary Building (WCS 52069): The tender was advertised on 07 February 2014 and closed on 12 March 2014.
- Upgrading of reception areas (WCS 51541): The bidder has been conditionally approved. Formal approval will be given once the contractor has been security cleared. Security clearance is being awaited.
- Waterproofing of roof structure at Sefala building (WCS 5238): Awaiting confirmation of funds from DAFF.
- Construction of Durban Animal Quarantine Station (WCS 45521): Awaiting site clearance certificate.

Plans to close down or downgrade any current facilities:

- There are no plans to close down any facilities of the department. The DPW is the custodian of immovable assets within government—the mandate lies with them.

Progress made on the maintenance of infrastructure:

- Durban Quarantine Station: Awaiting site clearance certificate
- GADI, Middelburg: Completed
- Sefala: Project still in progress

- Feasibility study for a central air-conditioning system: Project has been closed and a new project for installing the central air-conditioning system has been registered.

Developments relating to the above that are expected to impact on the department's current expenditure:

- Construction of Durban Animal Quarantine Station
- Upgrading of reception areas
- Refurbishment and extension of the Skukuza Veterinary Building
- Upgrading and maintenance of infrastructure at Roodeplaat Genetic Resources
- Revamping of parking area at Harvest House
- Installation of central air-conditioning system.

The asset holding of the department has changed over the period under review, as movable capital assets to the value of R79,730 million and minor assets to the value of R4,364 million have been disposed of.

The department conducted asset verification of all the assets during the period under review and the departmental asset register was maintained on a continuous basis by maintaining the asset information on the Logistical Information System (LOGIS).

The department has a total of 12,523 movable capital assets, of which 47% are in good condition, 45% in a fair condition and 8% are in a poor condition.

During the period under review, no major maintenance projects were undertaken, except for the projects already mentioned. There was no maintenance backlog in the department for the 2013/14 financial year.

Progress with infrastructure projects

Infrastructure projects	2013/14			2012/13		
	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	24 423	19 472	4 951	32 365	29 852	2 513
<i>Existing infrastructure assets</i>						
Upgrades and additions	13 885	13 882	3	14 835	13 990	845
Rehabilitation, renovations and refurbishments	8 529	8 527	2			-
Maintenance and repairs	19 034	4 017	15 017	12 657	5 547	7 110
<i>Infrastructure transfer</i>						
Current	303 254	303 254	-	13 853	13 853	-
Capital	111 115	111 115	-	105 263	105 263	-
Total	480 240	460 267	19 973	178 973	168 505	10 468



PART C

Governance

1. INTRODUCTION

The department is committed to maintain 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 rendering. In areas where weaknesses were identified during the period under review, these will be addressed in the 2014/15 financial year.

2. RISK MANAGEMENT

The department compiled a Risk Management Policy and Strategy which were presented to the DAFF Risk Management Committee, the Executive Committee (EXCO), as well as the Audit Committee.

The department only concluded its risk assessment exercise towards the end of the 2013/14 financial year. A risk assessment was subsequently done for 2014/15.

The Directorate: Risk Management and Investigations has established a Risk Management Committee to which senior managers were appointed during July 2013 and its activities have increased since the fourth quarter of 2013. The Risk Management Committee has approved the Risk Management Policy, strategy and register for 2014/15.

For the majority of the financial year the Audit Committee was not in place and new audit committee members were appointed in December 2013.

The compilation of the Strategic Risk Register 2014/15 and branch-specific operational risk registers for 2014/15, as well as the Internal Audit Plan for 2014/15 provides for effective management of risks in the department.

3. FRAUD AND CORRUPTION

The department did not conduct a risk assessment or prepare a risk management strategy which should include the fraud prevention plan. This was mainly due to the Directorate: Risk Management and Investigations being understaffed. Although the organisation structure was approved in November 2012 and vacancies were advertised, no additional appointments were made.

The department uses two units, namely the Presidential Hotline and the Department of Public Service and Administration (DPSA) Hotline to address complaints. Upon receipt, the complaints are forwarded to the DAFF for further attention.

4. MINIMISING CONFLICT OF INTEREST

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

On 18 March 2014, the DPSA assisted SMS members with the registration process in Pretoria. The pamphlet received from the DPSA on the eDisclosure system and the instruction manual on how to declare financial interests on-line, were distributed to all SMS members. A circular (Departmental SMS Circular 1 of 2014), which was forwarded to all SMS members provided information to further assist them with the process of registration and declaration. All SMS members on the fixed post establishment and in the service of the department on 31 March 2014, 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 (DG) and signed off by the Executive Authority (Minister). The DPSA is currently in the process of registering these ethics officers on the eDisclosure system.

In terms of the Public Service Regulations, 2001, the Minister must on or before 31 May 2014 submit these electronic financial declarations to the Public Service Commission. The ethics officers will assist to ensure that the due date is met.

In terms of section 30(1) of the Public Service Act (PSA), 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 DG'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 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 job, different categories of employees are exposed to occupational health risks, which include extreme weather conditions and 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 poor organisational performance and service delivery; legal implications in non-compliance of 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 the 2014/15 financial year.

Item	Date	Presentation
1	16/04/2013	Briefing by the Auditor-General on key issues in the department and entities' strategic plans and budgets (progress compared to the previous financial year)
2	17/04/2013	Deliberations on the Fertilizers and Feeds Bill (B41-2012)
3	18/04/2013	Briefings and consideration of the strategic plans and budgets of the DAFF; and the Marine Living Resources Fund (MLRF) (taking into account the IGDP, NDP, priority outcomes)
4	23/04/2013	Briefings and consideration of the strategic plans and budgets of the Agricultural Research Council (ARC), Onderstepoort Biological Products (OBP) and the South African Veterinary Council (SAVC) (taking into account the IGDP, NDP, priority outcomes)
5	30/04/2013	Briefings and consideration of the strategic plans and budgets of the National Agricultural Marketing Council (NAMC) and the Perishable Products Export Control Board (PPECB) (taking into account the IGDP, NDP, priority outcomes)
6	10/05/2013	Presentation by the DAFF and deliberations by the committee on the <i>Report on factual findings</i> regarding the 2010 Forensic Investigation into Ncera Farms (Pty) Ltd
7	14/05/2013	Briefing and consideration of the Strategic Plan and budget of Ncera Farms (Pty) Ltd. Further deliberations on the Fertilizers and Feeds Bill. Consideration and adoption of the outstanding minutes
8	17/05/2013	Further deliberations on Ncera Farms (Pty) Ltd with stakeholders from Ncera (farmers and farm dwellers) and relevant department
9	21/05/2013	Consideration and adoption of the Committee report on the Strategic Plan of the DAFF and entities
10	23/05/2013	Briefing by NERPO on concerns among emerging livestock farmers Adoption of the Committee report on the Strategic Plan of the DAFF and entities
11	04/06/2013	Briefing by the DAFF on fishing rights allocation
12	11/06/2013	Briefing by the DAFF on the status of marine fisheries resources and vessel management
13	14/06/2013	Progress report by the DAFF on its plans and Response Strategy for Disaster Management in the country, particularly with regard to veld fires, drought, floods and disease outbreaks in the agricultural, forestry and fisheries sectors and overall progress on the implementation of climate change mitigation
14	18/06/2013	Presentation of responses from the DAFF on all outstanding matters which have been raised by the committee Consideration and adoption of outstanding reports and minutes
15	19/06/2013	Briefing by the DAFF on transformation in the forestry industry (Forestry Charter Council)
16	21/06/2013	Report back from the dti, Department of Health and DAFF on meat inspection services and labelling in South Africa

Item	Date	Presentation
17	29/07/2013	Oversight visit report (Free State) by Portfolio Committee on Agriculture, Forestry and Fisheries from 29 July 2013 to 02 August 2013
18	15/08/2013	Briefing by the DAFF on the following: <ul style="list-style-type: none"> • Report back on the status of patrol and research vessels and the state of readiness towards fishing rights allocation • Status of fishing harbours and aquaculture (hatcheries and farms) projects, as well as the future of the interim relief exemption
19	20/08/2013	Briefing by the DAFF on the 2013/14 First quarter performance and expenditure
20	13/09/2013	Joint meeting with the PCs on Agriculture, Forestry and Fisheries, Health, the dti, Rural Development and Land Reform, Science and Technology <ul style="list-style-type: none"> • Briefing by relevant departments on their roles in the administration, utilisation and management of genetically modified (GM) food in South Africa • Briefing by the DAFF to include a decision-making process for GMO permits in South Africa, including the Dow Chemical's GM maize variety DAS-40278-9 • Presentation by the ARC on research activities on GM food crops
21	17/09/2013	Presentation by the DAFF of a strategy to address the challenges at Ncera Farms (Pty) Ltd, including conflicts regarding the surrounding state farms; and progress report on the disciplinary procedures emanating from findings of the Ncera forensic investigation report Feedback by the DAFF, Department of Health and the dti on the working plan regarding meat inspection services and labelling in South Africa. (SARS should form part of the delegation to explain its role in the process.)
22	08/10/2013	Briefing by the DAFF on the Marine Living Resources Amendment Bill
23	09/10/2013	Consideration of the Annual reports of the DAFF and Marine Living Resources Fund (MLRF) Briefing by the DAFF on a strategy/plan to address the challenges at Ncera Farms (Pty) Ltd, including conflicts regarding the surrounding state farms and progress report on the disciplinary procedure emanating from findings of the Ncera forensic investigation report
24	15 to 16/10/2013	Public hearings on the Marine Living Resources Amendment Bill
25	22/10/2013	Responses by the DAFF on issues raised during public hearings on the Marine Living Resources Amendment Bill Deliberations on the Marine Living Resources Amendment Bill
26	30/10/2013	Responses by the DAFF on issues raised during public hearings on the Marine Living Resources Amendment Bill Deliberations on the Marine Living Resources Amendment Bill
27	05/11/2013	Briefing by the DAFF and the AgriBEE Charter Council on progress regarding transformation in the agricultural sector (presented by Ms Kwena Komape)
28	15/11/2013	Report back on progress made during the previous oversight visit and presentation of the proposed operational plan for the future of Ncera Farms (Pty) Ltd
29	20/11/2013	Briefing by the DAFF on the Marine Living Resources Amendment Bill (B30B-2013) (section 76)
30	26/11/2013	Briefing on Marine Living Resources Amendment Bill (B30B) (section 76)
31	30/01/2014	Briefing by the Auditor-General Ms Meisie Nkawu on the Second quarter expenditure and performance report of the DAFF—presented
32	11/02/2014	Response by the DAFF on the recommendation made by the PC in the 2012 and 2013 Budgetary review and recommendation report (BRRR) Briefing by the DAFF on the 2013/14 Second quarter expenditure and performance report Briefing on fishing rights allocations and progress report on appeals
33	12/02/2014	Briefing by the DAFF and AgriBEE Charter Council on the disbursement of funds from the AgriBEE Fund
34	19/02/2014	Feedback by the DAFF, Department of Health and the dti on food labelling
35	26/02/2014	Consideration of the petition on Dow Chemical's GM maize variety DAS-402789 Presentation by the agricultural biotech industry on the biotechnology crop development analysis locally, nationally and globally

8. SCOPA RESOLUTIONS

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

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There has been no modification of the Audit report.

10. INTERNAL CONTROL UNIT

The mandate of the Internal Audit Unit covers the review of the internal control.

The scope covered by the Internal Audit Unit in the year under review is not adequate to enable expression of an opinion. However, the limited internal audit work undertaken when considered in conjunction with the internal control review undertaken by the Auditor-General during the year-end audit reveal that internal controls within the department are generally adequate and effective with areas of weakness receiving attention from management.

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.

Summary of audit work done

During the period under review, the Internal Audit Unit was faced with capacity challenges that resulted in limited assurance work being undertaken. Except a few risk-based assignments in some parts of the department, little to no work was undertaken relating to governance, regularity and compliance audits. The building of the necessary capacity for this function has since been prioritised by both the management and the Audit Committee. For the greater part of the period under review, the Audit Committee was not fully constituted, therefore not operational.

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 control, 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 and strategies and the way it deals with stakeholders such as the Audit Committee.

Audit Committees are constituted to ensure their 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/her responsibilities with the ultimate aim being the achievement of the department’s objectives.

Audit Committee members and attendance

The Audit Committee consists of five members listed in the table below along with the retired members who served for a portion of the period under review. The committee must meet at least four times per annum as per its approved

Charter. During the period under review,, only three meetings were held because the committee was only in place for a part of the financial year. These were held on 30 May 2013, 24 July 2013 and 19 March 2014.

Name	Qualifications	Internal or external	Date appointed	Services termination date	No. of meetings attended
Mr Ayanda Wakaba—Chairperson	B.Compt Honours MBA	External	01 December 2013	N/A	01
Mr Molemo Maliehe	B.Comm	External	26 February 2010 Re-appointed on 01 December 2013	30 May 2013	03
Mr Stefaan Sithole	CA (SA) CIA	External	17 July 2012	N/A	03
Mr Nico Russouw	CA (SA)	External	01 December 2013	N/A	01
Mr Paul Serote	CA (SA)	External	01 December 2013	N/A	00
Mr R. Theunissen	B.A CA (SA)	External	11 June 2007	30 May 2013	01
Ms M. Mekkonen	B.Juris	External	26 February 2010	30 April 2013	01
Ms J. Joni	B.Proc LLB LLM	External	29 July 2013	09 September 2013	01

12. AUDIT COMMITTEE REPORT

We present our report for the financial year ended 31 March 2014.

Audit Committee Responsibility

An audit committee was not in place for a portion of the reporting period, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury Regulation 3.1.1. Only two members were appointed between June 2013 and December 2013 with one of these members resigning in September 2013. The roles and responsibilities of an audit committee were therefore not performed during this period. The newly appointed Audit Committee reports that subsequent to its formal re-constitution, it adopted appropriate formal Terms of Reference for the 2014/15 financial year as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein.

Internal Audit

The Internal Audit function faced capacity shortfalls which impacted on its ability to undertake its work. The result of this was that work undertaken was not of the required standard and the number of audit assignments undertaken was too few to enable an effective assessment of the department's internal controls.

Summary of audit work done

During the period under review, as a result of the Internal Audit capacity challenges highlighted above, limited assurance work was undertaken. Except a few risk-based assignments in some parts of the department, little to no work was undertaken relating to governance, regularity and compliance audits. The building of the necessary capacity for this function has since been prioritised by both the management and the Audit Committee.

Effectiveness of Internal Controls

Our review of the findings relating to internal controls based on the limited risk based assessments conducted in the department revealed certain weaknesses, which were then raised with the department. During the 2013/14 financial year, the Audit Committee was operational for only a portion of the period. As a result, the Internal Audit Activity (IAA) did not have an approved Internal Audit Year Plan and the Internal Audit Charter could not be approved as required. An Internal Audit Plan was developed, however due to the risk assessments not performed for the department, this plan was not a risk-based audit plan.

By the end of the financial year, management had however taken steps to address shortcomings identified relating to the need for the re-constitution of the Audit Committee and processes were underway to address capacity shortfalls in the internal audit and risk management functions.

In-Year Management and Monthly/Quarterly Report

The department is reporting monthly and quarterly to Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by the department and satisfied ourselves that they were of the required standard and comply with relevant Prescripts and Treasury Guidelines.

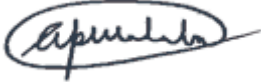
Auditor-General's Report

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 re-committed to clear the outstanding matters during the coming financial period.

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 be accepted and read together with the report of the Auditor-General.

Conclusion

We extend our appreciation to the Executive Authority, the Director-General and her 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: 24/07/2014



PART D

Human resources management

1. 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).

2. Overview of human resources

During the period under review, the post establishment of the department decreased from 7 074 to 6 780 posts, as a result of the PERSAL cleanup process in line with the DPSA circular No. 1 of 2012, which requires departments to abolish unfunded vacancies on the PERSAL as part of the implementation of the PERSAL cleanup strategy, and the filling of identified vacant funded posts. Consequently, the vacancy rate on the establishment of the department decreased from 13,1% to 9,8%. The implementation of the personnel suitability checks (vetting strategy) still creates constraints in terms of turnaround times in the filling of posts. The Organisation Development Committee (ODC), which was established in 2006, continues to monitor the management of vacancies in the department on a monthly basis, with a view to down-scale the vacancy rate.

The human resources (HR) effectiveness assessment results reveal that this function continues to fulfil a strategic role and has technical expertise—as the scores in these areas continue to increase.

2.1 HR PRIORITIES

The HR Strategy 2017 has been developed to ensure service excellence and human resource strategic partnering by delivering on six key fundamental HR priorities so as to contribute to organisational performance over the five-year (MTEF) period:

- **People acquisition:** Identifying critical capacity and skills requirements for DAFF through innovative talent acquisition methods, identifying and timeously filling critical posts, reviewing appointment contracts in relation to vetting and lifestyle outcomes, enhancing the on-boarding programme to welcome newcomers and reorientate existing staff members towards development of a high-performance culture in DAFF.
- **Human resource development:** Critical skills gaps identified; leadership engagement platforms conducted; leadership capability assessed; Young Graduate Development Programme; talent management system and process developed to identify deserving employees for career and reward management; and mentorship and coaching development intervention implemented to close critical individual skills gaps and accelerate skills development interventions through relevant training programmes.
- **Performance management:** Inculcating a high-performance culture by recognising exceptional performance through reward and recognition programmes and interventions, as well as ensuring compliance to performance contracting and review processes.
- **Employee Relations Strategy:** 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.
- **Transformation and change:** Repositioning DAFF as an employer of choice and espousing a transformed and integrated workforce management if it is a critical imperative in attaining the HR Vision 2017. This will be achieved through employment equity targets, in relation to gender, race and disability; developing and implementing the diversity management programmes, Job Access Framework Implementation Plan; and instituting employee satisfaction surveys.
- **Employee health and wellness:** Pursuing an activist approach in the provision of health and wellness services in response to the huge disease burden prevalence and mortality rate in the department towards improved employee productivity levels.

Towards achievement of the abovementioned priorities, focus was placed on the reduction of the vacancy rate, implementation of the Human Resource Development Strategy, improvement of the compliance rate to the Performance Management and Development Framework and empowering the line managers on the labour relations processes (grievances and disciplinary code and procedures).

2.2 ORGANISATIONAL DEVELOPMENT

The refinement investigation of the DAFF structure continued during this period but could only be done within the current MTEF budget allocation. However, critical functional areas could not be capacitated efficiently to improve service delivery to the demanding agricultural, forestry and fisheries sectors, respectively. Owing to the partially integrated organisational structure, the financial accounting, supply chain and asset management support functions in the regions were centralised at head office with identified regional offices to enhance the optimal use of resources (human, facilities and financial) in this functional responsibility.

The reinstatement of salary levels 10 and 12 for line function posts in terms of GPSSBC Resolution 1 of 2012 assisted in the attraction and retention of specific scarce skills employees, as well as the job evaluation programme to address this matter and is almost finalised. The number of posts that was subjected to job evaluation was 1 324, which resulted in the upgrading of the salary levels of 225 posts and the downgrading of the salary levels of 335 posts. The department made strides in the implementation of PSCBC Resolution 1 of 2012.

Through the job evaluation coordination process with the provincial departments of agriculture, cross-cutting identified posts were subjected to job evaluation, that resulted in the harmonisation of salary levels.

The management committee that was established to address the issues regarding the interpretation of the requirements of the Occupational Specific Dispensations (OSDs), which resulted in grievances and disputes, has created a better understanding of the implementation of OSDs across the department and disposed of a number of requests for categorisation of jobs as OSDs.

The reconfiguration of the current approved organisational structure into an integrated model will be investigated with the aim of addressing the economic, efficient and effective performance of the department and to improve service delivery.

2.3 RECRUITMENT

The vacancy rate was at 9,8% and the staff turnover rate at 6,3%, for the period under review. A total of 297 new staff member appointments and transfers on the fixed post establishment of the department, including five members of the Senior Management Service (SMS), the appointment of the Director-General and one Deputy Director-General, were finalised during the period under review. A total of 118 employees, including six employees, were promoted to SMS/higher SMS positions in the department, including one Deputy Director-General. During the period under review, one member of the SMS was relocated/placed on the same level in a new position. Two members of the SMS were transferred to positions on the same level. It brings the total of SMS posts filled during this period to 12. This has greatly enhanced leadership capacity.

The average turnaround time for verifications of qualifications has been reduced to 22 working days through partnership with the South African Qualifications Authority (SAQA), while the criminal and citizenship verifications by the SA State Security Agency (SASSA) remain an average of 4 months, thereby causing a delay in the filling of posts. Partial outsourcing of the personnel suitability checks has been commenced to improve the turnaround times in the filling of positions.

2.4 PERFORMANCE MANAGEMENT

Initiatives to inculcate performance management culture in the department through training on the performance management and development system as well as strategic partnering with the branches have been implemented. This has resulted in the improvement of compliance to the Performance Management and Development System (PMDS) from 88% achieved in the previous performance cycle to 92%. Better alignment between the individual performance agreements and departmental performance plans (Strategic Plan, Annual Performance plans and Operational plans) has also been achieved. This is evident through the improved organisational performance realised during 2013/14. The contribution of employees to the achievement of organisational objectives was recognised because 22,6% employees qualified for performance rewards. The Strategic Performance Management Workshop for SMS members and roll out of the Performance Management Framework will be conducted during the 2014/15 performance cycle to further institutionalise the culture of performance in the department.

2.5 EMPLOYEE HEALTH AND WELLNESS

The challenges of the departmental disease burden and aging workforce remain a reality in the Branch: Forestry and Natural Resources Management. The employee health and wellness concept document has been finalised; however, an activist approach to its implementation was hampered by an inadequate budget allocation for health and wellness interventions. The Terms of Reference for the appointment of a service provider for a 24-hour counselling service have

been finalised. The most valued strategic partnership with the Government Employees Medical Scheme has resulted in more employees being able to access the health and wellness services and early detection of diseases owing to 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 pilot project on the assessment of the return on investment of training interventions has been undertaken and a full roll out will be prioritised in 2014/15. Plans to build leadership capacity are in place and more senior managers will be enrolled for the Executive Development Programme with the National School of Government supported by executive coaching during 2014/15. This will enhance the leadership and skills-level capacity requirements of the department.

