



ANNUAL REPORT

2017/18



**agriculture,
forestry & fisheries**

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA



ANNUAL REPORT

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Contents

PART A: GENERAL INFORMATION

Department general information	2
Acronyms	3
Foreword by the Minister	7
Statement by the Deputy Minister	10
Report of the Accounting Officer	12
Statement of responsibility and confirmation of accuracy for the annual report	19
Strategic overview	20
Legislative and other mandates	20
Organisational structure	24
Entities Reporting to the Minister	25

PART B: PERFORMANCE INFORMATION

Auditor-General's report: Predetermined objectives	29
Overview of departmental performance	29
Service Delivery Improvement Plan	31
Organisational environment	33
Key policy developments and legislative changes	34
Strategic outcome oriented goals	35
Performance information by programme	37
Programme 1: Administration	37
Programme 2: Agricultural Production, Health and Food Safety	46
Programme 3: Food Security and Agrarian Reform	54
Programme 4: Trade Promotion and Market Access	60
Programme 5: Forestry and Natural Resource Management	67
Programme 6: Fisheries Management	72
Transfer payments	80
Transfer payments to all organisations other than public entities	82
Conditional grants	86
Donor funds	105
Capital investment	111

PART C: GOVERNANCE

Introduction	114
Risk management	114
Fraud and corruption	114
Minimising conflict of interest.....	115
Code of conduct	115
Health, safety and environmental issues	115
Portfolio committees	116
Select committee on land and mineral resources	118
Scopa resolutions	119
Prior modifications to audit report	119
Internal Control Unit	119
Internal audit	120
Audit Committee	120
Audit Committee report	121

PART D: HUMAN RESOURCE MANAGEMENT

Introduction	125
Overview of human resources	125
Human resource oversight statistics	130

PART E: FINANCIAL STATEMENTS

Report of the Auditor-General to Parliament	165
Annual financial statements	171



PART A

General Information

DEPARTMENT GENERAL INFORMATION

PRETORIA

Physical Address

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

Postal Address

Private Bag X250, Pretoria, 0001

CAPE TOWN

Physical Address

103 Parliament Tower, 3rd Floor, 120 Plein Street, Cape Town, 8000

Postal Address

Private Bag X9087, Cape Town, 8000

TELEPHONE NUMBERS

012 319 6000

021 467 4500

WEB ADDRESS

Web: www.daff.gov.za



ACRONYMS

AIMS	Agricultural Information Management System
AGRIBEE	Agricultural Black Economic Empowerment
APAP	Agricultural Policy Action Plan
APP	Annual Performance Plan
AR	Annual Report
ARC	Agricultural Research Council
ARV	Antiretroviral
ASRDC	Agriculture and Sustainable Rural Development Committee (Manco subcommittee)
AU	African Union
AUIBAR	Inter-African Bureau for Animal Resources
AVCRT	Aquaculture Value Chain Round-table
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BNC	Binational Commission
BRICS	Brazil, Russia, India, China and South Africa
CAAPD	Comprehensive African Agricultural Development Programme
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agricultural Support Programme
CC	climate change/close corporation
CEM	Contagious equine metritis
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHE	Council on Higher Education
COMESA	Common Market for Eastern and Southern Africa
COMPAS	Computerised Plantation Analysis System
CVO	Chief Veterinary Officer
DAFF	Department of Agriculture, Forestry and Fisheries
DDG	Deputy Director-General
DG	Director-General
DDG: CS	Deputy Director-General: Corporate Services
DDG: PPME	Deputy Director-General: Policy, Planning and Monitoring and Evaluation
DFI	Departmental Financial Instructions
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
dti	Department of Trade and Industry
DWA	Department of Water Affairs
EAC	East African Cooperation
EAP	Employee Assistance Programme
EC	Eastern Cape
EDMS	Electronic Document Management System
EPMDS	Employee Performance Management and Development System



EPWP	Expanded Public Works Programme
ERP	Enterprise Resource Planning
EU	European Union
EXCO	Departmental Executive Committee
FANRPAN	Food, Agriculture and Natural Resources Policy Analysis Network
FAO	Food and Agriculture Organization
FRAP	Fishing Rights Allocation Process
GAAP	Generally Accepted Accounting Practices
GADI	Grootfontein Agricultural Development Institute
GCIS	Government Communication and Information System
GDP	gross domestic product
GM	genetically modified
GMO	genetically modified organism
GP	Gauteng Province
GPSSBC	General Public Service Sector Bargaining Council
GPS	Global Positioning System
Ha	hectare
HIV	Human Immune Deficiency Virus
HDI	Historically Disadvantaged Individual
HCT	HIV counselling and testing
HoD	Head of Department
HOA	Home-owner's allowance
HPG	Holistic Planned Grazing
HR	Human Resources
HRD	Human Resource Development
HRM	Human Resource Management
IAA	Internal Audit Activity
ICAC	International Cotton Advisory Committee
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IGDP	Integrated Growth and Development Plan
IHRMP	Integrated Human Resource Management Plan
IOCV	International Organization of Citrus Virologists
IPAP	Industrial Policy Action Plan
IIR	Institute for International Research Training
ISID	Institute for the Study of International Development
IT	Information Technology
IVLP	International Visitors Leadership Programme
JICA	Japan International Cooperation Agency
KIM	Knowledge and Information Management
KZN	KwaZulu-Natal
LOGIS	Logistical Information System
LP	Limpopo Province
Mafisa	Micro-agricultural Financial Institutions of South Africa
MLRA	Marine Living Resources Act



MLRF	Marine Living Resources Fund
MoU	Memorandum of Understanding
MP	Mpumalanga
MSP	Master Systems Plan
MSP-ICT	Master Systems Plan-Information and Communication Technology
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAMC	National Agricultural Marketing Council
NBS	Natal Building Society
NBAC	National Bid Adjudication Committee
NC	Northern Cape
NDP	National Development Plan.
NERPO	National Emergent Red Meat Producers' Organisation
NGP	New Growth Path
NIPF	National Industrial Policy Framework
NRF	National Revenue Fund/National Research Foundation
NW	North West
NUFFIC	Organisation for International Cooperation in Higher Education (The Netherlands)
OA	Ocean Acidification
OAG	Office of the Accountant-General
OBP	Onderstepoort Biological Products
ODC	Organisational Development Committee
OECD	Organisation for Economic Cooperation and Development
OFDA	Office of Foreign Disaster Assistance (United States)
OHS	Occupational Health and Safety
OIE	International Office of Epizootics (World Organization for Animal Health)
OMP	Operational Management Procedure
PAA	Public Audit Act
PANAFRICAN	Pan-African Capital Holdings (Pty) Ltd
PC	Portfolio Committee
PCO	Pest Control Operator
PFMA	Public Finance Management Act
PI	Procurement Instruction
PICC	Presidential Infrastructure Coordinating Commission
PMDS	Performance Management and Development System
PPECB	Perishable Products Export Control Board
PSCBC	Public Service Commission Bargaining Council
PSETA	Public Service Sector Education and Training Authority
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
QMR	Quarterly Monitoring Report
R	South African Rand
RAMP	Repairs and Maintenance Project
RDP	Reconstruction and Development Programme



R&D	Research and Development
RSA	Republic of South Africa
SCOPA	Standing Committee on Public Accounts
SIP	Strategic Integrated Project
SITA	State Information Technology Agency
SMME	small, medium and micro enterprise
SMS	Senior Management Service
SO	Strategic objective
SOE	state-owned entity
TAC	Total Allowable Catch
TB	Tuberculosis
TAE	Total Allowable Estimate
TNF	Tripartite Negotiating Forum
ToR	Terms of Reference
TUPs	Temporary Unplanted Areas
TV	Television
USA	United States of America
USAID	United States Agency for International Development
VAT	Value-added Tax
WC	Western Cape
WCRL	West Coast rock lobster
WCS	System for Registration of Capital Works Projects (Department of Public Works)
WFP	World Food Programme
WfW	Working for Water
WTO	World Trade Organization

Directorates of the department

D: AFLS	Directorate: Agricultural and Forestry Legal Support
D: AIC	Directorate: Agriculture Inputs Control
D: B	Directorate: Budgets
D: CF	Directorate: Commercial Forestry
D: EDPM	Directorate: Employee Development and Performance Management
D: ER	Directorate: Employee Relations
D: FM	Directorate: Facilities Management
D: FIES	Directorate: Food Import and Export Standards
D: FMEC	Directorate: Forestry Management (Eastern Cape)
D: FMKZN	Directorate: Forestry Management (KwaZulu-Natal)
D: FMMpuLim	Directorate: Forestry Management (Mpumalanga and Limpopo)
D: FSQA	Directorate: Food Safety and Quality Assurance
D: GADI	Grootfontein Agricultural Development Institute
D: IS	Directorate Infrastructure Support
D: SCM	Directorate: Supply Chain Management
D: SF	Directorate Subsistence Farming
D: SHD	Directorate Small Holder Development
D: WIFM	Directorate: Woodlands and Indigenous Forest Management



FOREWORD BY THE MINISTER



SENZENI ZOKWANA (MP)

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

I am pleased to present the 2017/18 Annual Report of the Department of Agriculture, Forestry and Fisheries (DAFF). The department's legal mandate covers the agricultural, forestry and fisheries value chains; from inputs, production and value adding to retailing. The entire legislative mandate of the department is derived from Sections 24 (b)(iii) and 27(1) (b) of the Constitution. It is primarily responsible for acts relating to agriculture, forestry and fisheries.

FOOD SECURITY

According to the Food and Agricultural Organization of the United Nations (FAO), "food security exists when all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary requirements and food preferences for an active and healthy life." This is enforced by the Bill of Human Rights Act 109 of 1996 as contained in the South African Constitution. In October 2017, the department together with the Free State Department of Agriculture and Maluti-a-Phofung Local Municipality successfully hosted a World Food Day event in Phuthaditjhaba. During the event, food was distributed to 300 vulnerable households in the local area. Our public entity, the Perishable Products Export Control Board (PPECB) donated R15 000 towards the food while the Agricultural Research Council (ARC) distributed farming inputs to local subsistence farmers.

The department in collaboration with the South African Society for Agricultural Extension (SASAE) hosted the 3rd African Forum for Agricultural Advisory Services, which is also called Africa-Wide Agricultural Extension Week in Durban, KwaZulu-Natal in October 2017. The theme of the conference was "Scaling up Climate Smart Agriculture (SCA: Integrating Youth, Women and the Digital Revolution)". During the 2017 Agricultural Extension Week (AEW), 600 delegates from 39 African countries signed the Durban Declaration, which points out the importance of public and private institutions in providing an enabling environment for women and youth to develop and fully utilise their capacities and innovativeness to enhance Climate Smart Agriculture for equitable development outcomes.



JOB CREATION

The number of people employed in the agricultural sector increased by 5% in the fourth quarter of 2017. It increased from 810 000 persons in the third quarter of 2017 to 849 000 persons in the fourth quarter in the same year. When compared to 2016, the number of people employed in the agricultural sector increased by 7,6% in the fourth quarter of 2017. Despite a brief recession and bleak predictions for 2017, the South African economy pulled out some surprises and posted a higher than expected gross domestic product (GDP) growth rate. The economy grew by 1,3% in 2017, exceeding National Treasury's expectation of a 1,0% growth announced during the National Budget Speech in February 2017.

The department led Operation Phakisa for Agriculture, Land Reform and Rural Development, which aims to stimulate growth, foster job creation and instil transformation along the agriculture and rural development value chains.

INTERNATIONAL RELATIONS AND TRADE

The African continent remains an important market for South African agricultural products. The DAFF has been working in partnership with the Department of Trade and Industry (dti) towards the establishment of the African Continental Free Trade Area for which His Excellency, President Cyril Ramaphosa has signed the declaration. This trade agreement will provide a preferential market access for agricultural, forestry and fisheries products and will deepen Africa's market integration and boost intra-Africa trade. Through this agreement, the sector will be able to increase its exports and accelerate the diversification of the export market from the traditional markets, which will benefit our economy and create jobs.

South African agricultural products continue to benefit from the Free Trade Agreement of the Southern African Customs Union (SACU) and the European Free Trade Association (EFTA), which has been in force for almost ten years since May 2008. Exports of South African agricultural, forestry and fisheries products increased from a value of R527 million in 2008 to a value of R712 million in 2017. The lowest value of exports was R387 million in 2011 and the highest was R796 million in 2013.

However, it is worth noting that as much as SA exports have been increasing to the EFTA countries, imports from EFTA countries have been more than exports since 2011 and thus resulting to a trade deficit of R152 million in 2011 to R2,2 billion in 2017. The department will continue to participate in the review of the SACU-EFTA Free Trade Agreement to ensure that market access for South African agricultural, forestry and fisheries products to the EFTA countries is secured.

We take note of the Southern African Development Community (SADC)-European Union Economic Partnership Agreement which entered into force on 10 October 2016 and provides for new and better market access for South Africa's fisheries and certain agricultural products such as sugar, flowers, some fruits and wines. It is under this arrangement that SA has, for the first time, been able to export 141 000 tons of sugar to the EU during 2017. The agreement provides market access for 32 South African agricultural products. It also provides for the protection of SA's geographic indication names for certain wines, teas and meat products in the EU market.

PLANT HEALTH

Fall armyworm

As South Africa took over the SADC chairmanship, the department championed the legacy projects which are transformative and promote regional value chains and foster integration. These projects include the development of a regional model for control and management of the fall armyworm. In February 2017, the department confirmed the presence of the pest in the Limpopo Province. This is a quarantine pest for SA and was detected in all provinces except Northern and Western Cape. The department together with key stakeholders will continue to implement the Emergency Plant Pest Response Plan in respect of fall armyworm. Surveillance, the creation of awareness, improvement of diagnostics and management practices will continue as part of the implementation of the Emergency Response Plan. The department will therefore continue to participate in SADC initiatives and those of the FAO towards finding an appropriate regional response to the infestation. We fully appreciate the support of commodity organisations such as Grain SA, other private sector partners, universities and research institutes, such as the ARC towards finding sustainable management solutions for the pest.



Tomato leaf miner

Tomato leaf miner is a potentially disastrous pest for tomato production as it is the main host, and might affect food security in general. The pest also affects other crops such as potato and tobacco. In May 2017, this pest affected tomato production in KwaZulu-Natal, Limpopo, Gauteng, Mpumalanga, Eastern Cape, Western Cape and the North West. It cannot be eradicated but can be suppressed to lower population levels. The department has worked with Provincial Departments of Agriculture (PDA), tomato and potato production industries, ARC and other role players to intensify on-farm management programmes aimed at suppressing this pest. These programmes encompassed training and capacity building on integrated pest management, registration of agrochemicals, mapping affected areas, scouting, continuous surveillance and reporting.

Oriental fruit fly

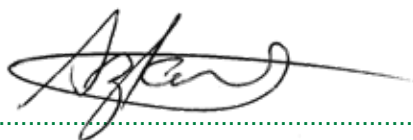
The country experienced the presence of the oriental fruit fly, which occurred in Limpopo, Mpumalanga, North West, Gauteng and KwaZulu-Natal and later in the Western Cape. In line with applicable regulations, the necessary regulatory measures were instituted to quarantine the areas affected. The oriental fruit fly is an exotic pest which originates from Asia previously described in Africa as an invader fruit fly. It is now found in at least 65 countries, most of which are in sub-Saharan Africa. The crop hosts, among others: mango, guava, citrus, avocado, banana, papaya, passion fruit, apple and tomato. This pest can result in food insecurity, yield reduction, job losses, market restrictions and high production and post-harvest cost if not effectively controlled.

ANIMAL HEALTH

Avian influenza

South Africa reported an outbreak of avian flu in its commercial chicken production systems in June 2017, which resulted in the loss of a number of markets. The outbreak resulted in the culling of 5,4 million chickens. Veterinarians within the department have been working together with poultry vets in the industry on a protocol that can be considered for the vaccination of chickens. This still needs to be circulated for stakeholders' inputs before it can be implemented. Guidelines for compensation for avian flu have also been circulated with National Treasury allocating R40 million to the department for the control of avian flu, though this amount is not enough considering the number of farms affected. However, consultations will continue to take place regarding this matter.

In conclusion, I would like to thank all our stakeholders, including the Portfolio Committee on Agriculture, Forestry and Fisheries and the Select Committee on Land and Mineral Resources. I would also like to thank the Deputy Minister, the Director-General, and the entire DAFF community for their support and professionalism at all times.



MR SENZENI ZOKWANA (MP)

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



STATEMENT BY THE DEPUTY MINISTER



MR SFISO BUTHELEZI (MP)

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

The department has committed to continue focusing on food security, job creation and contribution to the economic growth for the Medium-Term Strategic Framework (MTSF) which ends in 2019.

As we report on the year under review, we are reminded of former commander of Umkhonto WeSizwe and first President of a democratic South Africa, Dr Nelson Rolihlahla Mandela said in encouraging the partnership between public and private institutions, "The success of the Reconstruction and Development Programme requires a partnership among all social structures. Few other sectors can be as crucial in this as the agricultural industry." He continued to say, "For it is on your shoulders that the food security of the nation rests. It is on your efforts that a great part of the manufacturing industry relies for its raw material."

CONTRIBUTION TO GDP

According to the Stats SA 2017/18 report on economic performance, the agricultural, forestry and fisheries sectors contributed 2,4% to the GDP in 2017. A bumper maize crop and recovery in other agricultural commodities saw production rise by 17,7% in 2017 compared with a decline of 10,2% in 2016. These three sectors have expanded for four consecutive quarters. The growth in the industry is attributed to the increase in the production of field crops, horticulture and animal products. However, concerns remain over the impact of the ongoing drought in the Western Cape on deciduous fruit, citrus, grape and wheat farming.

The total volume of South African agricultural production for 2017 was estimated at 62,9 million tons compared to 50,8 million tons in 2016. This represents a 24% increase in production, which is attributed to the bumper summer crop harvest, following good rainfalls during the season. The total volume of agricultural production of field crops and horticulture production increased by 27% and 5%, respectively between 2016 and 2017, while animal products decreased 1% during the same period. Other field crops such as wheat were affected by the severe drought in the Western Cape, one of the major producing areas. Wheat production declined by 20% compared to 2016, while poultry and egg production declined due to the outbreak of avian flu in June 2017. The total value of agricultural production for 2017 was estimated at R277,6 billion compared to R256 billion in 2016.



In 2017/18, R1,6 billion was made available as a conditional grant to implement CASP and R491 million for Ilima/Letsema with the aim of supporting smallholder farmers. The department is supporting 468 of identified projects which benefitted 22 829 farmers—of which 15 107 were smallholders. The farmers were supported with infrastructure for production, marketing, agro-processing, land preparation and establishment of orchards or gardens and production inputs, training and mentorship.

While the overall global demand of forestry products improved modestly in 2017, supply disruptions and changing dynamics in South Africa created a volatile and unpredictable market that surpassed everyone's expectations (FSA, 2017). During 2017, the volatile currency and slow demand from the slow economic growth saw the export value of forestry products decrease by 6% to R27,78 billion compared with R29,51 billion in 2016. On the other hand, the import value of forestry products increased by 1,3% in 2017 to R23.2 billion from R22,9 billion in 2016. Overall demand and market activity is anticipated to remain active and volatile in 2018.

FORESTRY AND NATURAL RESOURCES MANAGEMENT

The draft Memorandum of Understanding for two pilot sites has been developed to enable the department to implement its Agro-forestry Strategy. The implementation of the strategy, which promotes multiple land use and minimises competing land use between agriculture and forestry, will ensure increased food security and fibre production thereby creating economic and employment opportunities, especially in rural areas.

South Africa is currently experiencing a shortage of timber and is constrained to meet the national demand for saw log timber, therefore by planting fallow areas; a strategic contribution can be made to timber supply in order to meet needs along the value chain. For the period under review 996,93 hectares in Temporary Unplanted Areas (TUPs) were planted. The achievement of the indicator, number of hectares planted under TUP, is a major contribution for the achievement of the strategic objectives of the department.

The department has produced an Annual Performance Monitoring Report on agricultural land rehabilitation interventions, which states that 300,56 ha of state indigenous forests were rehabilitated to promote the sustainable use and management of natural resources; while the Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries has been approved.

This contributes to sub-outcome 1: Ecosystems are sustained and natural resources are used efficiently and sub-outcome 2: An effective climate change mitigation and adaptation response.

In conclusion, I would like to extend my appreciation to our stakeholders for helping us achieve our objectives and always availing themselves whenever the department needs their valuable input. I would also like to thank the leadership of Minister Senzeni Zokwana and that of the parliamentary committees. Lastly, to the Director-General Mr Mike Mlangana and the DAFF community for work well done.



MR SFISO BUTHELEZI (MP)

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

REPORT OF THE ACCOUNTING OFFICER



MR M.M. MLENGANA

Accounting Officer

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

The agricultural, forestry and fisheries sectors have a number of commonalities—each are based on renewable resources which require careful management; they each contribute significantly to the agro-processing sector and operate in highly competitive and uneven international markets; and each is characterised by a wide range of producers, from large to small. However, they also face distinct challenges and offer diverse opportunities.

Agriculture

Agriculture has undergone enormous structural changes such as shedding of jobs rather than gaining them, facing depleted stocks of marine and coastal wild capture fisheries, stringent water regulations constraining the forestry sector and under-investment in long-rotation sawlog plantations. However, the sector shows enormous potential in terms of aquaculture; with the need to find a strategic, coordinated approach involving the state, private sector, communities and public entities.

Despite a brief recession and bleak predictions for 2017, the South African economy pulled out some surprises and posted a higher than expected GDP growth rate of 1,3% for 2017. The strength in economic activity in 2017 was partly driven by the agricultural, forestry and fisheries sectors; bouncing back from one of the worst droughts in recent history and contributing 2,6% to the GDP. The sector experienced mixed fortunes in 2017 with good rainfall in the summer rainfall region, which broke the disastrous 2015/16 drought as early as January 2017; recording a bumper maize crop size of 17,4 million tonnes by the end of harvesting season. Recovery in other agricultural commodities saw agriculture production rise by 17,7% in 2017 compared to a 10,2% decline in 2016. Meanwhile, the agricultural, forestry and fisheries industry expanded for four consecutive quarters. The growth in the industry is attributed to the increase in the production of field crops, horticulture and animal products. However, concerns remain over the impact of the ongoing drought in the Western Cape on fruit, citrus, grape and wheat farming, among others.

The total value of agricultural production for 2017 was estimated at R277,6 billion, approximately 8,4% higher than R256 billion in 2016. The total value of animal products contributed R137 billion, contributing 50% to the total agricultural value while horticulture products and field crops contributed 27% (R75 billion) and 23% (R64 billion), respectively in 2017.



Trade balance of agricultural products remained in positive territory as exports traded higher than imports, increasing by 12,5% in 2017 compared to 2016. The export value of agricultural products reached R126,82 billion in 2017, a decrease of 0,4% compared to 2016. The import value of agricultural products reached R86,86 billion in 2017, a decrease of 5% compared to 2016. Agriculture's export value of R126,82 billion in 2017 was led by a decent fruit and grain production season coupled with weaker exchange rate. Imports of agricultural products in 2017 were led by processed products such as prepared foods, meat, sugar and beverages.

While the 23rd Brexit referendum result was heard, South Africa and the United Kingdom (UK) reached an in-principle agreement that an interim arrangement will be put in place once Britain leaves the European Union (EU), which will be based on the existing economic partnership agreement between South Africa and the EU. There are a number of tariff rate quotas in the economic partnership agreement that South Africa must still negotiate the volume of these with the UK. The UK is South Africa's seventh biggest trading partner and EU's second biggest trading partner. During 2017, about 30% of SA's fruit exports and 25% of all wines were exported to the UK. Meanwhile, the export value of agricultural products exported to the UK increased by 0,4% in 2017, from R46,3 billion in 2016 to R46,5 billion in 2017. The import value of SA's agricultural products imported from the UK increased by 4,8% in 2017, from R31,7 billion in 2016 to R33,2 billion in 2017. The United Kingdom Export Fund (UKEF) made extra funds available for UK companies exporting to South Africa and South African companies importing from UK in order to boost trade between the two countries post Brexit.

Furthermore, government under the new leadership and business have stepped up efforts to repair South Africa's image among investors and ratings agencies. The President announced plans to raise \$100 billion (R1,2 trillion) to boost the economy over the next five years. Moreover, subsequent bilateral talks with the British Prime Minister, produced an agreement to support South Africa with an investment of more than R850 million which will go towards alleviating poverty and creating a wealth of opportunities for South African business. Seeking to augment these investments, the DAFF along with the Department of Rural Development and Land Reform (DRDLR), and the Department of Planning Monitoring and Evaluation (DPME) hosted a five-week "Lab" planning process as part of the Operation Phakisa methodology.

The Phakisa process for Agriculture, Forestry and Fisheries developed 27 initiatives out of seven work-streams namely, 1) grains, 2) livestock, 3) horticulture, 4) producer support, 5) rural development, 6) land reform, and 7) labour. The work streams were conducted in parallel over the five-week period with various intervals of cross-cutting interactions.