2.7 HUMAN RESOURCE PLANNING

HR planning capacity has been enhanced through the filling of critical positions, resulting in improved compliance to the HR Strategic Planning Framework for the public service and better planning for departmental capacity requirements. The HR Plan was duly adjusted and implementation thereof monitored through submission of two reports to the Department of Public Service and Administration. The HR planning process will, in future, be aligned to the strategic planning process in the department, thereby ensuring integrated planning, efficient and effective utilisation of resources, improved organisational performance and improved service delivery.

2.8 LABOUR RELATIONS

The Labour Relations Programme was fully implemented. The Departmental Bargaining Chamber conducted site visits to assess the employees' conditions of work and recommend specific interventions in the forestry and fisheries components in the department. The turnaround times in the finalisation of misconduct cases has improved to an average of 100 days. Targeted labour relations training interventions were conducted to improve managerial capacity and promote sound labour relations.

3. Human resource oversight statistics

3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarise the final audited personnel expenditure by programme and by salary band. In particular, it provides an indication of the following: amount spent on personnel, amount spent on salaries, overtime, homeowner's allowance and medical aid.

TABLE 3.1.1 Personnel expenditure by programme

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	681 583	311 579	3 960	10 441	45,7	49
2. Agricultural Production, Health and Food Safety	2 000 946	361 316	1 460	4 200	18,1	57
3. Food Security and Agrarian Reform	1 590 101	126 091	23 895	20 442	7,9	20
4. Trade Promotions and Market Access	256 334	79 492	802	12 083	31,0	12
5. Forestry and Natural Resources Management	1 144 699	482 495	1 760	4 140	42,2	77
6. Fisheries Management	437 650	177 862	–	–	40,6	28
Total	6 111 313	1 538 835	31 877	51 306	25,2	41

TABLE 3.1.2 Personnel costs by salary band

Salary band	Personnel expenditure (R'000)	% of total personnel cost	Number of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	111 685	7,3	1 673	66 757
Skilled (levels 3–5)	319 947	20,8	1 527	209 527
Highly skilled production (levels 6–8)	470 466	30,6	1 700	276 745
Highly skilled supervision (levels 9–12)	466 193	30,3	1 103	422 659
Senior management (levels 13–16)	121 585	7,9	112	1 085 580
Contract (levels 1–2)	17 029	1,1	269	63 305
Contract (levels 3–5)	1 928	0,1	4	482 000
Contract (levels 6–8)	2 079	0,1	5	415 800
Contract (levels 9–12)	13 577	0,9	15	905 133
Contract (levels 13–16)	14 330	0,9	7	2 047 143
Periodical remuneration	16	0,0	7	2 286
Total	1 538 835	100,0	6 422	239 619

TABLE 3.1.3 Salaries, overtime, homeowner's allowance (HOA) and medical aid by programme

Programme	Salaries		Overtime		Homeowner's allowance		Medical aid	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical aid as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
1. Administration	269 626	86,5	1 584	0,5	9 548	3,1	13 367	4,3
2. Agricultural Production, Health and Food Safety	310 547	85,9	5 844	1,6	13 133	3,6	18 025	5,0
3. Food Security and Agrarian Reform	110 871	87,9	468	0,4	4 114	3,3	5 865	4,7
4. Trade Promotions and Market Access	70 318	88,5	1	0,0	1 656	2,1	2 898	3,6
5. Forestry and Natural Resources Management	415 536	86,1	4 320	0,9	27 331	5,7	23 227	4,8
6. Fisheries Management	155 296	87,3	11 109	6,2	4 240	2,4	7 766	4,4
Total	1 332 194	86,6	23 326	1,5	60 022	3,9	71 148	4,6

TABLE 3.1.4 Salaries, overtime, homeowner's allowance (HOA) and medical aid by salary band

Programme	Salaries		Overtime		Homeowner's allowance		Medical aid	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical aid as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Lower skilled (levels 1–2)	90 156	80,7	767	0,7	9 253	8,3	6 887	6,2
Skilled (levels 3–5)	257 202	80,4	5 136	1,6	22 162	6,9	19 294	6,0
Highly skilled production (levels 6–8)	396 284	84,2	14 495	3,1	16 369	3,5	26 695	5,7
Highly skilled supervision (levels 9–12)	421 750	90,5	2 633	0,6	8 875	1,9	16 111	3,5
Senior management (levels 13–16)	118 210	97,2	84	0,1	3 017	2,5	1 925	1,6

TABLE 3.1.4 Salaries, overtime, homeowner's allowance (HOA) and medical aid by salary band (cont.)

Programme	Salaries		Overtime		Homeowner's allowance		Medical aid	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical aid as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Contract (levels 1–2)	16 856	99,0	90	0,5	–	0,0	9	0,1
Contract (levels 3–5)	1 823	94,6	101	5,2	24	1,2	51	2,6
Contract (levels 6–8)	2 006	96,5	19	0,9	–	0,0	1	0,0
Contract (levels 9–12)	13 577	100,0	–	0,0	263	1,9	130	1,0
Contract (levels 13–16)	14 330	100,0	–	0,0	59	0,4	45	0,3
Total	1 332 194	86,6	23 324	1,5	60 022	3,9	71 148	4,6

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 on the establishment, the number of employees, the vacancy rate and whether there are any staff members that are additional to the establishment. This information is presented in terms of three key variables: programme, salary band and critical occupations. Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.2.1 Employment and vacancies by programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1. Administration	1 156	1 028	11,1	11
2. Agricultural Production, Health and Food Safety	1 510	1 363	9,7	9
3. Food Security and Agrarian Reform	473	417	11,8	271
4. Trade Promotions and Market Access	170	146	14,1	–
5. Forestry and Natural Resources Management	2 929	2 667	8,9	8
6. Fisheries Management	542	496	8,5	1
Total	6 780	6 117	9,8	300

* Number of posts includes the Minister and Deputy Minister

TABLE 3.2.2 Employment and vacancies by salary band

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)	1 756	1 673	4,7	269
Skilled (levels 3–5)	1 691	1 527	9,7	4
Highly skilled production (levels 6–8)	1 883	1 700	9,7	5
Highly skilled supervision (levels 9–12)	1 320	1 103	16,4	15
Senior management (levels 13–16)	128	112	12,5	7
Total	6 778	6 115	9,8	300

* Number of posts excludes the Minister and Deputy Minister

TABLE 3.2.3 Employment and vacancies by critical occupations

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administrative related	170	136	20,0	3
Agricultural, animal, oceanography, forestry and other sciences	314	262	16,6	1
Agriculture related	393	337	14,2	3
Aircraft pilots and related associate professionals	1	1	-	-
All artisans in the building, metal, machinery, etc.	43	41	4,7	-
Appraisers, valuers and related professionals	25	24	4,0	-
Auxiliary and related workers	130	125	3,8	-
Biochemistry, pharmacology, zoology and life science technicians	37	33	10,8	-
Building and other property caretakers	98	89	9,2	-
Bus and heavy vehicle drivers	21	21	-	-
Chemists	2	2	-	-
Cleaners in offices, workshops, hospitals, etc.	97	91	6,2	-
Client information clerks (switchboard, reception and information clerks)	12	12	-	-
Communication and information related	11	11	-	-
Computer system designers and analysts	10	5	50,0	-
Economists	82	67	18,3	-
Engineers and related professionals	12	3	75,0	6
Farmhands and labourers	193	179	7,3	5
Farming forestry advisors and farm managers	106	86	18,9	-
Finance and economics related	33	25	24,2	-
Financial and related professionals	34	27	20,6	-
Financial clerks and credit controllers	148	136	8,1	3
Food services aids and waiters	30	27	10,0	-
Forestry labourers	1 317	1 261	4,3	4
General legal administration and related professionals	1	-	100,0	-
Geologists, geophysicists, hydrologists and related professionals	1	-	100,0	-
Head of Department/Chief Executive Officer	1	1	-	-
Health sciences related	5	5	-	-
Horticulturists, foresters, agricultural and forestry technicians	462	399	13,6	-
Household and laundry workers	16	15	6,3	-
Human resources and organisational development and related professionals	43	38	11,6	-
Human resource clerks	103	97	5,8	-
Human resources related	21	19	9,5	-
Information technology related	1	1	-	-
Language practitioners, interpreters and other communicators	29	26	10,3	-
Legal related	7	4	42,9	-
Librarians and related professionals	4	3	25,0	-
Library mail and related clerks	94	88	6,4	-

TABLE 3.2.3 Employment and vacancies by critical occupations (cont.)

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Light vehicle drivers	18	14	22,2	–
Logistical support personnel	36	32	11,1	–
Material-recording and transport clerks	121	108	10,7	–
Mechanical engineering technicians	4	2	50,0	–
Messengers, porters and deliverers	91	84	7,7	–
Meteorologists	1	1	–	–
Motor vehicle drivers	47	44	6,4	–
Motorised farm and forestry plant operators	98	86	12,2	–
Natural sciences related	8	5	37,5	–
Nature conservation and oceanographically related technicians	66	58	12,1	–
Other administrative and related clerks and organisers	481	433	10,0	1
Other administrative policy and related officers	158	132	16,5	–
Other information technology personnel	41	34	17,1	–
Photographic, lithographic and related workers	4	3	25,0	–
Printing and related machine operators	12	12	–	–
Printing planners and production controllers	1	1	–	–
Quantity surveyors and related professionals	3	3	–	–
Rank: Minister	1	1	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	226	207	8,4	–
Risk management and security services	9	6	33,3	–
Road trade workers	8	8	–	–
Safety, health and quality inspectors	33	30	9,1	–
Secretaries and other keyboard operating clerks	121	108	10,7	3
Security guards	319	302	5,3	–
Security officers	169	149	11,8	–
Senior managers	126	109	13,5	7
Social sciences related	1	1	–	–
Statisticians and related professionals	23	21	8,7	–
Trade labourers	385	372	3,4	1
Trainees	–	–	–	259
Veterinarians	35	33	5,7	4
Veterinary assistants	5	5	–	–
Water plant and related operators	21	15	28,6	–
Total	6 780	6 117	9,8	300

* Number of posts includes the Minister and Deputy Minister

3.3 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 year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 3.3.1 Job evaluation by salary band

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	1 756	10	0,6	–	–	–	–
Skilled (levels 3–5)	1 691	854	50,5	150	17,6	325	38,1
Highly skilled production (levels 6–8)	1 883	126	6,7	13	10,3	2	1,6
Highly skilled supervision (levels 9–12)	1 320	334	25,3	62	18,6	8	2,4
Senior Management Service Band A	90	–	–	–	–	–	–
Senior Management Service Band B	28	–	–	–	–	–	–
Senior Management Service Band C	9	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
Total	6 778	1 324	19,5	225	17,0	335	25,3

* Number of posts excludes the Minister and Deputy Minister

The following table provides a summary of the number of employees whose positions were upgraded owing to 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 upgraded posts could also be vacant.

TABLE 3.3.2 Profile of employees whose positions were upgraded owing to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female	93	–	8	10	111
Male	84	–	13	4	101
Total	177	–	21	14	212
Employees with a disability					5

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

TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	1	7	8	Grade progression
Administrative related	1	9	10	Minister's approval
Administrative related	2	9	11	Minister's approval
Administrative related	1	9	12	Minister's approval
Administrative related	1	10	12	Job evaluation
Administrative related	1	11	12	Job evaluation
Agricultural, animal, oceanography, forestry and other sciences	1	9	10	Job evaluation
Agricultural, animal, oceanography, forestry and other sciences	2	9	10	Retention
Agriculture related	2	8	9	Grade progression
Agriculture related	1	9	10	Job evaluation
Agriculture related	2	11	12	Grade progression
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.	1	6	7	Grade progression

TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation (cont.)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
All artisans in the building, metal, machinery, etc.	6	7	8	Grade progression
Appraisers, valuers and related professionals	1	11	12	Job evaluation
Appraisers, valuers and related professionals	1	12	13	Foreign representative
Appraisers, valuers and related professionals	3	12	14	Foreign representative
Appraisers, valuers and related professionals	2	12	15	Foreign representative
Auxiliary and related workers	6	5	6	Job evaluation
Auxiliary and related workers	12	6	7	Grade progression
Building and other property caretakers	38	2	3	Grade progression
Building and other property caretakers	1	4	5	Grade progression
Bus and heavy vehicle drivers	8	4	5	Grade progression
Bus and heavy vehicle drivers	1	5	6	Grade progression
Cleaners in offices, workshops, hospitals, etc.	28	2	3	Grade progression
Cleaners in offices, workshops, hospitals, etc.	1	4	5	Grade progression
Communication and information related	2	11	12	Job evaluation
Economists	1	9	10	Job evaluation
Economists	2	10	11	Job evaluation
Farmhands and labourers	17	2	3	Grade progression
Farmhands and labourers	1	2	5	Grade progression
Farming forestry advisors and farm managers	7	8	9	Grade progression
Farming forestry advisors and farm managers	1	8	10	Out of adjustment
Finance and economics related	2	9	10	Job evaluation
Finance and economics related	1	11	12	Retention
Financial and related professionals	1	7	8	Grade progression
Financial clerks and credit controllers	2	5	6	Grade progression
Financial clerks and credit controllers	2	6	7	Grade progression
Financial clerks and credit controllers	8	7	8	Grade progression
Food services aids and waiters	7	2	3	Grade progression
Forestry labourers	478	2	3	Grade progression
Forestry labourers	1	2	4	Out of adjustment
Forestry labourers	20	4	5	Grade progression
Forestry labourers	1	2	6	Out of adjustment
Forestry labourers	3	5	6	Grade progression
Forestry labourers	2	6	7	Grade progression
Health sciences related	1	11	12	Retention
Household and laundry workers	1	5	6	Grade progression
Human resources and organisational development and related professionals	1	9	12	Retention
Human resources clerks	1	5	6	Job evaluation
Human resources clerks	1	6	7	Grade progression
Human resources clerks	3	7	8	Grade progression
Human resources related	3	9	10	Minister's approval
Human resources related	2	11	12	Minister's approval

TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation (cont.)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Library mail and related clerks	2	6	7	Grade progression
Library mail and related clerks	1	8	11	Minister's approval
Logistical support personnel	1	7	8	Grade progression
Material-recording and transport clerks	1	5	6	Grade progression
Material-recording and transport clerks	3	6	7	Grade progression
Material-recording and transport clerks	2	7	8	Grade progression
Messengers, porters and deliverers	35	2	3	Grade progression
Messengers, porters and deliverers	1	2	4	Job evaluation
Motorised farm and forestry plant operators	1	2	3	Grade progression
Motorised farm and forestry plant operators	1	3	5	Grade progression
Other administrative policy and related officers	2	7	8	Grade progression
Other administrative policy and related officers	1	8	10	Retention
Other administrative and related clerks and organisers	1	5	6	Job evaluation
Other administrative and related clerks and organisers	1	5	7	Grade progression
Other administrative and related clerks and organisers	39	6	7	Grade progression
Other administrative and related clerks and organisers	5	7	8	Grade progression
Other information technology personnel	2	8	10	Job evaluation
Other information technology personnel	1	11	12	Grade progression
Regulatory inspectors	1	7	8	Grade progression
Secretaries and other keyboard operating clerks	1	5	6	Minister's approval
Secretaries and other keyboard operating clerks	4	7	8	Grade progression
Security guards	82	2	3	Grade progression
Security guards	2	2	4	Job evaluation
Security guards	3	3	4	Job evaluation
Senior managers	1	13	14	Minister's approval
Senior managers	1	14	15	Minister's approval
Statisticians and related professionals	1	9	12	Job evaluation
Trade labourers	55	2	3	Grade progression
Trade labourers	4	4	5	Grade progression
Trade labourers	1	5	6	Grade progression
Veterinarians	3	11	12	Retention
Water plant and related operators	2	2	3	Grade progression
Water plant and related operators	1	4	5	Grade progression
% of total employment	15,7			

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

TABLE 3.3.4 Profile of employees who have salary levels higher than those determined by job evaluation

Beneficiary	African	Asian	Coloured	White	Total
Female	482	–	6	50	538
Male	385	1	19	17	422
Total	869	1	25	67	960
Employees with a disability	–	–	–	–	–
Total number of employees whose remuneration exceeded the grade determined by job evaluation in 2013/14					960

3.4 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 3.4.1 Annual turnover rates by salary band

Salary band	Number of employees at beginning of period—April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	1 698	91	51	3,0
Skilled (levels 3–5)	1 567	68	191	12,2
Highly skilled production (levels 6–8)	1 712	85	84	4,9
Highly skilled supervision (levels 9–12)	1 057	48	53	5,0
Senior Management Service Band A	80	1	4	5,0
Senior Management Service Band B	24	2	1	4,2
Senior Management Service Band C	6	1	1	16,7
Senior Management Service Band D	–	1	–	–
Total	6 144	297	385	6,3

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.4.2 Annual turnover rates by critical occupation

Critical occupation	Number of employees at beginning of period—April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administrative related	144	9	16	11,1
Agricultural, animal, oceanography, forestry and other sciences	244	13	7	2,9
Agriculture related	313	7	12	3,8
Aircraft pilots and related associate professionals	1	–	–	–
All artisans in building, metal, machinery, etc.	43	–	2	4,7
Appraisers, valuers and related professionals	21	2	–	–
Auxiliary and related workers	128	2	2	1,6
Biochemistry, pharmacology, zoology and life science technicians	32	2	1	3,1
Building and other property caretakers	98	1	10	10,2
Bus and heavy vehicle drivers	22	–	1	4,5
Chemists	2	–	–	–
Civil engineering technicians	–	–	–	–
Cleaners in offices, workshops, hospitals, etc.	83	16	4	4,8
Client information clerks	11	–	1	9,1
Communication and information related	11	–	–	–
Computer system designers and analysts	6	–	1	16,7
Economists	65	3	5	7,7

TABLE 3.4.2 Annual turnover rates by critical occupation (cont.)

Critical occupation	Number of employees at beginning of period—April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Engineering sciences related	–	–	–	–
Engineers and related professionals	3	–	–	–
Farmhands and labourers	194	10	15	7,7
Farming, forestry advisors and farm managers	90	5	7	7,8
Finance and economics related	28	1	2	7,1
Financial and related professionals	27	–	1	3,7
Financial clerks and credit controllers	133	12	8	6,0
Food services aids and waiters	26	4	1	3,8
Forestry labourers	1 307	57	122	9,3
General legal administration and related professionals	1	–	–	–
Geologists, geophysicists, hydrologists and related professionals	–	–	–	–
Head of Department/Chief Executive Officer	–	1	–	–
Health sciences related	5	–	–	–
Horticulturists, foresters, agricultural and forestry technicians	375	22	13	3,5
Household and laundry workers	16	–	1	6,3
Human resources and organisational development and related professionals	36	2	3	8,3
Human resources clerks	91	12	4	4,4
Human resources related	15	2	–	–
Information technology related	1	–	–	–
Language practitioners, interpreters and other communicators	24	3	3	12,5
Legal related	2	1	–	–
Librarians and related professionals	3	–	1	33,3
Library, mail and related clerks	74	7	–	–
Light vehicle drivers	14	1	2	14,3
Logistical support personnel	30	5	3	10,0
Material-recording and transport clerks	107	9	6	5,6
Mechanical engineering technicians	3	–	1	33,3
Messengers, porters and deliverers	86	7	5	5,8
Meteorologists	1	–	–	–
Motor vehicle drivers	49	–	5	10,2
Motorised farm and forestry plant operators	96	1	10	10,4
Natural sciences related	1	–	1	100,0
Nature conservation and oceanography related technicians	61	3	5	8,2
Other administrative and related clerks and organisers	418	22	22	5,3
Other administrative policy and related officers	133	4	10	7,5

TABLE 3.4.2 Annual turnover rates by critical occupation (cont.)

Critical occupation	Number of employees at beginning of period—April 2013	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Other information technology personnel	15	16	1	6,7
Photographic, lithographic and related workers	4	–	–	–
Printing and related machine operators	13	1	1	7,7
Printing planners and production controllers	1	–	–	–
Quantity surveyors and related professionals	3	–	–	–
Rank: Minister	1	–	–	–
Rank: Deputy Minister	1	–	–	–
Regulatory inspectors	232	11	8	3,4
Risk management and security services	7	–	–	–
Road trade workers	8	–	–	–
Safety, health and quality inspectors	37	6	2	8,1
Secretaries and other keyboard operating clerks	109	5	8	7,3
Security guards	324	–	20	6,2
Security officers	152	3	5	3,3
Senior managers	108	4	5	4,6
Social sciences related	1	–	–	–
Statisticians and related professionals	21	–	–	–
Trade labourers	383	3	18	4,7
Veterinarians	31	2	3	9,7
Veterinary assistants	5	–	–	–
Water plant and related operators	16	–	1	6,3
Total	6 146	297	385	106,3

* Number of employees includes the Minister and Deputy Minister

The table below identifies the major reasons why staff members left the department.