The objectives of the Phakisa initiatives are to:

- Stimulate rural economies;
- Ensure equitable access to land for economic development and agrarian transformation;
- Devise economic growth interventions for priority industries and commodities;
- Identify profitable markets and improve market access for commercial and smallholder producers;
- Address fragmented and low-impact support for producers;
- Improve sustainable productivity by balancing mechanisation and job creation;
- Reduce negative environmental impact of agricultural production through interventions to improve soil fertility, water management and pest control.

Western Cape and some parts of the Eastern and Northern Cape, Free State and North West Provinces were faced with drought. However, the Northern, Western and Eastern Cape Provinces have been declared provincial disaster areas. According to the Western Cape Provincial Report, aggregate income after costs in the agriculture sector in the Western Cape is estimated to have declined by up to R5,9 billion. This is due to the lower output as a result of the drought. Research indicates that about 30 000 jobs will be lost in the province due to the drought. The impact of the drought is evident in the recorded wheat production losses. There was also a reduction of about 1 000 ha of area planted for both potatoes and onions.

National farm debt was estimated at R158,34 billion in 2017 compared with R144,98 billion in 2016. The increase in farm debt was not necessarily a negative thing as it showed that producers were making debt to invest in their farming businesses. Producers needed to invest their money in profitable assets that added value to their businesses.

The South African poultry industry faced many challenges in 2017 as investigation into possible dumping practices by the EU was requested. According to SAPA, cheap EU poultry products were imported to South Africa at a price that local producers could not compete with. While government had established two task teams to urgently address the situation within the South African poultry industry to prohibit further job losses or farm closures as a result of dumping and uncompetitive practices by the EU, Brazil and the United States, the South African veterinary authorities reported an outbreak of the highly pathogenic avian influenza (HPAI). More cases of the bird flu outbreak were reported, which



came at a time when the industry was gearing up for increased production and exports after periods of drought and subsequent high poultry feed prices which resulted in a shortfall. Since June 2017, there has been a steady decline in the production of eggs and chickens and South Africa has to rely on imported chickens to meet the demand. The total value of the poultry industry is R46 billion; due to avian flu, birds were culled, resulting in a loss of R954 million, which resulted in more than 1 300 people losing their jobs. As a result of the outbreak, exports were negatively impacted as neighbouring countries imposed import bans.

Exports of poultry and poultry products were suspended except from poultry compartments registered with DAFF, or where a country's import permit contains clauses that are able to be signed by a certifying veterinarian. Meanwhile, the South African Government affirmed its support for the domestic poultry industry in the aftermath of the bird flu outbreak. Negotiations are ongoing to find ways to provide incentives to farmers who experienced massive losses while negotiations with international trading partners are ongoing to ensure a continuation of trade from disease-free compartments with special biosecurity measures.

The disastrous listeriosis outbreak struck the agricultural industry in the 2017/18 financial year. As of March 2018, a total of 948 laboratory-confirmed listeriosis cases from all provinces were reported to the National Institute for Communicable Diseases (NICD), with more than 180 deaths recorded so far. Animal products (including meat, meat products and dairy products), seafood and fresh produce such as fruits and vegetables can be contaminated from these sources. Listeriosis however affects more than one food sector and humans can be affected by the disease too. The impact of the disease is different to avian flu, which was more quantifiable as the number of birds and farms affected could be calculated. The economic impact of this disease has not been documented in South Africa; however, the cost of eradicating listeriosis would be substantial. This is particularly true if the source is water, an abattoir or food processing plant. If abattoirs have to be closed, this will impact on employment.

The fall armyworm (FAW) invaded South Africa in January 2017, after reports of invasion in the western and central parts of Africa. This species established itself in maize fields in South Africa. Other crops that were attacked include sorghum, sweet corn and potatoes. South African maize producers incurred huge costs in fighting the armyworm invasion through the spraying programme. Farmers were under financial strain as costs incurred could not be recovered from the market. While SA is still not able to provide a figure on the damage that has been caused to crops, particularly maize crops that the army worm prefers, reports coming in from other African countries paint a bleak picture of what is to be expected should the matter not be contained. Due to its rapid spread and distinctive ability to inflict widespread damage across multiple crops, FAW poses a serious threat to the food and nutrition security and livelihoods of hundreds of millions of farming households. The outbreak of this work creates a new risk for maize trade and other products that are affected as this impedes trade.

The production cost structure in the industry is influenced by several cost variables. Intermediate consumption covers purchases made by farmers for raw and auxiliary materials that are used as inputs for crop and animal production; it also includes expenditure on veterinary services, repairs and maintenance, and other services. In 2016/17, farmers spend 6,0% higher on fuel costs, 8,0% higher of farm feeds, 6,0% higher of animal health and chemicals and 3,0% higher on fertilisers. South Africa remains a net importer of fertiliser. In 2017, South Africa's fertiliser imports were 19,8% than in 2016 while tractor sales rose by 8,7% to 6,362 units in 2017, after an 11,3% fall in 2016, according to the South African Agricultural Machinery Association (SAAMA).

Parliament approved the motion to expropriate land without compensation and called for an amendment to the property clause contained in Section 25 of the Constitution of South Africa, to exclude compensation for expropriation, without due regard to the purpose of the expropriation. The President of South Africa, Honourable Cyril Ramaphosa assured citizens that expropriation without compensation would be pursued without destabilising the agricultural sector, endangering food security or undermining economic growth and job creation.

In 2017, global credit ratings agencies Standard and Poor (S&P) and Fitch downgraded South Africa's credit rating, affirming South Africa's rating at sub-investment or junk status. Moody's placed South Africa on review for a downgrade. The ratings agencies stated reasons for downgrading South Africa, such as weak economic growth which led to deterioration in public finances beyond previous expectations. They also highlighted the role politics played in hamstringing policy. However, South Africa escaped a third junk status rating as Moody's' investor services kept its assessment of the nation's debt unchanged, citing more transparent and predictable policies under the new administration, also indicating that the exchange rate has been performing well against other currencies.

Food security

According to the 2016 General Household Survey released by Stats SA, about 1.97 million households and 7,39 million persons were still vulnerable to hunger. This is despite that between 2002 and 2016, the percentage of households that experienced hunger decreased from 23,8% in 2002 to 11,8% in 2016. The percentage of individuals who experienced



hunger decreased from 29,3% in 2002 to 13,4% in 2016. The decrease in the statistics could be attributed to South Africa being self-sufficient in most agricultural products with exception of wheat, poultry and red meat and the launch of the National Policy on Food and Nutrition Security that was approved by Cabinet in 2013, followed by the National Food and Nutrition Security Plan. Furthermore, recent research has revealed that a quarter of South African toddlers are nutritionally stunted. Stunting is costing a staggering R40 billion each year and South Africa is lagging behind compared to other countries at comparable income levels in overcoming it. Although the national prevalence of stunting in South Africa decreased by 10,5% between 2008 and 2013, the most recent national nutrition survey (SANHANES-1) found that prevalence remains at 26% for boys and 25% for girls aged between one and three years.

Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimate	Actual amount collected	(Over)/under collection	Estimate	Actual amount collected	(Over)/ under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	226 506	208 863	17 643	213 062	190 749	22 313
Transfers received	446	155	291	420	274	146
Fines, penalties and forfeits	49	19	30	46	45	1
Interest, dividends and rent on land	4 926	6 221	(1 295)	4 634	4 738	(104)
Sale of capital assets	1 433	2 408	(975)	1 348	868	480
Financial transactions in assets and liabilities	12 863	10 440	2 423	7 688	6 032	1 656
Total	246 223	228 106	18 117	227 198	202 706	24 492

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 sale of redundant capital assets amounted to R2,408 million in 2017/18 compared to R868 thousand in 2016/17. The sale of redundant capital assets for 2017/18 included motor vehicles (R1,526 million), a bus (R247 thousand), trailers (R5 000), trucks (R248 000), tractors (R331 000) and construction equipment (R51 000). The sale of redundant capital assets for 2016/17 included motor vehicles (R754 000), farm/agriculture equipment (R36 000) and other machinery and equipment (R78 000).

Programme expenditure

Programme name	2017/18			2016/17		
	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	920 487	827 999	92 488	843 571	828 485	15 086
Agricultural Production, Health and Food Safety	2 249 520	2 230 660	18 860	1 927 266	1 927 031	235
Food Security and Agrarian Reform	1 928 604	1 925 580	3 024	1 881 198	1 879 016	2 182
Trade Promotion and Market Access	279 920	278 667	1 253	310 700	310 464	236
Forestry and Natural Resources Management	963 758	960 504	3 254	1 084 122	1 077 741	6 381

Programme name	2017/18			2016/17		
	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
Fisheries Management	504 745	504 722	23	468 108	468 090	18
Total	6 847 034	6 728 132	118 902	6 514 965	6 490 827	24 138

Reasons for underexpenditure

Administration

Expenditure to the amount of R92,488 million in respect of the Agricultural Census Project and Capital Works Projects was not realised owing to the Memorandum of Agreement with Stats SA not being signed and delays in the Department of Public Works processes.

Agricultural Production Health and Food Safety

Expenditure to the amount of R18,860 million in respect of the Import-Export System and the Primary Animal Health Care did not realise as expected.

Virements

In total four virements, including the final virement totalling R171,446 million were granted. Expenses funded through this process included: vaccines to combat the outbreak of FMD in Limpopo and Mpumalanga; legal services; property payments; fleet services; operating leases; claims in respect of foreign offices (Attachés) from DIRCO; compensation of employees for Branch: Fisheries owing to overtime and sea-going allowances; shortfalls which occurred in programmes, claims against the state, household social benefits, thefts and losses. 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 expenditure to the amount of R4,040 million and R373 thousand respectively, were identified in the 2017/18 financial year through various control measures. These cases are being investigated in terms of the Departmental Financial Instructions (DFIs). The outcome of the investigation determines the appropriate disciplinary processes to be decided upon by the Accounting Officer.

Future plans of the department

The draft National Plan for Food and Nutrition Security will be finalised and implemented. This constitutes multi-stakeholder and multi-agency inputs and will guide the integration of activities towards access to affordable, safe and nutritious food. The plan is meant to intensify efforts to reduce the vulnerability of those individuals with limited access through improved information management, appropriate policies and targeted interventions across government, private sector and community based organisations. These integrated interventions will be overseen by the council led by the Deputy President. Increased food production, job creation and increased incomes within an inclusive economy will ensure that a food secure nation is realised.

DAFF has led the Phakisa on Agriculture, Rural Development and Land Reform which has resulted in 27 initiatives—seventeen of whose implementation is to be led by DAFF to stimulate the sector to towards a vibrant economic performance. Some of the activities are new while others involve re-engineering, consolidation and intensification for higher impact. Key new activities include the dynamic business model for producer support and the Ndimu (agriculture information) desk, which are expected to revolutionise producer support.



Public-private partnerships

Taking on the nature of the Phakisa model, the initiatives proposed in the Phakisa on Agriculture, Land Reform and Rural Development are products of public, private partnerships and will be implemented as such. Commodity organisations that include the grains, fruit and livestock industries, the financial institutions and labour organisations have set the stage for public private partnerships. The National Plan for Food and Nutrition Security is a collaborative effort and will require partnerships for successful implementation. Collaboration between government and financial institutions will ensure grants to support farmers and guarantee support to access loans. R100 million has been transferred to the LandBank as part of the initiatives of integrating government grants with loan finance.

Several private sector institutions participate in partnerships for increasing production where smallholder farmers have land and promote access to national import and export markets. Key partners include AB InBEV on barley and hops production, Distell on apple concentrate, Clover on dairy products, and Tiger Brands on pulses and vegetables.

Discontinued activities/activities to be discontinued

None.

New activities

New activities will emanate from the models developed under Phakisa, to be finalised during the 2017/18 financial year; that largely include the producer development support and the integrated development finance. The development finance will include the establishment of agricultural insurance to mitigate the growing risk due to climate change.

Supply Chain Management

During the period under review, the department finalised eight bids with a total value of R27, 672 million of which 75% of the value was allocated to B-BBEE status level contributors and 25% of the value to non-B-BBEE status level contributors. The department also finalised 665 quotations to the value of R63 million.

The department successfully implemented the Supply Chain Management process via the National Treasury central supplier database. Notwithstanding various cash flow challenges experienced by the department, 88,42% of payments were processed within the 30-day period.

Gifts and donations received in kind from non-related parties

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

Exemptions and deviations received from the National Treasury

During the 2017/18 financial year, the department obtained eight deviation approvals from National Treasury for any exemptions and deviations in terms of the Public Finance Management Act and Treasury Regulations.

Agricultural debt

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

On 31 March 2018, the total outstanding debt was R15 950 329,35. The number of debtors was 85 and the number of accounts was 97. In comparison to 1998 when this financial assistance was discontinued, the debt amounted to R1 140,7 million. The number of debtors was 9 614 and the number of accounts was 16 432.

The net amount recovered during the 2017/18 financial year was R8 636 535,21 and the debt written off amounted to R34 610 369,63.

The significant amount written off relates to the confirmation of a decision already taken in 2003 to accept a proposed settlement of a claim against the Agricultural Bank of North West. Accordingly, an amount of approximately R32 million was written off. This debt originated from a state-assisted production loan scheme for the 1996/97 production season, according to which the Agricultural Bank of North West was one of the agents who administered the scheme on behalf of DAFF. Since the granting of the loan to the amount of R35 088 067 to the Agricultural Bank of North West in 1996, a total amount of R39 029 424 has been recovered and the amount written off is in essence, a result of accrued interest.

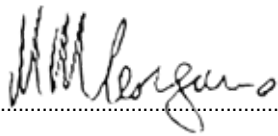


Events after the reporting date

N/A.

Conclusion

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



MR M.M. MLENGANA

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 free from any omissions.

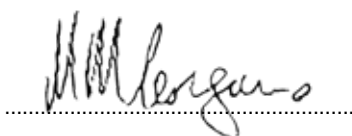
The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for establishing and implementing a system of internal controls that have 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 2018.

Yours faithfully,



MR M.M. MLENGANA
ACCOUNTING OFFICER

DATE:



1. STRATEGIC OVERVIEW

Vision

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

Mission

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

Values

Drive: driven to deliver excellent service through leadership and professionalism

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

2. LEGISLATIVE AND OTHER MANDATES

Legal mandate

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

Legislative mandate

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

The following Acts reflect the legislative mandate of the department:

Table 1: Legislative mandate

Act number and year	Purpose	Functional competence	Responsibility
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	Provides for the administration of certain identified agricultural debt	National	Directorate: Financial Accounting
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)	Provides for the extension of the application of certain laws relating to agricultural matters to certain territories, which form part of the national territory of the Republic of South Africa; the repeal of certain laws which apply in those territories; and for matters connected therewith	National	Executing Authority
Agricultural Laws Rationalisation Act, 1998 (Act No. 72 of 1998)	Provides for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the Republic prior to the commencement of the Constitution of the Republic of South Africa	National	Executing Authority



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



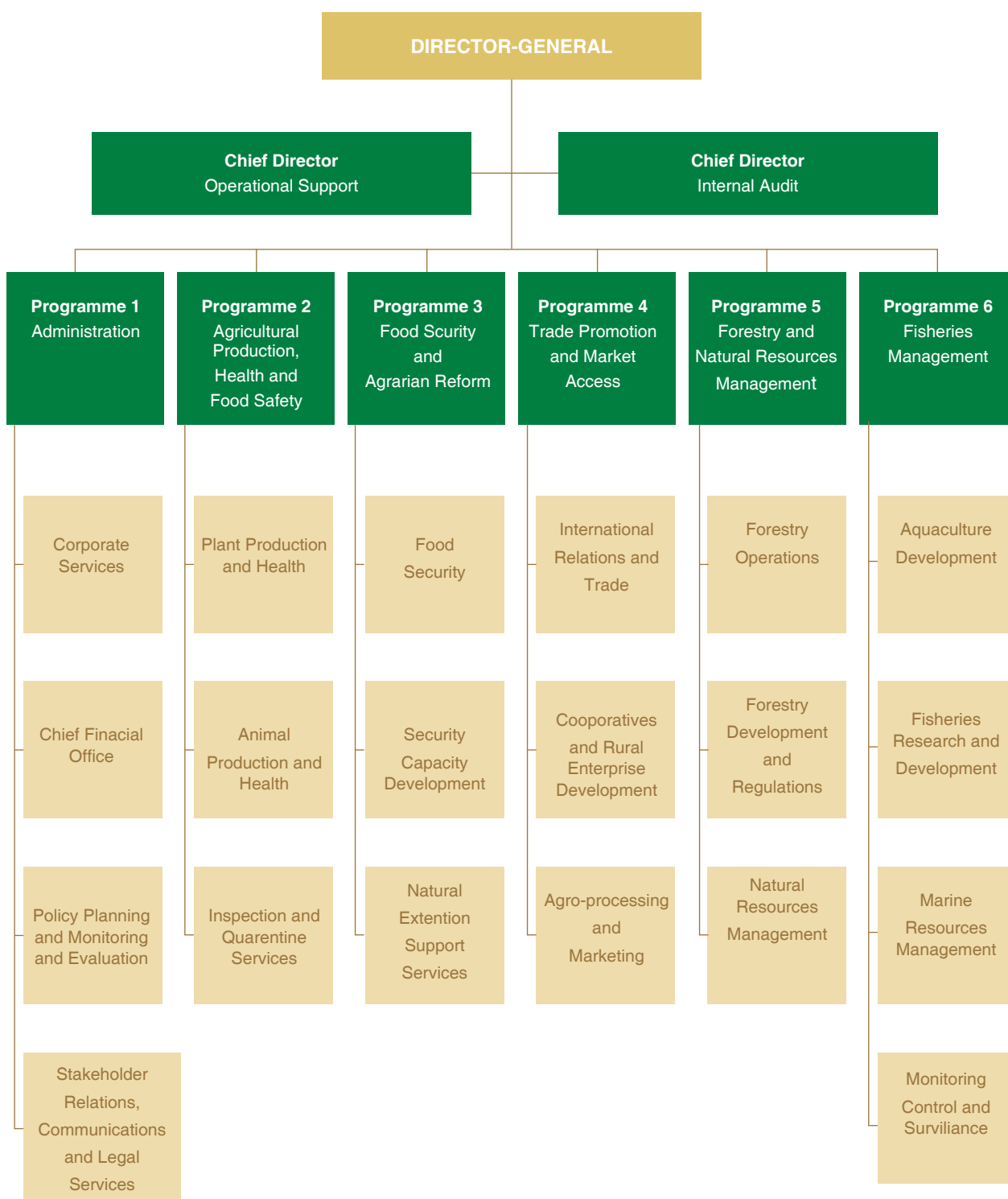
Act number and year	Purpose	Functional competence	Responsibility
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms; provides for an adequate level of protection during all activities involving genetically modified organisms that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health	National	Directorate: Genetic Resources
Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)	Makes provision for the incorporation of the Groot Constantia Control Board as an association not for gain; for the transfer of the Groot Constantia Estate to the association mentioned; and for matters connected therewith	National	Executing Authority
KwaZulu Cane Growers' Association Act Repeal Act, 2002 (Act No. 24 of 2002)	Repeals the KwaZulu Cane Growers' Association Act, 1981 and provides for matters connected therewith	National	Executing Authority
Liquor Products Act, 1989 (Act No. 60 of 1989)	Provides for control over the sale and production for sale of certain alcoholic products, the composition and properties of such products and the use of certain particulars in connection with the sale of such products; for the establishment of schemes; and for control over the import and export of certain alcoholic products	Concurrent	Directorate: Food Safety and Quality Assurance
Marine Living Resources Act, 1998 (Act No. 18 of 1998)	Provides for the conservation of the marine ecosystem, the long-term sustainable utilisation of marine living resources and the orderly access to exploitation, utilisation and protection of certain marine living resources; and for these purposes for the exercise of control over marine living resources in a fair and equitable manner to the benefit of all the citizens of South Africa	National, except for aquaculture	Fisheries
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	Provides for the authorisation of the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products; and to establish a National Agricultural Marketing Council	Concurrent	Directorate: Marketing
Meat Safety Act, 2000 (Act No. 40 of 2000)	Provides for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat; to establish meat safety schemes; and to provide for matters connected therewith	Concurrent Provincial Local	Directorate: Veterinary Public Health
National Forests Act, 1998 (Act No. 84 of 1998)	Promotes the sustainable management and development of forests for the benefit of all; creates the conditions necessary to restructure forestry in state forests in relation to the protection and sustainable use	National, except indigenous forests Concurrent	Branch: Forestry
National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)	Combats veld, forest and mountain fires throughout the Republic	Concurrent Local	Branch: Forestry
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	Provides for the establishment of a company to manage the institution known as Onderstepoort Biological Products	National	Directorate: Animal Health



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

3. ORGANISATIONAL STRUCTURE

DAFF implemented its service delivery interventions in 2017/18 through the following organisational structure:



4. ENTITIES REPORTING TO THE MINISTER

The following table indicates the entities that 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	Manages the development and sustainable use of South Africa's marine resources and protects the integrity and quality of the marine ecosystem
National Agricultural Marketing Council (NAMC)	Marketing of Agricultural Products Act, 1996 (Act No.47 of 1996)	Transfer payment	Provides strategic advice to the Minister on all agricultural marketing issues, improves market efficiency and market access by all participants, optimises export earnings and improves the viability of the agricultural sector
Onderstepoort Biological Products (OBP)	Onderstepoort Biological Products Incorporation Act, 1999 (Act No.19 of 1999)	None	Prevents and controls animal diseases that impact on food security, human health and livelihoods. It aims to ensure financial viability to sustain the strategic capabilities in manufacturing veterinary vaccines
Perishable Products Export Control Board (PPECB)	Perishable Products Export Control Act, 1993 (Act No.9 of 1983) Agricultural Product Standards Act, 1990 (Act No.119 of 1990)	Transfer payment	The PPECB Act requires the board to ensure the orderly export of all perishable products and to monitor the maintenance of a continuous cold chain for exports. The Agricultural Product Standards Act requires the board to monitor minimum quality standards and adherence to bilateral agreements with importing countries
Ncera Farms (Pty) Ltd	None	Transfer payment	The objective of Ncera Farms is to provide extension, mechanical services and agricultural support services to the farmers settled on Ncera Farmland, as well as the neighbouring communities

Economic overview

National Treasury expects the South African economy to grow by 1,5% in 2018 and 1,8% in 2019. On average, the growth outlook is 0,4% points higher than the 1,1% projected in October 2017, mainly because of an expected increase in private sector investment as a result of enhanced business and consumer confidence. The enhanced outlook emanates from a strong growth in agriculture, higher commodity prices and growing recovery in investor sentiment. The Gross domestic product (GDP) growth rate was 3,1% in the fourth quarter of 2017. According to Statistics South Africa (Stats SA), the largest positive contributor to GDP growth in the fourth quarter of 2017 was agriculture, forestry and fisheries e industry, which increased by 37,5% and contributed 0,8% point to GDP growth. Overall, agriculture, forestry and fisheries industry contributed 2,4% to the GDP in 2017.

The South African Reserve Bank expects a GDP growth rate of 1,7% in 2018 and 1,5% in 2019. Meanwhile, the Organisation for Economic Cooperation and Development (OECD) revised the expected (GDP) growth rate upwards to 1,9% in 2018, and 2,1% in 2019, which is higher than the growth rate currently targeted by the National Treasury.



Standard and Poor Global Ratings also raised its GDP growth forecast for South Africa to 2% in 2018 from a previous 1% and 2,1% in 2019, from a previous 1,7%. The upward revision on its GDP growth forecast is partly owing to strengthening domestic and foreign investor sentiment, following a change in the country's leadership and ensuing policy announcements.

Global economic outlook is forecast to grow by 3,9% in 2018 and 3,9% in 2019, with private investment and trade picking up on the back of strong business and household confidence. South Africa's GDP growth rate remains sluggish compared to other G20 countries, which are expected to grow by 4,1% in 2018 and 4,0% in 2019. Economic growth in developing countries is supported by external demand and a recovery in commodity prices. Meanwhile, economic growth in sub-Saharan Africa is anticipated to remain moderate at 2,7% in 2017, increase to 3,3% in 2018 and 3,5% in 2019.

Inflation declined to 5,3% in 2017 from 6,3% in 2016. The lower inflation is mostly because of lower food and non-alcoholic beverage prices, which moderated from 10,5% to 6,9%, mainly as a result of the strong recovery in agriculture. For 2018, inflation is projected at 5,3%, which includes 0,6% points added by tax proposals. The main risks to the inflation outlook remain weaker than expected owing to the exchange rate, higher global oil prices and higher average wage growth.

The unemployment rate dropped to 26,7% in the fourth quarter of 2017 from 27,7% in the third quarter. The number of people employed in the agricultural sector increased by 5% in the fourth quarter of 2017 to 849 000 people, from 810 000 people in the third quarter of 2017. Compared to a year ago, the number of people employed in agricultural sector decreased by 7,6% in the fourth quarter of 2017 to 849 000 people, from 919 000 people in the last quarter of 2016. While the economy is still weighed down by economic uncertainty, environmental factors such as the drought and a fluctuating currency, business and consumer confidence appear to have improved. The country still faces challenges in terms of repairing years of economic sluggishness, promises of policy certainty while consistency seem to have had a further positive effect on confidence and the strength of the economy.