TABLE 3.4.3 Reasons why staff left the department

Termination type	Number	% of total resignations
Death	68	17,7
Resignation	54	14,0
Discharged because of ill health	2	0,5
Dismissal—misconduct	7	1,8
Retirement	171	44,4
Transfers	83	21,6
Severance package	–	–
Total	385	100,0
Total number of employees who left as a % of total employment		5,7

TABLE 3.4.4 Promotions by critical occupation

Occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	144	9	6,3	105	72,9
Agricultural, animal, oceanography, forestry and other sciences	244	6	2,5	176	72,1
Agriculture related	313	28	8,9	263	84,0
Aircraft pilots and related associate professionals	1	–	–	1	100,0
All artisans in building, metal, machinery, etc.	43	–	–	38	88,4
Appraisers, valuers and related professionals	21	–	–	10	47,6
Auxiliary and related workers	128	1	0,8	113	88,3
Biochemistry, pharmacology, zoology and life science technicians	32	–	–	17	53,1
Building and other property caretakers	98	–	–	80	81,6
Bus and heavy vehicle drivers	22	–	–	17	77,3
Chemists	2	–	–	2	100,0
Cleaners in offices, workshops, hospitals, etc.	83	–	–	70	84,3
Client information clerks (switchboard, reception and information clerks)	11	–	–	8	72,7
Communication and information related	11	–	–	9	81,8
Computer system designers and analysts	6	–	–	4	66,7
Economists	65	3	4,6	46	70,8
Engineers and related professionals	3	–	–	3	100,0
Farmhands and labourers	194	–	–	147	75,8
Farming, forestry advisors and farm managers	90	2	2,2	48	53,3
Finance and economics related	28	–	–	25	89,3
Financial and related professionals	27	2	7,4	21	77,8
Financial clerks and credit controllers	133	8	6,0	77	57,9
Food services aids and waiters	26	–	–	13	50,0
Forestry labourers	1 307	4	0,3	954	73,0
General, legal, administration and related professionals	1	–	–	1	100,0
Geologists, geophysicists, hydrologists and related professionals	–	–	–	–	–
Head of Department/Chief Executive Officer	–	–	–	–	–
Health sciences related	5	–	–	4	80,0
Horticulturists, foresters, agricultural and forestry technicians	375	8	2,1	288	76,8
Household and laundry workers	16	–	–	8	50,0
Human resources, organisation development and related professionals	36	3	8,3	29	80,6
Human resources clerks	91	5	5,5	55	60,4

TABLE 3.4.4 Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Human resources related	15	5	33,3	9	60,0
Information technology related	1	–	–	1	100,0
Language practitioners, interpreters and other communicators	24	1	4,2	12	50,0
Legal related	2	1	50,0	1	50,0
Librarians and related professionals	3	–	–	1	33,3
Library, mail and related clerks	74	1	1,4	24	32,4
Light vehicle drivers	14	–	–	7	50,0
Logistical support personnel	30	1	3,3	25	83,3
Material-recording and transport clerks	107	3	2,8	55	51,4
Mechanical engineers	3	–	–	1	33,3
Messengers, porters and deliverers	86	–	–	71	82,6
Meteorologist	1	–	–	–	–
Motor vehicle drivers	49	–	–	38	77,6
Motorised farm and forestry plant operators	96	–	–	82	85,4
Natural sciences related	1	–	–	–	–
Nature conservation and oceanography related technicians	61	2	3,3	43	70,5
Other administrative and related clerks and organisers	418	3	0,7	238	56,9
Other administrative policy and related officers	133	6	4,5	92	69,2
Other information technology personnel	15	–	–	8	53,3
Photographic, lithographic and related workers	4	–	–	1	25,0
Printing and related machine operators	13	–	–	6	46,2
Printing planners and production controller	1	–	–	–	–
Quantity surveyors and related professionals	3	–	–	1	33,3
Rank: Minister and Deputy Minister	2	–	–	–	–
Regulatory inspectors	232	4	1,7	164	70,7
Risk management and security services	7	–	–	5	71,4
Road trade workers	8	–	–	5	62,5
Safety, health and quality inspectors	37	–	–	16	43,2
Secretaries and other keyboard operating clerks	109	5	4,6	79	72,5
Security guards	324	–	–	278	85,8
Security officers	152	–	–	118	77,6
Senior managers	108	6	5,6	57	52,8
Social sciences related	1	–	–	1	100,0
Statisticians and related professionals	21	–	–	20	95,2

TABLE 3.4.4 Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2013	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Trade labourers	383	1	0,3	303	79,1
Veterinarians	31	–	–	20	64,5
Veterinary assistants	5	–	–	5	100,0
Water plant and related operators	16	–	–	11	68,8
Total	6 146	118	1,9	4 430	72,1

* Number of employees includes the Minister and Deputy Minister

TABLE 3.4.5 Promotions by salary band

Salary band	Employees as at 1 April 2013	Promotions to another salary level	Salary band promotions as a % of employees by salary level	Progressions to another notch within salary level	Notch progression as a % of employees by salary band
Lower skilled (levels 1–2)	1 698	–	–	1 257	74,0
Skilled (levels 3–5)	1 567	13	0,8	1 241	79,2
Highly skilled production (levels 6–8)	1 712	46	2,7	1 127	65,8
Highly skilled supervision (levels 9–12)	1 057	53	5,0	734	69,4
Senior Management (levels 13–16)	110	6	5,5	71	64,5
Total	6 144	118	1,9	4 430	72,1

* Number of employees excludes the Minister and Deputy Minister

3.5 EMPLOYMENT EQUITY

TABLE 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2014

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	47	7	–	7	29	4	2	5	101
Professionals	360	22	12	109	294	26	14	83	920
Technicians and associate professionals	509	115	8	98	454	52	9	56	1 301
Clerks	243	37	3	14	454	64	7	142	964
Service and sales workers	336	4	1	15	102	2	–	1	461
Craft and related trade workers	33	6	–	11	–	–	–	2	52
Plant, machine operators and assemblers	178	9	–	1	9	–	–	–	197
Elementary occupations	1 033	113	–	5	926	40	–	2	2 119
Total	2 739	313	24	260	2 268	188	32	291	6 115
Employees with disabilities	17	9	–	8	15	3	1	14	67

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2014

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (levels 15–16)	5	–	–	–	1	1	–	–	7
Senior management (levels 13–14)	46	7	1	7	30	3	3	8	105
Professionally qualified and experienced specialists and mid-management	445	32	12	132	341	40	13	88	1 103
Skilled technical and academically qualified workers, junior management, supervisors, foremen	552	110	11	105	678	63	13	168	1 700
Semiskilled and discretionary decision making	829	119	–	15	483	53	3	25	1 527
Unskilled and defined decision making	862	45	–	1	735	28	–	2	1 673
Total	2 739	313	24	260	2 268	188	32	291	6 115

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.5.3 Recruitment

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	1	–	–	2
Senior management	2	–	–	–	1	–	–	–	3
Professionally qualified and experienced specialists and mid-management	27	–	2	2	13	1	–	3	48
Skilled technical and academically qualified workers, junior management, supervisors, foremen	28	2	–	1	49	5	–	–	85
Semiskilled and discretionary decision making	30	3	–	–	33	–	1	1	68
Unskilled and defined decision making	54	1	–	–	35	1	–	–	91
Total	142	6	2	3	131	8	1	4	297

TABLE 3.5.4 Promotions

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	4	–	–	–	1	–	–	–	5
Professionally qualified and experienced specialists and mid-management	33	–	–	2	13	3	1	1	53
Skilled technical and academically qualified workers, junior management, supervisors, foremen	19	2	–	–	23	2	–	–	46

TABLE 3.5.4 Promotions (cont.)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Semiskilled and discretionary decision making	9	1	–	–	3	–	–	–	13
Unskilled and defined decision making	–	–	–	–	–	–	–	–	–
Total	66	3	–	2	40	5	1	1	118

TABLE 3.5.5 Terminations

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	–	–	1	–	–	1
Senior management	4	–	–	–	1	–	–	–	5
Professionally qualified and experienced specialists and mid-management	27	3	1	2	16	–	–	4	53
Skilled technical and academically qualified workers, junior management, supervisors, foremen	29	4	1	7	33	–	–	10	84
Semiskilled and discretionary decision making	96	8	–	1	83	–	–	3	191
Unskilled and defined decision making	31	1	1	–	18	–	–	–	51
Total	187	16	3	10	151	1	–	17	385

TABLE 3.5.6 Disciplinary action

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	31	2	–	–	12	–	1	2	48

TABLE 3.5.7 Skills development

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	23	4	–	3	6	1	–	7	44
Professionals	209	7	2	20	119	11	2	19	389
Technicians and associate professionals	190	52	5	55	235	41	6	16	600
Clerks	174	12	2	5	296	26	4	64	583
Service and sales workers	216	1	3	58	90	8	1	10	387
Craft and related trade workers	14	7	–	1	–	2	–	–	24
Plant, machine operators and assemblers	39	5	–	3	–	–	–	–	47
Elementary occupations	517	81	1	1	530	27	–	–	1 157
Total	1 382	169	13	146	1 276	116	13	116	3 231
Employees with disabilities	4	2	–	1	3	2	–	3	15

3.6 PERFORMANCE REWARDS

To encourage good performance, the department has 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 3.6.1 Performance rewards by race, gender and disability

Race, gender and disability	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, male	496	2 722	18,2	6 345	12 792
Asian, male	11	24	45,8	230	20 909
Coloured, male	63	304	20,7	613	9 730
White, male	123	252	48,8	2 965	24 106
African, female	461	2 253	20,5	5 888	12 772
Asian, female	8	31	25,8	161	20 125
Coloured, female	40	185	21,6	537	13 425
White, female	160	277	57,8	3 447	21 544
Employees with disabilities	19	67	28,4	293	15 421
Total	1 381	6 115	22,6	20 479	14 829

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.6.2 Performance rewards by salary band for personnel below Senior Management Service

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within each salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1–2)	119	1 673	7,1	545	4 580	0,3
Skilled (levels 3–5)	327	1 527	21,4	2 037	6 229	0,4
Highly skilled production (levels 6–8)	504	1 700	29,6	6 815	13 522	0,9
Highly skilled supervision (levels 9–12)	413	1 103	37,4	9 563	23 155	1,5
Total	1 363	6 003	22,7	18 960	13 910	0,9

TABLE 3.6.3 Performance rewards by critical occupation

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administrative related	80	136	58,8	1 648	20 600
Agricultural, animal, oceanography, forestry and other sciences	79	262	30,2	1 511	19 127
Agriculture related	91	337	27,0	1 780	19 560
Aircraft pilot and related associate professionals	–	1	–	–	–
All artisans in building, metal, machinery, etc.	20	41	48,8	228	11 400
Appraisers, valuers and related professionals	4	24	16,7	144	36 000
Auxiliary and related workers	33	125	26,4	308	9 333
Biochemistry, pharmacology, zoology and life science technicians	16	33	48,5	465	29 063

TABLE 3.6.3 Performance rewards by critical occupation (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Building and other property caretakers	6	89	6,7	27	4 500
Bus and heavy vehicle drivers	3	21	14,3	18	6 000
Chemists	–	2	–	–	–
Civil engineering technicians	–	–	–	–	–
Cleaners in offices, workshops, hospitals, etc.	28	91	30,8	176	6 286
Client information clerks (switchboard, reception and information clerks)	1	12	8,3	8	8 000
Communication and information related	7	11	63,6	226	32 286
Computer system designers and analysts	5	5	100,0	144	28 800
Economists	22	67	32,8	480	21 818
Engineers and related professionals	2	3	66,7	72	36 000
Farmhands and labourers	25	179	14,0	113	4 520
Farming, forestry advisors and farm managers	19	86	22,1	293	15 421
Finance and economics related	23	25	92,0	506	22 000
Financial and related professionals	11	27	40,7	149	13 545
Financial clerks and credit controllers	33	136	24,3	335	10 152
Food services aids and waiters	9	27	33,3	50	5 556
Forestry labourers	106	1 261	8,4	525	4 953
General legal administration and related professionals	–	–	–	–	–
Geologists, geophysicists, hydrologists and related professionals	–	–	–	–	–
Head of Department/Chief Executive Officer	–	1	–	–	–
Health sciences related	3	5	60,0	48	16 000
Horticulturists, foresters, agricultural and forestry technicians	46	399	11,5	768	16 696
Household and laundry workers	1	15	6,7	5	5 000
Human resources and organisational development and related professionals	21	38	55,3	373	17 762
Human resources clerks	35	97	36,1	400	11 429
Human resources related	7	19	36,8	393	56 143
Information technology related	1	1	100,0	120	120 000
Language practitioners, interpreters and other communicators	13	26	50,0	210	16 154
Legal related	2	4	50,0	69	34 500
Librarians and related professionals	1	3	33,3	43	43 000
Library, mail and related clerks	26	88	29,5	338	13 000
Light vehicle drivers	4	14	28,6	20	5 000
Logistical support personnel	10	32	31,3	121	12 100
Material-recording and transport clerks	15	108	13,9	110	7 333
Mechanical engineering technicians	1	2	50,0	19	19 000
Messengers, porters and deliverers	38	84	45,2	273	7 184
Meteorologists	–	1	–	–	–
Motor vehicle drivers	6	44	13,6	33	5 500

TABLE 3.6.3 Performance rewards by critical occupation (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Motorised farm and forestry plant operators	7	86	8,1	36	5 143
Natural science related	1	5	20,0	18	18 000
Nature conservation and oceanography related technicians	7	58	12,1	112	16 000
Other administrative and related clerks and organisers	119	433	27,5	1 146	9 630
Other administrative policy and related officers	69	132	52,3	1 123	16 275
Other information technology personnel	6	34	17,6	161	26 833
Photographic, lithographic and related	2	3	66,7	24	12 000
Printing and related machine operators	2	12	16,7	20	10 000
Printing planners and production controllers	–	1	–	–	–
Quantity surveyors and related professionals	1	3	33,3	17	17 000
Regulatory inspectors	34	207	16,4	379	11 147
Risk management and security services	4	6	66,7	64	16 000
Road trade workers	–	8	–	–	–
Safety health and quality inspectors	9	30	30,0	194	21 556
Secretaries and other keyboard operating clerks	70	108	64,8	1 147	16 386
Security guards	18	302	6,0	91	5 056
Security officers	31	149	20,8	214	6 903
Senior managers	14	109	12,8	1 083	77 357
Social sciences related	–	1	–	–	–
Statisticians and related professionals	16	21	76,2	546	34 125
Trade labourers	91	372	24,5	464	5 099
Veterinarians	23	33	69,7	970	42 174
Veterinary assistants	4	5	80,0	119	29 750
Water plant and related operators	–	15	–	–	–
Total	1 381	6 115	22,6	20 479	14 829

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.6.4 Performance related rewards (cash bonus) by salary band for Senior Management Service

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within each salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	15	82	18,3	1 252	83 467	0,1
Band B	3	23	13,0	266	88 667	0,0
Band C	–	6	–	–	–	–
Band D	–	1	–	–	–	–
Total	18	112	16,1	1 518	84 333	0,0

3.7 FOREIGN WORKERS

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

TABLE 3.7.1 Foreign workers by salary band

Salary band	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	–	–	–	–	–	–
Skilled (levels 3–5)	1	9,1	1	10,0	–	–
Highly skilled production (levels 6–8)	–	–	–	–	–	–
Highly skilled supervision (levels 9–12)	8	72,7	8	80,0	–	–
Senior management (levels 13–16)	2	18,2	1	10,0	1	100,0
Total	11	100,0	10	100,0	1	100,0

TABLE 3.7.2 Foreign workers by major occupation

Major occupation	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Agriculture related	1	9,1	–	–	1	100,0
Administrative related	1	9,1	1	10,0	–	–
Agricultural, animal, oceanography, forestry and other sciences	4	36,3	4	40,0	–	–
Other administrative and related clerks and organisers	1	9,1	1	10,0	–	–
Veterinarians	2	18,2	2	20,0	–	–
Economists	1	9,1	1	10,0	–	–
Senior Managers	1	9,1	1	10,0	–	–
Total	11	100,0	10	100,0	1	100,0

3.8 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 3.8.1 Sick leave

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)
Lower skilled (levels 1–2)	4 211	92,7	486	11,3	8,7	1 194
Skilled (levels 3–5)	14 591	90,9	1 477	34,4	9,9	5 203
Highly skilled production (levels 6–8)	12 446	78,3	1 444	33,6	8,6	8 636
Highly skilled supervision (levels 9–12)	5 775	74,0	807	18,8	7,2	7 012
Senior management (levels 13–16)	641	78,6	85	1,9	7,5	1 311
Total	37 664	84,1	4 299	100,0	8,8	23 356

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.8.2 Disability leave (temporary and permanent)

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)
Lower skilled (levels 1–2)	214	100,0	1	10,0	214	65
Skilled (levels 3–5)	227	100,0	3	30,0	76	75
Highly skilled production (levels 6–8)	113	100,0	6	60,0	19	67
Highly skilled supervision (levels 9–12)	–	100,0	–	–	–	–
Senior management (levels 13–16)	–	100,0	–	–	–	–
Total	554	100,0	10	100,0	55	207

* Number of employees excludes 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 management of annual leave to prevent high levels of accrued leave being paid out at the time of termination of service.

TABLE 3.8.3 Annual leave

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1–2)	18 410	935	19,7
Skilled (levels 3–5)	56 662	2 428	23,3
Highly skilled production (levels 6–8)	40 154	1 801	22,3
Highly skilled supervision (levels 9–12)	26 598	1 137	23,4
Senior management (levels 13–16)	3 102	138	22,5
Total	144 926	6 439	22,5

TABLE 3.8.4 Capped leave

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 March
Lower skilled (levels 1–2)	101	27	4	53
Skilled (levels 3–5)	641	90	7	93
Highly skilled production (levels 6–8)	132	28	5	69
Highly skilled supervision (levels 9–12)	166	18	9	65
Senior management (levels 13–16)	31	4	8	54
Total	1 071	167	6	79

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

TABLE 3.8.5 Leave payouts

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2013/14 owing to non-utilisation of leave for the previous cycle	59	3	20
Capped leave payouts on termination of service for 2013/14	324	60	5 400
Current leave payout on termination of service for 2013/14	558	87	6 414
Total	941	150	6 273

3.9 HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

TABLE 3.9.1 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
Abattoir workers Agricultural machine users (farm workers, engineering services) Migrant workers (border posts and fence, quarantine stations and camps) Projects (InSS, WUID) Shift workers General workers (when coming into contact with body fluids) First aiders Truck drivers (infrastructure support) Business travellers Plantations (Forestry Branch)	<ul style="list-style-type: none"> Preventive strategies through awareness campaigns, HIV counselling and testing, health screening tests Treatment through referrals Care and support through home visits, Employee Assistance Programme Provision of personal protective equipment Risk assessments

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes

Questions	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Ms Lexcy Manamela, Director: Employee Development and Performance Management
2. Does the department have a designated unit or have you designated specific staff members to promote the health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		Employee Health and Wellness Unit 12 employees Total budget: R3,3 million
3. Has the department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of the programme.	√		<p>EAP programmes</p> <ul style="list-style-type: none"> Stress management Substance abuse information Life skills orientation Financial management Counselling Facilitation of ARV treatment through a local clinic Facilitation of family support <p>Health promotion, HIV/Aids and TB awareness programmes</p> <ul style="list-style-type: none"> Lifestyle disease management HIV/Aids and TB HIV counselling and testing Screening tests Condom accessibility Intranet messages

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes			
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) that they represent.	√		Hefer R.	D: AIC	Africa S.	D: HRM
			Kabini O.	D: AIC	Modise B.	D: HRM
			Mochela T.	D: BR	Khoza J.	D: HRM
			Mathonsi L.	D: BR	Nkwane E.	D: IS
			Sefuli L.L.	D: ER	Ranphabana M.T.	D: ITR
			Smith W.	D: FacM	Madzivhe S.H.	D: ITR
			Mailula P.	D: FacM	Masemene R.	D: LUSM
			Sekgala M.	D: FIES	Maja J.	D: PH
			Letsosa K.	D: FSQA	Mokwele J.	D: PH
			Jeli T.	D: FSQA	Mokhothi S.	D: PH
			Thavana H.	D: FSQA	Mahlangu L.	D: PRS
			Matodzi A.	D: FSQA	Dikeledi M.A.	D: PSPM
			Conradie M.	D: FSQA	Mabogoane D.N.	D: PSPM
			Muller T.	D: FSQA	Bouwer L.	D: HRM
			Baloyi S.	D: HRM	Färber P.	D: HRM
			Nhlumayo R.	D: HRM	Nkosi J.	D: SHD
			Masenya S.	D: LUSM	Matthews C.	D: SHD
			Mokhothi S.	D: GR	Moshesh S.	D: PH
			Mthimunye I.	D: GR	Ahmed H.	D: PH
			Maja P.	D: GR	Ekstraal B.	D: PH
			Ngoepe R.	D: GR	Seema S.	D: PH
			Bester M.	D: SS	Potye N.	D: SS
			Ntimane J.	D: SS	Eugenia S.	D: WUID
			Abrahams D.	D: SCM	Mitchell M.	D: WUID
			Mothiba J.	D: SCM	Bennet R.	D: GADI
			Beja A.	D: SCM	Booyesen R.	D: GADI
			Fillis M.	D: GADI	Oostendorp C.	D: SCM
			Louw G.	D: GADI	McDonald S.	D: GADI
			Mbotiy S.	D: GADI	Monkongkwana E.	D: GADI
			Nengwenani P.	D: GADI	Mroro N.	D: GADI
			Tshikungulu A.A.	D: GADI	Reeners J.	D: GADI
			Wenaar A.	D: GADI	Van Heerden A.	D: GADI
			Magagule D.	D: InSS	Wenaar A.	D: GADI
			Jackson F.	D: InSS	Matetela O.	D: LUSM
			Gouws P.E.	D: InSS	Mazwi P.	D: LUSM
			Nojaholo E.C.	D: InSS	Hlongwane K.	D: LUSM
			Makhubela S.W.	D: InSS	Mahlatji L.	D: LUSM
			Tshikovha M.	D: InSS	Mashabela F.	D: LUSM
			Mangojane M.J.	D: InSS	Mukwebo M.	D: LUSM
			Ntswane T.R.	D: InSS	Vukeya M.	D: LUSM
			Mogare M.J.	D: InSS	Adams M.	D: InSS
			Mfolo L.L.	D: InSS	Davids G.	D: InSS
			Wessels W.J.A.	D: InSS	Coetzee N.	D: IS
			Hoorniet T.	D: InSS	Vakalisa T.	D: IS
			Claasen D.	D: InSS	Davids N.	D: IS
			Mvunelo T.	D: IS	Nkwanyana L.	D: IS
			Maduluni N.P.	D: IS	Shibambu R.	D: IS
			Dindi S.L.	D: IS	Jacobs D.J.	D: IS
			Selepe M.T.	D: IS	Tinkane P.	D: IS
			Hlongwa B.Z.	D: IS	Govender M.	D: IS
			Jai Jai D.H.	D: IS	Hlungwane A.	D: IS
			Latchoo L.	D: IS	Kamnqa L.	D: IS
			Ranjith R.	D: IS	Ngcobo N.N.	D: IS
			Leshilo M.M.	D: IS	Ndawo T.P.S.	D: IS

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes			
			Mphego T.A.	D: IS	Mathumbu K.	D: IS
			Mjolo W.T.	D: IS	Mabunda G.P.	D: IS
			Neluode F.M.	D: IS	Chonco B.	D: IS
			Mbongwa S.R.	D: IS	Mbuluwa D.	D: IS
			Moatshe R.T.J.	D: IS	Jacobs V.K.	D: IS
			Mdangi N.	D: IS	Goilwang M.E.	D: IS
			Molala K.S.	D: IS	Mnyani A.P.	D: IS
			Josephs L.	D: IS	Mosesh S.P.	D: IS
			Nemutanzhela L.J.	D: IS	Andrews T.C.	D: IS
			Jonas-Matoti P.	D: IS	Benjamin D.J.	D: IS
			Nonzinyana S.	D: IS	Ngubane N.	D: IS
			Nqubane N.	D: IS	Maarman Z.	D: IS
			Ntsoane O.K.	D: IS	Nt'Sulungo B.	D: IS
			Rossouw M.	D: IS	Peter L.C.	D: IS
			Serage L.V.	D: IS	Sekhula K.	D: IS
			Tsawe N.	D: IS	Shangase M.	D: IS
			Sekhula K.	D: IS	Nethwadzi L.	D: FMMpuLim
			Deveroux M.	D: EDPM	Venter H.	D: GR
			Adonis J.	D: GR	Lunga S.	D: FSQA
			Majiyezi N.	D: FMEC	Willemse F.	D: FSQA
			Mrashula M.	D: FMEC	Matikinca K.	D: FMEC
			Sidina C.	D: FMEC	Matshaka N.	D: FMEC
			Ndidnwa N.	D: FMEC	Donkrag L.	D: FMEC
			Gqomo R.M.	D: FMEC	Kakaza N.A.	D: FMEC
			Mbana N.	D: FMEC	Mnenso V.N.	D: FMEC
			Zozi N.S.	D: FMEC	Mehlomakhulu X.I.	D: FMEC
			Apolis N.G.	D: FMEC	Menye N.E.	D: FMEC
			Mafestile P.	D: FMEC	April T.P.	D: FMEC
			Tose P.	D: FMEC	Tengani A.K.	D: FMEC
			Ntoto G.	D: FMEC	Mdunana M.	D: FMEC
			Jubeju N.	D: FMEC	Ngubo G.	D: FMEC
			Roto N.	D: FMEC	Fipaza L.	D: FMEC
			Mchashi B.	D: FMEC	Bingwa S.	D: FMEC
			Sitshinga C.N.	D: FMEC	Sangcozi Z.Z.	D: FMEC
			Sizani M.	D: FMEC	Ngabeni N.	D: FMEC
			Gobongwana T.J.	D: FMEC	Gali N.	D: FMEC
			Qolo Z.	D: FMEC	Kilani N.C.	D: FMEC
			Sipoki N.	D: FMEC	Phandle N.C.	D: FMEC
			Gebhu N.	D: FMEC	Dumzela M.	D: FMEC
			Majangaza Z.	D: FMEC	Zide Z.G.	D: FMEC
			Mvimbi L.	D: FMEC	Ndamase L.	D: FMEC
			Tapu N.W.	D: FMEC	Mzizi N.V.	D: FMEC
			Gona N.	D: FMEC	Saul X.	D: FMEC
			Dungulu M.	D: FMEC	Maziko M.	D: FMEC
			Ramncwana N.W.	D: FMEC	Tontsi Z.C.	D: FMEC
			Bazi M.C.	D: FMEC	Apleni T.M.	D: FMEC
			Malindi B.	D: FMEC	Mbita N.	D: FMEC
			Maboza M.	D: FMEC	Mbangeni A.	D: FMEC
			Nhonho N.	D: FMEC	Nquma L.	D: FMEC
			Kupiso N.	D: FMEC	Nyama B.	D: FMEC
			Bojana N.	D: FMEC	Matile L.	D: FMEC
			Nkobongosinathi N.	D: FMEC	Vayo N.	D: FMEC

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes			
			Mredlana N.	D: FMEC	Pangomso N.A.	D: FMEC
			Damane P.	D: FMEC	Honitshwayo N.D.	D: FMEC
			Betiwe T.E.	D: FMEC	Soyipha N.S.	D: FMEC
			Mbangi N.E.	D: FMEC	Luthuli V.	D: FMEC
			Magingxa N.	D: FMEC	Mohapi K.	D: FMEC
			Nodada B.N.	D: FMEC	Gcelu S.	D: FMEC
			Mandlana N.S.	D: FMEC	Jongile F.	D: FMEC
			Mtshiki L.P.	D: FMEC	Ndondose P.P.	D: FMEC
			Sineyi N.	D: FMEC	Qaba S.	D: FMEC
			Selani M.	D: FMEC	Qalo M.	D: FMEC
			Botes O.	D: FMKZN	Valelo N.	D: FMEC
			Madonda B.R.	D: FMKZN	Ngubo N.C.	D: FMKZN
			Gwala J.N.	D: FMKZN	Mbanjwa Z.P.	D: FMKZN
			Ngcobo C.E.	D: FMKZN	Mngadi S.G.	D: FMKZN
			Mathenjwa M.N.	D:FMKZN	Madonda S.C.	D: FMKZN
			Jobe S.J.	D: FMKZN	Shoba T.P.	D:FMKZN
			Tembe J.M.	D: FMKZN	Dlamini J.N.	D: FMKZN
			Zondo S.	D: FMKZN	Gumede R.	D:FMKZN
			Mwalase S.M.	D: FMKZN	Shezi B.S.	D:FMKZN
			Govender S.	D: FMKZN	Diphare E.	D: FMKZN
			Mtiyane A.M.	D:FMKZN	Mkhize B.E.	D: FMKZN
			Mbokazi B.J.	D: FMKZN	Nyawo D.Z.	D:FMKZN
			Phori M.	D:FMKZN	Mlaba N.M.	D: FMKZN
			Maduna A.T.	D: FMKZN	Gula M.L.	D: FMKZN
			Mukwevho T.M.	D: FMMpuLim	Mtshezi E.K.	D:FMKZN
			Leseka J.	D: FMMpuLim	Nange N.S.	D:FMMpuLim
			Ramalatswa S.I.	D: FMMpuLim	Netshisaulu T.S.	D: FMMpuLim
			Maroga N.J.	D: FMMpuLim	Mphahlele T.C.	D: FMMpuLim
			Neluvhola T.E.	D:FMMpuLim	Leshalabe M.P.	D:FMMpuLim
			Siobo N.E.	D:FMMpuLim	Mukwevho T.S.	D: FMMpuLim
			Nange N.S.	D: FMMpuLim	Mashandule A.L.	D: FMMpuLim
			Ramabulana N.R.	D: FMMpuLim	Makhado P.P.	D: FMMpuLim
			Muladi M.E.	D: FMMpuLim	Kubayi T.F.	D:FMMpuLim
			Muhali M.G.	D: FMMpuLim	Mutavhatsindi A.E.	D: FMMpuLim
			Mukwevho N.R.	D: FMMpuLim	Mashego S.	D: FMMpuLim
			Mahlaule M.F.	D: FMMpuLim	Malope B.F.	D:FMMpuLim
			Mokoena M.S.	D: FMMpuLim	Theto N.S.	D:FMMpuLim
			Matshata L.M.	D: FMMpuLim	Mashile D.A.	D: FMMpuLim
			Mathapo R.D.	D: FMMpuLim	Segodi T.S.	D: FMMpuLim
			Raseokgo N.M.	D: FMMpuLim	Magakane S.T.	D: FMMpuLim
			Belemu M.M.	D: FMMpuLim	Makhubedu F.	D: FMMpuLim
			Moropane M.B.	D: FMMpuLim	Maohlala R.	D: FMMpuLim
			Mokome M.L.	D:FMMpuLim	Maile L.L.	D: FMMpuLim
			Mashego K.N.	D:FMMpuLim	Malapane A.E.	D: FMMpuLim
			Sekone L.L.	D: FMMpuLim	Mosoma B.W.	D:FMMpuLim
			Dilebo K.M.	D: FMMpuLim	Moeng G.N.	D: FMMpuLim
			Ndlovu M.K.	D: FMMpuLim	Mashego P.W.	D: FMMpuLim
			Molobela E.	D: FMMpuLim	Malatole M.A.	D: FMMpuLim
			Mashile N.	D:FMMpuLim	Thethe L.B.	D: FMMpuLim
			Malomane J.E.	D: FMMpuLim	Pebane M.R.	D: FMMpuLim
			Mashaba D.	D: FMMpuLim	Lebjane E.	D:FMMpuLim
			Monareng E.	D: FMMpuLim	Monareng M.E.	D: FMMpuLim
			Leshabane M.P.	D: FMMpuLim	Thibela A.W.	D: FMMpuLim

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices 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 Assistance Programme
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.	√		<ul style="list-style-type: none"> • HIV/Aids and TB Policy • Employment Equity Act • Promotion of Equality and Prevention of Unfair Discrimination Act 2000
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		<ul style="list-style-type: none"> • Increased uptake of HCT • The programme runs monthly • Increased male participation
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	√		Random impact analysis is conducted through a questionnaire

3.10 LABOUR RELATIONS

TABLE 3.10.1 Collective agreements

Subject matter	Date
Policy on Lateral Transfer	22 July 2013
Policy on Precautionary Suspension	22 July 2013

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

TABLE 3.10.2 Misconduct and disciplinary hearings finalised

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	–	–
Verbal warning	–	–
Written warning	3	25,0
Final written warning	2	16,7
Suspended without pay	4	33,3
Fine	–	–
Demotion	–	–
Dismissal	2	16,7
Not guilty	1	8,3
Case withdrawn	–	–
Total	12	100,0

TABLE 3.10.3 Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	% of total
Misuse of government vehicle	7	15,6
Abscondment	4	8,8
Theft	6	13,3
Absent without authorisation	7	15,6
Alcohol abuse	–	–
Assault	3	6,7
Prejudicing the administration of the department	9	20,0
Performing remunerative employment without prior permission	9	20,0
Total	45	100,0

TABLE 3.10.4 Grievances logged

Grievances	Number	% of total
Number of grievances resolved	53	80,3
Number of grievances not resolved*	13	19,7
Total number of grievances lodged	66	100,0

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

TABLE 3.10.5 Disputes logged

Disputes	Number	% of total
Number of disputes upheld	10	50,0
Number of disputes dismissed	2	10,0
Still pending	8	40,0
Total number of disputes lodged	20	100,0

TABLE 3.10.6 Strike actions

Strike actions
No working days were lost because employees did not participate in strike actions during the period under review. It was therefore not necessary to recover any amount (R'000).

TABLE 3.10.7 Precautionary suspensions

Suspensions	Number
Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	116
Cost (R'000) of suspensions	R34 000

3.11 SKILLS DEVELOPMENT

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

TABLE 3.11.1 Training needs identified

Occupational category	Gender	Number of employees as at 1 April 2013	Training needs identified at start of the period under review			
			Learner-ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	40	–	14	–	14
	Male	58	–	30	–	30
Professionals	Female	396	–	151	–	151
	Male	469	13	225	–	238
Technicians and associate professionals	Female	553	–	298	–	298
	Male	746	–	302	–	302
Clerks	Female	651	–	390	–	390
	Male	285	–	193	–	193
Service and sales workers	Female	104	–	109	–	109
	Male	375	–	278	–	278
Craft and related trades workers	Female	2	–	2	–	2
	Male	53	–	22	–	22
Plant and machine operators and assemblers	Female	9	–	–	–	–
	Male	203	–	47	–	47
Elementary occupations	Female	1 002	23	429	105	557
	Male	1 198	18	452	130	600
Gender subtotals	Female	2 757	23	1 393	105	1 521
	Male	3 387	31	1 549	130	1 710
Total		6 144	54	2 942	235	3 231

* Number of employees excludes the Minister and Deputy Minister

TABLE 3.11.2 Training provided for the period

Occupational category	Gender	Number of employees as at 1 April 2013	Training provided within the period under review				
			Learner-ships	Skills programmes and other short courses	Other forms of training		Total
					Bursaries	ABET	
Legislators, senior officials and managers	Female	40	–	74	1	–	75
	Male	58	–	101	5	–	106
Professionals	Female	396	6	210	21	–	231
	Male	469	6	206	26	–	232
Technicians and associate professionals	Female	553	–	194	21	–	215
	Male	746	–	170	18	–	188
Clerks	Female	651	–	297	25	–	322
	Male	285	–	133	5	–	138
Service and sales workers	Female	104	–	35	2	–	37
	Male	375	–	17	1	–	18
Craft and related trades workers	Female	2	–	162	–	–	162
	Male	53	–	183	1	–	184
Plant and machine operators and assemblers	Female	9	–	11	–	–	11
	Male	203	–	38	–	–	38
Elementary occupations	Female	1 002	8	25	–	11	44
	Male	1 198	11	61	1	89	162
Gender subtotals	Female	2 757	14	1 008	70	11	1 103
	Male	3 387	17	909	57	89	1 072
Total		6 144	31	1 917	127	100	2 175

* Number of employees excludes the Minister and Deputy Minister

3.12 INJURY ON DUTY

The following tables provide basic information on injury on duty.

TABLE 3.12.1 Injury on duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	53	100,0
Temporary total disablement	–	–
Permanent disablement	–	–
Fatal	–	–
Total	53	100,0

3.13 UTILISATION OF CONSULTANTS

TABLE 3.13.1 Report on consultant appointments using appropriated funds

Project title	Total number of consultants who worked on the project	Duration (work days)	Contract value in Rand
1. To review and amend legislation administered by DAFF (D: AFLS)	1	630	7 500 613,18
2. Develop Mbazwana, Manzengengwenya and Mabaso plantations business plan (D: CF)	1	120	997 500,00
3. Evaluation of applications (D: AIC)	10	3–4 hours per day	868 747,05
4. Conduct study on agricultural potential in the Taolo municipalities— in line with the Fetsa Tlala Programme (D: SET)	1	30	416 100,00
5. Appoint a service provider to render services on the implementation of <i>Smallholder producers' manual</i> (D: SET)	1	30	499 800,00
Total number of projects	Total individual consultants	Total duration (work days)	Total contract value in Rand
5	14	±850	10 282 760,23

TABLE 3.13.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups who work on the project
1. To review and amend legislation administered by DAFF (D: AFLS)	–	–	–
2. Develop Mbazwana, Manzengengwenya and Mabaso plantations Business plan (D: CF)	–	–	3
3. Evaluation of applications (D: AIC)	–	–	–
4. Conduct study on agricultural potential in the Taolo municipalities— in line with the Fetsa Tlala Programme (D: SET)	100	100	1
5. Appoint a service provider to render services on the implementation of <i>Smallholder producers' manual</i> (D: SET)	100	100	1

TABLE 3.13.3 Report on consultant appointments using donor funds

No consultants were appointed using donor funds during the period under review.

3.14 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 3.14.1 Signing of performance agreements by SMS members as at 31 May 2013

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per level
Director-General	1	–	–	
Salary level 15	9	6	5	83,3
Salary level 14	28	24	22	91,7
Salary level 13	90	80	75	93,8
Total	128	110	102	92,7

TABLE 3.14.2 Reasons for not having concluded performance agreements for all SMS members as at 31 May 2013

Newly appointed SMS members must submit performance agreements within 3 months of appointment.

TABLE 3.14.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 May 2013

SMS members and their supervisors who did not sign and submit performance agreements by 31 May were issued with written warnings.

3.15 FILLING OF SMS POSTS

TABLE 3.15.1 SMS posts information as at 31 March 2014

SMS levels	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General	1	1	100,0	–	–
Salary level 15	9	6	66,7	3	33,3
Salary level 14	28	23	82,1	5	17,9
Salary level 13	90	82	91,1	8	8,9
Total	128	112	87,5	16	12,5

TABLE 3.15.2 Advertising and filling of SMS posts as at 31 March 2014

SMS levels	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General	–	–	–
Salary level 15	5	1	1
Salary level 14	8	1	2
Salary level 13	14	1	5
Total	27	3	8

TABLE 3.15.3 Reasons for not having complied with the filling of funded vacant SMS—advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months
All the vacancies were advertised within six months of becoming vacant
Reasons for vacancies not filled within 12 months
No suitable candidates could be obtained—posts were readvertised, and in some cases, headhunting took place

TABLE 3.15.4 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months

N/A



PART E

Financial information

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REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 26: 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 127 to 187, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, 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 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, 2013 (Act No. 2 of 2013) (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 the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and 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 2014 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard 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 35.1 to the financial statements, the corresponding figures for 31 March 2013 have been restated as a result of an error discovered during the year ended 31 March 2014 in the financial statements of the Department of Agriculture, Forestry and Fisheries at, and for the year ended, 31 March 2013.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as 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 2014:
 - Programme 2: Agricultural production, health and food safety on pages 39 to 43
 - Programme 3: Food security and agrarian reform on pages 43 to 45
 - Programme 5: Forestry on pages 50 to 53
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 3: Food security and agrarian reform

Usefulness of reported performance information

15. I did not raise any material findings on the usefulness of the reported performance information for Programme 3: Food security and agrarian reform.

Reliability of reported performance information

16. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to a lack of monitoring of the completeness of source documentation in support of actual achievements and frequent review of the validity and accuracy of reported achievements against source documentation.

Programme 5: Forestry

Usefulness of reported performance information

17. Treasury regulation 5.2.4 requires the strategic plan and annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 33% of the reported objectives and 20% of the reported targets were not consistent with those in the approved strategic plan and annual performance plan. This was due to an oversight by management as a result of insufficient review of the annual performance report before finalisation.
18. The FMPPI requires the following:
 - Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 40% of the targets were not specific.
 - Performance targets must be measurable. I could not measure the required performance for 40% of the targets.
 - Performance indicators must be verifiable, meaning that it must be possible to validate the processes and systems that produced the indicator. A total of 40% of the indicators were not verifiable.

Reliability of reported performance information

19. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Overall, 48% of the targets were not reliable because I was unable to obtain sufficient appropriate audit evidence for 6% of the targets. In addition, 42% of the targets were not valid, accurate and complete when compared to the source information or evidence provided. This was because of a lack of frequent review of the validity and accuracy of reported achievements against source documentation.

Programme 2: Agricultural production, health and food safety

20. I did not raise any material findings on the usefulness and reliability of the reported performance information for Programme 2: Agricultural production, health and food safety.

Additional matters

21. I draw attention to the following matters:

Achievement of planned targets

22. Refer to the annual performance report on pages 39 to 45 and 50 to 53 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 and reliability of the reported performance information for the selected programmes reported in paragraphs 16 to 19 of this report.

Adjustment of material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for Programme 2: Agricultural production, health and food safety. As management subsequently corrected the misstatements, I did not raise any material findings on the reliability of the reported performance information.

Compliance with legislation

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

Strategic planning and performance management

25. The facilitation of effective performance monitoring, evaluation and corrective action was not established, as required by Treasury regulation 5.3.1.
26. Effective, efficient and transparent systems of risk management and internal control with respect to performance information and management were not maintained, as required by section 38(1)(a)(i) of the PFMA.

Audit committee

27. An audit committee was not in place, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury regulation 3.1.1. Only one member was appointed from April 2013 to December 2013, which does not constitute an audit committee, therefore the roles and responsibilities of an audit committee were not performed.

Internal audit

28. The internal audit function did not perform the following duties, as required by Treasury regulation 3.2:
- The purpose, authority and responsibility of the internal audit function were not formally defined in an audit charter [Treasury regulation 3.2.5].
 - The internal audit function did not have a three-year rolling strategic plan in place [Treasury regulation 3.2.7(a)].
 - The internal audit function did not have an annual internal audit plan for the first year of the rolling three-year strategic internal audit plan [Treasury regulation 3.2.7(b)].
 - The internal audit function did not assess the operational procedure and monitoring mechanisms over all transfers made and received, including transfers in terms of the annual Division of Revenue Act [Treasury regulation 3.2.8].
 - The internal audit function did not report directly to the accounting officer [Treasury regulation 3.2.9].
 - The internal audit function did not evaluate the effectiveness and efficiency of controls [Treasury regulation 3.2.11].
 - The internal audit function did not evaluate the reliability and integrity of financial and operational information [Treasury regulation 3.2.11(b)].
 - The internal audit function did not evaluate the compliance with laws and regulations [Treasury regulation 3.2.5.11(e)].

Procurement and contract management

29. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by Treasury regulation 16A6.1.

30. Quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury regulation 16A8.3.

Expenditure management

31. Effective steps were not taken to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury regulation 9.1.1.

Transfer of funds

32. The expenditure for the programmes funded by the comprehensive agricultural support programme grant was not monitored in accordance with the framework for the allocation, as required by section 9(1)(b) of the Division of Revenue Act.

Internal control

33. 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 significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

Leadership

34. Management did not exercise sufficient oversight of reporting and internal controls. Although action plans were implemented, limited or no progress was made to address the root causes, with the result that repeat findings were raised.
35. Management did not ensure that key functions (internal audit, regional offices and various senior management positions) within the department are properly resourced and skilled thus affecting the audit outcomes on both predetermined objectives and compliance areas.

Financial and performance management

36. The quarterly monitoring reports (QMRs) and annual performance report prepared by the department were not adequately reviewed by the Organisation Performance directorate to ensure validity, accuracy and completeness of reported performance information before finalisation and approval by the deputy director generals and finally the accounting officer. The internal audit function also did not execute its function of reviewing the QMRs and annual performance report.
37. Compliance with laws and regulations relating to procurement and contract management was not properly reviewed and monitored at the regional office of GADI and over payments processed through sundry payments.

Governance

38. The department did not conduct a risk assessment as required by Treasury regulation 3.2.1 and a risk management strategy, which includes the fraud prevention plan, was also not prepared.
39. Critical components within finance, performance information and compliance were not covered by the internal audit function due to inadequate resources and skill (insufficient positions and ineffective leadership).
40. An audit committee was not in place, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury regulation 3.1.1. Only one member was appointed from April 2013 to December 2013, which does not constitute an audit committee, therefore the roles and responsibilities of an audit committee were not performed. Consequently there was no audit committee to provide oversight of the internal audit function.