Interest rates: In light of the improved inflation and growth outlook, the Reserve Bank's Monetary Policy Committee (MPC) decided to cut the repo rate by 25 basis points in March 2018, from 6,75% to 6,50%, which marks the first cut since July 2017 leading to a prime lending rate cut from 10,25% to 10%. The rate cut of 25 basis points, coupled with rating agency Moody's decision to leave SA's credit rating unchanged at one notch above junk status are positive factors. For 2018, analysts expects the repo rate to end the year at 6,00% while Reserve Bank's internal modelling results pointed to at least two interest rate hikes before the end of 2019.

Exchange rate: The rand rallied against major currencies and reach its highest levels since 2015. In the beginning of 2017 the rand reached its best level in almost two years breaking through the crucial R12,50 resistance level. It was R13,56 to the euro and R15,61 to the pound, a level last seen in September 2013. The rand's strength was attributed partly to a weaker dollar, domestic economic data and developments in international markets also contributed to the local currency's strength. Analysts expect the rand to remain in a subdued trading range in 2018, possibly ending the year close to R13,42/\$. Any positive outcome from February's budget speech, an upside surprise in growth and confidence, or aversion of further credit rating downgrades could keep the rand relatively upbeat in the near-term. South Africa's political developments will also impact the rand substantially over the medium term.

Balance of payments

South Africa's terms of trade improved more in the fourth quarter of 2017 as the rand price of exports, including gold, increased at a faster pace than that of imports. Generally, in 2017, the terms of trade strengthened by 4,8% after only a 1,4% gain in 2016. Export growth outpaced import growth owing to improved terms of trade in 2017 relative to 2016. Certain agricultural exports grew significantly in recent years, particularly in new markets. The value of citrus exports to China, increased by 59,2% in 2017 compared with 2016. During the same period, the value of citrus exports to Asia as a whole grew by 14,1% while exports to Europe increased by 6,1% in 2017. Analysts expect these foreign trade dynamics to persist in the coming quarters of 2018 as BRICS member countries imported coal, iron ore and maize in greater quantities in first eleven months of 2017. Meanwhile, import growth is expected to remain subdued, however, there has been some marked improvement on business and consumer confidence.

Forestry

While overall global demand improved modestly in 2017, supply disruptions and changing dynamics in South Africa created a wild and unpredictable market that surpassed everyone's expectations. (FSA, 2017). During 2017, the volatile currency and slow demand from the slow economic growth saw the export value of forestry products decrease by 6%



in 2017 to R27,78 billion compared with R29,51 billion in 2016. On the other hand, the import value of forestry products increased by 1,3% in 2017 to R23,2 billion from R22,9 billion in 2016. Overall demand and market activity is anticipated to remain active and volatile in 2018.

Fisheries

Both the fisheries and aquaculture sectors face competitiveness in a global market and can have unforeseen environmental and trade impact, particularly in relation to overfishing in the wild. Aquaculture also faces some constraints such as potential negative impacts on local water quality and ecosystems, depending on the type of production system. During 2017, the export value of fisheries products decreased by 33,2% to R4,96 billion owing to sluggish economic performance and environmental issues compared with R7,43 billion realised in 2016. However, imports of fisheries products increased by 5,3% in 2017 to R5,55 billion, from R5,27 billion in 2016. According to the Food and Agriculture Organization (FAO) (2017), seafood demand is highly sensitive to increases in income, and it is these economic trends, combined with population growth rates, that will be the major determinants of future trade flows and consumption patterns.





PART B

Performance Information

5. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is 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's Report.

Refer to page 166 of the Report of the Auditor-General, published as *Part E: Financial Information*.

5.1 Overview of departmental performance

5.1.1 Service delivery environment

Fruit flies are among the most destructive fruit pests, threatening production levels and food security as well as product quality and export programmes. The National Surveillance Programme for Quarantine Fruit Flies continued in the past financial year; the oriental fruit fly (*Bactrocera dorsalis*, previously known as *Bactrocera invadens*) currently occurs in Limpopo, Mpumalanga, North West, Gauteng and KwaZulu-Natal where it is under official control. Because of the ongoing surveillance programme, a new detection was made in the Western Cape. In line with the applicable regulations, the necessary regulatory measures were instituted to quarantine the area. This detection in the Western Cape is of particular concern; mindful of the important contribution of the deciduous fruit industry to the agricultural sector. This surveillance programme will continue in the new financial year; all producers and land users are requested to adhere to the prescribed regulatory measures which aim to effectively control this pest.

In February 2017, the department confirmed the presence of the fall armyworm (FAW) in Limpopo. The FAW is a quarantine pest for SA and has been detected in all provinces except the Northern and Western Cape. The department together with key stakeholders continued to implement the Emergency Plant Pest Response Plan in respect of the FAW. Surveillance, the creation of awareness, improvement of diagnostics and management practices are key aspects of the implementation of the emergency response plan. Since FAW is not only of domestic concern, the department also continues to participate in SADC initiatives and those of the Food and Agriculture Organization (FAO) towards finding an appropriate regional response to the FAW infestation.

The process of opening a market for agricultural products is subject to agreement between trading parties on the potential risks associated with the agricultural goods and the risk mitigation measures to be applied. This can be an extremely tedious process, which is often impacted upon by other factors outside the applicable area of science. Technical negotiations on the plant health aspects for accessing new markets are ongoing. In 2017 the main successes achieved were in maintaining existing fruit export markets despite challenges posed by changed import requirements, and successfully exporting apples to Mexico again in accordance with a previously concluded protocol.

The Livestock Identification and Traceability System (LITS SA) in South Africa's overall objective is to ensure the implementation of an internationally recognised LITS SA system, which promotes sustainable economic growth and creates employment in the livestock centre. Its specific objectives, among others, is to present the industry and trading partners with a credible system for identification and traceability of livestock and products of animal origin; and to establish a public-private partnership between government and the industry. A draft policy was compiled and consultations were done both internally and externally—including in the industry. The policy has undergone the SEIAS (Socio-Economic Impact Assessment System) evaluation by the Department of Planning Monitoring and Evaluation; permission was granted to proceed with the submission of the policy for authorisation within the department, and the departmental Executive Committee (EXCO) has since approved the policy.

On 22 June 2017, DAFF was notified of high mortalities in a breeder flock in the Mpumalanga Province. Samples that were collected yielded positive results for highly pathogenic avian influenza (HPAI) H5N8. South Africa has never experienced an outbreak of HPAI in chickens or any domestic birds other than ostriches, which makes this current outbreak very significant and serious in South Africa's animal health history.



The total number of outbreaks detected and reported to date (23 January 2018):

- 140 locations tested positive for HPAI H5N8
- 8 outbreaks in backyard chickens
- 30 outbreaks on commercial chicken farms
- 20 outbreaks in birds kept as a hobby and at zoos
- 44 outbreaks on commercial ostrich farms
- 38 outbreaks in wild birds.

At the moment, South Africa does not allow for vaccination against HPAI. The decision on vaccination was done through broad consultation and by taking all the available scientific information into account. Vaccination against HPAI does not prevent infection; it merely reduces the clinical signs of the disease and shedding of the virus. Owing to the high possibility that one vaccination will mask infection with HPAI, most trade partners will not accept poultry, poultry meat or products from a country that vaccinates against HPAI. Consultation between DAFF and the industry continues to formulate a position on vaccination.

In June 2014, African leaders met in Malabo where they, among other actions, adopted the Malabo Declaration on Accelerated Growth and Transformation for Shared Prosperity and Improved Livelihoods. The Malabo Declaration entails key commitments to transform agriculture across the continent. The following broad commitments were made: (1) continue pursuing the values and principles of the CAADP process; (2) enhance public and private investment in agriculture; (3) end hunger in Africa by 2025 by doubling current agricultural productivity levels and halving post-harvest loss; (4) halve poverty by 2025 through inclusive growth; (5) triple intra-African trade in agricultural commodities and services by 2025; and (6) enhance resilience of livelihoods and production systems to climate variability and related risks. To ensure accountability and success, the declaration called for a systematic progress review along with increased capacity for the African Union Commission (AUC) to deliver on these commitments.

Early in 2017, the African Union/NEPAD launched regional workshops to train representatives from various countries on how to prepare a Biennial Review (BR) Process Report for their countries. The BR Report seeks to review each country's progress on the Comprehensive Africa Agriculture Development Programme (CAADP)/Malabo implementation and the first report was presented at the Summit for Heads of State in January 2018; African Union Commission (AUC), Ethiopia, Addis Ababa. To be successful, a typical BR process in a country needs to (1) be locally owned and led; (2) use evidence-based analysis; (3) be inclusive of all key stakeholders; (4) foster open debate and transparent discussion; and (5) act as a conduit for behavioural change towards better performance outcomes.

The assessment feedback by AUC on the 2017 South Africa Biennial Review Report performance was provided at the Specialised Technical Committee Meeting on Agriculture, Rural Development, Water and Environment. The meeting was held at Addis Ababa, Ethiopia from 2 to 4 October 2017.

The recommendations made were as follows:

- The South African Government should increase the level of investment in agriculture, prioritising areas such as access to agriculture inputs and technologies (such as investments in irrigation for smallholder farmers) to enhance performance of the agricultural sector and its contribution to ending hunger and reducing poverty;
- The country should enhance resilience-building strategies to climate related risks;
- South Africa should enhance access to agricultural financial services by men and women;
- In addition to the above, the Southern African Development Community (SADC) also recommended that South Africa should domesticate the Malabo Declaration commitments in their National Agriculture Investment Plan (NAIP);
- The final score given to South Africa by AUC was 4,1 compared to the initial one given by SADC of 4,5. The scores were given out of ten (10), with 2017 continental benchmark of 3,94.

The opening of the St Marks Agricultural Skills Training Centre and graduation of its learners on the production of lucerne and cash crops value chain, took place on 26 October 2017 in the Eastern Cape. The St Marks project is a two-year project that commenced on 1 October 2016 funded by the National Skills Fund and implemented by the College of Sustainable Agriculture (CSA). Learners were recruited from 16 villages around the Qamata Irrigation Scheme and are trained on how to become producers within the agriculture value chain. The project entails the production of lucerne and cash crops value chain on an initial 200 ha of land allocated by the Arthur Mfebe Tribal Authority. The objective of the project is to equip learners with production skills and upon exit; the learners are expected to be agri-preneurs in their own villages.



The World Food Day commemoration was held on 16 October 2017 in the Maluti-A-Phofung Local Municipality, Free State Province under the theme, “Change the Future of Migration: Invest in Food Security and Rural Development”. The Minister and his delegation visited the Lejwe Motho project, which is an enterprise established and founded by Mrs Msibi (a subsistence producer) from the backyard of her house. Her hard work and dedication paid off when she became the overall winner under the Subsistence Producer category at the DAFF Female Entrepreneur Awards (FEA) 2017. They also visited the Dagbreek farm; owned 75-year old Mr Makoele who employs 12 permanent workers, 46 casual workers (12 male and 34 female). The FAO donated an amount of R20 000 each to Sebatso Poultry, Lehlohonolo Vegetable Garden and Tseseng Wool Growers from the Maluti-A-Phofung Local Municipality.

Arbor Week was launched in the Matatiele Local Municipality under the theme “Forests and Water”. The launch was in partnership with the Eastern Cape Department of Rural Development and Agrarian Reform (DRDAR), Alfred Nzo District Municipality, Matatiele Local Municipality and Total South Africa,—a corporate sponsor. The Minister handed over 100 peach trees to the local councillor for distribution to 50 households. As part of the implementation of the greening programme it is estimated that about 3 000 trees would have been planted by the end of the campaign throughout the area of the Matatiele Local Municipality.

DAFF hosted a joint conference on the third African Forum for Agricultural Advisory Services (AFAAS), Africa-Wide Agricultural Extension Week and 51st Annual Conference on South African Society for Agricultural Extension (SASAE) in Durban, KwaZulu-Natal.

5.2 Service Delivery Improvement Plan

Main services provided and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Issue veterinary import permits	Producers, processors, traders and importers on animal and animal products, specimens, vaccines, pharmaceuticals and contaminated objects	Currently 90% of permit applications received are issued within approximately eight days On average 3 500 permits are issued per month (demand driven)	92% of permit applications received are issued within four working days	A total of 698 664 permits were issued in the 2017/18 financial year. 94% of permit applications received are issued within four working days
Issuing of all permits and fishing vessel licences (except applications relating to exemptions)	Fishing industry, fishing rights holders, recreational fishers, foreign and local vessel owners, fish import and export industry	+/- 1 500 applications received per month 90% of applications processed per month	On average ± 500 applications were received per month	A total of 5 995 permits and vessels licenses issued in the 2017/18 financial year All applications received that met the required information were processed

Batho Pele arrangements with beneficiaries (Consultation, access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievements
Clients are consulted <i>via</i> meetings and presentations. The office also communicates <i>via</i> e-mail, letters, phone calls, SMS, fax and website	Clients are consulted <i>via</i> meetings and presentations. The office also communicates <i>via</i> e-mail, letters, phone calls, SMS, fax and website	- Meetings were held with stakeholders - The central email was monitored daily by a dedicated official and therefore e-mail enquiries were attended to normally within one working day - Letters were sent to clients regarding the revised tariffs

Current/actual arrangements	Desired arrangements	Actual achievements
(cont.)		- Numerous phone calls were made to follow up with clients where applicable - SMS were sent to clients regarding status of applications - Clients received faxed application forms where applicable - Updated information was uploaded on the website
Clients are consulted via meetings and presentations The office also communicates via e-mail, letters, phone calls, SMS, fax and website	60 road shows Decentralise services for coastal provinces, including inland provinces for aquaculture 4 DDG dialogues with stakeholders a year 1 ministerial imbizo per province a year - Collaborated awareness campaigns - Aquaculture roadshows in all 9 provinces	Meetings were held with stakeholders through management working groups for the various fishing sectors Roadshows held within the netfish and demersal sector Stakeholder engagement meeting with large pelagic, small pelagic rights holders and ship agents Application forms and requirements for permits and vessel licences were uploaded on the website

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
Ensure that availability of updated information is on the website, e.g. application forms, tariffs, import procedures, etc. Post any new changes or new requirements on website	Ensure availability of updated information on the DAFF website, e.g. application forms, tariffs, import procedures, etc. Post on website any new changes or new requirements	Ensured availability of updated information was posted on the website The following was updated on the website:- - Information on importing animals and animal products into South Africa: How to apply for a veterinary import permit - Information document for the importation of dogs and cats into South Africa - Information on importing live fresh water aquarium fish into the Republic of South Africa - Uploaded all the application forms after updating them to include reference number - Uploaded the revised tariffs
Conduct 36 management working groups (to include small scale and recreational fishing sectors) Conduct DDG CEO Forum and nine commodity forums Update notices, brochures and pamphlets in the Customer Services Centre Education and awareness campaigns conducted on processes and cost for the service	Checklist of information to be provided included on permit application	Ensured availability of updated information on the website, e.g. application forms, permit fees and requirements for applications Checklist of information to be provided included on permit application Relevant information provided on website and Facebook Documents translated into the four languages of the four coastal provinces



Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Establish and implement the compliments and complaints feedback box	Establish and implement the compliments and complaints feedback box	The compliments and complaints box was in use, clients did provide anonymous feedback, complaints attended to and resolved
Response to complaints via letters/e-mail	Response to complaints via letters/e-mail	Responded to complaints via letters/emails, meetings, presentations and media articles were also used as platforms to address complaints
Meetings and presentations are also used as platforms to address complaints	Meetings and presentations are also used as platforms to address complaints	
Monitor complaints	Monitor complaints	Complaints were monitored and addressed as and when they were lodged
Continued to provide the best possible value for money to service beneficiaries in the service area/s through easy access and at minimal cost based on efficiency, which results in an enabling environment for economic growth	Acknowledgement of enquiries received within one day of receipt Response on general enquiries within 14 working days	Enquiries attended to as per standard except when staff members were in the field Responses given between 16 and 21 working days

5.3 Organisational environment

The DAFF undertook a planning session in June 2017, wherein all sector role players, i.e. the PDAs, public entities and industry stakeholders participated. Out of this session, priorities for the sector and high level deliverables for 2018/19 informed by the National Development Plan (NDP), Medium Term Expenditure Framework (MTSF), Nine-Point Plan/RAAVC and Agricultural Policy Action Plan (APAP) were developed. These sector priorities are meant to guide all role players in the sector to align their plans with each other for the achievement of the NDP objectives. The NDP targets cannot be achieved by government alone, therefore, it is important to bring other stakeholders on board to plan together with a common purpose. The aim is also to have these sector priorities for the next three years adopted at the Minister's Service Delivery Forum.

The department, through its Policy, Planning and Monitoring and Evaluation branch extensively consulted with its technical branches, the Department of Planning Monitoring and Evaluation (DPME), Auditor-General of South Africa (AGSA) and National Treasury (NT) to improve the development of its APP. The DAFF 2017/18 APP and 2017/18 Marine Living Resources Fund (MLRF) APP were successfully tabled in Parliament by the Honourable Minister of Agriculture, Forestry and Fisheries. The DAFF 2017/18 APPs were also discussed by the PC study group and a positive assessment report on the DAFF APPs was produced by the study group researchers who checked if the DAFF APPs were aligned to the government priorities.

The department coordinated and facilitated the successful hosting of MINMEC and MINTECH meetings during the financial year, and also successfully hosted the CEO Steering Committee and forum meetings. The department mobilised 3 500 stakeholders to participate during Arbor Week held at Alfred Nzo District Municipality. Key stakeholders within the sector attended the Minister's Service Delivery Forum held in Gauteng.

DAFF was able to finalise its review report of the Research Technology Fund (RTF), with the review findings and recommendations approved by EXCO for implementation. The review report paves the way for accountability and effectiveness in the administration and management of the next phase of the RTF programme, with the decision communicated to National Research Foundation (NRF), Government Agricultural Research and Development Action Group (GARDAG), National Agricultural Research Foundation (NARF) and National Forestry Research Forum (NFRF).

Owing to the compensation of employees (CoE) budget ceilings imposed by the National Treasury, the Minister of Agriculture, Forestry and Fisheries, suspended the filling of vacancies in the department as of 7 September 2017, as an interim measure until practical solutions on how to manage the CoE budget within the ceilings set by National

Treasury is found. The suspension of the filling of vacancies resulted in an increase in the vacancy rate. Subsequently a departmental task team (DTT) was established to interrogate and make recommendations to the Minister on constraints relating to the CoE on the departmental budget and holistically address the cost drivers contributing to budget constraints and recommend strategies to counter those constraints. The five main areas that were identified for intervention were the post establishment, service benefits, foreign offices, organisational design/structure and a general category of other cost drivers, which include items such as accommodation, travel and subsistence, government vehicles as well as unfunded mandates. The DTT identified short, medium and long-term interventions to address the identified challenges and progress is reported to the Executive Committee of the Department (EXCO).

In terms of providing continuous oversight on the public entities (PE) within the sector, the department has developed a Public Entity Planning, Monitoring, Evaluation and Reporting Framework (PEPMER). The framework has been reviewed and approved by the task team, which consists of officials from both the department and public entities. The process of getting the framework approved by relevant structures has been initiated.

Final MPAT scores were released on 28 March by DPME and though there has been an increase in some of the challenged scores by DAFF, the overall average score has fallen to 2,5 from 2,8 in the last year. All key performance areas (strategic management, governance accountability, financial management) with the exception of the human resource management KPA which retained an average score of 2,5 from last year, have regressed. Only financial management though having fallen from average of 3,7 last year remains at a compliant score of 3.

The DAFF initiated the “SAAM WERK, SAAM TREK” provincial road shows—towards joint implementation for better results during the year under review. All provinces were visited between May and June 2017. The objectives of the road show were to:

- create a platform where DAFF discussed its assessment of the 2017/18 APPs of the PDAs with individual HoDs and respective PDA Management teams;
- confirm with PDAs the definition of terms used in the APPs, technical indicator descriptions, (Annexure E), relationship between indicators and targets (where applicable), reporting formats and time frames, form and size of evidence and communication channels;
- confirm and agree on sources of information at PDA level for reporting purpose and PDA quality control measures in place and agree on coordination of performance auditing process by the Auditor General on transversal indicators;
- share some nationally facilitated/implemented programmes/projects which could be of interest to the provinces e.g. Research Technology Fund, statistical and economic analysis reports (crop estimates, SA Food Index, agricultural census and others);
- create a platform of interface between the work of monitoring and evaluation functionaries of DAFF and PDAs. Furthermore to create a conducive environment for cross pollination of ideas in the area of performance monitoring and evaluation;
- confirm the disaggregated numbers PDAs must report on in terms of support to smallholder farmers, hectares of land put under production, extension officers attached to commodity organisations, hectares of land rehabilitated and others.

5.4 Key policy developments and legislative changes

The draft National Policy on Comprehensive Producer Development Support which includes a section on the Integrated Agricultural Development Finance Policy Framework (IADFPF) was tabled at the Economic Sectors, Employment and Infrastructure Development Cluster (ESEID), joint Ministers and Members of the Executive Council (MINMEC) and the Technical Working Group of the Social Protection, Community and Human Development (SPCHD) held on 15, 16 and 27 March 2018. The draft policy has been recommended for tabling in Cabinet during the next financial year.

Former President Jacob Zuma in his 2017 State of the Nation Address (SoNA) announced that government would implement a commercialisation support programme for 450 black smallholder farmers. To this effect, DAFF has developed a concept note and selection criteria which have been shared with all nine provinces and the selection of the 50 smallholder producers to be commercialised per province has been concluded by all provinces. DAFF engaged the Department of Trade and Industry (dti), the Land Bank, Industrial Development Corporation (IDC) and the National Empowerment Fund to develop the Commercialisation Programme document. The document is being tabled to the Director-General of both the dti and DAFF for funding support.



6. STRATEGIC OUTCOME ORIENTED GOALS

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

6.1 Strategic outcome oriented goals of DAFF

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

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

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

The department intensified its intention to coordinate performance against MTSF priorities during 2017/18; this was done through engagement with sector stakeholders through the Minister's Service Delivery Forum, which focuses on widening planning and reporting within the sector. The purpose moving into 2018/19 is to encourage sector stakeholders to report according to the Sector Service Delivery Model, which will be submitted to outcomes coordinating departments. The following represents some of the contributions that DAFF made towards the achievement of Outcomes 4, 7 and 10.

Outcome 4: Decent employment through inclusive economic growth

The real value added by the agricultural sector expanded by 17,7% in 2017—the highest rate of increase since 2008 contributing 0,4 percentage points to real GDP growth.

This turnaround was brought about by the end of the prolonged drought in the northern parts of the country, which benefited field crop production as reflected by the 2017 bumper maize crop and positive spillovers to some other sectors of the economy.

After experiencing a decline in employment in the first three quarters of 2017, South Africa's agricultural sector recorded a 5% q/q rebound in employment in the fourth quarter of 2017 to reach 849 000 jobs.

This quarterly increase was mainly in the field crops, horticulture and livestock sub-sectors. The provinces driving it were the Western Cape, Eastern Cape and KwaZulu-Natal (Agribusiness Market Research: February 2018). The quarterly uptick in employment is encouraging, however agricultural employment is still down when compared to the same period in 2016.

The domestic poultry sector is still under pressure owing to high input costs and large volumes of cheap imported chicken, mostly from the European Union, despite its intrinsic competitiveness by global standards. In 2017, the poultry industry had shed about 1 300 jobs because of the avian influenza.

Lately the outbreak of listeriosis also affected some parts of the agro-processing sector resulting in the loss of production and export revenue. Several countries in the South African Development Community (SADC) have taken steps against South African chilled meat imports while affected products were removed from the shelves.

Outcome 7: Comprehensive rural development

The contribution of the sector to Outcome 7 has been significant and most of the targets DAFF contribute to have been overachieved. This is due to the coordinating role DAFF has been playing on sub-outcome 3 (Improved food security) and 4 (Smallholder farmer development and support).

There have been overachievements on the impact indicator reduction in the percentage of households vulnerable to hunger with cumulative achievements of 2 138 273 households that have benefitted from food security initiatives over the past four financial years (2014/15—2017/18). On reducing the number of hectares (ha) of transferred land to previously disadvantaged individuals which is underutilised, only 65% cumulative of the target has been achieved with a total of 405 771 ha which have been cultivated for food production.

On the annual targets there has been an over achievement recorded in this financial year on the smallholder producers support and households supported with agricultural food production initiatives. However, an underachievement was recorded on hectares cultivated for food production in communal areas and land reform projects.

- The National Policy on Comprehensive Producer Development Support implemented was tabled at MINMEC, MINTECH and DG's Cluster for their recommendation for the policy to be tabled at Cabinet;
- A total of 85 640 households were supported with agricultural food production initiatives;
- A total of 28 830 smallholders were support through various initiatives; and
- A total of 105 526,6 ha of underutilised land were cultivated for food production.