Auditor-General

Pretoria

30 July 2014



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Appropriation Statement

for the year ended 31 March 2014

Appropriation per programme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	649 462	(5 651)	31 499	675 310	657 245	18 065	97,3	632 477	622 818
Transfers and subsidies	8 783	169	280	9 232	9 214	18	99,8	8 052	7 935
Payment for capital assets	12 635	5 482	1 930	20 047	15 045	5 002	75,0	19 895	16 459
Payment for financial assets	–	–	82	82	79	3	96,3	29	28
2. Agricultural Production, Health and Food Safety									
Current payment	508 941	(10 987)	(27 316)	470 638	461 323	9 315	98,0	474 418	474 147
Transfers and subsidies	1 494 559	96	297	1 494 952	1 494 937	15	100,0	1 368 744	1 368 721
Payment for capital assets	33 019	10 891	(373)	43 537	43 496	41	99,9	30 898	30 836
Payment for financial assets	–	–	1 193	1 193	1 190	3	99,7	1 129	1 128
3. Food Security and Agrarian Reform									
Current payment	228 224	(24 379)	2 572	206 417	199 374	7 043	96,6	184 168	180 872
Transfers and subsidies	1 333 315	106	457	1 333 878	1 326 876	7 002	99,5	1 168 363	1 160 160
Payment for capital assets	37 777	24 273	2 246	64 296	63 851	445	99,3	62 951	61 845
Payment for financial assets	–	–	1	1	–	1	–	–	–
4. Trade Promotion and Market Access									
Current payment	138 777	(683)	(2 665)	135 429	135 330	99	99,9	113 193	113 117
Transfers and subsidies	118 628	16	556	119 200	119 194	6	100,0	98 258	98 010
Payment for capital assets	803	667	353	1 823	1 810	13	99,3	1 055	1 042
5. Forestry									
Current payment	690 239	(11 971)	(17 370)	660 898	640 668	20 230	96,9	607 084	591 947
Transfers and subsidies	430 499	4 385	2 314	437 198	433 598	3 600	99,2	554 420	540 475
Payment for capital assets	62 885	7 586	(78)	70 393	70 347	46	99,9	59 340	59 264
Payment for financial assets	–	–	90	90	86	4	95,6	101	99

Appropriation Statement

for the year ended 31 March 2014

Appropriation per programme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6. Fisheries									
Current payment	180 171	–	(2 293)	177 878	177 863	15	100,0	166 694	166 678
Transfers and subsidies	253 565	–	567	254 132	254 130	2	100,0	317 658	317 652
Payment for capital assets	–	–	5 657	5 657	5 657	–	100,0	–	–
Payment for financial assets	–	–	1	1	–	1	–	–	–
Total	6 182 282	–	–	6 182 282	6 111 313	70 969	98,9	5 868 927	5 813 233

Reconciliation with statement of financial performance

Add:

Departmental receipts (AFS) Note 2

809 584

198 029

Aid assistance Annexure 1J

138

21 624

Actual amounts per statement of financial performance (total revenue)

6 992 004

6 088 580

Add:

Aid assistance

8 890

1 326

Actual amounts per statement of financial performance (total expenditure)

6 120 203

5 814 559

Appropriation Statement

for the year ended 31 March 2014

Appropriation per economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1 603 256	(22 233)	(46 631)	1 534 392	1 525 024	9 368	99,4	1 425 212	1 419 116
Goods and services	791 397	(30 662)	31 090	791 825	746 426	45 399	94,3	751 948	729 591
Interest and rent on land	1 161	(776)	(32)	353	353	–	100,0	874	872
Transfers and subsidies									
Provinces and municipalities	2 152 315	58	23	2 152 396	2 149 201	3 195	99,9	2 066 942	2 062 818
Departmental agencies and accounts	1 269 617	3	25	1 269 645	1 266 644	3 001	99,8	1 311 819	1 310 004
Higher education institutions	5 808	–	–	5 808	2 807	3 001	48,3	8 977	4 677
Foreign governments and international organisations	43 919	–	529	44 448	44 445	3	100,0	32 245	32 001
Public corporations and private enterprises	139 399	–	728	140 127	140 111	16	100,0	39 862	39 849
Non-profit institutions	20 318	–	–	20 318	19 026	1 292	93,6	13 251	11 154
Households	4 323	4 711	3 166	12 200	12 165	35	99,7	41 161	31 402
Gifts and donations	3 650	–	–	3 650	3 550	100	97,3	1 238	1 048
Payment for capital assets									
Buildings and other fixed structures	37 698	13 407	9 546	60 651	55 694	4 957	91,8	61 138	57 778
Machinery and equipment	107 638	35 501	466	143 605	143 017	588	99,6	112 617	111 285
Biological assets	504	(334)	(94)	76	76	–	100,0	–	–
Intangible assets	1 279	325	(183)	1 421	1 419	2	99,9	384	383
Payment for financial assets	–	–	1 367	1 367	1 355	12	99,1	1 259	1 255
Total	6 182 282	–	–	6 182 282	6 111 313	70 969	98,9	5 868 927	5 813 233

Details per programme 1: Administration

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	30 210	(135)	(1 810)	28 265	28 254	11	100,0	27 977	27 967
Transfers and subsidies	5	55	63	123	121	2	98,4	139	136
Payment for capital assets	249	80	(92)	237	235	2	99,2	331	329
Payment for financial assets	–	–	2	2	1	1	50,0	–	–
1.2 Departmental Management									
Current payment	20 562	(192)	(2 080)	18 290	18 276	14	99,9	38 922	38 900
Transfers and subsidies	2	8	51	61	60	1	98,4	4 940	4 935
Payment for capital assets	464	84	(19)	529	526	3	99,4	623	618
1.3 Financial Administration									
Current payment	142 190	(6 938)	(4 268)	130 984	130 940	44	100,0	122 266	122 215
Transfers and subsidies	67	92	36	195	191	4	97,9	566	559
Payment for capital assets	1 749	283	(100)	1 932	1 924	8	99,6	2 117	2 100
Payment for financial assets	–	–	59	59	57	2	96,6	15	14
1.4 Internal Audit									
Current payment	8 121	(1 254)	(2 026)	4 841	4 838	3	99,9	5 879	5 873
Transfers and subsidies	–	–	–	–	–	–	–	60	60
Payment for capital assets	136	54	(64)	126	125	1	99,2	148	142
1.5 Corporate Services									
Current payment	146 453	(2 008)	17 050	161 495	161 443	52	100,0	138 599	138 546
Transfers and subsidies	1 707	14	72	1 793	1 785	8	99,6	1 859	1 854
Payment for capital assets	3 509	2 424	1 117	7 050	7 039	11	99,8	8 055	8 045
Payment for financial assets	–	–	18	18	18	–	100,0	–	–

Details per programme 1: Administration

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.6 Stakeholder Relations, Communication and Legal Services									
Current payment	69 638	9 256	13 298	92 192	92 165	27	100,0	55 510	55 484
Transfers and subsidies	2	–	25	27	25	2	92,6	146	142
Payment for capital assets	537	177	(121)	593	587	6	99,0	700	667
Payment for financial assets	–	–	–	–	–	–	–	14	14
1.7 Policy, Planning, Monitoring and Evaluation									
Current payment	72 665	(2 485)	(10 343)	59 837	57 831	2 006	96,6	71 797	71 757
Transfers and subsidies	7 000	–	33	7 033	7 032	1	100,0	342	249
Payment for capital assets	991	485	(423)	1 053	1 031	22	97,9	573	562
Payment for financial assets	–	–	3	3	3	–	100,0	–	–
1.8 Office Accommodation									
Current payment	159 623	(1 895)	21 678	179 406	163 498	15 908	91,1	171 527	162 076
Payment for capital assets	5 000	1 895	1 632	8 527	3 578	4 949	42,0	7 348	3 996
Total	670 880	–	33 791	704 671	681 583	23 088	96,7	660 453	647 240

Details per programme 1: Administration

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	326 852	(12 467)	(2 746)	311 639	311 579	60	100,0	283 084	283 021
Goods and services	322 610	6 816	34 245	363 671	345 666	18 005	95,0	349 384	339 790
Interest and rent on land	–	–	–	–	–	–	–	9	7
Transfers and subsidies									
Provinces and municipalities	56	5	(6)	55	50	5	90,9	49	45
Departmental agencies and accounts	8 672	–	25	8 697	8 697	–	100,0	1 598	1 593
Public corporations and private enterprises	–	–	186	186	180	6	96,8	177	169
Households	55	164	75	294	287	7	97,6	6 065	6 055
Gifts and donations	–	–	–	–	–	–	–	163	73
Payment for capital assets									
Buildings and other fixed structures	5 000	1 795	1 603	8 398	3 450	4 948	41,1	6 867	3 515
Machinery and equipment	6 520	3 563	479	10 562	10 510	52	99,5	12 644	12 561
Intangible assets	1 115	124	(152)	1 087	1 085	2	99,8	384	383
Payment for financial assets	–	–	82	82	79	3	96,3	29	28
Total	670 880	–	33 791	704 671	681 583	23 088	96,7	660 453	647 240

Details per programme 2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	2 822	(26)	(437)	2 359	2 355	4	99,8	985	983
Payments for capital assets	110	26	(81)	55	54	1	98,2	–	–
2.2 Inspection and Laboratory Services									
Current payment	293 469	4 428	(13 485)	284 412	284 263	149	99,9	268 636	268 486
Transfers and subsidies	183	83	369	635	630	5	99,2	623	611
Payment for capital assets	3 552	9 331	(1 173)	11 710	11 681	29	99,8	3 457	3 416
Payment for financial assets	–	–	17	17	16	1	94,1	95	95
2.3 Plant Production and Health									
Current payment	60 559	2 072	(2 621)	60 010	59 955	55	99,9	65 278	65 212
Transfers and subsidies	446 146	1	37	446 184	446 179	5	100,0	423 129	423 124
Payment for capital assets	900	127	(151)	876	872	4	99,5	619	610
Payment for financial assets	–	–	3	3	3	–	100,0	–	–
2.4 Animal Production and Health									
Current payment	152 091	(17 461)	(10 773)	123 857	114 750	9 107	92,6	139 519	139 466
Transfers and subsidies	97 976	12	(109)	97 879	97 874	5	100,0	1 966	1 960
Payment for capital assets	28 457	1 407	1 032	30 896	30 889	7	100,0	26 822	26 810
Payment for financial assets	–	–	1 173	1 173	1 171	2	99,8	1 034	1 033
2.5 Agricultural Research									
Transfers and subsidies	950 254	–	–	950 254	950 254	–	100,0	943 026	943 026
Total	2 036 519	–	(26 199)	2 010 320	2 000 946	9 374	99,5	1 875 189	1 874 832

Details per programme 2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	387 288	(1 694)	(24 215)	361 379	361 316	63	100,0	347 554	347 481
Goods and services	121 653	(9 293)	(3 101)	109 259	100 007	9 252	91,5	126 864	126 666
Transfers and subsidies									
Provinces and municipalities	438 580	4	17	438 601	438 594	7	100,0	415 896	415 891
Departmental agencies and accounts	950 254	–	–	950 254	950 254	–	100,0	943 058	943 052
Public corporations and private enterprises	97 500	–	104	97 604	97 602	2	100,0	341	339
Non-profit institutions	7 649	–	–	7 649	7 649	–	100,0	7 251	7 251
Households	576	92	176	844	838	6	99,3	2 198	2 188
Payment for capital assets									
Machinery and equipment	32 906	10 909	(361)	43 454	43 413	41	99,9	30 898	30 836
Intangible assets	113	(18)	(12)	83	83	–	100,0	–	–
Payment for financial assets	–	–	1 193	1 193	1 190	3	99,7	1 129	1 128
Total	2 036 519	–	(26 199)	2 010 320	2 000 946	9 374	99,5	1 875 189	1 874 832

Details per programme 3: Food Security and Agrarian Reform

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	2 614	1 998	141	4 753	4 749	4	99,9	2 159	2 158
Payment for capital assets	52	2	(1)	53	53	-	100,0	8	7
3.2 Food Security									
Current payment	67 173	8 071	4 119	79 363	79 335	28	100,0	65 209	65 188
Transfers and subsidies	917 733	73	352	918 158	912 153	6 005	99,3	774 344	768 242
Payment for capital assets	34 351	483	(883)	33 951	33 939	12	100,0	32 410	32 399
3.3 Sector Capacity Development									
Current payment	128 179	(34 448)	(156)	93 575	86 620	6 955	92,6	90 298	87 039
Transfers and subsidies	75 655	33	102	75 790	74 793	997	98,7	71 813	69 712
Payment for capital assets	3 147	23 788	3 132	30 067	29 636	431	98,6	30 204	29 113
Payment for financial assets	-	-	1	1	-	1	-	-	-
3.4 National Extension Support Services									
Current payment	30 258	-	(1 532)	28 726	28 670	56	99,8	26 502	26 487
Transfers and subsidies	339 927	-	3	339 930	339 930	-	100,0	322 206	322 206
Payment for capital assets	227	-	(2)	225	223	2	99,1	329	326
Total	1 599 316	-	5 276	1 604 592	1 590 101	14 491	99,1	1 415 482	1 402 877

Details per programme 3: Food Security and Agrarian Reform

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	117 760	(872)	(4 595)	112 293	112 278	15	100,0	98 893	98 878
Goods and services	110 464	(23 507)	7 167	94 124	87 096	7 028	92,5	85 275	81 994
Transfers and subsidies									
Provinces and municipalities	1 301 339	31	8	1 301 378	1 301 376	2	100,0	1 137 058	1 137 055
Departmental agencies and accounts	18 327	3	–	18 330	15 329	3 001	83,6	16 378	14 577
Higher education institutions	3 616	–	–	3 616	616	3 000	17,0	4 960	660
Public corporations and private enterprises	5 021	–	328	5 349	5 346	3	99,9	4 995	4 994
Non-profit institutions	2 500	–	–	2 500	1 508	992	60,3	2 500	403
Households	1 462	72	121	1 655	1 651	4	99,8	1 672	1 671
Gifts and donations	1 050	–	–	1 050	1 050	–	100,0	800	800
Payment for capital assets									
Buildings and other fixed structures	32 678	11 622	2 280	46 580	46 572	8	100,0	54 147	54 140
Machinery and equipment	5 091	12 332	(34)	17 389	16 952	437	97,5	8 804	7 705
Biological assets	–	76	–	76	76	–	100,0	–	–
Intangible assets	8	243	–	251	251	–	100,0	–	–
Payment for financial assets	–	–	1	1	–	1	–	–	–
Total	1 599 316	–	5 276	1 604 592	1 590 101	14 491	99,1	1 415 482	1 402 877

Details per programme 4: Trade Promotion and Market Access

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	2 672	(500)	(797)	1 375	1 373	2	99,9	1 813	1 811
Payment for capital assets	–	–	–	–	–	–	–	19	18
4.2 International Relations and Trade									
Current payment	77 711	259	8 804	86 774	86 707	67	99,9	70 830	70 779
Transfers and subsidies	45 921	–	529	46 450	46 446	4	100,0	32 342	32 097
Payment for capital assets	224	641	462	1 327	1 319	8	99,4	721	713
4.3 Cooperatives and Rural Enterprise Development									
Current payment	24 006	(22)	(2 589)	21 395	21 384	11	99,9	26 807	26 799
Transfers and subsidies	38 888	–	27	38 915	38 914	1	100,0	34 470	34 468
Payment for capital assets	242	22	(73)	191	188	3	98,4	233	231
4.4 Agro-processing and Marketing									
Current payment	34 388	(420)	(8 083)	25 885	25 866	19	99,9	13 743	13 728
Transfers and subsidies	33 819	16	–	33 835	33 834	1	100,0	31 446	31 445
Payment for capital assets	337	4	(36)	305	303	2	99,3	82	80
Total	258 208	–	(1 756)	256 452	256 334	118	100,0	212 506	212 169

Details per programme 4: Trade Promotion and Market Access

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	80 990	(16)	(1 459)	79 515	79 492	23	100,0	67 474	67 452
Goods and services	57 787	(667)	(1 206)	55 914	55 838	76	99,9	45 719	45 665
Transfers and subsidies									
Provinces and municipalities	10	–	(7)	3	3	–	100,0	3	2
Departmental agencies and accounts	35 819	–	–	35 819	35 819	–	100,0	31 409	31 409
Foreign governments and international organisations	43 919	–	529	44 448	44 445	3	100,0	32 245	32 001
Public corporations and private enterprises	36 878	–	4	36 882	36 881	1	100,0	34 279	34 279
Households	2	16	30	48	46	2	95,8	147	144
Gifts and donations	2 000	–	–	2 000	2 000	–	100,0	175	175
Payment for capital assets									
Building and other fixed structures	–	10	(10)	–	–	–	–	–	–
Machinery and equipment	773	666	384	1 823	1 810	13	99,3	1 055	1 042
Biological assets	5	–	(5)	–	–	–	–	–	–
Intangible assets	25	(9)	(16)	–	–	–	–	–	–
Total	258 208	–	(1 756)	256 452	256 334	118	100,0	212 506	212 169

Details per programme 5: Forestry

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	2 897	1 580	(293)	4 184	4 179	5	99,9	1 954	1 951
Transfers and subsidies	–	–	–	–	–	–	–	3	2
Payment for capital assets	110	86	(77)	119	117	2	98,3	–	–
5.2 Forestry Operations									
Current payment	406 700	(4 039)	(5 451)	397 210	397 098	112	100,0	377 025	376 398
Transfers and subsidies	5 951	4 327	1 352	11 630	11 617	13	99,9	5 446	5 411
Payment for capital assets	52 787	5 818	879	59 484	59 462	22	100,0	47 558	47 515
Payment for financial assets	–	–	32	32	29	3	90,6	101	99
5.3 Forestry Oversight and Regulations									
Current payment	45 832	(2 074)	(4 359)	39 399	39 353	46	99,9	38 060	38 030
Transfers and subsidies	8 890	–	16	8 906	8 503	403	95,5	7 633	7 531
Payment for capital assets	636	74	(205)	505	502	3	99,4	666	660
5.4 Natural Resources Management									
Current payment	234 810	(7 438)	(7 267)	220 105	200 038	20 067	90,9	190 045	175 568
Transfers and subsidies	415 658	58	946	416 662	413 478	3 184	99,2	541 338	527 531
Payment for capital assets	9 352	1 608	(675)	10 285	10 266	19	99,8	11 116	11 089
Payment for financial assets	–	–	58	58	57	1	98,3	–	–
Total	1 183 623	–	(15 044)	1 168 579	1 144 699	23 880	98,0	1 220 945	1 191 785

Details per programme 5: Forestry

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	510 195	(7 184)	(11 323)	491 688	482 496	9 192	98,1	461 513	455 606
Goods and services	178 883	(4 011)	(6 015)	168 857	157 819	11 038	93,5	144 706	135 476
Interest and rent on land	1 161	(776)	(32)	353	353	–	100,0	865	865
Transfers and subsidies									
Provinces and municipalities	412 330	18	11	412 359	409 178	3 181	99,2	513 936	509 825
Departmental agencies and accounts	3 000	–	–	3 000	3 000	–	100,0	3 011	3 008
Higher education institutions	2 192	–	–	2 192	2 191	1	100,0	4 017	4 017
Public corporations and private enterprises	–	–	106	106	102	4	96,2	70	68
Non-profit institutions	10 169	–	–	10 169	9 869	300	97,0	3 500	3 500
Households	2 208	4 367	2 197	8 772	8 758	14	99,8	29 786	20 057
Gifts and donations	600	–	–	600	500	100	83,3	100	–
Payment for capital assets									
Buildings and other fixed structures	20	(20)	16	16	15	1	93,8	124	123
Machinery and equipment	62 348	8 031	(2)	70 377	70 332	45	99,9	59 216	59 141
Biological assets	499	(410)	(89)	–	–	–	–	–	–
Intangible assets	18	(15)	(3)	–	–	–	–	–	–
Payment for financial assets	–	–	90	90	86	4	95,6	101	99
Total	1 183 623	–	(15 044)	1 168 579	1 144 699	23 880	98,0	1 220 945	1 191 785

Details per programme 6: Fisheries

for the year ended 31 March 2014

Subprogramme	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % 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									
Current payment	1 607	–	(858)	749	748	1	99,9	926	925
6.2 Aquaculture									
Current payment	29 737	–	349	30 086	30 082	4	100,0	28 621	28 619
Transfers and subsidies	10	–	73	83	83	–	100,0	122	120
Payment for capital assets	–	–	5 657	5 657	5 657	–	100,0	–	–
Payment for financial assets	–	–	1	1	–	1	–	–	–
6.3 Monitoring, Control and Surveillance									
Current payment	73 594	–	(1 420)	72 174	72 171	3	100,0	67 875	67 871
Transfers and subsidies	3	–	398	401	400	1	99,8	356	355
6.4 Marine Resources Management									
Current payment	17 627	–	345	17 972	17 968	4	100,0	17 127	17 123
Transfers and subsidies	7	–	–	7	7	–	100,0	260	259
6.5 Fisheries Research and Development									
Current payment	57 606	–	(709)	56 897	56 894	3	100,0	52 145	52 140
Transfers and subsidies	–	–	96	96	95	1	99,0	555	553
6.6 Marine Living Resources Fund									
Transfers and subsidies	253 545	–	–	253 545	253 545	–	100,0	316 365	316 365
Total	433 736	–	3 932	437 668	437 650	18	100,0	484 352	484 330

Details per programme 6: Fisheries

for the year ended 31 March 2014

Economic classification	2013/14							2012/13	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	180 171	–	(2 293)	177 878	177 863	15	100,0	166 694	166 678
Transfers and subsidies									
Departmental agencies and accounts	253 545	–	–	253 545	253 545	–	100,0	316 365	316 365
Households	20	–	567	587	585	2	99,7	1 293	1 287
Payment for capital assets									
Buildings and other fixed structures	–	–	5 657	5 657	5 657	–	100,0	–	–
Payments for financial assets	–	–	1	1	–	1	–	–	–
Total	433 736	–	3 932	437 668	437 650	18	100,0	484 352	484 330

Notes to the Appropriation Statement

for the year ended 31 March 2014

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, disclosure notes 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 ex- penditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	R'000
Administration	704 671	681 583	23 088	3,28
Agricultural Production, Health and Food Safety	2 010 320	2 000 946	9 374	0,47
Food Security and Agrarian Reform	1 604 592	1 590 101	14 491	0,90
Trade Promotion and Market Access	256 452	256 334	118	0,05
Forestry	1 168 579	1 144 699	23 880	2,04
Fisheries	437 668	437 650	18	–
Total	6 182 282	6 111 313	70 969	1,15

Administration

Expenditure in respect of Capital Works was not incurred as anticipated owing to projects not completed through the Department of Public Works' processes.