Outcome 10: Protected and enhanced environmental assets and natural resources

A total of 24 448, 67 ha of agricultural land and 300, 56 ha of state indigenous forests were rehabilitated to promote the sustainable use and management of natural resources. A Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries was approved by EXCO. A total of nine Operation Phakisa projects were also supported. The DPME has assessed the socio-economic impact of the Aquaculture Development Bill and granted permission for DAFF to proceed with the submission of the Bill to Cabinet. These contribute to sub-outcome 1: Ecosystems are sustained and natural resources are used efficiently; and sub-outcome 2: An effective climate change mitigation and adaptation response. Research reports to indicate fish stock levels were compiled for West Coast rock lobster (WCRL), deepwater hake and abalone.



7. PERFORMANCE INFORMATION BY PROGRAMME

7.1 Programme 1: Administration

Purpose

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

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

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

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

Financial Administration: Provides the department with sound financial services.

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

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

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

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

Strategic objectives (SOs)

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

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

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

During the period under review, the reviewed ICT Disaster Recovery Plan (DRP) was approved. The ICT DRP Plan will be used to assist the department to recover from a disaster, e.g. power failure, cable theft or ICT infrastructure failure. The reviewed plan seeks to align the DRP to DAFF's current ICT systems. The Master System Plan also referred to as ICT Plan was also reviewed for the period under review. The MSP analyses the needs of internal and external stakeholders, with the intention to develop funded prioritised projects over a five-year period to improve service delivery while mitigating risks as analysed during this process.

The 2018/19 Annual Performance Plans have been prepared in line with the strategic direction set by the Cabinet and the Minister. Media plans were developed and implemented for the following events: Budget and the NCOP Vote 2017, Food Security Month, Youth Month, Nelson Mandela Day, Female Entrepreneur Awards, World Food Day, the National Marine Week, International Fisheries Day and the World Oceans Day. A draft Sector Communication Strategy was developed. Structured key stakeholder and strategic engagements took place during the year.



Strategic objectives

Programme: Administration					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
1.1 Ensure compliance with statutory requirements and good governance practices	Three-year risk-based Internal Audit Rolling Plan was approved by the Audit Committee on 02 March 2017	Risk based Audit Internal Audit Plan implemented	Annual Risk based Internal Audit Plan has been implemented	N/A	N/A
1.2 Strengthen support, guidance and interrelations with stakeholders	Media plans were developed and implemented for the following events: Budget Vote 2016, Africa Month and Operation Phakisa, Youth Month, Nelson Mandela Day, Female Entrepreneur Awards, World Food Day, and the Emergency Drought Relief allocation Structured key stakeholder and strategic engagements took place during the year	Communication Strategy and Stakeholder Engagement Strategy implemented	Communication Strategy was implemented through various targeted media plans with the exception of one media plan	Media plan for Long Service Awards was not implemented	Media Plan for Long Service Awards not implemented owing to financial constraints experienced by the department
			Stakeholder Engagements Strategy implemented through various intergovernmental and stakeholders engagements	N/A	N/A
1.3 Strengthen institutional mechanisms for integrated policy, planning, monitoring and evaluation in the sector	N/A	Updated economical and statistical information database for the sector	Sector economical and statistical information for the sector was updated	N/A	N/A



Performance indicators

Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.1.1 Efficient and effective risk management	Risk Management Plan was developed, approved by the Risk Management Committee and implemented	The Risk Management Plan was implemented as follows during the year under review: The Risk Management Strategy was reviewed DAFF Risk Communication and Awareness Plan was completed Risk Management Committee Charter was finalised and approved	Risk management implementation plan was implemented as follows during the year under review: - The Risk Communication and Awareness Plan was reviewed - Conducted the project risk assessment - The Strategic Risk Register 17/18 was reviewed - The Risk Management Strategy 17/18 was reviewed	Risk management implementation plan implemented	Risk Management Implementation Plan has been implemented as follows during the year under review: - The Risk Communication and Awareness Plan was reviewed - Project risk assessment was conducted - The strategic risk register 2018/19 was reviewed - The Risk Management Strategy 2018/19 was reviewed	N/A	N/A
	Fraud and Corruption Plan implemented Fraud Register was developed and investigations were conducted	Fraud Prevention and Anticorruption Strategy was reviewed and approved for 2016/17	Fraud Prevention Plan was implemented as follows during the year under review: Developing the Fraud and Corruption Communication Plan Reviewing the Whistle blowing Procedures Reviewing the Fraud Risk Register 17/18 Reviewing the Fraud Prevention and Anticorruption Strategy for 17/18	NA	NA	NA	NA



Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.1.2 Risk-based Internal Audit Plan implemented	Three-year Internal Audit Rolling Plan was approved by the Audit Committee on 26 March 2015	Three-year Risk-based Internal Audit Annual Plan implemented	Three-year Risk-based Internal Audit Rolling Plan was approved by the Audit Committee on 02 March 2017	Annual Risk-based Audit Plan implemented	Annual Risk-based Internal Audit Plan has been implemented	NA	NA
1.1.3 Business Continuity Plans developed and approved	N/A	The Business Continuity Plan was approved by EXCO on 25 January 2016	Business Continuity Plan test on 1 branch was not conducted as planned	Core directorates' BCPs approved by EXCO	The core directorates' Business Continuity Plans (BCPs) were approved by EXCO on 19 March 2018	N/A	N/A
	N/A	N/A	N/A	(EXCO) Crisis Management Plan approved by EXCO	(EXCO) Crisis Management Plan was approved by EXCO on 19 March 2018	N/A	N/A
1.1.4 ICT Disaster Recovery Plan (DRP) reviewed	N/A	N/A	Report on ICT Disaster Recovery Plan (DRP) redundancy/failover test has been compiled	Reviewed ICT DRP approved by the DG	The reviewed DAFF ICT DRP was approved by the Acting DG on 19 January 2018	N/A	N/A
1.1.5 Master System Plan (MSP) reviewed	N/A	N/A	N/A	Reviewed MSP approved by DG	The ICT Plan (MSP) has been completed and approved by the Acting DG on 29 March 2018 MSP was compiled in accordance to Section 30 of PSR 2016. In the new Public Service Regulations (PSR) of 2016 issued in August 2017, the MSP is now been called the ICT Plan	N/A	N/A



Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.1.6 Integrated Development Finance Policy developed	The Integrated Development Finance Framework was approved by EXCO	Integrated Development Finance Framework was implemented and four quarterly reports were submitted to indicate state of implementation	The Integrated Development Finance Framework was not implemented	Draft Integrated Development Finance Policy submitted to the social and economic clusters for approval and recommendation to Cabinet	Draft Integrated Development Finance Policy has been developed and discussed at EXCO	Draft Integrated Development Finance Policy was not submitted to the social and economic clusters for approval and recommendation to Cabinet	There was a departmental EXCO decision to incorporate the draft Integrated Development Finance Policy as a chapter in the Policy on Comprehensive Producer Development and the approval processes were moved to FSAR under the National Policy
1.1.7 Number of Bills submitted to the Minister	Three Bills, namely the Plant Improvement Bill, Performing Animals Protection Amendment Bill and Plant Breeders' Rights Bill were tabled before Cabinet	Submissions for three Bills, namely the Liquor Products Bill, National Forests Amendment Bill and the National Veld and Forest Fire Amendment Bill were signed by the Minister for tabling before Cabinet. The Agricultural Product Standards Amendment Bill—the submission was en-route to the Minister on 4 January 2016 to obtain approval for the Acting DG to present the Bill to the ES-EID Cluster	The following 3 Bills were submitted to the Minister for Cabinet approval, namely: - Agricultural Produce Agents Amendment Bill of 2016 - National Veld and Forest Fire Amendment Bill of 2016 - Agricultural Product Standards Amendment Bill of 2016	3	The following 2 Bills were submitted to Minister for Cabinet approval: - Aquaculture Development Bill, 2018 - Agricultural Produce Agents Amendment Bill, 2018	—1	Recommendations on the Perishable Products Export Control Bill (PPECB) are being incorporated for the finalisation of the bill

Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.1.8 HRD Strategy Implemented	N/A	N/A	N/A	2017/18 Work Place Skills Plan approved by the DG and implemented	2017/18 DAFF Workplace Skills Plan (WSP) was developed and approved by the DG on 25 April 2017. The WSP has been implemented for the year under review	N/A	N/A
1.1.9 Adherence to Performance Management and Development System (PMDS)	N/A	N/A	N/A	100% adherence to PMDS by all staff	As at the end of 2017/18, adherence to PMDS is as follows: - Levels 1–12 workplans submission is at 99% - SMS performance agreement submission is at 95% SMS 1st Mid Tem review status is at 65% - A total 74% first bi-annual assessment for employees on salary levels 1–12 were finalised and submitted	There are employees who are ineligible for assessment due to temporary incapacity leave, maternity leave and suspension	Employees who are on leave are ineligible to sign the performance agreement



Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.2.1 Communication Strategy implemented	The following 9 media plans were developed and approved: A Communication and Media Plan for the 2014 National Assembly Budget Vote on 16 July 2014, and National Council of Provinces Budget Vote on 25 July 2014. A Media Plan for the Female Entrepreneur Awards for the gala event on 22 August 2014 in Mmabatho, North West; A media plan for Arbor Week was launched on 1 September 2014 at Mofolo City Park in Soweto, Gauteng	Media plans for the following events were compiled and implemented: Budget Vote Speech 2015; NCOP Budget Vote; Female Entrepreneur Awards; Arbor Week; Food Security Month media launch; World Food Day; APAP; IDAM; Marine Living Resources event; Youth Outreach Programme; Imbizo Focus Week	Media plans were developed and implemented for the following events: Budget Vote 2016; Africa month and Operation Phakisa; Youth month; Nelson Mandela Day; Female Entrepreneur awards; World Food Day; and the Emergency drought relief allocation	Media plans implemented	Media plans were implemented for the following events: Nelson Mandela Day; Agristars; DAFF FEA; Arbor Week; Media Launch—Food Security Month; World Food Day; National Marine Week; International Fisheries Day; National Assembly and National Council of Provinces Budget Votes; Youth Month and World Oceans day	Media plan for Long Service Awards was not implemented	Media plan for Long Service Awards not implemented due to financial constraints experience by the department
1.2.2 Stakeholder Engagement Strategy (SES) implemented	N/A	N/A	Structured key stakeholder and strategic engagements took place during the year	SES implemented	SES implemented through various intergovernmental and stakeholders engagements	N/A	N/A

Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.3.1 Sector information management system strengthened	All publications were updated accordingly and the information is loaded on the website for all to access The data updated on fisheries is only for aquaculture There is no newly updated information on smallholder producers	Weekly, monthly, quarterly and annual economic and statistical reports and publications compiled with economic baseline data for the sectors	All publications were updated accordingly with the information loaded on the website for all to access	Update economical and statistics baseline information database for the sector	Economical and statistical baseline information database was updated through weekly, monthly, quarterly and annual publications	N/A	N/A
1.3.2 Project management methodology for the department institutionalised	N/A	A total of 232 projects were verified in nine provinces in the 2015/16 financial year. Project assessment report compiled and approved	Verification reports compiled with a total of 238 projects verified in addition to 5 agricultural colleges being visited	4 quarterly project verification reports submitted to EXCO for approval	4 quarterly project verification reports were compiled and approved by EXCO, with a total of 222 projects verified in all nine provinces	N/A	N/A



Programme: Administration							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
1.3.3 Sector Research Agenda implemented and monitored	R&D Agenda was updated and approved by EXCO for implementation in guiding the call for projects under the RTF Funds were disbursed to the NRF for the RTF SLAs were signed and concluded with the ARC for the implementation of sites R&D projects M&E and assessments were compiled for all the R&D projects with the ARC and the universities	The implementation of four service level agreements with the ARC is ongoing Progress reports for the four are received periodically and monitoring and evaluation reports are compiled	The Research and Development Agenda was implemented through the Research and Technology Fund An analysis of 103 projects was conducted to determine their linkage to priorities as set out in the R&D agenda. In addition to the technical audits of 8 RTF projects was also conducted	Sector Research Agenda implemented through RTF programme	Sector Research Agenda was implemented through the RTF programme Annual and Midterm report detailing implementation of the Sector Research Agenda was developed and approved by the departmental executive committee	N/A	N/A
	N/A	N/A	N/A	Sector Research Agenda monitored	The RTF Review Report with its finding and recommendations was approved by EXCO for implementation	N/A	N/A

Strategy to overcome underperformance

During the period under review, the Acting Director-General (ADG) approved a submission for the Subprogramme: Human Resource Management and Development (HRMD) to start implementing consequence management where non-adherence to Performance Management and Development System (PMDS) was encountered. Other factors such as long incapacity leave, suspension, maternity leave, etc., contributed to not achieving the 100% adherence to PMDS as planned. To ensure that control measures are improved and strategies to overcome areas of underperformance are put in place, the Subprogramme: HRMD further presented its motivation to EXCO to remove PMDS from the

departmental Annual Performance Plan (APP) going forward, but to include it in lower level operational plans. This was to allow for implementation of measures to institutionalise a culture of performance in a developmental manner. Efforts to improve adherence to PMDS will remain on the radar while monitoring and reporting will be continued through other departmental structures.

With regard to the programme, structured performance oversight meetings by management will take place. These meetings are planned upfront and dates and templates for reporting are institutionalised. Focus of the meetings is on tracking performance and coming up with remedial actions for underperforming areas. The meetings include one-on-ones between Chief Directors and Directors, Chief Director meeting with all Directors, one-on-one between Deputy Director-General and Chief Directors and DDG with all Chief Directors. Directors are also having one-on-one meetings with Deputy Directors and also with the entire management in the directorate. All these meetings occur regularly; at least monthly basis. Chief Directors also, at least once a quarter, attend meetings with the entire directorate's staff to ensure no one is left behind in pursuing excellence in performance.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 1

Subprogramme name	2017/2018			2016/2017		
	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	40 094	40 076	18	40 466	40 451	15
Department Management	30 886	30 871	15	36 710	32 811	3 899
Financial Administration	191 345	191 273	72	177 886	177 841	45
Internal Audit	9 424	9 414	10	7 059	7 051	8
Corporate Services	190 548	190 476	72	189 465	187 782	1 683
Stakeholder Relations, Communication and Legal Services	81 881	81 855	26	92 613	92 593	20
Policy Planning, Monitoring and Evaluation	172 005	81 971	90 034	78 569	78 531	38
Office Accommodation	204 304	202 063	2 241	220 803	211 425	9 378
Total	920 487	827 999	92 488	843 571	828 485	15 086

7.2 Programme 2: Agricultural Production, Health and Food Safety

Purpose

Manage the risk associated with animal disease, plant pest, genetically modified organism (GMO) and registration of product used in Agriculture. Promote food safety and create an enabling environment for increased and sustainable agricultural production. The programme comprises three Subprogrammes, namely Plant Production and Health; Animal Production and Health and Inspection and Quarantine Services.



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

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

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

Strategic objectives

SO 2.1 Ensure increased production and productivity in prioritised areas as well as value chains.

SO 2.2 Effective management of bio-security and related sector risks.

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

Fruit flies are among the most destructive fruit pests, threatening production levels and food security as well as product quality and export programmes. The national surveillance programme for quarantine fruit flies continued in the past financial year. The oriental fruit fly (*Bactrocera dorsalis*, previously known as *Bactrocera invadens*) currently occurs in Limpopo, Mpumalanga, North West, Gauteng and KwaZulu-Natal, where it is under official control. This surveillance programme will continue in the new financial year and all producers and land users are requested to adhere to the prescribed regulatory measures, which aim to effectively control this pest.

The maldistribution of veterinary services is a major constraint in South Africa, especially in the under-served and resource poor areas and may lead to increased animal disease burdens. For the 2017/18 financial year, 124 compulsory community service veterinarians were deployed in an equitable manner, to resource poor communities, to promote access to veterinary services, disease control and eradication.

Kaonafatso ya Dikgomo and poultry schemes are instrumental in the DAFF's efforts to improve participation of smallholder farmers in mainstream livestock industries by way of active participation of smallholder farmers. A total of 4693 farmers verifiable through integrated animal registration and genetic information system (INTERGIS) were recruited into the program on KYD. 9 Farmer's day with an audience of 453 farmers were conducted as a means to introduce the poultry program to new communal farmers. A total of 63 farmers were exposed to poultry capacity building initiatives.

In February 2017, the department confirmed the presence of the FAW in the Limpopo Province. FAW is a quarantine pest for South Africa and has now been detected in all provinces except the Northern and Western Cape. The department together with key stakeholders continued to implement the Emergency Plant Pest Response Plan in respect of FAW. Surveillance, the creation of awareness, improvement of diagnostics and management practices are key aspects of the implementation of the Emergency Response Plan. Since FAW is not only of domestic concern, the department also continues to participate in SADC initiatives and those of the Food and Agriculture Organisation towards finding an appropriate regional response to the FAW infestation.



Strategic objectives

Programme: Agriculture Production, Health and Food Safety					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
2.1 Ensure increased production and productivity in prioritised areas as well as value chains	4 improvement schemes (Kaonafatso ya Dikgomo, poultry, seed and deciduous fruit) were monitored and annual reports were compiled	4	2 plant improvement schemes were implemented and a report on seed crops and seed potato schemes has been compiled 2 animal improvement schemes were implemented and a report on Kaonafatso ya Dikgomo and poultry has been compiled	The report on the 2 animal improvement schemes was approved during April 2018	DPME and National Treasury made provision in the reporting guideline and the DORA framework respectively that validation and reporting is 60 days after the end of quarter 4, hence the department approved its report in April
2.2 Effective management of bio-security and related sector risks	2 animal disease and 1 plant pest (FMD, PPR and exotic fruit fly) risk surveillances were conducted and reports were compiled	Conduct 2 animal diseases and 1 plant pest risk surveillances	2 animal disease risk surveillance were conducted (FMD and PPR) and an annual report compiled, 1 plant pest risk surveillance was conducted and annual report on exotic fruit fly has been compiled	N/A	N/A
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	National Plan for Conservation and Sustainable Use of Plant Genetic Resources was developed and approved by Departmental Executive Committee National conservation of animals through the establishment of FAnGR community-based conservation organisation and database for indigenous goats in Limpopo has been implemented	Implement national plans to conserve diversity of animal and plant genetic resources	National plans to conserve diversity of animal and plant genetic resources were implemented through conservation of 2 targeted taxa ex situ and the promotion of indigenous breeds	N/A	N/A



Performance indicators

Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
2.1.1 Number of animal improvement schemes for prioritised value chain commodities implemented	2 Animal improvement schemes were monitored for the purpose of measuring the impact of the schemes on animal production for prioritised value chain commodities, being poultry and beef. A report providing details to this effect was compiled	2 Animal improvement schemes were monitored and an annual report was compiled	2 Animal improvement schemes (Kaonafatso ya Dikgomo and poultry) were monitored and an annual report was compiled	2 Animal improvement schemes (Kaonafatso ya Dikgomo and poultry) implemented	2 Animal improvement Schemes were implemented and a report on Kaonafatso ya Dikgomo and Poultry has been compiled	The report on the 2 animal improvement schemes was approved during April 2018	DPME and National Treasury made provision in the reporting guideline and the DORA framework respectively that validation and reporting is 60 days after the end of quarter 4; Hence the department approved its report in April
2.1.2 Number of plant improvement schemes for prioritised value chain commodities implemented	A monitoring report on the analysis of the plant improvement scheme performance data on maize, soya beans, wheat and vegetables was compiled. Information on registered seed production units has also been compiled	2 Plant improvement schemes monitored and a report on the status of seed and fruit schemes was compiled	2 Plant improvement schemes were monitored and final report on the status of the seed and deciduous fruit schemes has been compiled	2 Plant improvement schemes (seed crops and seed potato) implemented	2 Plant improvement schemes were implemented and a report on seed crops and seed potato schemes has been compiled	N/A	N/A
2.2.1 Number of planned animal diseases risk surveillances conducted	Surveillance was conducted on two animal diseases, namely: Pestes des Petits Ruminants (PPR) and avian influenza (AI)	Surveillance was conducted on two animal diseases, namely PPR and AI. 2 animal disease risk surveillance conducted	Surveillance was conducted on two animal diseases, namely foot and mouth disease (FMD) and	2 Animal disease risk surveillance conducted (FMD-protection zone and Pestedes Petits Ruminants and (PPR)	2 Animal disease risk surveillance were conducted (FMD and PPR) and an annual report has been compiled	N/A	N/A

Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
2.2.1 (cont.)	Reports on the 2 animal diseases have been compiled and cover the detection and reaction to out- breaks of animal diseases and pests	(FMD-protection zone and PPR) Reports on two animal diseases have been compiled and cover the detection and reaction to outbreaks of animal diseases and pests	Pestes des Petits Ruminants (PPR). An annual report on 2 animal disease risk surveillance has been compiled				
2.2.2 Number of planned plant pest risk surveillances conducted	Surveillance on 1 plant disease and pest risk was conducted. The purpose of the surveillance was to detect, prevent and mitigate the outbreak of plant diseases and pests	1 plant disease and pest risk surveillance conducted and an annual report on 1 plant disease and pest risk was compiled	1 plant pest risk surveillance was conducted and an annual report on exotic fruit fly risk surveillance has been compiled	1 plant pest surveillance conducted (exotic fruit fly)	1 plant pest risk surveillance was conducted and an annual report on Exotic fruit fly has been compiled	N/A	N/A
2.2.3 Number of regulatory compliance and monitoring interventions implemented	4 Regulatory compliance and monitoring interventions (quarantine, inspections, surveillance and testing) and a report providing details has been compiled. The aim is to minimise pests and diseases entering the territory of South Africa at the port of entry, by conducting regulatory compliance	4 Regulatory interventions have been implemented and Annual Report on Regulatory Interventions was compiled	An annual report on the implementation of the 4 regulatory interventions (quarantine, inspections, surveillance and testing) has been compiled	4 Regulatory interventions implemented (quarantine inspections, surveillance and testing)	4 Regulatory interventions (quarantine inspections, surveillance and testing) were implemented and an annual report has been compiled	N/A	N/A



Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
2.2.3 (cont.)	and monitoring interventions through quarantine, inspection, surveillance and testing						
2.2.4 Veterinary Strategy implemented	The Animal Disease Management Plan was developed to improve the performance of veterinary services with the mission to ensure that human and animal wellbeing is optimised. Stakeholder sessions took place on 4 and 5 June 2014 and 18 March 2015, to discuss and give inputs. The final document titled "Disease Management Plan" was approved	The Veterinary Strategy was developed after extensive consultations with stakeholders. The strategy was approved by EXCO	A legal framework for the Veterinary Strategy was been developed	Policy on Animal Identification and Traceability developed	Policy on Animal Identification and Traceability has been developed and approved by departmental executive committee on the 26 March 2018	N/A	N/A



Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
2.2.5 Number of CCS veterinarians deployed	N/A	126 Veterinary graduates were deployed to rural communities	127 Veterinary graduates were deployed to resource-poor communities	130 CCS veterinarians deployed	124 CCS veterinarians deployed	-6	2 of the applicant students are employed as veterinary technologists by Department of Agriculture, Limpopo Province and are awaiting translation to become veterinarians. 3 students are to re-write their exam towards the end of 2017/18 financial year and will be placed in 2018/19 financial year 1 International student's exemption was approved by DAFF: Minister as prescribed in the regulations relating to the performance of Compulsory Community service section 7.1 (a)



Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to Actual Achievement 2017/2018	Comment on deviations
4.1.1 National plan to conserve diversity of plant genetic resources for food and agriculture implemented	N/A	N/A	National Plan for Conservation and Sustainable use of Plant Genetic Resources was developed and approved by EXCO	2 Targeted taxa conserved <i>ex situ</i>	2 Targeted taxa <i>ex situ</i> have been conserved	N/A	N/A
4.1.2 National plan to conserve diversity of animal genetic resources for food and agriculture implemented	N/A	National Plan for the Conservation and Sustainable use of Farm Animal Genetic Resources was approved by EXCO	National conservation of animals through the establishment of FAnGR community based conservation and database for indigenous goats in Limpopo has been implemented	Promote conservation and sustainable use of indigenous breeds	The conservation and sustainable use of indigenous breeds was promoted	N/A	N/A

Strategy to overcome areas of underperformance

The management of performance is done as follows:

Directorate level

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

Chief Directorate level

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



Changes to planned targets

N/A

Linking performance with budget

Subprogramme expenditure: Programme 2

Subprogramme name	2017/2018			2016/2017		
	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	2 797	2 792	5	3 081	3 078	3
Inspection and Laboratory Services	378 612	377 556	1 056	330 205	330 063	142
Plant Production and Health	627 475	627 444	31	575 805	575 759	46
Animal Production and Health	266 053	248 285	17 768	205 186	205 142	44
Agricultural Research	974 583	974 583	–	812 989	812 989	0
Total	2 249 520	2 230 660	18 860	1 927 266	1 927 031	235

7.3 Programme 3: Food Security and Agrarian Reform

Purpose

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

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

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

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

Strategic objectives

SO 3.1: Lead and coordinate government food security initiatives.

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

SO 3.3: Strengthen planning, implementation and monitoring of comprehensive support programmes.

The draft National Policy on Comprehensive Producer Development Support (NPCPDS) was presented at the Corporative Governance and Traditional Affairs (COGTA) MINTECH meeting held on 10 February 2018 to ensure alignment of producer support programmes with free basic services provided through the Indigent Policy. The policy



includes Mechanisation and Integrated Development Finance as per recommendation from MINTECH.