Agricultural Production, Health and Food Safety

Expenditure in respect of Primary Animal Health Care Programme was not incurred as anticipated as procurement processes were not completed.

Food Security and Agrarian Reform

Expenditure in respect of the Economic Competiveness Support Package for colleges of agriculture was not incurred as anticipated as procurement processes in the provinces were not completed. Furthermore, transfer payments did not realise owing to a memorandum of understanding not completed and a project that was stopped.

Forestry

Payments in respect of the prevention and mitigation of disasters were not incurred as anticipated owing to controls for migratory pests and construction of fire breaks that were disrupted by persisted rains. Furthermore, transfer payments in respect of LandCare to the Eastern Cape Province were withheld owing to underspending by the province.

Notes to the Appropriation Statement

for the year ended 31 March 2014

4.2 Per economic classification

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	1 534 392	1 525 024	9 368	0,61
Goods and services	791 825	746 426	45 399	5,73
Interest and rent on land	353	353	–	–
Subtotal	2 326 570	2 271 803	54 767	2,35
Transfers and subsidies				
Provinces and municipalities	2 152 396	2 149 201	3 195	0,15
Departmental agencies and accounts	1 269 645	1 266 644	3 001	0,24
Higher education institutions	5 808	2 807	3 001	51,67
Public corporations and private enterprises	140 127	140 111	16	0,01
Foreign governments and international organisations	44 448	44 445	3	0,01
Non-profit institutions	20 318	19 026	1 292	6,36
Households	12 200	12 165	35	0,29
Gifts and donations	3 650	3 550	100	2,74
Subtotal	3 648 592	3 637 949	10 643	0,29
Payments for capital assets				
Buildings and other fixed structures	60 651	55 694	4 957	8,17
Machinery and equipment	143 605	143 017	588	0,41
Biological assets	76	76	–	–
Intangible assets	1 421	1 419	2	0,14
Subtotal	205 753	200 206	5 547	2,70
Payments for financial assets	1 367	1 355	12	0,88
Total	6 182 282	6 111 313	70 969	1,15

4.3 Per conditional grant

Agriculture, Forestry and Fisheries

Ilima/Letsema projects	438 456	438 456	–	–
Infrastructure development and poverty relief (LandCare)	108 997	105 823	3 174	2,91
Comprehensive Agricultural Support Programme	1 604 315	1 604 315	–	–
Total	2 151 768	2 148 594	3 174	0,15

LandCare funds for Eastern Cape were withheld.

Statement of Financial Performance

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
Revenue			
Annual appropriation	1	6 182 282	5 868 927
Departmental revenue	2	809 584	198 029
Aid assistance	3	138	21 624
Total revenue		6 992 004	6 088 580
Expenditure			
Current expenditure			
Compensation of employees	4	1 525 024	1 419 116
Goods and services	5	746 426	729 591
Interest and rent on land	6	353	872
Aid assistance	3	8 752	1 109
Total current expenditure		2 280 555	2 150 688
Transfers and subsidies			
Transfers and subsidies	8	3 637 949	3 492 953
Aid assistance	3	138	217
Total transfers and subsidies		3 638 087	3 493 170
Expenditure for capital assets			
Tangible assets	9	198 787	169 063
Intangible assets	9	1 419	383
Total expenditure for capital assets		200 206	169 446
Payments for financial assets	7	1 355	1 255
Total expenditure		6 120 203	5 814 559
Surplus for the year		871 801	274 021
Reconciliation of net surplus/(deficit) for the year			
Voted funds		70 969	55 694
Annual appropriation		70 969	55 694
Departmental revenue and NRF receipts	15	809 584	198 029
Aid assistance (Annexure 1J)	3	(8 752)	20 298
Surplus for the year		871 801	274 021

Statement of Financial Position

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Assets			
Current assets			
Cash and cash equivalents	10	84 509	75 503
Prepayments and advances	11	3 475	7 277
Receivables	12	8 329	3 864
Non-current assets			
Investments	13	280 031	235 723
Total assets		<u>376 344</u>	<u>322 367</u>
Liabilities			
Current liabilities			
Voted funds to be surrendered to the Revenue Fund	14	70 969	55 694
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	15	14 100	11 824
Payables	16	1 037	553
Aid assistance unutilised	3	8 717	17 469
Non-current liabilities			
Payables	17	280 034	235 726
Total liabilities		<u>374 857</u>	<u>321 266</u>
Net assets		1 487	1 101
Represented by:			
Recoverable revenue		1 487	1 101
Total		<u><u>1 487</u></u>	<u><u>1 101</u></u>

Statement of Changes in Net Assets

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Recoverable revenue			
Opening balance		1 101	1 004
Transfers:		386	97
Irrecoverable amounts written off	7.1	(151)	(33)
Debts recovered (included in departmental receipts)		(1 352)	(1 430)
Debts raised		1 889	1 560
Closing balance		1 487	1 101
Total		1 487	1 101

Cash Flow Statement

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
Cash flows from operating activities			
Receipts		6 991 247	6 081 562
Annual appropriated funds received	1.1	6 182 282	5 868 927
Departmental revenue received	2	801 835	182 863
Interest received	2.3	6 992	8 148
Aid assistance received	3	138	21 624
Net increase/decrease in working capital		(179)	(5 237)
Surrendered to Revenue Fund		(863 002)	(240 878)
Surrendered to Reconstruction and Development Programme (RDP) Fund/donor		-	(5 907)
Current payments		(2 280 553)	(2 150 678)
Interest paid	6	(2)	(10)
Payments for financial assets		(1 355)	(1 255)
Transfers and subsidies paid		(3 638 087)	(3 493 170)
Net cash flow available from operating activities	18	208 069	184 427
Cash flows from investing activities			
Payments for capital assets	9	(200 206)	(169 446)
Proceeds from sale of capital assets	2.4	757	7 018
Increase/decrease in investments		(44 308)	(54 760)
Net cash flows from investing activities		(243 757)	(217 188)
Cash flows from financing activities			
Increase/decrease in net assets		386	97
Increase/decrease in non-current payables		44 308	54 760
Net cash flows from financing activities		44 694	54 857
Net increase/decrease in cash and cash equivalents		9 006	22 096
Cash and cash equivalents at beginning of period		75 503	53 407
Cash and cash equivalents at end of period	19	84 509	75 503

Accounting policies

for the year ended 31 March 2014

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. 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, all 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

Comparative information from a prior period has been presented in the current year's financial statements. Where necessary, figures included in the financial statements from a prior period 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.

1.7 Current year's 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.

2. REVENUE

2.1 Appropriated funds

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

Accounting policies

for the year ended 31 March 2014

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 owing 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.

No accrual is made for the amount receivable from the last receipt date to the end of the period under review. These amounts are, however, disclosed in the disclosure note to the annual financial statements.

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 disclosed in the annexures 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 position 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.

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 disclosure 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.

Accounting policies

for the year ended 31 March 2014

No provision is made for retirement benefits in the department's financial statements. Any potential liabilities are disclosed in the financial statements of the NRF.

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 as an expense 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 disclosed in the disclosure 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 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 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 disclosure notes to the financial statements.

No provision is made for irrecoverable amounts, but an estimate is included in the disclosure 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.

4.5 Transfers and subsidies

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

Accounting policies

for the year ended 31 March 2014

4.6 Unauthorised expenditure

Unauthorised expenditure is recognised in the Statement of Financial Position until such time as the expenditure is either:

- Approved by the relevant authority with funding and the related funds are received; or
- Approved by the relevant authority without funding and is written off against the appropriation in the statement of financial performance; or
- Transferred to receivables for recovery.

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

4.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the disclosure 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 disclosure notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured and 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 disclosure 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.

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

5. ASSETS

5.1 Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

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 against 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.

Accounting policies

for the year ended 31 March 2014

5.4 Investments

Investments are recognised in the statement of financial position at cost.

5.5 Inventory

Inventory is recorded in the notes to the financial statements at cost.

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 accurately, 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.

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 accurately, 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.

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.

Accounting policies

for the year ended 31 March 2014

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*

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 regime. The Forestry Branch uses the Computerised Plantation Analysis System (COMPAS) for managing the growing stock database.

The evaluation is performed annually and is not recognised in the Statement of Financial Performance or the Statement of Financial Position, but is disclosed in the disclosure notes to the Financial Statements.

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 evaluation is performed annually and is not recognised in the Statement of Financial Performance or the Statement of Financial Position, but is disclosed in the disclosure notes to the Financial Statements.

6. LIABILITIES AND PROVISIONS

6.1 Payables

Payables are recognised in the statement of financial position at cost.

6.2 Contingent liabilities

Contingent liabilities are recorded in the disclosure notes to the financial statements when there is a possible obligation that arises from past events, and the existence of which 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 determined reliably.

6.3 Contingent assets

Contingent assets are recorded in the disclosure notes to the financial statements when a possible asset arises from past events, and the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

Accounting policies

for the year ended 31 March 2014

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 disclosure 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 disclosure notes to the financial statements.

6.7 Leases

6.7.1 Finance leases

Finance lease payments made during the period under review are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the disclosure 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:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

6.7.2 Operating lease

Operating lease payments made during the period under review are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the disclosure 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 disclosure 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 disclosure notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of past events in the past and it is probable

Accounting policies

for the year ended 31 March 2014

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 FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are recorded in the disclosure notes to the financial statements.

8. NET ASSETS

8.1 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating from the prior period of review, which are recognised for the first time in the Statement of Financial Position in the current period under review. 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 of 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.

9. RELATED PARTY TRANSACTIONS

Specific information with regard to related party transactions is included in the disclosure notes to the financial statements.

10. KEY MANAGEMENT PERSONNEL

Compensation paid to key management personnel, including their family members where relevant, is included in the disclosure notes to the financial statements.

Notes to the Annual Financial Statements

for the year ended 31 March 2014

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:

	Final appropriation	Actual funds received	Appropriation received 2012/13
	R'000	R'000	R'000
Administration	704 671	704 671	660 453
Agricultural Production, Health and Food Safety	2 010 320	2 010 320	1 875 189
Food Security and Agrarian Reform	1 604 592	1 604 592	1 415 482
Trade Promotion and Market Access	256 452	256 452	212 506
Forestry	1 168 579	1 168 579	1 220 945
Fisheries	437 668	437 668	484 352
Total	6 182 282	6 182 282	5 868 927

2. DEPARTMENTAL REVENUE

	Note	2013/14 R'000	2012/13 R'000
Sales of goods and services other than capital assets	2.1	153 718	153 689
Fines, penalties and forfeits	2.2	49	44
Interest, dividends and rent on land	2.3	8 236	8 871
Sales of capital assets	2.4	757	7 018
Transactions in financial assets and liabilities	2.5	646 651	28 238
Transfers received	2.6	173	169
Total revenue collected		809 584	198 029
Departmental revenue collected		809 584	198 029

Note 2.5 Financial transactions in assets and liabilities included an amount of R637,208 million being refunds of unspent conditional grants and projects received from the provincial departments and the Land Bank, compared to R17,176 million refunded during the 2012/13 financial year.

2.1 Sales of goods and services other than capital assets

2

Sales of goods and services produced by the department	153 690	153 648
Sales by market establishment	2 953	3 224
Administrative fees	114 491	110 464
Other sales	36 246	39 960
Sales of scrap, waste and other used current goods	28	41
Total	153 718	153 689

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
2.2 Fines, penalties and forfeits	2		
Penalties		49	44
Total		49	44
2.3 Interest, dividends and rent on land	2		
Interest		6 992	8 148
Rent on land		1 244	723
Total		8 236	8 871
2.4 Sales of capital assets	2		
Tangible assets		757	7 018
Machinery and equipment	32.2	757	7 018
Total		757	7 018
2.5 Transactions in financial assets and liabilities	2		
Receivables		7 695	8 768
Stale cheques written back		-	1
Other receipts including recoverable revenue		638 956	19 469
Total		646 651	28 238
2.6 Transfers received	2		
Public corporations and private enterprises		173	169
Total		173	169
3. AID ASSISTANCE			
3.1 Aid assistance received in cash from RDP	3		
Foreign Revenue		138	217
Expenditure		(138)	(217)
Transfers		(138)	(217)
Closing balance		-	-

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
3.2 Aid assistance received in cash from other sources			
Local			
Revenue		–	5 907
Surrendered to the donor		–	(5 907)
Closing balance		–	–
Foreign			
Opening balance		17 469	3 078
Revenue		–	15 500
Expenditure		(8 752)	(1 109)
Current		(8 752)	(1 109)
Closing balance		8 717	17 469
3.3 Total assistance			
Opening balance		17 469	3 078
Revenue		138	21 624
Expenditure		(8 890)	(1 326)
Current		(8 752)	(1 109)
Transfers		(138)	(217)
Surrendered to RDP Fund		–	(5 907)
Closing balance		8 717	17 469
3.4 Analysis of balance			
	3.2		
Aid assistance unutilised		8 717	17 469
Other sources		8 717	17 469
Closing balance		8 717	17 469

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
4. COMPENSATION OF EMPLOYEES			
4.1 Salaries and wages	4		
Basic salary		1 032 071	948 850
Performance award		20 622	25 253
Service based		3 830	2 416
Compensative/circumstantial		27 570	22 223
Periodic payments		283	11 403
Other non-pensionable allowances		236 219	218 635
Total		1 320 595	1 228 780
<p>The compensation of the trainees for the prior year was reclassified from "Periodic payments" to "Compensative/Circumstantial". The prior year's figure for "Periodic payments" was therefore decreased with R11,892 million.</p>			
4.2 Social contributions	4		
Employer contributions			
Pension		133 763	122 643
Medical		70 253	67 260
Bargaining council		363	330
Insurance		50	103
Total		204 429	190 336
Total compensation of employees		1 525 024	1 419 116
Average number of employees		6 124	6 146

The average number (6124) of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries.

Compensation of employees—excluding R13,812 million disclosed as project costs (refer to Note 9).

5. GOODS AND SERVICES

Administrative fees		3 247	2 397
Advertising		22 189	19 153
Minor assets	5.1	6 673	2 745
Bursaries (employees)		2 680	3 045
Catering		1 296	3 093
Communication		26 555	26 611
Computer services	5.2	43 296	40 925
Consultants, contractors and agency/outsourced services	5.3	128 262	125 350
Entertainment		503	383
Audit cost—external	5.4	9 917	8 592
Fleet services		18 505	16 252

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
5. GOODS AND SERVICES (cont.)			
Inventory	5.5	21 245	26 668
Consumables	5.6	54 226	39 509
Operating leases		85 733	85 923
Property payments	5.7	112 592	95 771
Rental and hiring		5 027	93
Travel and subsistence	5.8	119 283	143 525
Venues and facilities		37 832	43 113
Training and development		31 868	29 031
Other operating expenditure	5.9	15 497	17 412
Total		746 426	729 591

Goods and services—excluding R18,070 million disclosed as project costs (refer to Note 9). Inventory and consumable items are split into two separate sub-notes for the 2013/14 period.

Administrative fees for 2012/13 were restated from R60,047 million to R2,397 million. The difference of R57,650 million is reported under Note 5.7—Property management fees.

5.1 Minor assets	5		
Tangible assets		6 666	2 739
Buildings and other fixed structures		5	–
Biological assets		422	–
Machinery and equipment		6 211	2 739
Transport assets		28	–
Intangible assets		7	6
Total		6 673	2 745

5.2 Computer services	5		
SITA computer services		23 556	17 941
External computer service providers		19 740	22 984
Total		43 296	40 925

5.3 Consultants, contractors and agency/outsourced services	5		
Business and advisory services		33 953	29 952
Infrastructure and planning		13 045	12 451
Laboratory services		567	1 290
Legal costs		3 739	2 389
Contractors		23 610	9 677
Agency and support/outsourced services		53 348	69 591
Total		128 262	125 350

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
5.4 Audit cost—external	5		
Regularity audits		9 917	8 592
Total		9 917	8 592
5.5 Inventory	5		
Farming supplies		14 607	18 994
Food and food supplies		389	911
Fuel, oil and gas		54	233
Learning, teaching and support material		51	494
Medicine		6 143	6 030
Other supplies	5.5.1	1	6
Total		21 245	26 668
5.5.1 Other supplies	5.5		
Ammunition and security supplies		1	6
Total		1	6

The expenditure for the inventory for the prior year was restated from R66,142 million to R26,668 million owing to a reclassification of the SCOA inventory and consumable items.

5.6 Consumables	5		
Consumable supplies		41 623	28 936
Uniforms and clothing		5 750	5 706
Household supplies		2 614	2 977
Building material and supplies		3 523	5 621
Communication accessories		7	–
IT consumables		225	208
Other consumables		29 504	14 424
Stationery, printing and office supplies		12 603	10 573
Total		54 226	39 509

The expenditure for consumables for the prior year was restated from R39,121 million to R39,509 million owing to a reclassification of the SCOA inventory and consumable items. The expenditure for gifts for the prior year was reclassified from "Other operating expenditure" to "Consumables: other consumables". The prior year for "Other operating expenditure" was therefore restated with R35 000.

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
5.7 Property payments	5		
Municipal services		23 400	20 375
Property management fees		66 299	58 996
Property maintenance and repairs		3 795	4 205
Other		19 098	12 195
Total		112 592	95 771
<p>Property management fees for 2012/13 were restated from R1,346 million to R58,996 million. The difference of R57,650 million was previously reported under Note 5—Administrative fees.</p>			
5.8 Travel and subsistence	5		
Local		104 735	127 666
Foreign		14 548	15 859
Total		119 283	143 525
5.9 Other operating expenditure	5		
Professional bodies, membership and subscription fees		913	1 065
Resettlement costs		3 040	2 893
Other		11 544	13 454
Total		15 497	17 412
<p>The expenditure for gifts for the prior year was reclassified from "Other operating expenditure" to "Consumables: Other Consumables". The prior year for "Other operating expenditure" was therefore restated with R35 000.</p>			
6. INTEREST AND RENT ON LAND			
Interest paid	6	2	10
Rent on land		351	862
Total		353	872
7. PAYMENTS FOR FINANCIAL ASSETS			
Debts written off	7.1	1 355	1 255
Total		1 355	1 255
7.1 Debts written off	7		
Recoverable revenue written off			
Irrecoverable/uneconomical (trade debt)		34	1 122
Claims settled or waived to the advantage of the state (trade debt)		1 170	–
Irrecoverable (staff debt)		148	33
Irrecoverable/uneconomical (dishonoured cheques)		–	100
Recovery would cause undue problems (staff debt)		3	–
Total debt written off		1 355	1 255

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
8. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	36, Annex 1B	2 149 201	2 062 818
Departmental agencies and accounts	Annex 1C	1 266 644	1 310 004
Higher education institutions	Annex 1D	2 807	4 677
Foreign governments and international organisations	Annex 1F	44 445	32 001
Public corporations and private enterprises	Annex 1E	140 111	39 849
Non-profit institutions	Annex 1G	19 026	11 154
Households	Annex 1H	12 165	31 402
Gifts, donations and sponsorships	Annex 1K	3 550	1 048
Total		3 637 949	3 492 953
Unspent funds transferred to the above beneficiaries		39 690	340 910
9. EXPENDITURE FOR CAPITAL ASSETS			
<i>Tangible assets</i>		198 787	169 063
Buildings and other fixed structures	34.1	55 694	57 778
Machinery and equipment	32.1	143 017	111 285
Biological assets	32.1	76	–
<i>Intangible assets</i>		1 419	383
Software	33.1	1 419	383
Total		200 206	169 446
The following amounts have been included as project costs in expenditure for capital assets:			
Compensation of employees		13 812	13 913
Goods and services		18 070	17 302
Total		31 882	31 215
		Voted funds	Total
		R'000	R'000
9.1 Analysis of funds utilised to acquire capital assets—2013/14			
<i>Tangible assets</i>		198 787	198 787
Buildings and other fixed structures		55 694	55 694
Machinery and equipment		143 017	143 017
Biological assets		76	76
<i>Intangible assets</i>		1 419	1 419
Software		1 419	1 419
Total		200 206	200 206

Notes to the Annual Financial Statements

for the year ended 31 March 2014

		Voted funds R'000	Total R'000
9.2 Analysis of funds utilised to acquire capital assets—2012/13			
<i>Tangible assets</i>		169 063	169 063
Buildings and other fixed structures		57 778	57 778
Machinery and equipment		111 285	111 285
<i>Intangible assets</i>		383	383
Software		383	383
Total		169 446	169 446
9.3 Financial lease expenditure included in expenditure for capital assets			
<i>Tangible assets</i>			54 987
Machinery and equipment			54 987
Total			54 987
	<i>Note</i>	2013/14 R'000	2012/13 R'000
10. CASH AND CASH EQUIVALENTS			
	10		
Consolidated Paymaster General Account		84 239	74 100
Cash receipts		24	1 187
Cash on hand		246	216
Total		84 509	75 503
11. PREPAYMENTS AND ADVANCES			
Travel and subsistence		1 408	1 306
Advances paid	11.1	2 067	5 971
Total		3 475	7 277
11.1 Advances paid			
	11		
National departments	Annex 8A	2 067	5 971
Total		2 067	5 971

Notes to the Annual Financial Statements

for the year ended 31 March 2014

12. RECEIVABLES

	Note	Less than one year R'000	One to three years R'000	Older than three years R'000	2013/14 Total R'000	2012/13 Total R'000
Claims recoverable	12.1 Annex 4	3 330	–	–	3 330	303
Recoverable expenditure	12.2	1 128	53	99	1 280	318
Staff debt	12.3	–	–	–	–	19
Other debtors	12.4	575	3 144	–	3 719	3 224
Total		5 033	3 197	99	8 329	3 864

	Note	2013/14 R'000	2012/13 R'000
12.1 Claims recoverable	12		
National departments		3 285	254
Provincial departments		45	49
Total		3 330	303
12.2 Recoverable expenditure (disallowance accounts)	12		
Disallowance dishonoured cheques		18	60
Disallowance: miscellaneous		1 262	258
Total		1 280	318
12.3 Staff debt	12		
Salaries: Deduction disallowance account		–	6
Salaries: Tax debt		–	11
Salaries: Medical aid		–	2
Total		–	19
12.4 Other debtors	12		
Debt account		3 719	3 224
Total		3 719	3 224

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000
13. INVESTMENTS			
Non-current	13		
Shares and other equity			
Ncera Farms (Pty) Ltd		1	1
Onderstepoort Biological Products Ltd		1	1
Abattoir Industry Fund		16 372	16 430
National Forestry Recreation and Access Trust		5 627	5 345
Forestry Lease Rental Trust Fund		258 030	213 946
Total non-current		280 031	235 723
Analysis of non-current investments			
Opening balance		235 723	180 963
Additions in cash		45 208	56 035
Disposals for cash		(900)	(1 275)
Closing balance		280 031	235 723
14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND			
Opening balance	14	55 694	36 176
Transfer from statement of financial performance (as restated)		70 969	55 694
Paid during the year		(55 694)	(36 176)
Closing balance		70 969	55 694
15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND			
Opening balance	15	11 824	18 497
Transfer from Statement of Financial Performance (as restated)		809 584	198 029
Paid during the year		(807 308)	(204 702)
Closing balance		14 100	11 824
16. PAYABLES—CURRENT			
Advances received	16.1	10	111
Clearing accounts	16.2	986	442
Other payables	16.3	41	–
Total		1 037	553

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	<i>Note</i>	2013/14 R'000	2012/13 R'000				
16.1 Advances received	<i>16</i>						
Other institutions		10	111				
Total		10	111				
16.2 Clearing accounts	<i>16</i>						
Salary: ACB recalls		98	43				
Salary: Income tax		628	349				
Salary: Pension fund		5	–				
Salary: Reversal account		252	50				
Salary: Tax debt		1	–				
Salary: Medical aid		2	–				
Total		986	442				
16.3 Other payables	<i>16</i>						
Sport fees		41	–				
Total		41	–				
17. PAYABLES—NON-CURRENT							
	<i>Note</i>	One to two years R'000	Two to three years R'000	More than three years R'000	2013/14 Total R'000	2012/13 Total R'000	
Other payables	<i>17.1</i>	99 068	(45 409)	226 375	280 034	235 726	
Total		99 068	(45 409)	226 375	280 034	235 726	
					<i>Note</i>	2013/14 R'000	2012/13 R'000
17.1 Other payables	<i>17</i>						
Ncera Farms (Pty) Ltd					1	1	
Onderstepoort Biological Products Ltd					1	1	
Abattoir Industry Fund					16 372	16 430	
National Forestry Recreation and Access Trust					5 627	5 345	
Forestry Lease Rental Trust Fund					258 033	213 949	
Total					280 034	235 726	

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.