The National Food and Nutrition Security Coordinating Committee (NFNSCC) that was launched on 7 June 2017 held its fourth meeting in the North West on 8 March 2018. The NFNSCC meetings were held on a rotational basis, once a quarter.

Sixty-one (61) extension practitioners were deployed to commodity organisations in KwaZulu-Natal, Free State, Western Cape, Mpumalanga and Eastern Cape provinces, and

Altogether 255 successful graduates signed their contracts and were placed in various stations for their training.

Strategic objectives

Programme: Food Security and Agrarian Reform					
Strategic objectives	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
3.1 Lead and coordinate food security initiatives	N/A	Functional National Food and Nutrition Security Committee	National Food and Nutritional Security Committee was launched on 7 June 2017. Three meetings were subsequently held as follows: 30 August 2017 30 November 2017 08 March 2018	N/A	N/A
3.2 Enhance capacity for efficient service delivery	30 Graduates were placed in commodity organisations aligned to APAP	Implement National Education and Training Strategy for Agriculture, Forestry and Fisheries (NETSAFF)	NETSAFF was implemented through the following: • Placement of 255 graduates in various stations for their training • Implementation of National Policy on Extension and Advisory Services • Compilation of the Annual Review Report on the deployment of extension support practitioner to commodity organisations	N/A	N/A
3.3 Strengthen planning, implementation and monitoring of comprehensive support programmes	Policy on Comprehensive Producer Development Support was approved by EXCO on 27 March 2017	Develop National Policy on Comprehensive Producer Development Support	The draft National Policy on Comprehensive Producer Development Support was developed and has been recommended by the inter-governmental structures; MINTECH, MINMEC and DGs Cluster	N/A	N/A

Performance indicators

Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.1.1 National Food and Nutritional Security interventions coordinated	N/A	N/A	N/A	4 Quarterly review reports on National Food and Nutrition Security interventions coordinated	4 Quarterly review reports on National Food and Nutritional Security interventions coordinated were compiled	N/A	N/A
3.2.1 Number of graduates placed in agriculture, forestry and fisheries sector for capacity development	N/A	N/A	30 Graduates were placed to commodity organisations aligned to APAP	255 Graduates placed	255 Graduates were placed as follows: Agriculture: 87, Forestry: 30, Fisheries: 40, Industrial placement: 47, Young Professional Development Programme: 25 and PPECB: 26	N/A	N/A
3.2.2 National Policy on Extension and Advisory Services implemented	National Extension and Advisory Policy and its implementation plan were approved by MINMEC on 26 September 2014. The implementation was done through the establishment of provincial extension forums in all provinces	The National Policy on Extension and Advisory Services was facilitated for approval through various intergovernmental processes	The policy and its implementation plan were approved by Cabinet on 19 October 2016	Implement National Policy on Extension and Advisory Services	The National Policy on Extension and Advisory Services was implemented through the hosting of the Provincial Extension Coordinating Forum in each of the following province: NW, FS, GP, EC and NC	N/A	N/A
3.2.3 Extension support practitioners deployed to commodity organisations	N/A	20 Extension support practitioners have been deployed by KZN (11) and the Western Cape (9) Provinces	40 Extension practitioners were deployed to commodity organisations in three provinces (Free State: 20, Mpumalanga: 13 and Western Cape: 7)	Annual Review Report on deployment of extension support practitioners to commodity organisations	The Annual Review Report on deployment of extension practitioners to commodity organisations was compiled.	N/A	N/A



Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.3.1 National Policy on Comprehensive Producer Development support implemented	The norms and standards on comprehensive producer support were developed and endorsed by EXCO on 16 March 2015	The Policy on Comprehensive Producer Development Support has been developed	Policy on Comprehensive Producer Development Support was approved by EXCO on 27 March 2017	National Policy on Comprehensive producer Development Support recommended by the inter-governmental structures (MINTECH, MINMEC, DG clusters)	The National Policy on Comprehensive Producer Development Support has been recommended by the inter-governmental structures; MINTECH, MINMEC and DGs Cluster to be tabled to Cabinet	N/A	N/A

The consolidated indicators provided in the table below are delivered by PDAs. The DAFF will provide oversight to the PDAs by consolidating performance in all nine Provincial Departments of Agriculture.

(Annexure to the indicator 3.1.1 National Food and nutrition security interventions coordinated)



Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.1.2 Number of households supported with agricultural food production	N/A	14 486 Households benefiting from food production initiatives	19 791 Households benefiting from food production initiatives	52 480	24 943 (EC: 2 184 FS: 6 600 GP: 554 KZN: 5 744 LP: 1 318 MP: 5641 NC: 963 NW: 1183 and WC: 756) households were supported with agricultural food production initiatives	(27 537)	A consolidated 94 438 households were recorded to have been supported by provinces and 69 495 households were inadmissible. The inadmissible evidence was due to: • Lack of supporting documents • Invalid identity numbers • Support provided to deceased farmers • Households reported more than once (Duplicates) • Households reported in the wrong financial year
3.1.3 Number of hectares cultivated for food production in communal areas and land reform projects	3262,1 ha planted in NW	0 ha	35 213,07 ha cultivated for food production in communal areas and land reform projects	129 690 ha	37 300,33 ha (EC: 19 254,9; FS: 2 622,54; GD: 1627 MP: 5 245,96; NC: 793,53; NW: 6 088 and WC: 1 668,40) cultivated for food production in communal areas and land reform projects	(92 389,67 ha)	The non-achievability of the target was because of drought in some provinces (KZN, EC and WC) 103 597,18 ha were recorded to have been planted by provinces and 66 296,85 hectares were inadmissible. The inadmissible evidence was due to: • Lack of supporting documents • Invalid identity numbers • Support provided to deceased farmers • Invalid GPS co-ordinates



Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.3.2 Number of smallholder producers supported				23 559	13 400 (2 173 tangible support, 4 262 advisory and 6 965 training) smallholder supported	(10 159)	28 982 smallholders were recorded to have been supported by provinces and 15 246 was inadmissible. The inadmissible evidence was due to: • Lack of supporting documents • Invalid identity numbers • Support provided to deceased farmers • Smallholder farmers reported more than once (duplicates) • Smallholder farmers, reported in the wrong financial year
3.2.4 Number of extension support practitioners deployed to commodity organisations	N/A	20 Extension support practitioners have been deployed by KZN (11) and the Western Cape (9) provinces	40 Extension practitioners were deployed to commodity organisation in three provinces (Free State: 20, Mpumalanga: 13 and Western Cape: 7)	20	61 (KZN: 29, MP: 13, WC: 01, FS: 03 and EC: 15) extension practitioners deployed	+41	The over achievements were because of commodity organisations accepting more extension practitioners. The achievements depend on the acceptance of extension practitioners to be deployed.

Strategy to overcome areas of underperformance

Based on the interaction and analysis of performance by the Branch: Policy, Planning and Monitoring and Evaluation (PPME) with the Branch: Food Security and Agrarian Reform (FSAR), committees and strategies were established to deal with areas of concern and to improve performance. The National Food and Nutrition Security Coordinating Committee was established to oversight the implementation process and reporting of activities as defined in the approved plan.

In the endeavour to increase the participation of and investment in businesses owned by the previously disadvantaged (women, youth and people with disabilities), DAFF has developed norms and standards for the inclusion of vulnerable groups that will reset departmental programmes towards an inclusive strategy, intended primarily to address the skewed participation in the sector. The norms and standards articulate precise targets and periods in order to fast track transformation within the sector, and further serve as a yardstick with which the department can measure the rate of transformation.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 3

Subprogramme Name	2017/2018			2016/2017		
	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	4 513	4 511	2	4 660	4 657	3
Food Security	1 317 033	1 314 577	2 456	1 251 045	1 250 173	872
Sector Capacity Development	231 487	230 931	556	248 690	247 390	1 300
National Extension Support Services	375 571	375 561	10	376 803	376 796	7
Total	1 928 604	1 925 580	3 024	1 881 198	1 879 016	2 182

7.4 Programme 4: Trade Promotion and Market Access

Purpose

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

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

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

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

Strategic objectives

SO 2.3: Ensure support for market access and processing of agricultural, forestry and fisheries products.

The Annual Report for the South African Good Agricultural Practices (SA-GAP) Certification Programme has been concluded for the 2017/18 implementation period, and 20 farms (fresh produce) were certified through the certification programme for export purposes. The SA-GAP Certification Programme is a set of practices that address environmental, economic and social sustainability for on-farm processes and result in safe and quality food and non-food agricultural products. It further addresses basic food safety requirements, including traceability of fresh produce from the point of production to the point of sale unit it reaches the final consumer.

During 2017/18, 123 cooperatives were supported with training; mainly on the Farmltogether Training Programme and 16 commodity-based cooperatives were established. The main aim of training cooperatives is to build capacity in them to ensure that they are able to improve both technical and operational efficiencies while enhancing their level of competitiveness resulting in improved livelihoods of members. By establishing commodity-based cooperatives in the sector is to afford the opportunity for smallholder producers to have bargaining power when they engage in negotiations for production inputs and marketing. Altogether 39 agro-processing entrepreneurs were also trained on processing norms and standards. The training was aimed at assisting the agro-processing entrepreneurs to be able to demonstrate compliance against a wide range of compulsory and voluntary regulations or standards, and cost effectively verify the quality and safety of products.



Strategic objectives

Programme Name: Trade Promotion and Market Access					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
2.3 Ensure support for market access and processing of agriculture, forestry and fisheries products	The Annual Report on the South African Good Agricultural Practices (SA-GAP) Certification Programme has been compiled	Certification Programme implemented	Certification Programme has been implemented Annual Report on South African Good Agricultural Practices (SA-GAP) Certification Programme has been compiled	N/A	N/A
	128 Commodity based cooperatives were supported (110 with training and 18 supported with establishment)	134 Commodity-based cooperatives supported	139 Commodity based cooperatives were supported (123 with training and 16 supported with establishment)	5	Request by provinces resulted 5 cooperatives being trained; KZN =3 and WC=2

Performance indicators

Programme : Trade Promotion and Market Access							
Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.1 Enabling environment for smallholder access to market	N/A	SA-GAP Certification Programme for smallholder producers of fresh produce was implemented Annual report indicating certification of 12 farms has been compiled; Western Cape was the only province that took the initiative to conduct its own pre-audits over and above SA-GAP Programme using provincial budget	The Annual Report on the South African Agricultural Practices (SA-GAP) Certification Programme has been compiled	Annual Report on the implementation of SA-GAP Certification Programme	The Annual Report on the implementation of SA-GAP Certification Programme has been compiled	N/A	N/A

Programme : Trade Promotion and Market Access

Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.2 Number of agro-processing entrepreneurs trained on processing norms and standards	N/A	N/A	16 Entrepreneurs were trained on processing norms and standards during the year under review	28	39 Agro-processing entrepreneurs were trained on processing norms and standards as follows: 26 in KZN trained in auditing and 13 in NW on food safety	11	Cost-sharing between DAFF and provincial departments resulted in budget being available to train additional 11 entrepreneurs
2.3.3 Number of commodity based cooperatives established	19 Commodity based cooperatives have been established between April 2014 and March 2015 in various provinces	18 Commodity based cooperatives have been established	18 Commodity-based cooperatives have been established as follows: EC = 7 FS = 2 GP = 1 KZN = 4 LP = 2 NW = 1 WC = 1	16	16 Commodity based cooperatives have been established as follows: EC = 1 FS = 2 GP = 5 KZN = 1 MP = 2 NW = 3 WC = 2	N/A	N/A
2.3.4 Number of cooperatives supported with training	107 Cooperatives were supported with training during period under review in the various provinces	105 Cooperatives were supported with training	110 Cooperatives were supported with training as follows: EC = 12 FS = 12 GP = 12 KZN = 33 LP = 12 MP = 17 NC = 6 WC = 6	118	123 Cooperatives were supported with Farmtogether training as follows: EC = 18 FS = 12 GP = 27 KZN = 11 LP = 18 MP = 11 NW = 12 WC = 14	5	In Western Cape, the 2 additional cooperatives had to be firstly trained as a pre-requisite to obtain funding from the province. A request was extended by KZN to train additional 3 cooperatives as they had many to be still supported in the district; with the district sharing the cost



Programme : Trade Promotion and Market Access							
Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.5 AgriBEE Enforcement Regulation implemented	N/A	N/A	The AgriBEE Enforcement Regulations have been developed and currently undergoing departmental approval processes	AgriBEE Enforcement Regulations published in Government Gazette	The draft Enforcement Regulations were compiled	The Enforcement Regulations were not gazetted	Office of the State Law Advisor recommended the document should be referred to as guidelines, not as regulation
2.3.6 BBBEE Sector Codes for Agriculture and Forestry implemented	Conducted pre-audit with eight PDAs to collect BEE data on government undertakings as stipulated in the AgriBEE Sector Code. Finalised the report on government undertakings as part of the status report on transformation in the agricultural sector	The Annual Report on the Status of Transformation in the Agricultural Sector was compiled	Report on the implementation of AgriBEE Sector Code government undertakings has been compiled	Report on implementation of the AgriBEE Sector Code government undertakings	Report on implementation of the AgriBEE Sector Code government undertakings has been compiled	N/A	N/A
	In collaboration with the Forestry Sector Charter Council (FSCC), the Annual Report on the Status of Transformation in the Forestry Sector has been completed and approved by the council. The report is en route to the Minister for notification	The Annual Report on the Status of Transformation in the Forestry Sector was compiled	Report on the implementation of Forest Sector Code government undertakings has been compiled	Report on implementation of the Forestry Sector Code government undertakings	Report on implementation of the Forestry Sector Code government undertakings has been compiled	N/A	N/A

Programme : Trade Promotion and Market Access							
Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.7 Agriculture, Forestry and Fisheries Trade Competitiveness Plan implemented	N/A	Market opportunity profile report has been compiled	Market opportunity profile report for the fresh and processed vegetable sector has been compiled	Market opportunity profile plan	Market opportunity profile plan for the meat sector has been compiled	N/A	N/A
	Monitoring, implementation and negotiations of trade agreements have been done The reports include implementation and negotiations of trade agreements on the following issues: - SADC/EU Economic Partnership Agreement (EPA) - Southern African Development Community (SADC) - Southern African Customs Union (SACU) - SACU/EFTA - Free Trade Agreements SACU/India preferential trade negotiations. - The US Africa Growth and Opportunities Act (AGOA) - COMESA/EAC/SADC Tripartite Free Trade Area (TFTA) negotiations	DAFF has continuously participated in trade negotiations and continued to implement its trade agreements during 2015/16 Quarterly reports on the implementation of trade agreements and participation in trade negotiations were compiled	Implementation and negotiations of trade agreements were done through the following agreements: - Euro-pean Free Trade Association (EFTA) - South African Customs Union (SACU) - South African Development Community (SADC) - SACU-MERCO-SUR - WTO - SACU-India - WTO—Doha Development Roundtable Negotiations - WWTG	Implement trade agreements and participate in trade negotiations	Trade agreements were implemented and the department also participated in trade negotiations Quarterly reports on the implementation of trade agreements and participation in trade negotiations have been compiled for activities undertaken during 2017/18 period	N/A	N/A



Programme : Trade Promotion and Market Access							
Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.7 (cont.)	WTO World Wine Trade Group (WWTG)						
2.3.8 International Relations Strategy implemented	During the year under review, DAFF continued to facilitate and coordinate bilateral engagements for South-South and North-South agencies The following are some bilateral engagements that were facilitated/ initiated and coordinated: RSA/China RSA/Mexico RSA/Indonesia RSA/ France RSA/Italy RSA/ Russia RSA/ Australia Engagements with multilateral institutions and organisations were also facilitated and coordinated during 2014/15	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/ forums was compiled	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums has been compiled	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/ forums	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/ forums has been compiled	N/A	N/A



Programme : Trade Promotion and Market Access							
Performance Indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.3.8 International Relations Strategy implemented	During the year under review, strategic engagements of partners within Africa and African multilateral agencies for the implementation of joint projects and action plans were facilitated and coordinated as follows: Held multilateral and bilateral engagements such as interdepartmental meetings and meetings with other partners, e.g. SADC, FAO, Africa Union (AU) and New Partnership for Africa's Development (NEPAD), etc. The following bilateral engagements were facilitated and some implemented during 2014/15: RSA/ Ghana RSA/ Republic of the Congo, RSA/ Senegal RSA/ Cameroon RSA/ Mozambique RSA/Botswana RSA/Egypt	Report on strategic engagement of partners within Africa and African multi-lateral agencies for implementation of the joint projects and action plans has been compiled	Report on strategic engagement of partners within Africa and African multi-lateral agencies for implementation of the joint projects and action plans has been compiled	Report on strategic engagement of partners within Africa and African agencies	Report on strategic engagement of partners within Africa and African agencies has been compiled	N/A	N/A
2.3.8 International Relations Strategy implemented	N/A	N/A	N/A	Status report on compliance to AU and SADC obligations	Status report on compliance to AU and SADC obligations has been compiled	N/A	N/A



Strategy to overcome areas of underperformance

The branch held quarterly management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also hold meetings to consolidate the discussions to be undertaken at programme level. The planning, monitoring and evaluation units are always invited to participate in subprogramme and programme meetings.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 4

Subprogramme name	2017/2018			2016/2017		
	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	1 000	997	3	3 275	3 271	4
International Relations and Trade	145 664	144 445	1 219	136 664	136 460	204
Cooperatives and Rural Enterprise Development	68 854	68 840	14	114 816	114 804	12
Agro-processing and Marketing	64 402	64 385	17	55 945	55 929	16
Total	279 920	278 667	1 253	310 700	310 464	236

7.5 Programme 5: Forestry and Natural Resources Management

Purpose

Develop and facilitate the implementation of policies and targeted programmes to ensure proper management of forests and the sustainable use and protection of land and water. Manage agricultural risks and disasters.

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

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

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

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

Strategic objectives

SO 2.1: Ensure increased production and productivity in prioritised areas as well as value chains.

SO 3.1: Lead and coordinate government food security initiatives.

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

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

The draft Memorandum of Understanding (MoU) for two pilot sites has been developed to enable the department to implement Agro-forestry Strategy. The implementation of the strategy, which promotes multiple land use and minimises competing land use between agriculture and forestry, will ensure increased food security and fibre production thereby creating economic and employment opportunities, especially in rural areas.

South Africa is currently experiencing a shortage of timber and is constrained to meet the national demand for sawlog timber, therefore by planting of the currently fallow areas; a strategic contribution can be made to timber supply in order to meet needs along the value chain. For the period under review 996,93 ha in TUPs were planted. The achievement of the indicator, number of ha planted under TUP is a major contribution for the achievement of the strategic objectives of DAFF.

DAFF has produced annual performance monitoring report on agricultural land rehabilitation interventions, 300,56 ha of state indigenous forests were rehabilitated to promote the sustainable use and management of natural resources. Climate change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries has been approved by EXCO. These contribute to sub-outcome 1: Ecosystems are sustained and natural resources are used efficiently and sub-outcome 2: An effective climate change mitigation and adaptation response.

The revitalisation of the Vaalharts Irrigation Scheme is continuing, and for the period under review some of the work included conducting the land assessment, mainline, construction of overnight dams and installation of drainage pipes in the Frances Baard District in the Northern Cape Province. The revitalisation of the scheme responds to Outcome 7, Output 2 (improved access to affordable and diverse food) coordinated by DAFF.

Strategic objectives

Programme: Forestry and Natural Resources Management					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
2.1 Ensure increased production and productivity in prioritised areas as well as value chains	1 961,25 hectares in TUPs were planted	1 725 ha planted	996,93 hectares were planted in the KwaZulu-Natal (78,69), Eastern Cape (872,24) and Limpopo (46,00) regions	-728,07 ha	Expenditure carried over from 2016/17 financial year was deducted from the 2017/18 financial year budget and this has negatively affected the attainment of the target
3.1 Lead and coordinate food security initiatives	Agro-Forestry Strategy Framework was approved by Executive Committee (EXCO) on 27 March 2017	Implementation of the Agro-forestry Strategy framework	The Agro-forestry Strategy framework has been implemented through the drafting of the MoU for 2 pilot sites	N/A	N/A
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	A total of 300,287 ha of state indigenous forests was rehabilitated	300 ha of land rehabilitated	A total of 300,56 hectares of state indigenous forests have been rehabilitated	0,56	N/A



Programme: Forestry and Natural Resources Management					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
4.2 Ensure the adaptation and mitigation to climate change through effective implementation of prescribed frameworks	Biogas Production Integrated Crop-Live Stock System was implemented and the report on implementation was compiled	Climate change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries reviewed	Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries has been reviewed and approved by EXCO on 19 February 2018	N/A	N/A

Performance indicators

Programme: Forestry and Natural Resources Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.1.1 Number of hectares planted in temporary unplanted areas (TUPs)	2 098,94 ha	2 279,79 ha were planted	1 961,25 hectares were planted (in temporary unplanted areas) in Limpopo, KwaZulu-Natal and Eastern Cape regions	1 725 ha	996,93 hectares were planted in the Kwazulu-Natal (78,69), Eastern Cape (872,24) and Limpopo (46,00) regions	-728,07 ha	Expenditure carried over from 2016/17 financial year was deducted from the 2017/18 financial year budget and this has negatively affected the attainment of the target
2.1.2 Recommissioning of Western Cape state forest plantations	N/A	N/A	The Land Rights Enquiry was conducted and the report has been developed	Establishment of 3 legal entities	Three planned legal entities were not established however two existing legal entities for Kluitjeskraal Community Empowerment Trust and La Motte Empowerment Trust were adopted for re-commissioning	The three legal entities were not established as initially planned	The department realised that communities have 2 existing legal structures that were adopted for re-commissioning The third existing legal entity could not be adopted for re-commissioning because the Trust has a third party who is not a member of the community

Programme: Forestry and Natural Resources Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.1.1 Agro-forestry Strategy framework implemented	N/A	Agro-forestry Strategy was developed	Agro-forestry Strategy framework has been approved by EXCO on the 27 th of March 2017	Draft Memorandum of Understanding for 2 pilot sites developed	Draft Memorandum of Understanding for 2 pilot sites were developed	N/A	N/A
4.1.1 Monitoring of agricultural land rehabilitation interventions	33 756,36 ha of land were rehabilitated in 2014/15	25 207,29 ha	26311,794 hectares of agricultural land have been rehabilitated	Annual performance monitoring report on agricultural land rehabilitation interventions	Annual performance monitoring report on agricultural land rehabilitation interventions has been compiled	N/A	N/A
4.1.2 Number of hectares of state indigenous forests rehabilitated	591,2 329 ha of state indigenous forests were rehabilitated	302,65 ha	A total of 300,287 hectares of state indigenous forests have been rehabilitated	300 ha of state indigenous forests	A total of 300,56 hectares of state indigenous forests have been rehabilitated	0,56	N/A
4.1.3 Number of projects to support revitalisation of irrigation schemes implemented	Irrigation Strategy was developed and approved by EXCO	For the period under review, the following work was done in terms of Vaalharts Revitalisation Project: • 3 095,622 m sub-surface pipes in-stalled • 857,83 m main pipes installed (63 m is for pipe jacking) • 1 reservoir was constructed • 37 man-holes installed	1 project to support revitalisation of irrigation schemes has been implemented in Vaalharts irrigation scheme	1	1 project to support revitalisation of irrigation schemes has been implemented in Vaalharts Irrigation Scheme	N/A	N/A



Programme: Forestry and Natural Resources Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
4.2.1 Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries approved	Climate Change Research Programme on Crop Suitability has been implemented in the Free State, Limpopo and Mpumalanga (detailed report on the implementation was compiled)	Biogas Production Integrated Crop-Live Stock System was implemented and the report on implementation was compiled	The Climate Change Plan has been implemented through vulnerability mapping for conventional farming system and the report on implementation was compiled	Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries approved by EXCO	Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries was approved by EXCO on 19 of February 2018	N/A	N/A
4.2.2 Climate Smart Agriculture (CSA) Strategic framework approved	N/A	N/A	N/A	Draft Climate Smart Agriculture (CSA) Strategic framework developed	Draft Climate Smart Agriculture (CSA) Strategic framework has been developed	N/A	N/A

Consolidated performance indicators (These are indicators implemented by province and audited at provincial level)

The consolidated indicators provided in the table below are delivered by PDAs through LandCare

Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
4.1.5 Number of hectares of land rehabilitated	33 756,36 ha of land were rehabilitated in 2014/15	25 207,29 ha	26311,794 hectares of agricultural land have been rehabilitated	16 000	A total of 26 466,87 ha has been rehabilitated	10 466,87	There was an over-achievement due to incentives from Extended Public Works Programme (EPWP) granted to PDAs

Strategy to overcome underperformance

- The Chief Directorate: Natural Resources Management hosted the quarterly Natural Resources Management working group to ensure the sharing of resolutions for those units with challenges as well as integrity of the evidence reported on in the implementation of applicable legislation in all provinces.
- The Chief Directorate: Forestry Development and Regulation assigned officials as project managers to monitor any challenges that might have resulted in the target not being achieved. Challenges identified were dealt with at monthly and quarterly management meetings.
- The Chief Directorate: Forestry Operations held operational meetings once per quarter where performance was discussed and PPME was a constant role player.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 5

Subprogramme name	2017/2018			2016/2017		
	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	3 206	3 202	4	4 787	4 782	5
Forestry Operations	452 469	449 875	2 594	439 001	438 833	168
Forestry Oversight and Regulation	56 295	55 765	530	53 049	52 911	138
Natural Resources Management	451 788	451 662	126	587 285	581 215	6 070
Total	963 758	960 504	3 254	1 084 122	1 077 741	6 381

7.6 Programme 6: Fisheries Management

Purpose

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

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

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



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

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

Fisheries Operations Support: The provision of support services in order to ensure the effective and efficient management and administration of the Branch: Fisheries Management and the Marine Living Resources Fund.