Notes to the Annual Financial Statements

for the year ended 31 March 2014

	2013/14 R'000	2012/13 R'000
18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES		
Net surplus as per Statement of Financial Performance	871 801	274 021
Add back non-cash/cash movements not regarded as operating activities	(663 732)	(89 594)
(Increase)/decrease in receivables—current	(4 465)	(203)
(Increase)/decrease in prepayments and advances	3 802	(4 359)
Increase/(decrease) in payables—current	484	(675)
Proceeds from sale of capital assets	(757)	(7 018)
Expenditure on capital assets	200 206	169 446
Surrenders to Revenue Fund	(863 002)	(240 878)
Surrenders to RDP Fund/donor	–	(5 907)
Net cash flow generated by operating activities	208 069	184 427
19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES		
Consolidated Paymaster General account	84 239	74 100
Cash receipts	24	1 187
Cash on hand	246	216
Total	84 509	75 503

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

	<i>Note</i>	2013/14 R'000	2012/13 R'000
20. CONTINGENT LIABILITIES			
20.1 Contingent liabilities			
Liable to	Nature		
Housing loan guarantees	Employees	<i>Annex 3A</i> 125	293
Claims against the department		<i>Annex 3B</i> 25 187	64 226
Intergovernmental payables (unconfirmed balances)		<i>Annex 5</i> –	74
Total		25 312	64 593

The cases reported under contingent liabilities in Annexure 3A represent housing loan guarantees that were issued to employees 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.

21. COMMITMENTS

Current expenditure	150 706	129 730
Approved and contracted	141 545	129 730
Approved but not contracted yet	9 161	–
Capital expenditure	15 100	4 215
Approved and contracted	10 279	4 215
Approved but not contracted yet	4 821	–
Total commitments	165 806	133 945

22. ACCRUALS

	30 days	30+ days	2013/14 Total R'000	2012/13 Total R'000
Listed by economic classification				
Goods and services	18 187	15 780	33 967	29 454
Capital assets	5 341	386	5 727	7 351
Total	23 528	16 166	39 694	36 805

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	Note	2013/14 R'000	2012/13 R'000
22. ACCRUALS (cont.)			
Listed by programme level	22		
Administration		21 794	17 735
Agricultural Production, Health and Food Safety		2 723	3 112
Food Security and Agrarian Reform		6 079	2 516
Economic Development, Trade and Marketing		1 676	956
Forestry		7 422	12 486
Total		39 694	36 805
Confirmed balances with departments	Annex 5	175	495
Total		175	495

23. EMPLOYEE BENEFITS

Leave entitlement	53 859	58 449
Service bonus (thirteenth cheque)	44 039	40 169
Performance awards	20 498	25 273
Capped leave commitments	136 131	122 417
Total	254 527	246 308

24. LEASE COMMITMENTS

24.1 Operating leases expenditure

	Land R'000	Buildings and other fixed structures R'000	Total R'000
2013/14			
Not later than 1 year	1	163 388	163 389
Later than 1 year, but not later than 5 years	2	444 523	444 525
Later than 5 years	45	43 069	43 114
Total lease commitments	48	650 980	651 028
2012/13			
Not later than 1 year	1	123 257	123 258
Later than 1 year, but not later than 5 years	2	402 139	402 141
Later than 5 years	45	44 472	44 517
Total lease commitments	48	569 868	569 916

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 NDPW in the January/February 2014 leases invoice. The projected renewal periods are per DAFF's needs assessments and the procurement instruction issued by NDPW.

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State owned accommodation over the three-year MTEF period were included for 2012/13 and 2013/14. Operating leases later than 1 year and not later than 5 years for the prior year were restated from R240,722 million to R402,139 million owing to the reporting of the full 3-year MTEF period.

Shared facilities: The following office accommodation is still being shared between DWA and DAFF (Forestry), DWA is the user department and is paying the rent: King William's Town, Port Elizabeth, Thohoyandou, Sekhukhune, Giyani (Mopani) Waterberg DWA, Capricorn DWA, Polokwane, Bronkhorstspuit and Mahikeng.

24.2 Finance leases expenditure

	Machinery and equipment R'000	Total R'000
2013/14		
Not later than 1 year	3 720	3 720
Later than 1 year, but not later than 5 years	2 521	2 521
Total lease commitments	6 241	6 241
2012/13		
Not later than 1 year	32 822	32 822
Later than 1 year, but not later than 5 years	2 753	2 753
Total lease commitments	35 575	35 575

The finance leases represent 189 photo copier machines and 34 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 month-to-month basis as from 15 November 2013 until 14 November 2014, when the contract expires.

	<i>Note</i>	2013/14 R'000	2012/13 R'000
25. ACCRUED DEPARTMENTAL REVENUE			
Sales of goods and services other than capital assets	25	6 474	6 452
Interest, dividends and rent on land		46 075	59 705
Transactions in financial assets and liabilities		53 241	70 524
Total		105 790	136 681
25.1 Analysis of accrued departmental revenue	25		
Opening balance		136 681	166 205
Less: Amounts received		(77 707)	(71 062)
Add: Amounts recognised		48 020	42 660
Less: Amounts written-off/reversed as irrecoverable		(1 204)	(1 122)
Closing balance		105 790	136 681

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	<i>Note</i>	2013/14 R'000	2012/13 R'000
25.2 Accrued departmental revenue written off	25.1		
Nature of losses			
Irrecoverable/uneconomical		1 204	1 122
Total		1 204	1 122

Agriculture Debt Account debt to the amount of R17,224 million was written off during the year.

25.3 Impairment of accrued departmental revenue			
Estimate of impairment of accrued departmental revenue		58 313	74 075
Total		58 313	74 075

The impairment include trade debt (R154 000) and Agriculture Debt Account (R58,159 million). Agriculture Debt Account was previously reported under the Disclosure note: Provision.

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

Opening balance		13 988	47 544
Add: Irregular expenditure—relating to prior year	26.2	86	68
Add: Irregular expenditure—relating to current year	26.2	7 402	1 229
Less: Prior year amounts condoned	26.3	(13 895)	(1 118)
Less: Current year amounts condoned	26.3	(84)	(33 631)
Less: Amounts not recoverable (not condoned)	26.4	(108)	(104)
Irregular expenditure awaiting condonation		7 389	13 988
Analysis of awaiting condonation per age classification			
Current year	26.5	7 067	111
Prior years	26.5	322	13 877
Total		7 389	13 988

The opening balance was restated with R1,917 million—adjustments were made to the prior year balance due to the reassessment of the results from the forensic investigation and an increase in the amount for Biz Africa (Studio 88) from R57 000 to R108 000.

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

26.2 Details of irregular expenditure—current year

Incident	Disciplinary steps taken/ criminal proceedings	2013/14 R'000
South African National Parks	No disciplinary action taken	11
Animal Travel Services/Sunrise Kennels	Referred to National Treasury/no disciplinary action taken	61
Multi Locking	Action taken against the officials	25
BKT Exhibitions and Projects CC	Under investigation	714
Amanzingwe Lodge	Action taken against the official	12
ARC	Under investigation	3
Tibane Consulting	Under investigation	23
Emileng Projects	Under investigation	28
Preview Caterers and Printing	Under investigation	13
Agri Mega	Under investigation	218
Inside Lane Human Resource Development	Under investigation	32
Fenzo Projects	Under investigation	58
Deltamune Pty Ltd	Under investigation	168
Premier Hotel Regent	No disciplinary action taken	33
Sunset Trading and Project	Recovered	8
Various suppliers	Under investigation	1 411
Various suppliers	Under investigation	4 584
Total		7 402
Details of irregular expenditure—prior year		
Hasler Business Systems (2012)	No disciplinary action taken	8
Masiqhame Trading 559 CC (2012)	Action taken against the official	45
Various supplies	Under investigation	33
Subtotal		86
Total		7 488

26.3 Details of irregular expenditure condoned—current year

Incident	Condoned by (condoning authority)	2013/14 R'000
Multi Locking	Director-General	25
Amanzingwe Lodge	Chief Financial Officer	12
Sunrise Kennels	Director-General	33
ARC	Director-General	3
South African National Parks	Acting Director-General	11
Total		84
Irregular expenditure condoned—prior years		
Various: Forensic investigation (2010)	Director-General	13 680
Valley of Life Suppliers (2011)	Director-General	27
IIR training (2011)	Director-General	14
Premier Hotel Regent (2012)	Acting Director-General	33

Disclosure Notes to the Annual Financial Statements

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Incident	Condoned by (condoning authority)	2013/14 R'000
Irregular expenditure condoned—prior years (cont.)		
Masiqhame Trading 559 CC (2012)	Chief Financial Officer	45
Ngaxamba Trading (2012)	Acting Director-General	16
Tshadu Logistics (21012)	Acting Director-General	32
Hasler Business Systems (2012)	Chief Financial Officer	8
Eco Creations (2012)	Chief Financial Officer	40
Subtotal		13 895
Total		13 979

26.4 Details of irregular expenditure not recoverable (not condoned)

Biz Africa (Studio 88)(2012)	Chief Financial Officer referred to National Treasury— not condoned	108
Total		108

26.5 Details of irregular expenditures under investigation

Incident	2013/14 R'000
Tibane Consulting	23
BKT Exhibitions and Projects CC	714
Emileng Projects	28
Preview Caterers and Printing	13
Inside Lane Human Resource Development	32
Fenzo Projects	58
Deltamune (Pty) Ltd	168
Animal Travel Services	28
Sunset Trading and Projects	8
Various suppliers	1 411
Nepstan Construction and Supply	939
Pagamisa Holdings	922
Yenza Trading	975
Maswika General Trading	1 748
Subtotal	7 067
Details of irregular expenditure—prior year	
Agric Mega (2012)	218
Rinetsha Florist and Deco (2012)	28
Travel with Flair (2013)	25
Secolo Consulting and Training Services (2013)	18
Various suppliers (2012/13)	33
Subtotal	322
Total	7 389

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	Note	2013/14 R'000	2012/13 R'000
27. FRUITLESS AND WASTEFUL EXPENDITURE			
27.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		549	210
Fruitless and wasteful expenditure—relating to prior year	27.3	777	24
Fruitless and wasteful expenditure—relating to current year	27.3	9	382
Less: Amounts resolved	27.4	(1 271)	(67)
Fruitless and wasteful expenditure awaiting resolution	27.5	64	549

The opening balance was restated with R11,997 million—an adjustment was made to the prior year balance owing to the re-assessment of the results from the forensic investigation.

27.2 Analysis of awaiting resolution per economic classification

Current	64	549
Total	64	549

27.3 Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2013/14 R'000
Duplicate order: Refreshments	No disciplinary action—based on recommendation	3
Penalties-Wesbank	Under investigation	2
Failure to attend the arbitration	Under investigation	3
Penalties Eskom Holdings Ltd	Under investigation	1
Total		9
Details of fruitless and wasteful expenditure—prior year		
Non-compliance with supply chain management procedures (2009/10)	Disciplinary action to be taken against the D: AS and DDG: PPME	729
Late occupation: Allied building (2012/13)	Under investigation	48
Subtotal		777
Total		786

27.4 Amounts resolved

Double ordering of refreshments: DEXCO meeting	3
Non-compliance with Supply Chain Management procedures	729
Cancellation of conference booking	318
VAT paid on invalid tax certificate	12
No show—training course	9
Forensic investigation: Purchase 33 GPS devices	200
Total	1 271

Disclosure Notes to the Annual Financial Statements

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27.5 Fruitless and wasteful expenditure awaiting resolution

Incident	2013/14 R'000
Penalties paid to Wesbank	10
Penalties Eskom Holdings Ltd	1
Late occupation: Allied building	48
Penalties: Wesbank	2
Failure to attend the arbitration	3
Total	64

28. RELATED PARTY TRANSACTIONS

In kind goods and services provided/received

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	2013/14 R'000	2012/13 R'000
Political office bearers (provide detail below)	2	3 841	3 562
Officials:			
Levels 15 to 16	20	23 016	23 189
Level 14	36	27 903	24 814
Total		54 760	51 565

30. IMPAIRMENT: OTHER

Debtors	47	58
Total	47	58

31. NON-ADJUSTING EVENTS AFTER REPORTING DATE

Veld fires occurred at Forestry plantations in the Eastern Cape Province after the reporting date. Veld fires destroyed a total of 60,6 ha of the Etwa, Nkobongo, Mthintloni, Mnyameni, Amanzimnyama and Gomo Plantations. The estimated value of the affected hectares cannot be determined.

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

32. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in moveable tangible capital assets per asset register for the year ended 31 March 2014

	Opening balance	Current year adjust- ments to prior year 's balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	190	–	–	–	190
Heritage assets	190	–	–	–	190
Machinery and equipment	307 413	5 201	86 364	50 286	348 692
Transport assets	95 064	10 395	33 671	22 302	116 828
Computer equipment	88 840	1 576	24 321	17 878	96 859
Furniture and office equipment	31 527	(1 090)	3 733	709	33 461
Other machinery and equipment	91 982	(5 680)	24 639	9 397	101 544
Specialised military assets	100	(100)	–	–	–
Specialised military assets	100	(100)	–	–	–
Biological assets	565 182	(7 714)	589	76	557 981
Biological assets	565 182	(7 714)	589	76	557 981
Total moveable tangible capital assets	872 885	(2 613)	86 953	50 362	906 863

32.1 Additions

Additions to moveable tangible capital assets per asset register for the year ended 31 March 2014

	Cash	Non-cash	(Capital work in pro- gress 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
Machinery and equipment	143 017	6 974	(65 824)	2 197	86 364
Transport assets	86 561	5 369	(59 959)	1 700	33 671
Computer equipment	23 769	726	–	(174)	24 321
Furniture and office equipment	3 616	71	–	46	3 733
Other machinery and equipment	29 071	808	(5 865)	625	24 639
Biological assets	76	513	–	–	589
Biological assets	76	513	–	–	589
Total additions to moveable tangible capital assets	143 093	7 487	(65 824)	2 197	86 953

The finance leases are included in the Other Machinery, Equipment and Transport assets in capital work-in-progress column. An amount of R10 837 247,76 from the value of R59 959 210,53 is for the mobile clinics that are still in progress.

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32.2 Disposals

Disposals of moveable tangible capital assets per asset register for the year ended 31 March 2014

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Machinery and equipment	3 636	46 650	50 286	757
Transport assets	2 769	19 533	22 302	675
Computer equipment	528	17 350	17 878	1
Furniture and office equipment	6	703	709	–
Other machinery and equipment	333	9 064	9 397	81
Biological assets	–	76	76	–
Biological assets	–	76	76	–
Total disposal of moveable tangible capital assets	3 636	46 726	50 362	757

The ambulatory vehicles to the value of R1,589 million were transferred to Western Cape Department of Agriculture at 28 March 2013, but the asset register was only maintained in this period of review.

32.3 Movement for 2012/13

Movement in moveable tangible capital assets per asset register for the year ended 31 March 2013

	Opening balance	Current year adjustments to prior year's balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	190	–	–	–	190
Heritage assets	190	–	–	–	190
Machinery and equipment	287 471	4 918	51 847	36 823	307 413
Transport assets	89 864	2 453	24 821	22 074	95 064
Computer equipment	79 710	988	15 852	7 710	88 840
Furniture and office equipment	29 693	(225)	3 043	984	31 527
Other machinery and equipment	88 204	1 702	8 131	6 055	91 982
Specialised military assets	101	(1)	–	–	100
Specialised military assets	101	(1)	–	–	100
Biological assets	446 246	11	119 202	277	565 182
Biological assets	446 246	11	119 202	277	565 182
Total moveable tangible capital assets	734 008	4 928	171 049	37 100	872 885

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for the year ended 31 March 2014

32.4 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2014

	Specialised military assets	Intangible assets	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	10	4 380	61 029	1 205	66 624
Current year adjustments to prior year balances	(10)	(3 632)	777	186	(2 679)
Additions	–	6	7 016	1 390	8 412
Disposals	–	6	2 893	1 334	4 233
Total minor assets	–	748	65 929	1 447	68 124
Number of R1 minor assets	–	12	46 590	1 214	47 816
Number of minor assets at cost	–	428	46 276	–	46 704
Total number of minor assets	–	440	92 866	1 214	94 520

Movement in minor assets per the asset register for the year ended as at 31 March 2013

Opening balance	10	4 380	59 383	1 280	65 053
Current year adjustments to prior year balances	–	–	551	–	551
Additions	–	3	3 544	624	4 171
Disposals	–	3	2 449	699	3 151
Total minor assets	10	4 380	61 029	1 205	66 624
Number of R1 minor assets	50	12	47 036	6	47 104
Number of minor assets at cost	8	2 088	43 349	1 144	46 589
Total number of minor assets	58	2 100	90 385	1 150	93 693

32.5 Movable assets written off

Moveable assets written off for the year ended as at 31 March 2014

	Machinery and equip- ment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	4 767	469	5 236
Total moveable assets written off	4 767	469	5 236

Moveable assets written off for the year ended as at 31 March 2013

Assets written off	21 622	975	22 597
Total moveable assets written off	21 622	975	22 597

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33. INTANGIBLE CAPITAL ASSETS

Movement in intangible capital assets per register for the year ended 31 March 2014

	Opening balance	Current year adjustments to prior year's balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	7 723	(1 760)	6 576	251	12 288
Patents, licences, copyright, brand names, trademarks	2 381	(2 381)	–	–	–
Total intangible capital assets	10 104	(4 141)	6 576	251	12 288

33.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2014

	Cash	Non-cash	Total
	R'000	R'000	R'000
Software	1 419	5 157	6 576
Total additions to intangible capital assets	1 419	5 157	6 576

33.2 Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2014

	Transfer out or destroyed or scrapped	Total disposals
	R'000	R'000
Software	251	251
Total disposals of intangible capital assets	251	251

33.3 Movement for 2012/13

Movement in intangible capital assets per asset register for the year ended 31 March 2013

	Opening balance	Current year adjustments to prior year's balances	Additions	Total
	R'000	R'000	R'000	R'000
Software	6 990	(31)	764	7 723
Patens, licences, copyright, brand names, trademarks	2 350	31	–	2 381
Total intangible capital assets	9 340	–	764	10 104

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34. IMMOVABLE TANGIBLE CAPITAL ASSETS

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2014

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	10 345	(9 833)	27 597	27 529	580
Dwellings	9 651	(9 154)	241	158	580
Non-residential buildings	667	(667)	-	-	-
Other fixed structures	27	(12)	27 356	27 371	-
Total immovable tangible capital assets	10 345	(9 833)	27 597	27 529	580

34.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2014

	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
Buildings and other fixed structures	55 694	145	(28 338)	96	27 597
Dwellings	-	145	-	96	241
Other fixed structures	55 694	-	(28 338)	-	27 356
Total additions to immovable tangible capital assets	55 694	145	(28 338)	96	27 597

The amount reflecting in other fixed structure is for FMD border fencing, revitalisation of sector colleges and other capital projects.

34.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2014

	Transfer out or destroyed or scrapped	Total disposals
	R'000	R'000
Buildings and other fixed structures	27 529	27 529
Dwelling	158	158
Other fixed structures	27 371	27 371
Total disposals of immovable tangible capital assets	27 529	27 529

277 Immovable assets (buildings and other fixed structures) valued at cost R253 096,00 included in the fixed asset register but not included in Note 32.4.

The amount of R27 356 250,89 is capital works projects finalised in the period under review.