Chief Financial Officer: The provision of financial management for the Branch: Fisheries Management and the Marine Living Resources Fund.

Strategic objectives

SO 2.1: Ensure increased production and productivity in prioritised areas as well as value chains.

SO 3.1: Lead and coordinate government food security initiatives.

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

The department continued to play a significant role in Operations Phakisa (Oceans Economy) with ongoing technical support being provided to aquaculture projects in Phase 1; 2 and 3. Initiative 5 of Operations Phakisa (Oceans Economy) on governance saw an increased number of successful joint operations with law enforcement agencies, particularly in identified hot spot areas. The fishery patrol vessels were fully operational and seaworthy and contributed to the enforcement efforts through sea-based patrols and inspections.

The department was able to ensure the generation of Total Allowable Catch (TAC) and Total Allowable Effort (TAE) recommendations in all 22 of South Africa's commercial fisheries. The process of finalising appeals in the 2015/2016 Fishing Rights Allocation Process (FRAP) is nearing completion, while the allocation of rights in the WCRL fishery was announced. The department has also commenced with preparations for the 2020 FRAP where rights in 12 fishing sectors are due for re-allocation. The process for the appointment of members to the Fisheries Transformation Council and Consultative Advisory Forum are being finalised.

Although the department did not meet its target of obtaining Cabinet approval for the Aquaculture Development Bill by the end of March 2018, the Bill has subsequently been approved by Cabinet and has been through an extensive and extended public consultation process via the NEDLAC platform.

Forty-five (45) aquaculture research projects were initiated, 15 of which were completed, while a number of marine and aquaculture scientific publications were published.

Strategic objectives

Programme: Fisheries Management					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
2.1 Ensure increased production and productivity in prioritised areas as well as value chains	16 Operation Phakisa projects supported	4 Aquaculture projects supported	9 Aquaculture projects were supported: - Richards Bay Kob - Requa Mussels - Chapmans Mussels - Xesibe - Salmar Trading - Oystercatcher - Southern Atlantic Sea farms - Blue Ocean Mussels - Saldanha Bay Oyster	5	Commissioning of an Environmental Impact Assessment (EIA) in Saldanha Bay to benefit existing aquaculture users resulted in 5 additional phase 3 projects being supported

Programme: Fisheries Management					
Strategic objectives	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement for 2017/2018	Comment on deviations
3.1 Lead and coordinate government food security initiatives	This target was partially achieved Rights are regulated through permit conditions Permit conditions were reviewed and permits were issued in the 6 fishing sectors (large Pelagics (tuna and swordfish longline), Kwa-Zulu Natal beach seine, net fish, seaweed, horse mackerel, and Patagonian tooth fish)	Review policies and application forms for fishing sectors which have fishing rights that expire by 2020	Preparations are underway for the review of applicable policies and application forms	Review of the policies and application forms for the fishing sectors that have fishing rights that are expiring in 2020 have not taken place	Delays in finalising the FRAP 2015 processes had an impact on the 2020 process
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	Recovery plans of 2 prioritised fish stocks were compiled (abalone and West Coast rock lobster)	Recovery plans of prioritised fish stocks	Recovery plans of prioritised fish stocks were compiled	N/A	N/A



Performance indicators

Programme: Fisheries Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
2.1.1 Number of aquaculture catalyst projects (identified and listed under Operation Phakisa) supported	11 fish farms supported through the provision of technical, advisory services and compliance assessments	4 phase 1 Operation Phakisa projects were supported	16 Operation Phakisa projects were supported as follows: Phase 1 projects = 2; Phase 2 projects = 7; and Phase 3 projects = 7 (Note: Phase 3 projects are newly registered Greenfields projects)	4 Operation Phakisa projects for phase 3 supported	9 Aquaculture projects were supported: Richards Bay Kob Requa Mussels Chapmans Mussels Xesibe Salmar Trading Oystercatcher Southern Atlantic Sea farms Blue Ocean Mussels Saldanha Bay Oyster	5	Commissioning of an Environmental Impact Assessment (EIA) in Saldanha Bay to benefit existing aquaculture users resulted in 5 additional phase 3 projects being supported
2.1.2 Aquaculture Development Act developed and implemented as per Operation Phakisa	Draft Aquaculture Bill was approved by EXCO on 30 March 2015	The Minister approved the submission to gazette the draft Aquaculture Bill	Bill not approved Consultations in NEDLAC have resulted in further inputs into the long title, the preamble and Chapter 1 definitions	Aquaculture Development Bill recommended by Cabinet to Parliament Bill submitted to Parliament	The Department of Planning, Monitoring and Evaluation (DPME) has assessed the Socio-Economic Impact Assessment (SEIAS) of the Aquaculture Development Bill and granted permission to the department to proceed with the submission of the Bill to Cabinet	Bill has not been submitted to Cabinet and Parliament	Bill could not be submitted to Cabinet due to delays in the NEDLAC processes, where the department was requested by the NedLac secretariat to extend the public consultation process
2.1.3 Number of aquaculture research projects conducted	1 research project on reproduction and nutrition was conducted successfully	2 new research on genetics and nutrition for aquaculture species were conducted	2 new research (on spotted grunt and selected ornamental fish) were conducted	2 new studies on production systems for new candidate species for aquaculture conducted	2 new studies on production systems for new candidate species for aquaculture were conducted and report has been compiled	N/A	N/A

Programme: Fisheries Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.1.1 Commercial fishing rights allocated and appeals process managed	Final draft FRAP framework was approved by the Deputy Director-General	Final draft FRAP framework was approved by the Deputy Director-General	The target was partially achieved Permit conditions were issued in 6 fishing sectors (large pelagics, tuna and swordfish longline), Kwa-Zulu Natal beach seine, net fish, seaweed, horse mackerel, and Patagonian tooth fish)	Allocate rights in the abalone and West Coast rock lobster sector	Final list of successful WCRL Nearshore applicants published 31 July 2017 Provisional list of successful WCRL offshore applicants published 31 July 2017 The application forms for abalone fishing rights were assessed by the abalone assessment team	Rights in the abalone sector were not allocated due to the concerns about the longterm sustainability of the abalone fishery	The allocation of fishing rights in the abalone sector was postponed by one fishing season and exemptions were issued to the farmer nights holders
	NA	NA	NA	Appeals in the 8 newly allocated fishing sectors finalised	Appeals only finalised in four newly allocated fishing sectors (hake inshore, fish processing establishment, large pelagic and Patagonian toothfish)	5 appeals in the newly allocated fishing sectors (net fish, horse mackerel, seaweed and KZN beach-seine) were not finalised	Litigations in the hake inshore trawl sector and changes to the composition of the appeals teams delayed the finalisation of appeals in the other newly allocated fishing sectors
3.1.2 Small-scale Fisheries Policy implemented	Draft regulations were published for public comment and road shows were conducted to explain the draft regulations to stakeholders and to receive their inputs	Regulations promulgated under MLRA amended to include the management of small-scale fisheries	No rights were allocated to registered small-scale cooperatives Progress made included the conclusion of the expression of interest process in all 4 coastal provinces;	Support to registered small-scale fisheries cooperatives	Small-scale Fisheries Co-operative Training Manual was developed and training provided to communities in NC and KZN	The allocation of small-scale fishing rights has not occurred during this financial year, which delayed the setting up of co-management structures	The allocation of small-scale fishing rights has not occurred during this financial year, due to the delay in finalising the appeals processes in the coastal provinces of EC, NC, KZN and WC



Programme: Fisheries Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
3.1.2 (cont)			the publication of the provisional lists of successful fishers for the Eastern Cape (EC), Northern Cape (NC), Western Cape (WC); and the evaluation of appeals for the NC and WC				
4.1.1 Sustainable management of fish stock	Target achieved Recovery plans for the 3 sectors: deep-water hake, abalone and WCRL were approved	Recovery plans for the 3 sectors: abalone, WCRL and deep water hake updated	Recovery plans for 2 sectors: abalone and WCRL were compiled	Recovery plans for the 2 sectors: abalone and West Coast rock lobster	Recovery plans for the 2 sectors: abalone and WCRL were compiled	N/A	N/A
	Research report to indicate fish stock levels was compiled together with the Operational Management Procedure applied for the sustainable catches for the 2014/15 fishing season	Research report to indicate fish stock levels compiled for: West Coast rock lobster, deep-water hake and abalone	Research report to indicate fish stock levels compiled for: West Coast rock lobster, deep-water hake and abalone	Research reports compiled for sectors	Research report to indicate fish stock levels compiled for: West Coast rock lobster, deep-water hake and abalone	N/A	N/A

Programme: Fisheries Management							
Performance indicator	Actual achievement 2014/2015	Actual achievement 2015/2016	Actual achievement 2016/2017	Planned target 2017/2018	Actual achievement 2017/2018	Deviation from planned target to actual achievement 2017/2018	Comment on deviations
4.1.2 Number of inspections and joint operations (through the Operation Phakisa initiative 5 of Oceans Economy) with partners	NA	NA	63 joint operations were conducted (compliance = 21; monitoring and surveillance = 17; and fisheries protection vessels = 25)	39 operations compliance= 18 monitoring and surveillance= 11 fisheries protection vessels= 10	65 joint operations were conducted (compliance = 28; monitoring and surveillance = 13; and fisheries protection vessels = 24)	26	A drastic increase in illegal activities and an increase in the number of tip-offs by the public has led to the number of hotspot areas increasing, necessitating the increase in the number of joint operations performed with partners
	5 541 sea-based and land-based inspections and investigations of rights holders in the 4 prioritised fisheries sectors conducted	5 566 compliance and enforcement measures in the 4 prioritised fisheries sectors: hake, abalone, rock lobster and linefish sectors implemented	A total of 6095 compliance and enforcement measures in 6 prioritised fisheries sectors were implemented (hake, abalone, rock lobster, linefish, pelagic and squid)	3 200 compliance and enforcement measures in the 6 prioritised fisheries sectors: hake, abalone, rock lobster, linefish, pelagic and squid implemented	A total of 6 486 compliance and enforcement measures in 6 prioritised fisheries sectors were implemented (hake, abalone, rock lobster, linefish, pelagic and squid)	3 286	Fishery control officers have been monitoring all fish landings as required by permit conditions
4.1.3 Number of investigations conducted	NA	NA	A total of 276 investigations conducted.	276 investigations	A total of 318 investigations conducted	42	The unit identified and responded to an increased number of transgressions, resulting in an increase in criminal proceedings

Strategy to overcome areas of underperformance

Aquaculture Development Act developed and implemented as per Operation Phakisa

The Fisheries Branch did not meet its target of submitting the Aquaculture Development Bill to Cabinet by the end of March 2018. The department has identified consultation with key stakeholders via the NEDLAC process as an important strategy to obtain buy-in and support for the Bill. The submission of the Aquaculture Bill is a deliverable that will be carried over to the 2018/19 financial year.



Small-Scale Fisheries Policy implemented

The process of allocating small-scale fishing rights to communities is at an advanced stage, but it was not possible to allocate rights in the 2017/2018 financial year. The appeals assessment process is currently underway in three of the coastal provinces, while the KZN provisional list of successful fishers is ready for approval. The allocation of small-scale fishing rights as a strategic deliverable has been carried over from 2017/18 to 2018/19.

Commercial fishing rights allocated and appeals process management

The target of reviewing policies and application forms for fishing sectors which have fishing rights that expire in 2020 was not achieved. However, the department has started with the process of preparing and gearing up for the 2020 FRAP process. The Minister has appointed the delegated authority; the FRAP project teams have been identified and appointed; a provisional roadmap has been identified, and internal discussions have commenced on the apportionment of resources between the small-scale and commercial sectors in those nearshore fisheries that qualify for the small-scale basket of species. Abalone will be considered as part of the 2020 fishing rights allocation process.

Changes to planned targets

N/A.

Linking performance with budget

Sub-programme expenditure: Programme 6

Subprogramme name	2017/2018			2016/2017		
	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	3 056	3 055	1	2 810	2 809	1
Aquaculture	43 895	43 889	6	40 698	40 693	5
Monitoring Control and Surveillance	102 300	102 294	6	93 264	93 259	5
Marine Resources Management	21 743	21 738	5	21 396	21 393	3
Fisheries Research and Development	72 085	72 080	5	68 181	68 177	4
Marine Living Resources Fund	261 666	261 666	–	241 759	241 759	0
Total	504 745	504 722	23	468 108	468 090	18

8. TRANSFER PAYMENTS

8.1 Transfer payments to public entities

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
National Agricultural Marketing Council	- Increasing market access to all market participants - More efficient marketing agricultural products - Increased export earnings from agricultural products - Enhanced viability of agricultural sector	41 917	41 917	All the strategic objectives as stated in the strategic plan were achieved
Agricultural Research Council	Conducts research, diagnostic services and develops and transfers technology that promotes the agricultural and related industries	974 583	974 583	The Agricultural Research Council (ARC) achieved 499 scientific publications, registered 7 new cultivars, developed 8 new prototypes, supported 1271 smallholder farmers and enabled 8676 smallholder farmers to participate in Kaonafatso ya Dikgomo scheme. The ARC also graduated 57 Masters degree students and 18 students with Doctoral degrees
Marine Living Resources Fund	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	261 666	261 666	The department continued to play a significant role in Operations Phakisa (Oceans Economy) with ongoing technical support being provided to aquaculture projects in Phase 1; 2 and 3. Initiative 5 of Operations Phakisa (Oceans Economy) on Governance saw an increased number of successful joint operations, inspection and enforcement efforts with other law enforcement agencies, particularly in identified hot spot areas. The fishery patrol vessels were fully operational and seaworthy and contributed to the enforcement efforts through sea-based patrols and inspections The department was able to ensure the generation of Total Allowable Catch (TAC) and Total Allowable Effort (TAE) recommendations in all 22 of South Africa's commercial fisheries. Recovery plans were developed and implemented for abalone and West Coast rock lobster, while research reports on the stock levels of abalone, West Coast rock lobster and deep water hake were produced The process of finalising appeals in the 2015/2016 Fishing Rights Allocation Process (FRAP) is nearing completion, while the allocation of rights in the West Coast rock lobster fishery was announced. Given the high levels of illegal fishing and the ongoing concerns about the long-term sustainability of the abalone resource, it was decided not to allocate rights in the abalone fishery until a turnaround strategy has been developed, with the support and buy-in of all role players



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
(cont.)				The department has also commenced with preparations for the 2020 fishing rights allocation process in the 12 fishing sectors that are due for re-allocation. The processes for the appointment of members to the Fisheries Transformation Council and Consultative Advisory Forum are being finalised Although the department did not meet its target of obtaining Cabinet approval for the Aquaculture Development Bill by the end of March 2018. The Bill has subsequently been approved by Cabinet and has been through an extensive and extended public consultation process via the NEDLAC platform 45 aquaculture research projects were initiated, 15 of which were completed, while a number of marine and aquaculture scientific publications were published The department made significant progress with the Small-scale Fisheries Programme, and the allocation of small-scale fishing rights should take place during the 2018/2019 financial year Public consultations were conducted on the small-scale fee structure; socio-economic baseline studies were conducted for small-scale fisheries in all provinces; provisional lists were announced for KZN; the small-scale appeal assessments were concluded in the Northern Cape, Eastern Cape and KZN, and training on the establishment of cooperatives was conducted in the Northern Cape and KZN Approval has been obtained for the establishment of a SADC monitoring, control and surveillance structure that will be based in Mozambique. The purpose of the centre will be to co-ordinate activities in the fight against Irregular, Unlawful and Unreported (IUU) fishing activities The Royal Court of Jersey dismissed the application by Arnold Bengis to have the freezing order on assets in the amount of \$ 22 million held IN trusts set aside. The department will now be initiating diplomatic avenues and legal remedies to have the fund held in trust returned to South Africa
Perishable Products Export Control Board	Ensure that perishable products intended for export from South Africa meet the international quality standards	600	600	35 unemployed agriculture graduates recruited and trained in the National Certificate: Perishable Product Export Technologist
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	6 246	6 246	Performance Management System implemented Quarterly expenditure, performance reports and annual performance reports were produced Risk register reviewed and updated Expenditure and performance quarterly reports presented to the caretaker of the board Good quality livestock was produced Ncera Farms tractors, motor vehicles were repaired and maintained Seven villagers were assisted with contract ploughing Good quality vegetables produced

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
Land and Agricultural Bank of South Africa	The Land Bank administers the AgriBEE Fund that allocates grants to promote rural community-based empowerment groups	140 166	140 166	Since the inception of the fund, in excess of R150m has been utilised by the Agri-BEE Fund
Onderstepoort Biological Products	Funds provided for building and vaccine production facilities	0	0	OBP has commenced in December 2017 with the construction of the GMP facility

8.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018.

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
<i>Province</i>						
EC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	327 214	322 417	Delayed construction due to inclement weather and inadequate contractor capacity, invoices received late from service providers and delayed delivery of equipment
FS	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	237 635	149 920	Heavy rainfall resulted in delayed completion of infrastructure projects, and some projects are implemented in phases and will be completed in the 2018-19 financial year
GP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	118 932	63 783	Delay in the implementation of Infrastructure Development System (IDMS)
KZN	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	288 966	213 637	Payment did not go through at the end of the financial year due system failure



Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
LP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	320 019	311 502	- The initial preparatory at Masalal Packing Facility works took two months, viz., alterations and removal of old equipment, demolition of walls and cladding whilst not carrying huge budget as per book - Earthworks construction was delayed due to rainfall and the need to review construction designs at Tshakhuma Atchaar processing facility of PDA
MP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	214 268	211 708	Payment did not go through at the end of the financial year due system failure
NC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	298 346	289 718	Heavy rainfall resulted in delayed completion of infrastructure projects, and some of projects are implemented in phases and will be completed in the 2018-19 financial year.
NW	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	240 383	236 439	Heavy rainfall resulted in delayed completion of infrastructure projects, and some of projects are implemented in phases and will be completed in the 2018-19 financial year

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
WC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	195 926	194 329	Construction work at the agricultural colleges was not complete as at 31 March 2017 hence full payment could not be processed (R1, 625 million request for roll over was done)
Subtotal				2 241 689	1 993 453	
<i>Municipalities</i>						
City of Tshwane	Local government	Vehicle licences/Arbour City Awards	N/A	951	829	N/A
Inxuba Yethemba	Local government	Vehicle licences	N/A	13	12	N/A
Mbombela	Local government	Vehicle licences	N/A	52	52	N/A
David Kruiper	Local government	Vehicle licences	N/A	1	1	N/A
Umzimvubu	Local government	Arbour City Awards	N/A	250	250	N/A
Greater Tzaneen	Local government	Arbour City Awards	N/A	250	250	N/A
Subtotal				1517	1394	
<i>Departmental agencies</i>						
Primary Agricultural Sector Education and Training Authority	Departmental agency	Contribution to operations	N/A	1207	1207	N/A
FP&MSETA	Departmental agency	Contribution to operations	N/A	464	464	N/A
Water Research Commission	Departmental agency	Contribution for research projects in water management	N/A	2 000	2000	N/A
South African Broadcasting Corporation	Departmental agency	Radio and TV licences	N/A	29	23	N/A
National Research Foundation	Departmental agency	To optimise DAFF's investment in research	N/A	17 310	17310	N/A
Subtotal				21 010	21 004	
<i>Public corporations</i>						
Forest Sector Charter Council	Public corporation	Contribution to operations	N/A	4 416	4 416	N/A
Land and Agri Bank of SA	Public corporation	Contribution to operations	N/A	140 166	40 166	



Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Ncera Farms	Public corporation	Contribution to operations	N/A	6 246	6 246	
Subtotal				150 828	46 412	
<i>Private enterprises</i>						
Claims against the state	Private enterprises	Motor vehicle accident	N/A	19	19	N/A
Red Meat Industry Forum	Private enterprises		N/A	1	1	N/A
Subtotal				20	20	
<i>Foreign governments and international organisations</i>						
Foreign rates and taxes	Foreign governments and international organisations	Rates and taxes paid in foreign regions	N/A	525	520	N/A
International organisations	Foreign governments and international organisations	Membership fees	N/A	36 112	35 096	N/A
Subtotal				36 637	35 616	
<i>Non-profit institutions</i>						
Deciduous Fruit Producers' Trust	Non-profit institution	Contribution to the pest control programme	N/A	14 410	14 410	N/A
Forestry South Africa	Non-profit institution	Promote greening	N/A	4 965	4965	N/A
Colleges in the sector	Non-profit institution	Contribution to tuition and book fees of agricultural students	N/A	2 000	0	N/A
Food and Trees for Africa	Non-profit institution	Contribution to LIMA Rural Development Foundation	N/A	400	0	N/A
Institute for Commercial Forestry Research- 7 th Forest Science Symposium	Non-profit institution	Donation for symposium	N/A	50	50	
Wine and Spirit Board	Non-profit institution	Contributions for operations	N/A	300	170	
Subtotal				22 125	19 595	
<i>Households</i>						
Social benefits	Households	Leave gratuities	N/A	13 189	13 153	N/A
Claims against the state	Households	Excess payment subsidised motor insurance	N/A	1 631	1 606	N/A

Name of transferee	Type of organisation	Purpose for which funds were used	Did the department comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Bursaries (non-employees)	Households	Grootfontein Agricultural Development Institute students	N/A	23 255	23 228	N/A
Farmer support	Households	Compensation to farmers due to Avian influenza outbreak	N/A	40 000	40 000	N/A
Donations and gifts				1 300	1 200	
Subtotal				79 375	79 187	

9. CONDITIONAL GRANTS

Conditional grants and earmarked funds paid

The tables below details the conditional grants paid during for the period 1 April 2017 to 31 March 2018

9.1 CONDITIONAL GRANT 1: Comprehensive Agricultural Support Programme (CASP)

Department to whom the grant has been transferred	
Eastern Cape: Department of Rural Development and Agrarian Reform	
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	4 399 subsistence, smallholder and commercial farmers supported through CASP 742 youth and 2146 women farmers supported through CASP 4 230 jobs created 91 on-off farm infrastructure provided 2 beneficiaries of CASP supported with SA-GAP certification 34 extension personnel recruited and maintained in the system 2 agricultural colleges upgrading infrastructure
Actual outputs achieved	2 739 subsistence, smallholder and commercial farmers supported through CASP 393 youth and 1413 women farmers supported through CASP 788 jobs created 32 on-off farm infrastructure provided 7 beneficiaries of CASP supported with SA-GAP certification 2 649 beneficiaries of CASP trained on farming methods 9 extension personnel recruited and maintained in the system 2 agricultural colleges upgrading infrastructure (TARDI and Fort Cox)
Amount per amended DORA (R'000)	R248 046
Amount transferred (R'000)	R248 046
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R243 445



Department to whom the grant has been transferred	
Reasons for the funds unspent by the entity	Delayed construction due to inclement weather and inadequate contractor capacity, invoices received late from service providers and delayed delivery of equipment.
Monitoring mechanism by the transferring department	Quarterly reporting meetings and site visits
Free State: Department of Agriculture and Rural Development	
Purpose of the grant ¹	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	• 413 subsistence, smallholder and commercial farmers supported through CASP • 742 youth and 2146 women farmers supported through CASP. • 211 jobs created • 91 on-off farm infrastructure provided • 3 625 beneficiaries of CASP supported with SA-GAP certification • 10 231 beneficiaries of CASP trained on farming methods • 222 beneficiaries of CASP with markets identified • 30 extension personnel recruited and maintained in the system • 2 agricultural colleges upgrading infrastructure
Actual outputs achieved	• 1 910 smallholder and 50 commercial farmers supported through CASP • 565 women farmers supported through CASP • 251 jobs created • 126 on-off farm infrastructure provided • 14 beneficiaries of CASP supported with SA-GAP certification • 1 095 beneficiaries of CASP trained on farming methods • 14 beneficiaries of CASP with markets identified • 18 extension personnel recruited and 33 maintained in the system • 2 agricultural colleges upgrading infrastructure • 329 jobs created
Amount per amended DORA (R'000)	R168 592
Amount transferred (R'000)	R168 592
Reasons if amount as per DORA not transferred	N/A
Amount spent by the Department (R'000)	R102 356
Reasons for the funds unspent by the entity	Awaiting finalisation of AR of PDA
Monitoring mechanism by the transferring Department	Awaiting finalisation of AR of PDA
Gauteng: Department of Agriculture and Rural Development	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports



Gauteng: Department of Agriculture and Rural Development

Expected outputs of the grant	• 169 subsistence, smallholder and commercial farmers supported through CASP • 162 youth, women and farmers with disabilities supported through CASP • 13 on-off farm infrastructure provided and repaired • 500 beneficiaries of CASP trained on farming methods • 80 jobs created • 53 extension personnel recruited and maintained in the system • 13 extension officers upgrading qualifications in various institutions
Actual outputs achieved	• 107 subsistence, smallholder and commercial farmers supported through CASP • 218 beneficiaries of CASP trained on farming methods • 17 jobs created • 13 extension personnel recruited and maintained in the system
Amount per amended DORA (R'000)	87 136
Amount transferred (R'000)	R87 136
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R32 064
Reasons for the funds unspent by the entity	Delay in the implementation of Infrastructure Development System (IDMS)
Monitoring mechanism by the transferring department	Quarterly reporting meetings and site visits

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

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	• 8 085 subsistence, smallholder and commercial farmers supported through CASP • 1 180 Youth and 3643 women and farmers with disabilities supported through CASP • 49 on-off farm infrastructure provided and repaired
Actual outputs achieved	• 886 youth and 3989 women farmers supported through CASP • 49 on-off farm infrastructure provided and repaired • 7 120 beneficiaries of CASP supported • 2 agricultural colleges upgrading infrastructure • Beneficiaries of CASP trained on farming methods: – Farmer training: 1867 (694 males, 1 162 females, 769 youth) • Extension personnel recruited and maintained – Recruited 0 – maintained 826 • Extension officers upgrading qualifications: 500 • officials obtained Advanced Diplomas in Agricultural Extension • Official obtained a B Tech degree in Project Management • Beneficiaries of CASP with markets identified: male • 5 515 jobs created
Amount per amended DORA (R'000)	R209 598
Amount transferred (R'000)	R209 558
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R157 085



KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development	
Reasons for the funds unspent by the entity	Invoices received late from service providers
Monitoring mechanism by the transferring department	- Quarterly review meetings were scheduled to monitor performance of the grant - Monthly financial reports which are project based were received by DAFF on the 15th of every month - Quarterly reporting by the 20th following ending quarter
Limpopo: Department of Agriculture	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	513 subsistence, smallholder and commercial farmers supported through CASP 20 of on-off farm infrastructure provided and repaired 12 020 beneficiaries of CASP supported with SA-GAP certification 1 554 beneficiaries of CASP trained on farming methods 1 429 jobs created 121 extension personnel recruited and maintained in the system 150 extension officers upgrading qualifications in various institutions 17 damaged farms repaired through flood disaster scheme 2 agricultural colleges upgrading infrastructure
Actual outputs achieved	381 smallholder farmers supported 0 commercial farmers were supported 20 on-off farm infrastructure provided 34 projects were supported 18 projects are currently with service providers for construction and are at different stages of completion 14 projects completed of which 9 were under retention period and 1 is practically completed 1752 jobs were created through CASP 124 beneficiaries of CASP with markets identified - Training of 11 554 smallholder producers was achieved 62 beneficiaries receiving mentorship 6 extension conferences were held as planned; 187 extension officers improved skills through training and exposure visits, 440 smart pens maintained, 121 salaries maintained 17 projects completed through flood disaster scheme as planned 5 projects at colleges are under construction at different stages of completion, 3 are finally completed and 1 practically completed
Amount per amended DORA (R'000)	R 241 972
Amount transferred (R'000)	R 241 972
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R 237 159
Reasons for the funds unspent by the entity	- The initial preparatory at Masalal Packing Facility works took two months, viz., alterations and removal of old equipment, demolition of walls and cladding while not carrying huge budget as per book - Earthworks construction was delayed due to rainfall and the need to review construction designs at Tshakhuma Atchaar processing facility

Limpopo: Department of Agriculture	
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant

Mpumalanga: Department of Agriculture, Rural Development and Land Administration	
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	• 497 subsistence, smallholder and commercial farmers supported through CASP • 100 youth and women farmers supported through CASP • 58 on-off farm infrastructure provided • 30 beneficiaries of CASP supported with SA-GAP certification • 76 jobs created • 26 beneficiaries of CASP with markets identified • 30 beneficiaries of CASP supported with SA-GAP certification • 433 beneficiaries of CASP trained on farming methods • 76 jobs created • 55 extension personnel recruited and maintained in the system • 55 extension officers upgrading qualifications in various institutions
Actual outputs achieved	• 464 subsistence, smallholder and commercial farmers supported through CASP • 183 youth and 168 women farmers supported through CASP • 45 on-off farm infrastructure provided • 14 beneficiaries of CASP supported with SA-GAP certification • 400 beneficiaries of CASP trained on farming methods • 541 Number of jobs created • 404 beneficiaries of CASP supported • 411 beneficiaries of CASP with markets identified • 55 extension personnel recruited and maintained in the system
Amount per amended DORA (R'000)	R155 447
Amount transferred (R'000)	R155 447
Reasons if amount as per DORA not transferred (R'000)	N/A
Amount spent by the department (R'000)	R152 981
Reasons for the funds unspent by the entity	Invoices could not be paid due to BAS payments system failure
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant

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



Northern Cape: Department of Agriculture, Land Reform and Rural Development	
Expected outputs of the grant	• 169 subsistence, smallholder and commercial farmers supported through CASP • 80 jobs created • 20 projects on-off farm infrastructure provided • 500 beneficiaries of CASP trained on farming methods • 13 extension personnel recruited and maintained in the system
Actual outputs achieved	• 0 subsistence farmers supported • 901 smallholder farmers supported • 63 commercial farmers supported through CASP • 246 jobs created • 8 infrastructure projects completed (11 ongoing and 1 dropped due to none responsive bids) • 29 beneficiaries of CASP supported with SA-GAP certification • 2 133 beneficiaries of CASP trained on farming methods and 25 mentored • 964 beneficiaries of CASP with markets identified
Amount per amended DORA (R'000)	R232 772
Amount transferred (R'000)	R232 772
Reasons if amount as per DORA not transferred	N/A
Amount spent by the Department (R'000)	R225 577
Reasons for the funds unspent by the entity	–
Monitoring mechanism by the transferring department	• The transferring department monitored implemented projects • The monthly financial and quarterly performance reports were received on 15th and 20th after the end of the month and quarter respectively and compiled for submission to National Treasury 20 and 45 days after the end of the month and quarter • The conditional grant quarterly review meetings were held with all provinces to monitor the overall grant performance and implementation
North West: Department of Agriculture and Rural Development	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	• 1 350 subsistence farmers supported • 1 505 smallholder farmers supported • 50 commercial farmers supported through CASP • 783 jobs planned • 255 on-off farm infrastructure targeted • 20 extension personnel recruited and maintained in the system • 2 agricultural colleges upgrading infrastructure • Agricultural Information Management System (AIMS) implemented

North West: Department of Agriculture and Rural Development

Actual outputs achieved	• Number of farmers supported through CASP – Smallholder: 1 910 – Commercial: 50 • Youth, women and farmers with disabilities supported through CASP – Youth: 0 – Women: 565 – Farmers with disabilities: 0 • Jobs created: 251 (215 males and 36 females) temporary/seasonal • On and off-farm infrastructure provided – 126 on-farm infrastructure projects completed – 14 621 ha crops planted – 7 ha vegetables planted • Livestock inputs provided: – Beef breeding stock: 100 heifers, 4 bulls • SA GAP certification: 14 beneficiaries supported • Beneficiaries of CASP trained on farming methods • Farmer training: – 1 095 (599 males, 496 females, 398 youth) • Mentorship: – 1 (14 beneficiaries) • Extension personnel recruited and maintained – 18 recruited – 33 maintained • 329 jobs created
Amount per amended DORA	R169 167
Amount transferred (R'000)	R169 167
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R165 972
Reasons for the funds unspent by the entity	Heavy rainfall resulted in delayed completion of infrastructure projects, and some of projects are implemented in phases and will be completed in the 2018/19 financial year
Monitoring mechanism by the transferring department	• Follow up meetings with the leadership of the province on non-compliance or poor implementation of projects were scheduled and the province took corrective action on identified challenges • The DAFF Internal Audit visited projects and the province has responded to their report • The monthly financial and quarterly performance reports were submitted to DAFF on the 15th and 20th respectively after the end of the month and the quarter • The quarterly performance review meetings were held with all provinces

Western Cape: Department of Agriculture

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
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Western Cape: Department of Agriculture	
Expected outputs of the grant	• 77 smallholder farmers • 2 388 commercial farmers to be supported through CASP • 2 409 youth and women farmers to be supported through CASP • 2 760 jobs planned • 105 on-off farm infrastructure targeted • 21 beneficiaries of CASP supported with SA GAP certification • 2 590 beneficiaries of CASP trained on farming methods • 192 beneficiaries of CASP with markets identified • Extension personnel recruited and maintained in the system • 15 extension officers targeted to upgrade qualifications in various institutions • 1 agricultural college upgrading infrastructure • Agricultural Information Management System (AIMS) implemented
Actual outputs achieved	• Number of farmers supported through CASP: – Smallholder: 16 – Commercial: 2951 • Youth, women and farmers with disabilities supported through CASP – Youth: 114 – Women: 789 – Farmers with disabilities: 3 • On and off-farm infrastructure provided – 22 infrastructure initiatives supported – 42 initiatives for crop production (soil establishing) supported • SAGAP certification: 21 beneficiaries supported • Jobs created: – 1 121 males – 680 females • Beneficiaries of CASP trained on farming methods: – Farmer training: 2 590 farmers trained (128 attended accredited training) – Mentorship: 34 mentors – 4 180 sites visits (34 beneficiaries), were conducted through smart pens • Extension personnel recruited and maintained: – 13 recruited – 50 maintained number of on-off farm infrastructure provided and repaired • Beneficiaries of CASP with markets identified: – 2 236 beneficiaries accessed markets
Amount per amended DORA (R'000)	R136 197
Amount transferred (R'000)	R136 197
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R134, 572
Reasons for the funds unspent by the entity	Construction work at the agricultural colleges was not completed as at 31 March 2017 hence full payment could not be processed (R1, 625 million request for roll over was done).
Monitoring mechanism by the transferring department	• Quarterly review meetings were scheduled to monitor performance of the grant • Monthly financial reports which are project based were received by DAFF on the 15th of every month • Quarterly reporting by 20th following ending quarter

9.2 CONDITIONAL GRANT 2: Ilima/Letsema

Eastern Cape: Department of Rural Development and Agrarian Reform	
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	• 47 620 ha of land under agricultural production • 1 886 jobs created • 31 367 subsistence farmers supported • 20 276 smallholder farmers supported • 1188 black commercial farmers supported • 10 000 households supported
Actual outputs achieved	• 3 (803 sub projects) projects were supported • Maize, vegetables and fruits supported • 50 000 ha were planted • 37 034 beneficiaries • 521 jobs were created • 36 720 subsistence farmers supported • 300 smallholder farmers • 14 black commercial farmers • 18 220 households
Amount per amended DORA (R'000)	R67 356
Amount transferred (R'000)	R67 356
Amount spent by the department (R'000)	R67 356
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	• The monthly financial and quarterly performance reports were received on the 15th and 20th after the end of the month and quarter respectively and compiled for submission to National Treasury 20 and 45 days after the end of the month and quarter • The conditional grant quarterly review meetings were held with all provinces to monitor the overall grant performance and implementation

Free State: Department of Agriculture and Rural Development	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 4 047 ha of land under agricultural production • 374 jobs created • 12 777 subsistence farmers supported • 49 smallholder farmers supported • 3 black commercial farmers supported • 12 829 beneficiaries supported
Actual outputs achieved	• 49 projects completed and 9 rolled over • 2 017, 65 ha planted • Jobs created: 14 237 (8 246 males and 5 980 females) • Households supported: 14 145 • 14 155 subsistence farmers supported • 57 smallholder farmers supported • 25 black commercial farmers supported • 88 191 beneficiaries supported number of hectares of land under agricultural production
Amount per amended DORA (R'000)	R63 178
Amount transferred (R'000)	R63 178
Reasons if amount as per DORA not transferred	N/A



Free State: Department of Agriculture and Rural Development

Amount spent by the department (R'000)	R 55 003
Reasons for the funds unspent by the entity	Money from SAVAC allocation could not be spent
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant

Gauteng: Department of Agriculture and Rural Development

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 55 projects to be supported • Poultry and piggery supported with inputs • 2 600 ha of land under agricultural production • 49 jobs created • 53 Subsistence farmers supported • 372 smallholder farmers supported • 25 black commercial farmers supported • 6 000 households
Actual outputs achieved	• 95 projects were supported • 17 poultry and 30 piggery supported • 48 maize farmers supported • 3 678 ha were supported • 87 jobs were created • 49 subsistence farmers supported • 375 smallholder farmers supported • 7 black commercial farmers • 2 709 households
Amount per amended DORA (R'000)	R27 673
Amount transferred (R'000)	R27 673
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R 27 673
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	The monthly financial and quarterly performance reports were received on the 15th and 20th after the end of the month and quarter respectively and compiled for submission to National Treasury 20 and 45 days after the end of the month and quarter The conditional grant quarterly review meetings were held with all provinces to monitor the overall grant performance and implementation

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

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 1 885 ha of land under agricultural production • 1 840 jobs created • 2 716 subsistence farmers supported • 5 188 smallholder farmers supported • 49 black commercial farmers supported • 15 projects to be supported • 4 956 beneficiaries supported



KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development	
Actual outputs achieved	• 15 projects were supported • Commodities supported were: vegetables, maize and dry beans • 4 836 hectares were supported • 2 907 jobs were created • 855 subsistence farmers supported • 1 251 smallholder farmers • 44 black commercial farmers • 3 295 beneficiaries were supported
Amount per amended DORA (R'000)	R67 356
Amount transferred (R'000)	R67 356
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R44 540
Reasons for the funds unspent by the entity	Awaiting finalisation of AR of PDA
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant

Limpopo: Department of Agriculture	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 111 projects to be supported • Grains, vegetables, fruits, seed production, livestock, and poultry supported • 13 006 ha of land under agricultural production • 17 708 jobs created • 8 684 subsistence farmers supported • 2 718 smallholder farmers supported • 26 black commercial farmers supported • 16 493 beneficiaries supported
Actual outputs achieved	• 129 projects were supported • Commodities supported were: grains, vegetables, fruits, livestock, poultry and fall armyworm, Tuta Absoluta and oriental fruit fly affected farmers • 3 367,698 hectares were supported • 13 009 jobs were created • 6 988 subsistence farmers supported • 3 236 smallholder farmers • 36 black commercial farmers • 17 991 beneficiaries were supported including localised disaster supported farmers
Amount per amended DORA (R'000)	R67 356
Amount transferred (R'000)	R67 356
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R67 356
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant



Mpumalanga: Department of Agriculture, Rural Development and Land Administration	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 10 000 projects to be supported • Commodities: grains, vegetables, fruits, seed production supported • 14 000 ha of land under agricultural production • 2 000 jobs created • 10 000 subsistence farmers supported • 2 000 food gardens • 15 smallholder farmers supported • beneficiaries supported
Actual outputs achieved	• 10 000 projects were supported • Commodities supported were: grains, vegetables, fruits • 18 852 hectares were supported • 178 jobs were created • 10 484 subsistence farmers supported • 810 smallholder farmers • 85 black commercial farmers • 11 379 beneficiaries were supported including localised disaster supported farmers
Amount per amended DORA (R'0000)	R52 213
Amount transferred (R'000)	R52 213
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R52 212
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	The national officials monitored and evaluated projects on a quarterly basis. The conditional grant quarterly review meetings were held to monitor grant performance and implementation. Reports were compiled on a monthly and quarterly basis to present progress report of the grant
Northern Cape: Department of Agriculture, Land Reform and Rural Development	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	• 14 projects to be supported • 1 036 ha of land under agricultural production • 421 jobs created • 565 smallholder farmers supported • 0 black commercial farmers supported • 545 beneficiaries supported • 320 households
Actual outputs achieved	• 14 projects to be supported • 1 036 ha of land under agricultural production • 421 jobs created • 565 smallholder farmers supported • 0 black commercial farmers supported • 545 beneficiaries supported • 320 households
Amount per amended DORA (R'000)	R 61 680
Amount transferred (R'000)	R 61 680
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R 61 489
Reasons for the funds unspent by the entity	Awaiting finalisation of AR of PDA

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

Monitoring mechanism by the transferring department	- The monthly financial and quarterly performance reports were received on the 15th and 20th after the end of the month and quarter respectively; and compiled for submission to National Treasury 20 and 45 days after the end of the month and quarter - The conditional grant quarterly review meetings were held with all provinces to monitor the overall grant performance and implementation
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North West: Department of Agriculture and Rural Development

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	66 projects to be supported - Vegetables and maize supported 13 060 ha of land under agricultural production 1 806 jobs created 31 367 subsistence farmers supported 20 276 smallholder farmers supported 1 188 black commercial farmers supported 1 230 beneficiaries supported - Farmers supported: 456 male 137 female - Jobs created: 175 jobs – 151 male and 24 female
Actual outputs achieved	- Support provided to farmers: 22 red meat production infrastructure 10 ha vegetable production 4 poultry production projects 1 piggery production 1 sheep production 1 goat production 4 revitalisation of irrigation schemes - Expanded irrigation schemes: - Bojanala: 57 ha - DRRSM: 75 ha
Amount per amended DORA (R'000)	R63 178
Amount transferred (R'000)	R63 178
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R62 591
Reasons for the funds unspent by the entity	Heavy rainfall resulted in delayed planting
Monitoring mechanism by the transferring department	- Follow up meetings with the leadership of the province on non-compliance or poor implementation of projects were scheduled and the province took corrective action on identified challenges - Quarterly review meetings were scheduled to monitor performance of the grant - Monthly financial reports which are project-based were received by DAFF on the 15th of every month

Western Cape: Department of Agriculture

Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
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Western Cape: Department of Agriculture	
Expected outputs of the grant	• 1 225 projects to be supported • Vegetables, fruit and seeds supported • 987 ha of land under agricultural production • 2 594 jobs created • 109 smallholder farmers supported • 1 007 black commercial farmers supported • 1 015 beneficiaries supported
Actual outputs achieved	• 1 818,4 ha planted • 5 450 tons of wheat produced within the agricultural development corridors • 1 468 subsistence farmers supported • 29 smallholder farmers supported • 6 black commercial farmers supported • Jobs created: – 893 males – 1 284 females • Project infrastructure supported: 11 water infrastructure, 7 livestock infrastructure, 12 crop production, 3 horticultural infrastructures, 8 fencing, 1 packaging facility, 3 processing and storage facility, 4 mechanisation implements, 8 mechanisation equipment, 8 vehicles, 2 soil preparation, 8 livestock projects
Amount per amended DORA (R'000)	R55 349
Amount transferred (R'000)	R55 349
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R55 3497
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	• Quarterly review meetings were scheduled to monitor performance of the grant • Monthly financial reports which are project based were received by DAFF on the 15th of every month • Quarterly reporting by the 20th following ending quarter

9.3 CONDITIONAL GRANT 3: LandCare

Eastern Cape: Department of Rural Development and Agrarian Reform	
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	• 2 160 Junior Care participants involved in the programme • 19 capacity building initiatives conducted for LandCarers • 18 awareness campaigns conducted and attended by LandCarers • 210 ha of land where weeds and invader plants are under control • 36 kilometres of fence erected • 158,04 green jobs created expressed as full time equivalents (FTEs) • 5 LandCare committee established



Eastern Cape: Department of Rural Development and Agrarian Reform	
Actual outputs achieved	• 2 030 Junior Care participants involved in the programme • 10 capacity building initiatives conducted for Junior Care • 16 awareness campaigns conducted and attended by LandCarers • 301 ha of land where weeds and invader plants are under control • 27 kilometres of fence erected • 158,04 green jobs created expressed as full time equivalents (FTEs) • 2 LandCare committees established
Amount per amended DORA (R'000)	R11 812
Amount transferred (R'000)	R11 812
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R11 812
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

Free State: Department of Agriculture and Rural Development	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	• 4 527 ha of rangeland protected and rehabilitated • 1 200 JuniorCare participants involved in the programme • 12 awareness campaigns conducted and attended by LandCarers • 300 ha of land where weeds and invader plants are under control • 2 kilometres of fence erected • 103,37 green jobs created expressed as Full Time Equivalents (FTEs) • 3 LandCare committees established • 271 ha of land protected and rehabilitated
Actual outputs achieved	• 4 404 ha of rangeland protected and rehabilitated • 973 Junior Care participants involved in the programme • 2 capacity building initiatives conducted for LandCarers • 16 awareness campaigns conducted and attended by LandCarers • 712 ha of land where weeds and invader plants are under control • 3 kilometres of fence erected • 103,37 green jobs created expressed as full time equivalents (FTEs) • 1 LandCare committee established • 258 ha of arable land protected and rehabilitated
Amount per amended DORA (R'000)	R5 865
Amount transferred (R'000)	R5 865
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R5 865
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

Gauteng: Department of Agriculture and Rural Development	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all



Gauteng: Department of Agriculture and Rural Development

Expected outputs of the grant	• 60 ha of rangeland protected and rehabilitated • 130 Junior Care participants involved in the programme • 60 hectares of land where weeds and invader plants are under control • 15 ha of arable land protected and rehabilitated • 104 green jobs created expressed as full time equivalents(FTEs)
Actual outputs achieved	• 86 ha of rangeland protected and rehabilitated • 416 Junior Care participants involved in the programme • 3 awareness campaigns conducted • 89 ha of land where weeds and invader plants are under control • 25 ha of arable land protected and rehabilitated • 106 green jobs created expressed as 57,88 full time equivalents (FTEs)
Amount per amended DORA (R'000)	R4 123
Amount transferred (R'000)	R4 123
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R4 123
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

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

Purpose of the grant	• 120 ha of rangeland protected and rehabilitated • 9 000 Junior Care participants involved in the programme • 108 hectares of land where water resources are protected and rehabilitated • 10 awareness campaigns conducted and attended by Land Carers • 3 302 hectares of land where weeds and invader plants are under control • 10 kilometres of fence erected • 375 hectares of land protected and rehabilitated
Expected outputs of the grant	• 133 ha of rangeland protected and rehabilitated • 7 070 Junior Care participants involved in the programme • 108 hectares of land where water resources are protected and rehabilitated • 9 awareness campaigns conducted and attended by LandCarers • 3 810 ha of land where weeds and invader plants are under control • 14 kilometres of fence erected • 287,02 green jobs created expressed as full time equivalents (FTEs) • 80 ha of land protected and rehabilitated
Actual outputs achieved	R12 012
Amount per amended DORA (R'000)	R12 012
Amount transferred (R'000)	N/A
Reasons if amount as per DORA not transferred	R12 012
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent by the entity	Monthly and quarterly reports, natural resources management working group meetings and project verification visits
Monitoring mechanism by the transferring department	Monthly and quaterley report, natural resources management working group meetings and project verification visits

Limpopo: Department of Agriculture	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	• 1 741 JuniorCare participants involved in the programme • 0 hectares of land where water resources are protected and rehabilitated • 0 capacity building initiatives conducted for Junior Care • 275 capacity building initiatives conducted for LandCarers • 78 awareness campaigns conducted and attended by LandCarers • 415 ha of land where weeds and invader plants are under control • 80 kilometres of fence erected • 83,32 green jobs created expressed as full time equivalents (FTEs) • 3 LandCare committees established • 120 ha of land protected and rehabilitated
Actual outputs achieved	• 1 022 number of Junior Care participants involved in the programme • 143 number of capacity building initiatives conducted for LandCarers • 118 number of awareness campaigns conducted and attended by LandCarers • 715 ha of land where weeds and invader plants are under control • 73 number of kilometres of fence erected • 83,32 number of green jobs created expressed as full time equivalents (FTEs) • 6 LandCare committees established • 20 ha of land protected and rehabilitated
Amount per amended DORA (R'000)	R13 372
Amount transferred (R'000)	R13 372
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R13 372
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

Mpumalanga: Department of Agriculture, Rural Development and Land Administration	
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	• 2 833 ha of rangeland protected and rehabilitated • 530 Junior Care participants involved in the programme • 1 023 people with improved capacity and skill levels benefiting from capacity building initiatives • 43 awareness campaigns conducted and attended by LandCarers • 3 142 people more aware of sustainable use of natural resources • 745 ha of land where weeds and invader plants are under control • 81 kilometres of fence erected • 80 gabion structures construction • 20 km of contours construction • 254 green jobs created expressed as full time equivalents (FTEs) • 7 LandCare committees established • 1 829 ha of land protected and rehabilitated