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34.3 Movement for 2012/13

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2013

	Opening balance	Current year adjustments to prior year's balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	10 430	(85)	23 872	23 872	10 345
Dwellings	9 736	(85)	–	–	9 651
Non-residential buildings	667	–	–	–	667
Other fixed structures	27	–	23 872	23 872	27
Total immovable tangible capital assets	10 430	(85)	23 872	23 872	10 345

34.4 Immovable assets valued at R1

	Buildings and other fixed structures	Total
	R	R
Immovable assets valued at R1 in the asset register as at 31 March 2014		
R1 immovable assets	139	139
Total	139	139
Immovable assets valued at R1 in the asset register as at 31 March 2013		
R1 immovable assets	147	147
Total	147	137

34.5 Immovable assets written off

Immovable assets written off for the year ended as at 31 March 2014

	Buildings and other fixed structures	Total
	R'000	R'000
Immovable assets written off	28	28
Total immovable assets written off	28	28

Immovable assets written off for the year ended as at 31 March 2013

Immovable assets written off	3	3
Total immovable assets written off	3	3

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34.6 Section 42 Immoveable assets

Assets subjected to transfer in terms of Section 42 of the PFMA—2013/14

	Number of assets	Value of assets R'000
Buildings and other fixed structures	15	60 820
Other fixed structure	15	60 820
Total	15	60 820

35. PRIOR PERIOD ERRORS

35.1 Correction of prior period error for secondary information

	2012/13 R'000
Operating leases—D/N 24.1: 2012/13 increase R161,417 million	
Irregular expenditure—D/N 26: 2012/13 decrease R1,917 million	
Fruitless expenditure—D/N 27: 2012/13 decrease R11,997 million	
Provision (prior year—Note 31)	(72 854)
Net effect on the note	(72 854)
Impairment—D/N 25.3	72 854
Net effect on the note	72 854

For the nature and detail on the prior period's error refer to the relevant disclosure note (d/n)

Disclosure Notes to the Annual Financial Statements

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36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province/grant	Grant allocation			Transfer		Spent		2012/13 Division of Revenue Act			
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department		Amount received by department	Amount spent by department	% of available funds spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	%		R'000	R'000	%
Comprehensive Agricultural Support Programme											
Eastern Cape	219 055	-	-	219 055	219 055	-	-	219 055	216 390	99	
Free State	140 274	-	-	140 274	140 274	-	-	140 274	140 274	100	
Gauteng	55 880	-	-	55 880	55 880	-	-	55 880	55 759	100	
KwaZulu-Natal	202 522	-	-	202 522	202 522	-	-	202 522	202 522	100	
Limpopo	208 020	-	-	208 020	208 020	-	-	208 020	208 020	100	
Mpumalanga	130 986	-	-	130 986	130 986	-	-	130 986	130 289	99	
Northern Cape	371 539	-	-	371 539	371 539	-	-	371 539	371 539	100	
North West	169 663	-	-	169 663	169 663	-	-	169 663	165 198	97	
Western Cape	106 376	-	-	106 376	106 376	-	-	106 376	106 376	100	
Subtotal	1 604 315	-	-	1 604 315	1 604 315	-	-	1 604 315	1 596 367	100	
										1 534 991	

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36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (cont.)

Name of province/grant	Grant allocation			Transfer		Spent		2012/13 Division of Revenue Act		
	Division of Revenue Act R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	Funds withheld R'000	Reallocations by National Treasury or national department %		Amount received by department R'000	Amount spent by department R'000
Infrastructure development and poverty relief (LandCare)										
Eastern Cape	15 866	-	-	15 866	12 693	3 173	-	12 693	12 693	100
Free State	8 571	-	-	8 571	8 571	-	-	8 571	8 571	100
Gauteng	6 163	-	-	6 163	6 163	-	-	6 163	6 163	100
KwaZulu-Natal	18 746	-	-	18 746	18 746	-	-	18 746	18 746	100
Limpopo	19 562	-	-	19 562	19 562	-	-	19 562	16 155	83
Mpumalanga	10 249	-	-	10 249	10 249	-	-	10 249	10 249	100
Northern Cape	12 055	-	-	12 055	12 055	-	-	12 055	12 055	100
North West	10 552	-	-	10 552	10 551	1	-	10 551	10 143	96
Western Cape	7 233	-	-	7 233	7 233	-	-	7 233	7 233	100
Subtotal	108 997	-	-	108 997	105 823	3 174	-	105 823	102 008	96
										115 661

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for the year ended 31 March 2014

36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (cont.)

Name of province/grant	Grant allocation				Transfer			Spent		2012/13 Division of Revenue Act R'000	
	Division of Revenue Act R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	Funds withheld R'000	Reallocations by National Treasury or national department R'000	Amount received by department R'000	Amount spent by department R'000		% of available funds spent by department %
Ilima/Letsema											
Eastern Cape	43 845	-	-	43 845	43 845	-	-	43 845	43 845	100	42 000
Free State	57 999	-	-	57 999	57 999	-	-	57 999	55 341	95	54 600
Gauteng	17 538	-	-	17 538	17 538	-	-	17 538	17 538	100	16 798
KwaZulu-Natal	65 768	-	-	65 768	65 768	-	-	65 768	42 768	65	63 000
Limpopo	43 845	-	-	43 845	43 845	-	-	43 845	42 353	97	42 000
Mpumalanga	43 845	-	-	43 845	43 845	-	-	43 845	43 845	100	42 000
Northern Cape	70 034	-	-	70 034	70 034	-	-	70 034	70 034	100	63 000
North West	43 845	-	-	43 845	43 845	-	-	43 845	43 068	98	42 000
Western Cape	51 737	-	-	51 737	51 737	-	-	51 737	51 737	100	50 400
Subtotal	438 456	-	-	438 456	438 456	-	-	438 456	410 529	94	415 798
Total	2 151 768	-	-	2 151 768	2 148 594	3 174	-	2 148 594	2 108 904	98%	2 066 450

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 1B STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

Name of municipality	Grant allocation			Transfer			Spent			2012/13
	Amount	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Tshwane	512	-	96	608	589	97	589	589	100	458
Inxuba Yethemba	4	-	11	15	15	100	15	15	100	13
Khara Hais	1	-	-	1	-	-	-	-	-	2
Witzenberg	1	-	-	1	-	-	-	-	-	8
Knysna	29	-	(29)	-	-	-	-	-	-	-
Mahikeng	-	-	-	-	-	-	-	-	-	11
Mbombela	-	-	1	1	1	100	1	1	100	-
Rustenburg	-	-	2	2	2	100	2	2	100	-
Total	547	-	81	628	607	97	607	607	100	492

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for the year ended 31 March 2014

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/agency/ account	Transfer allocation				Transfer		2012/13
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Primary Agriculture Sector Education and Training Authority	1 672	–	–	1 672	1 672	100	1 518
Agricultural Research Council	950 254	–	–	950 254	950 254	100	943 026
Marine Living Resources Fund	253 545	–	–	253 545	253 545	100	316 365
National Agricultural Marketing Council	33 819	–	–	33 819	33 819	100	31 409
National Student Financial Aid Scheme	14 727	–	–	14 727	14 727	100	13 975
Perishable Products Export Control Board	600	–	–	600	600	100	600
Water Research Commission	6 000	–	–	6 000	3 000	50	4 800
South African Broadcasting Corporation (SABC)	–	–	28	28	27	96	126
National Research Foundation	7 000	–	–	7 000	7 000	100	–
Small Enterprise Development Agency	2 000	–	–	2 000	2 000	100	–
Total	1 269 617	–	28	1 269 645	1 266 644	100	1 311 819

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ANNEXURE 1D

STATEMENT OF TRANSFERS TO UNIVERSITIES AND UNIVERSITIES OF TECHNOLOGY

University/university of technology	Transfer allocation				Transfer			2012/13
	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	2 192	-	-	2 192	2 191	1	100	4 817
University of Fort Hare	3 000	-	-	3 000	-	3 000	-	3 500
University of KwaZulu-Natal	616	-	-	616	616	-	100	660
Total	5 808	-	-	5 808	2 807	3 001	48	8 977

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ANNEXURE 1E

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/private enterprise	Transfer allocation				Expenditure				2012/13
	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
Public corporations									
<i>Transfers</i>									
Forest Sector Charter Council	3 531	-	-	3 531	3 531	100	-	-	3 165
Land and Agri Bank of SA	33 347	-	-	33 347	33 347	100	-	-	31 100
Ncera Farms (Pty) Ltd	5 020	-	-	5 020	5 020	100	-	-	4 989
Onderstepoort Biological Products (Pty) Ltd	96 500	-	-	96 500	96 500	100	-	-	-
Subtotal	138 398	-	-	138 398	138 398	100	-	-	39 254
Private enterprises									
<i>Transfers</i>									
Red Meat Industry Forum	1	-	-	1	-	-	-	-	1
Claims against the state	-	-	728	728	713	98	-	-	607
National Wool Growers Association of SA	1 000	-	-	1 000	1 000	100	-	-	-
Subtotal	1 001	-	728	1 729	1 713	99	-	-	608
Total	139 399	-	728	140 127	140 111	100	-	-	39 862

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 1F

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government/ international organisation	Transfer allocation				Expenditure		2012/13
	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
Transfers							
Foreign rates and taxes	152	–	153	305	304	100	136
International Union for the Protection of New Varieties of Plants	600	–	(76)	524	524	100	465
Office International des Epizooties	1 000	–	222	1 222	1 222	100	2 188
Organisation for Economic Co-operation and Development	59	–	–	59	58	98	77
International Grains Council	160	–	28	188	188	100	155
Office International de la Vigne et du Vin	566	–	76	642	642	100	583
Food and Agriculture Organization of the United Nations	20 083	–	(1)	20 082	20 082	100	14 819
Consultative Group on International Agricultural Research	4 000	–	(29)	3 971	3 971	100	4 478
Commonwealth Agricul- tural Bureau International	414	–	(205)	209	209	100	163
International Dairy Federation	50	–	–	50	50	100	50
International Seed Testing Association	77	–	–	77	76	99	69
International Cotton Advisory Council	419	–	(196)	223	223	100	176
Commission International du Genie Rural	–	–	–	–	–	–	86
United Nations Council (FAO)	10 260	–	657	10 917	10 917	100	8 800
Centre for Coordination of Agricultural Research and Development of Southern Africa	2 958	–	–	2 958	2 958	100	–
International Fund for Agricultural Development	3 000	–	–	3 000	3 000	100	–
International Commission of Agricultural Engineering	100	–	(100)	–	–	–	–
International Union of Forestry Research Organizations	21	–	–	21	21	100	–
Total	43 919	–	529	44 448	44 445	100	32 245

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 1G STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	Transfer allocation				Expenditure		2012/13
	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
Transfers							
Sterile Insect Technique	7 649	–	–	7 649	7 649	100	7 251
Forestry South Africa	5 788	–	–	5 788	5 788	100	3 500
School Support: Agriculture students—tuition and book fees	2 500	–	–	2 500	1 508	60	2 500
Food and Trees for Africa	300	–	–	300	–	–	–
LIMA Rural Development Foundation	4 081	–	–	4 081	4 081	100	–
Total	20 318	–	–	20 318	19 026	94	13 251

Annexures to the Annual Financial Statements

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ANNEXURE 1H STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation				Expenditure		2012/13
	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
Transfers							
Social benefits	2 998	–	7 811	10 809	10 778	100	11 339
Claims against the state	–	–	66	66	62	94	4 964
Bursaries (non-employees)	1 325	–	–	1 325	1 325	100	1 325
Avian influenza	–	–	–	–	–	–	23 533
Total	4 323	–	7 877	12 200	12 165	100	41 161

Annexures to the Annual Financial Statements

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ANNEXURE 11

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2013/14 R'000	2012/13 R'000
Received in cash			
<i>Current financial year: 2013/2014</i>			
World Organization for Animal Health (OIE)	OIE Council meeting	7	–
Interafrican Bureau for Animal Resources (AUIBAR)	5 th PANAFRICAN CVO's meeting	6	–
OIE	81 st Annual General Session of the OIE	28	–
USDA-APHIS	International course on Risk Analysis for Animal Health	4	–
World Bank funds	Agricultural Public Expenditure Workshop	3	–
Interafrican Bureau for Animal Resources (AUIBAR)	The Technical CVO's meeting	8	–
The Cochran Fellowship USA	Short course programme offered by the Cochran Fellowship USA	36	–
World Trade Organisation	World Trade Organization SPS Course	24	–
OIE	Council meeting	33	–
NUFFIC	Short course: Plant Genetic Resources and Seeds	4	–
Gaerther Exports	Donation	1	–
SADC	5 th SADC meeting	8	–
OIE	Organization for Animal Health Council meeting	14	–
OIE	Conference for Asia on International movement of horses	5	–
<i>Previous financial year: 2012/13</i>			
Republic of China	Short training programme offered by the Chinese government	–	36
Japan International Cooperation Agency (JICA)	Seminar on Financial Support to Emerging Farmers in Tokyo Japan	–	12
The Cochran Fellowship	Short course programme offered by the Cochran Fellowship USA	–	58
Interafrican Bureau for Animal Resources (AUIBAR)	4 th PANAFRICAN CVO's meeting	–	5
OIE	80 th Annual General Session of the OIE	–	14
OIE	The second Global OIE-FAO Conference on FMD Disease Control	–	2
OIE	OIE Council meeting	–	8
United States of America government	The International Visitors Leadership Programme (IVLP)	–	11
Australia government	Australia Awards Short Course	–	21
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) Board meeting	–	2
Subtotal		181	169
Received in kind			
<i>Current financial year: 2013/14</i>			
PG Bison	Gift	9	–
Industrial Development Corporation (IDC)	CEO Forum	100	–
IOCV Organising	International Citrus Virology Conference, Skukuza	13	–
McGill/ISID	McGill Execute Program in Corporate Social Responsibility Strategy and Management	9	–
South African National Biodiversity Institute (SANBI)	Gift	6	–
Summerstrand Hotel	Gift	2	–
Biodiversity International	Plant Genetic Resources <i>in situ</i> Conservation field study	393	–

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 11

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED (cont.)

Name of organisation	Nature of gift, donation or sponsorship	2013/14 R'000	2012/13 R'000
NUFFIC	Plant Genetic Resources and Seed Course	77	–
Taipei Liaison Office	8 th SA-Taiwan Dialogue Group meeting	139	–
Businesses around Eastern Cape	16 Days of Activism for No Violence against Women and Children Campaign	2	–
NAMC	Gift cards	1	–
Various	Team-building day	317	–
SA Berry Producers' Association (SABPA)	SABPA annual general meeting	5	–
Foskor (Pty) Ltd	CropLife Africa Middle East meeting	22	–
Total South Africa	Female Entrepreneur Awards	1 250	–
Xcallibre	Year-end function	15	–
Various	D: FIES—Gift	2	–
African Centre for Biosafety and Third World Network	Workshop on seed lawns	25	–
OIE	Conference for ASIA on International movement of horses	5	–
Various	D: AIC—Gift	4	–
Dutch Consortium (Centre for Development Innovation)	Donation of assets	1 000	–
Total South Africa	Arbor Week Campaign	2 400	–
<i>Previous financial year: 2012/13</i>			
Total South Africa	Female Entrepreneur Awards	–	1 250
Republic of China	Short course programme offered by the Chinese government	–	146
The Cochran Fellowship USA	Short course programme offered by the Cochran Fellowship USA	–	74
Ford Foundation	Grant made in kind by financing the service provider that develops the National Extension Policy	–	1 009
Distel and Travel with Flair	Gifts	–	1
European Commission	Short training programme: Residue of Plant Production and on Sampling	–	61
Joint Management Committee	Inaugural Agriculture Joint Management Committee meeting	–	3
SACU Commission and Council and OECD	SACU Commission and Council meeting/OECD meeting	–	1
COMESA-SADC-EAC Tripartite Negotiation Forum (TNF)	COMESA-SADC-EAC Tripartite Negotiation Forum meeting	–	1
South African Airways (SAA)	Consolation gift	–	13
Park Village Auctioneers, Dept Technology and Sizwe IT Group	Promotion gift	–	2
Tidy Files	Trophy and certificates	–	1
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) Board meeting	–	3
Media 24/Times Media/Metro Files	Teambuilding day	–	23
PPC Ltd Dwaalboom	Donation of indigenous trees	–	89
Shawshank Construction/Capitec Bank/Bartsch Consult (Pty)	Gifts	–	11
Degesch SA	Conference	–	5
Team-building day	Team-building day	–	126
South African Breweries Limited	Exhibition	–	36
Total South Africa	Arbor Week Campaign	–	2 400
Subtotal		5 796	5 255
Total		5 977	5 424

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for the year ended 31 March 2014

ANNEXURE 1J STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Closing balance
		R'000	R'000	R'000	R'000
Received in cash					
Department of Trade and Industry	Employment creation fund	17 469	–	8 752	8 717
United States Agency for International Development (USAID)	Response of vegetation, soil, animal and water cycle to different management regimes: Victoria Falls Zimbabwe	–	98	98	–
National Research Foundation	Research of the ocean acidification of carbon dioxide increases	–	40	40	–
Total		17 469	138	8 890	8 717

Annexures to the Annual Financial Statements

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ANNEXURE 1K

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

Nature of gift, donation or sponsorship	2013/14	2012/13
	R'000	R'000
Paid in cash		
Donations and gifts municipalities—National Arbor City Award—Langeberg Municipality	250	–
Donations and gifts municipalities—National Arbor City Award—City of Johannesburg Municipality	250	–
Donations and gifts non profit institutions—Mandulo Foundation	–	73
Donations and gifts private enterprises—prize money National Cooperative Indaba	–	175
Donations and gifts households—Female Entrepreneur Awards	1 050	800
Donations and gifts foreign governments and international organisations—pledge to the African Solidarity Trust Fund	2 000	–
Subtotal	3 550	1 048
Made in kind		
Arbor Week—the greening projects of the department in the disadvantaged sector of the population	731	25
Subtotal	731	25
Total	4 281	1 073

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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
		2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	Yes/No
National/provincial public entity												
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
Total		-	-	2	2	-	-	-	-	-	-	

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for the year ended 31 March 2014

ANNEXURE 3A STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014—LOCAL

Guarantor institution	Guarantee in respect of housing	Original guaranteed capital amount	Opening balance 1 April 2013	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2014	Guaranteed interest for year ended 31 March 2014	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	687	97	–	97	–	–	–	–
Nedbank	Housing	252	32	–	17	–	15	–	–
Absa	Housing	1 238	80	–	–	–	80	–	–
People Bank (FBC FID)	Housing	84	5	–	5	–	–	–	–
Nedbank (Pty) Ltd (NBS)	Housing	216	29	–	29	–	–	–	–
Old Mutual (Ned/Perm)	Housing	454	20	–	20	–	–	–	–
Free State Development Corporation	Housing	43	30	–	–	–	30	–	–
Total		2 974	293	–	168	–	125	–	–

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for the year ended 31 March 2014

ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

Nature of liability	Opening balance 1 April 2013	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2014
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims against the department	64 226	11 653	50 692	-	25 187
Total	64 226	11 653	50 692	-	25 187

Nature of liabilities recoverable	Opening balance 1 April 2013	Details of liability and recoverability	Movement during year	Closing balance 31 March 2014
	R'000		R'000	R'000
Vehicle accident—compensation	539	Claims: Motor vehicle accidents	47	586
Compensation—other	10	Claims: Private items	(10)	-
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
Dr R.P. Mohlahlane	50 000	Claim: Damaged suffered	(50 000)	-
Buffalo Conservation 97 (Pty) Ltd and Dr D.I. Ntshali	8 426	Prohibition of movement of animals	-	8 426
Cape Sawmills (Pty) Ltd	4 046	Fire claim	-	4 046
Cresta Meats (Pty) Ltd	-	Storage costs during the period of the attachment of the meat	9 766	9 766
SC Middleton	-	Claim for defamation	1 000	1 000
Golden Star Agencies CC	-	Claim: Vehicle accident	158	158
Total	64 226		(39 039)	25 187

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 4 CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2013/14	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013	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
National department								
Marine Living Resources Fund (DAFF)	49	216	435	36	484	252		
Department of Public Works	2 170	-	596	-	2 766	-	03/04/2014	1 983
South African Police Service	-	2	11	-	11	2		
Department of Health	-	-	24	-	24	-		
Provincial departments								
Limpopo	-	-	-	17	-	17		
Mpumalanga	-	-	45	-	45	-		
KwaZulu-Natal	-	-	-	32	-	32		
Total	2 219	218	1 111	85	3 330	303		

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 5 INTERGOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
<i>Current</i>						
Department of Trade and Industry	-	11	-	-	-	11
South African Police Services	-	125	-	-	-	125
Provincial departments						
<i>Western Cape</i>						
Agriculture	-	350	-	-	-	350
<i>KwaZulu-Natal</i>						
Department of Agriculture and Environmental Affairs	-	-	-	20	-	20
<i>Limpopo</i>						
Department of Agriculture	175	-	-	54	175	54
<i>North West</i>						
Department of Health and Social Development	-	9	-	-	-	9
Total	175	495	-	74	175	569

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 6 INVENTORY

Inventory	Quantity	2013/14 R'000	Quantity	2012/13 R'000
Opening balance	63 531	1 591	66 854	1 592
(Less): Adjustments to prior year's balance	–	–	(35)	(6)
Add: Additions/purchases—cash	–	–	195 201	15 271
Add: Additions—non-cash	–	–	605	–
(Less): Disposals	–	–	(199 099)	(15 228)
Add: Issues	–	–	5	2
(Less): Adjustments	(63 531)	(1 591)	–	(40)
Closing balance	–	–	63 531	1 591

In the 2013/14 financial year SCoA reclassified the inventory items, reported in this annexure, to consumable items.

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

	Opening balance	Current year capital WIP	Completed assets	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment	–	15 341	4 504	10 837
Transport assets	–	15 341	4 504	10 837
Building and other fixed structures	48 126	55 694	62 177	41 643
Other fixed structures	48 126	55 694	62 177	41 643
Total	48 126	71 035	66 681	52 480

Annexures to the Annual Financial Statements

for the year ended 31 March 2014

ANNEXURE 8A INTER-ENTITY ADVANCES PAID (NOTE 11)

	Confirmed balance		Unconfirmed balance		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
National departments						
Government Communication and Information System	1 450	–	–	1 064	1 450	1 064
Department of International Relations and Cooperation	–	–	617	4 907	617	4 907
Total	1 450	–	617	5 971	2 067	5 971

ANNEXURE 8B INTER-ENTITY ADVANCES RECEIVED (NOTE 16)

	Confirmed balance		Unconfirmed balance		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
Other institutions						
Citrus Growers' Association	10	–	–	111	10	111
Total current	10	–	–	111	10	111



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