Mpumalanga: Department of Agriculture, Rural Development and Land Administration

Actual outputs achieved	• 1 389 hectares of rangeland protected and rehabilitated • 0 ha of land where water resources are protected and rehabilitated • 503 people with improved capacity and skill levels benefiting from capacity building initiatives • 47 awareness campaigns conducted • 2 711 people more aware of sustainable use of natural resources • 5 Land Care committees/Land Care groups established • 460,5 ha of land where weeds and invader plants are under control • 75 kilometres of fence erected • 745 ha of soil protected and rehabilitated • 532 Junior Care participants involved in the programme • 80 gabion structures constructed • 20 km of contours constructed • 160 green jobs created expressed as 81,55 full time equivalents (FTEs) • 1 906 ha of land protected and rehabilitated
Amount per amended DORA (R'000)	R6 608
Amount transferred (R'000)	R6 608
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R6 515
Reasons for the funds unspent by the entity	The province could not spend all the allocations for Hlapetsa Ekukeng due to CSD bank verification problems.
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

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

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	• 2 800 ha of rangeland protected and rehabilitated • 100 Junior Care participants involved in the programme • 10 people with improved capacity and skill levels benefiting from capacity building initiatives • 3 awareness campaigns conducted and attended by LandCarers • 5 000 ha of land where weeds and invader plants are under control • 1 250 ha of land where weeds and invader plants are under control • 0 people more aware of sustainable use of natural resources • 0 kilometres of fence erected • 359 green jobs created expressed as full time equivalents (FTEs) • 5 LandCare committees established • 600 ha of land protected and rehabilitated
Actual outputs achieved	• 6 080 ha of rangeland protected and rehabilitated • 2 awareness campaigns conducted • 0 LandCare committees/LandCare groups established • 1 038 ha of land where weeds and invader plants are under control • 171 green jobs created expressed 58,01 as full time equivalents (FTEs)
Amount per amended DORA (R'000)	R7 094
Amount transferred (R'000)	R7 094
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R5 661 (R7 094)
Reasons for the funds unspent by the entity	N/A

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

Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits
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North West: Department of Agriculture and Rural Development

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	• 4 270 ha of rangeland protected and rehabilitated • 2 320 Junior Care participants involved in the programme • 600 people more aware of sustainable use of natural resources • 12 awareness campaigns conducted and attended by LandCare carers • 300 ha of land where weeds and invader plants are under control • 42 kilometres of fence erected • 95 green jobs created expressed as full time equivalents (FTEs) • 100 ha of land protected and rehabilitated
Actual outputs achieved	• 837 ha of rangeland protected and rehabilitated • 1 060 Junior Care participants involved in the programme • 4 awareness campaigns conducted • 3 people more aware of sustainable use of natural resources • 40 kilometres of fence erected • 550 ha of land protected and rehabilitated • 128 green jobs created expressed 46,70 as full time equivalents (FTEs)
Amount per amended DORA (R'000)	R8 038
Amount transferred (R'000)	R8 038
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R7 876
Reasons for the funds unspent by the entity	Province could not spend all the allocations due to orders that were received late from the service providers
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

Western Cape: Department of Agriculture

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	• 10 ha of rangeland protected and rehabilitated • 8 950 Junior Care participants involved in the programme • 16 ha of land where water resources are protected and rehabilitated • 8 567 capacity building initiatives conducted for Junior Care • 81 capacity building initiatives conducted for LandCarers • 5 503 awareness campaigns conducted and attended by LandCarers • 14 LandCare committees/LandCare groups established • 1 624 ha of land where weeds and invader plants are under control • 24 kilometres of fence erected • 220 green jobs created and expressed as full time equivalents (FTEs)



Western Cape: Department of Agriculture	
Actual outputs achieved	• 10 401 Junior Care participants involved in the programme • 5 ha of land where water resources are protected and rehabilitated • 12 160 people with improved capacity and skill levels benefiting from capacity building initiatives • 63 awareness campaigns conducted • 12 160 people more aware of sustainable use of natural resources • 19 LandCare committees/LandCare groups established • 896,83 ha of land where weeds and invader plants are under control • 12 kilometres of fence erected • 273 green jobs created expressed as full time equivalents (FTEs)
Amount per amended DORA (R'000)	R4 380
Amount transferred (R'000)	R4 380
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R4 380
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Monthly and quarterly reports, natural resources management working group meetings and project verification visits

10 DONOR FUNDS.

10.1 Donor funds received

The table below details the donor fund received for the period 1 April 2017 to 31 March 2018

Name of donor	Bioversity International (ACP–EU Cooperation Programme)
Full amount of the funding	R 935 018,00
Period of the commitment	2014/15—2017/18
Purpose of the funding	Grant for the implementation of the <i>in situ</i> conservation and use of crop wild relatives in three ACP countries of SADC region Project (FED/2013/330-210)
Expected outputs	The overall objective of the project is to enhance the link between conservation and use of crop wild relatives (CWR) in the three ACP countries within the SADC region, as a means of underpinning regional food security and mitigating the predicted adverse impact of climate change with the specific objective(s) of: • Enhancing the scientific capacities within the partner countries of the SADC region to conserve CWR and identify useful potential traits for use to adapt to climate change • Developing exemplar national strategic action plans for the conservation and use of CWR in the face of the challenges of climate change across the SADC region
Actual outputs achieved	In 2017/18, the following was achieved: • Approval of the NSAP by DAFF EXCO • Submission of technical background document to Bioversity International
Amount received (R'000)	Balance from 2016/17: Zero 2017/18: R84 Total available for spending in 2017/18: R84
Amount spent by the department (R'000)	R8
Funds unspent (R'000)	Closing balance for 2017/18: R76
Reasons for the funds unspent	The remaining funds were only received in October 2017 and could not be spend owing to SCM prescripts

Name of donor	Bioversity International (ACP–EU Cooperation Programme)
Monitoring mechanism by the donor	DAFFF submitted two reports: The Financial report FED2013330-210 and the Final Narrative report to Bioversity International

Name of donor	Bioversity International
Full amount of the funding	R 323 676,00
Period of the commitment	1 August to 31 December 2017
Purpose of the funding	Grant for the “Farmers Seed Systems and Community Seed Banks in South Africa Programme”
Expected outputs	Monitoring of the community seed banks in Limpopo and Eastern Cape and the establishment of new community seed banks in Northern Cape, North West and Free State



Name of donor	Bioversity International
Actual outputs achieved	In 2017/18, the following was achieved: - The two community seed banks (CSBs) in Gumbu and Sterkspruit, were monitored in 2017 for progress and assisting farmers in seed selection for multiplication trials - In the Sterkspruit CSB, farmers took seeds from the CSB to multiply at their respective fields for easy monitoring and some of the crops included: maize, bambara groundnuts, sorghum, cowpea, pumpkin, watermelon and wheat - In Gumbu CSB, farmers had selected mungbean, bambara, finger millet, sweet sorghum, maize (red and white), pearl millet, cowpea, watermelon and black eyed bead for multiplication but due to late rains, farmers could not plant - A farmer-to-farmer traditional seed and food fair workshop was organised and held in the Limpopo Province at Gumbu CSB. Local farmers, farmers from neighbouring villages, Sterkspruit CSB farmers, farmers and officials from the Free State Province, farmers and officials from the Northern Cape Province, farmers and officials from the North West Province, Limpopo Department of Agriculture's officials and the Department of Agriculture, Forestry and Fisheries officials participated in that event. Farmers from their respective locations/communities were showcasing their seed and food varieties in the event. At the same event, Sterkspruit CSB farmers and Gumbu CSB farmers exchanged seeds (Seed Diversity Kid Exchange). This was to assist farmers in expanding their seed diversity in their respective CSBs. A community seed bank information sharing workshop was also organised and held in the Limpopo Province, at Tshipise Forever Resort, where Gumbu and Sterkspruit CSB were sharing their experiences with CSB. - The Free State, Northern Cape and North West farmers were also given a platform to share with the participants what they have learnt from the workshop - A new community seed bank was established in the North West Province at Jericho Village. A two-roomed building was revamped to be used as the CSB. This was accomplished with the assistance from the North West Department of Rural, Environmental and Agricultural Development (READ) together with the local tribal authority. Consultation meetings with READ officials, the tribal authority and farmers was conducted to explain the intentions of the establishing the new CSB project. Farmers are now bringing seeds into the CSB for storage - The on-farm conservation and multiplication of the Plant Genetic Resources Project was established in the Free State and the Northern Cape Provinces. In the Free State Province, 14 farmers from eight different villages participated in the project by planting 50 crop accessions for conservation and multiplication, whereas in the Northern Cape Province, 13 farmers from eight different villages took part in the project by planting 29 crop accessions also for conservation and multiplication purposes. The crops that were planted in the Free State Province included: pumpkin, calabash, cowpea, beans, Bambara groundnuts, watermelon, sorghum and maize; and for the Northern Cape Province were: sorghum, sweet sorghum, watermelon, calabash, cowpea and maize
Amount received (R'000)	R324
Amount spent by the department (R'000)	R302
Funds unspent (R'000)	R22
Reasons for the funds unspent	Some of the activities overlapped to the new financial year, e.g. harvesting of the multiplication trials. A one-month no-cost extension was requested in order to be able to spend the remaining funds during the month of April 2018

Name of donor	Bioversity International
Monitoring mechanism by the donor	The donor does visit the projects and updates from DAFF regarding the projects are provided (CSB projects and on-farm projects)

The table below details the donor funds received for the period 1 April 2017 to 31 March 2018

Name of donor	United State Agency for International Development (USAID)
Full amount of the funding	R32 000,00
Period of the commitment	2017/18
Purpose of the funding	To investigate the effect of different management regimes on the water cycle of catchments in the Savannah of Zimbabwe
Expected outputs	- Final report to be completed - Scientific paper to be completed
Actual outputs achieved	- Final report completed and forwarded to relevant parties - Scientific paper proofs completed and publication online within a month
Amount received (R'000)	R32
Amount spent by the department (R'000)	R32
Reasons for the funds unspent	None
Monitoring mechanism by the donor	Report as provided and scientific article to be forwarded on receipt

The table below details the donor fund received for the period 1 April 2017 to 31 March 2018

Name of donor	The Australian Centre for International Agricultural Research (ACIR)
Full amount of the funding	R8 161 235,04
Period of the commitment	2016/17-2017/18
Purpose of the funding	The goal of the project is to identify, modify and develop a wider range of market systems and value chains available for small-scale and emerging beef farmers in South Africa
Expected outputs	- Effective networks of farmer partnerships across the small-scale and emerging sector and with regional value chain partners. - Increase capacity of the project's farmers, extension officers, technical staff, scientists and managers with regard to identification and modification or development of new market systems, value chains and partnerships for small scale and merging farmers - Better developed physical, natural, financial, social, environmental, human knowledge and cultural forms of capital in rural communities - New and/or improved theories, tools and mechanisms related to high-value beef products and effective and efficient value chain partnerships - Enhanced capacity to realise sustainable beef industry growth in small-scale and emerging communities in South Africa



Name of donor	The Australian Centre for International Agricultural Research (ACIR)
Actual outputs achieved	In 2017/18, the following was achieved: • This project has established two high value beef value chains based around Cradock Abattoir and Cavalier Meats, both targeting Woolworths' free-range market specifications. It has also provided proof of concept that cattle from smallholder emerging and communal herds can meet those high-value market specifications. But due to the lack of cattle readily available and suitable for slaughtering to meet those specifications, the project has had to work directly with smallholder farmers who have signed a contract with Woolworths to ensure their cattle will, in future, be suitable for free-range markets. Those cattle will subsequently be slaughtered during Stage 2 of the project, which commenced on 1 January 2018 and will run for four years • The project has also successfully completed two research R and D components. One to develop cost-effective nutritional supplements for cattle grazed at pasture and the second to develop decision-support tools to assist small-scale and emerging farmers to best manage the grazing capacity and stocking rates of their farms and to evaluate different production systems to maximise the profitability and sustainability of their beef businesses • Additionally, the project has implemented research to evaluate the performance of the project's two beef value chains relative to each other and to other value chains in the same regions of South Africa. A baseline report has been prepared for Eastern Cape (Cradock Abattoir value chain) but because Cavalier Meats only commenced commercial operations in March 2017, baseline data collection and analysis from the five provinces around Cavalier Meats is ongoing. The VAIMS survey will be repeated in all six provinces towards the end of Stage 2 to identify changes in the performance of the two value chains and determine whether those changes can be appropriately attributed to the project's interventions • As a result of the achievement as per project objectives ACIAR has agreed to extend the project from 2018—2021
Amount received (R'000)	Balance 2016/17: R252 2017/18: R2 037 Total available for spending in 2017/18: R2 289
Amount spent by the department (R'000)	R1 399
Funds unspent (R'000)	Closing balance for 2017/18: R890
Reasons for the funds unspent	Delays in finalisation of progress report and accompanying invoices
Monitoring mechanism by the donor	The progress reports were shared with the donor. This was followed by field visits by the donor including review of the project on the ground by the donor, implementing agencies and DAFF



Progress with infrastructure projects

Infrastructure projects	2017/18			2016/17		
	Final appropriation	Actual expenditure	Over-/under expenditure	Final appropriation	Actual expenditure	Over-/under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	9 013	9 010	3	19 373	19 269	104
<i>Existing infrastructure assets</i>						
Upgrades and additions	33 503	31 271	2 232	56 142	32 177	23 965
Rehabilitation, renovations and refurbishments	—	—	—	218	217	1
Maintenance and repairs	10 085	10 057	28	8 447	5 781	2 666
<i>Infrastructure transfer</i>						
Current	139 071	139 071	0	—	140	-140
Capital	17 917	17 917	0	17 064	17 064	0
Total	209 589	207 326	2 263	101 244	74 648	26 596

11. CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

During the period under review, the following infrastructure projects were completed in the department:
Stellenbosch Plant Quarantine Station—Agrochemical Store (WCS 48524). Service successfully completed on 28/08/2015.

Infrastructure projects currently in progress

Item	Description of project	Project allocation Number	Progress
1.	Upgrading of electrical substation in Stellenbosch Plant Quarantine Station	WCS 051208	Final approval certificate received. Contract completion report and certificate of completion of works received
2.	Repair and Maintenance Programme (RAMP) project at Sefala building	WCS 044038	On 13/3/2018 a briefing meeting was scheduled and the project manager reminded that revised PEP DAFF had been provided with indicated that contractor would be appointed. Updated PEP indicating expected milestones with project requested
3.	Construction of sniffer dog facility	WCS 051626	Site near Cape Town International Airport still to be identified. KAM head office requested to place project back in Status 4. New PI to be issued once new site has been approved
4.	Alterations to the entrance at Polka Drive	WCS 051209	New project was registered on 20/3/2018. Officials from KAM HO reminded of various fruitless attempts to obtain procurement instruction for this project would be issued
5.	Construction of Seed Banks in Sterkspruit	WCS 051639	Project still awaiting site clearance for project no WCS 052458
6.	Upington: Upgrade of offices, store room, workshop and construction of waste containment dam	WCS 051539	DPW was provided with the needs assessment and a revised PI to be issued. AD Property Management attended the CF meeting in Kimberley on 6/4/2018 where this project was discussed and she was informed of fruitless attempts by DPW regional officials to obtain site clearance certificate



Item	Description of project	Project allocation Number	Progress
7.	Refurbishment and extension of the Skukuza Veterinary Building	WCS 052069	Practical completion was taken on 30/5/2017. Project completed and finalised
8.	Upgrading of reception areas	WCS 051541	DAFF cancelled this project due to the construction of the new HO in Agriculture place on 11/11/2016. Submission for condonation of fruitless expenditure approved by DG
9.	Replacement of the roof water-proofing structure at Sefala building	WCS 052387	D: KAM of DPW instructed to change service to capital works project for current financial year. Implementation through implementing agents was approved by head office
10.	Construction of Durban Quarantine Station	WCS 045521	Project was placed in status 4c and no progress has been made
11.	Revamping of the parking area in Harvest House	WCS 052143	Practical completion done on 13/11/2017, projects await road markings and the entrance and exit way to be created together with signage and some painting. Contractors were briefed on 13/4/2018
12.	Upgrading and maintenance of building and laboratories: repairs to glasshouses and plant tunnels – Stellenbosch Plant Quarantine Station	WCS 052777	KAM RO Cape Town informed DAFF on 28/3/2018 that tender had closed on 2/3/2018 and that they were awaiting documents from procurement section to evaluate the tender
13.	Repair and renovations of offices at the old SABs building 116 Church Street Bloemfontein	WCS 055123	DD: PBA and Norms DPW informed DAFF that project in Status 4 which means that they had issued a procurement instruction to regional office
14.	Installation of a central chilled water system with air cooled chillers for Agriculture Place	WCS 53770	This project was cancelled in 2015. No expenditure incurred by DAFF
15.	Repairs and maintenance at Kempton Park Animal Quarantine Station	WCS 53727	DPW has not made any progress with the project
16.	Various minor capital projects along the coastline	WCS 52552	Progress is at 53% to completion, project is progressing very well
17.	Upgrading and capital works, project for the upgrading of the student centre	WCS 05368	The project has been incorporated into WCS 52552
18.	Repairs and installation of infrastructure at Roodeplaat Genetic Resources Centre	WCS 052805	Site briefing took place on 19/2/2018 and project manager requested to advise DAFF on when tender will close. PM responded by informing DAFF that tender closes on 6/3/2018 but that 47 bids had been received—thus require more time to adjudicate. Adjudication Committee set on 19 May 2018. Site will be handed over to the contractor
19.	Repair and maintenance of facilities – Buffelspoort	WCS 52059	DPW was requested to advise DAFF whether service could be placed on planned maintenance since DAFF was unable to confirm funding No progress made to date
20.	Upgrading of sewer system in Stellenbosch Plant Quarantine Station	WC 54350	DPW had allowed quotes to lapse. New consultant list was received from the roaster and busy compiling new updated quotation. Information received on the 28/03/2018

Item	Description of project	Project allocation Number	Progress
21.	Middelburg (EC) – Grootfontein Agricultural Development Institute (GADI)	WCS 53304	DPW PE regional office informed DAFF that the project will go on tender for the third time simply because of all seven service providers that submitted the tender document, only three were responsive. A submission to be compiled to cancel the process again. The submission needs approval from the bid committee and then goes to National Treasury. Re-advertising is anticipated to take place on 1/6/2018. The project manager to provide DAFF with a fully detailed report on expediting the procurement process through the GTAC, he also requested the project manager to explore other avenues as the costs of CPAP, inflation/VAT increase from 14% to 15%, maintenance costs and CAPEX related costs
22.	Procurement of new head office building	WCS 55153 WCS 55097	Feasibility study for the procurement of new HO in Agriculture Place: an amount of R15 million was required for the transfer of funds for the feasibility study. In 2017/18 DAFF transferred only R10 million under CAPEX and the R5 million will be transferred in the 2018/2019 financial year Site clearance: township establishment on the part of the remaining ext. of the Farm Prinshof. Awaiting feasibility to be concluded, then the planning of the construction will kick in
23.	Construction of one seed bank (MUTALE): site clearance	WCS 51592	Project is on hold pending the site clearance of the project no WCS 0542459
24.	Request to conduct a site audit of the areas which require ramp facilities for disabled officials at head office buildings in DAFF	WCS 52356	Procurement instruction was issued on 26 June 2015, but DAFF has made no further progress with the project. The project manager reported on 13/05/2016 that a revised procurement instruction was requested from head office in April 2016, but that he has not received it yet
25.	Rehabilitation of two dams including repair of dam wall at Stellenbosch Plant Quarantine Station	WCS 54896	Requested from DPW regional office on 20/3/2018. On 28/3/2018 a response was received from KAM regional office informing DAFF that the programme had been submitted and that the consultant had also submitted a request for the approval of an environmental specialist consultant
26.	GADI construction of the classroom building	WCS 55127	Officials at KAM HO requested to try and address problems causing delays with the issuing of the site clearance in order for the project to start, due to the fact that an additional classroom is an urgent need at GADI. Head KAM RO PE Mr Rampou will escalate the matter to KAM head office. Mr van Rensburg to double check if the matter reflects on the system

Projects awaiting wcs numbers

- External repairs and renovations of the fruit laboratory and analytical services building at the Stellenbosch Plant Quarantine Station.
- New security fence around Blocks A and B at Stellenbosch Plant Quarantine Station will be incorporated into the project for alterations to the existing entrance and exit to Stellenbosch Plant Quarantine Station.
- Upgrade of the electrical Reticulation Block A and B at Stellenbosch Plant Quarantine Station.
- Milnerton Quarantine Animal Station: upgrading of infrastructure. DPW again requested to provide DAFF with WCS number for the project. Due to budget constraints, the project will not be effected soon.





PART C

Governance

12. INTRODUCTION

The department is committed to maintaining the highest standards of governance to ensure that public finances and resources are managed economically, effectively and efficiently. Good governance structures have been put in place to utilise state resources in a responsible way. Assessments have been conducted in areas where control measures are lacking or still need to be established, or improved. Where a lack of capacity is identified in specific units, new posts are created on the establishment of the department to improve service delivery. In areas where weaknesses were identified during the period under review, measures will be put in place to address these in the 2018/19 financial year.

13. RISK MANAGEMENT

Risk Management Strategy and Policy

The Department of Agriculture, Forestry and Fisheries has a Risk Management Strategy and policy. The aforesaid documents are reviewed annually through a consultative process with relevant stakeholders, especially those that contribute to the performance environment of the department. The implementation of the Risk Management Strategy is outlined in the Risk Implementation Plan of the department and progress is supposed to be reported quarterly to the Risk Management and Audit Committees. However, during the 2017/18 financial year meetings were not held regularly by the Risk Management Committee.

Risk assessment

In an effort to continually monitor and respond to changes in the department's risk profile, the Directorate: Risk Management and Investigations facilitates risk assessments at the strategic and operational levels. Both the identified strategic and operational risks are monitored on a quarterly basis, in order to determine progress where corrective action is required.

Risk Management Committee

The department has a Risk Management Committee (RMC), which consists of three external members including one member from the Audit Committee. The Risk Management Committee is governed by the approved Risk Management Charter, which is reviewed annually by the aforesaid committee. However, during the 2017/18 financial year, the aforesaid committee did not meet quarterly as required. The committee met once only and all the three reports relating to the previous quarters were dealt with at such meeting. Most of the reasons for not convening the committee relate to unavailability of management. The chairpersons of both the Risk Management Committee and the Audit Committee have raised concerns with the Director-General about the lack of prioritisation of risk management and a commitment was obtained to address the matter.

Risk Management oversight

The department has an Audit Committee which is chaired by an external member. The Audit Committee monitors the effectiveness of the risk management system and advises management of the department

14. FRAUD AND CORRUPTION

Fraud Prevention Plan and progress on implementation

The department has a Fraud Prevention Strategy and a Fraud Prevention Plan which were reviewed and approved during the first quarter of the 2017/18 financial year. Furthermore, Whistle Blowing Procedures are in place. The Whistle Blowing Procedures provide guidance on the steps to be followed in the event that DAFF employees and/or external stakeholders report allegations of fraud and corruption. The following progress was made in the implementation of the Fraud Prevention Plan:

- Four workshops dealing with the prevention of fraud and corruption were held during the 2017/18 financial year;
- The Directorate: Labour Relations instituted disciplinary action against employees who committed misconduct;
- The Directorate: Risk Management and Investigation has developed a case register to record all fraud and corruption



cases reported to the department;

- The department has a process in place that requires all the members of Senior Management Service to declare annually, any financial interest they may have in any transaction and/or contract entered into by the department.

Mechanisms in place to report fraud and corruption

DAFF has an approved Whistle Blowing Policy, Whistle Blowing Procedures and a Flow Chart highlighting the process that employees can follow to report fraud and corruption. The Whistle Blowing Policy gives assurance to officials that they will not suffer any occupational detriment for disclosing in good faith in terms of Protected Disclosure Act.

An email account (whistleblowing@daff.gov.za) was created whereby employees and external stakeholders can report all the allegations and suspicions of fraud and corruption.

How cases are reported and handled

Cases are received from members of the public, suppliers, whistle blowers, employees, the National Anti-Corruption Hotline, as well as the DAFF whistle blowing email address (whistleblowing@daff.gov.za). The cases are then evaluated and assessed by Directorate: Risk Management and Investigations to establish whether the matter should be investigated internally or externally.

In instances where the investigations reveal evidence of fraud and corruption, the DAFF institutes disciplinary action if the perpetrator is an employee. DAFF has an obligation to report the matter to SAPS if the value of the loss or damage is in excess of R100 000. In compliance with Section 34 of the Prevention and Combating of Corruption Activities Act, civil proceedings are instituted to recover the loss suffered by the department.

15. MINIMISING CONFLICT OF INTEREST

The Department of Agriculture, Forestry and Fisheries has appointed an ethics officer who is responsible for administering and recommending applications for remunerative work outside the department. This is viewed as one of the mechanisms that DAFF has put in place to manage conflict of interest. Furthermore, on an annual basis, management and officials from the Supply Chain Management and Finance directorates are required to disclose their financial interests in terms of Public Service Regulations, 2016.

16. CODE OF CONDUCT

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

17. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The department conducts regular occupational health and safety audits and corrective interventions are identified. The department also ensures compliance with the Occupational Health and Safety (OHS) Act, the Compensation of Injuries and Diseases Act and the DPSA Employee Health and Wellness Framework. However, according to the nature of the jobs, different categories of employees are exposed to occupational health risks, which include extreme weather conditions 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—impacting on organisational performance and service delivery; legal implications in the case of non-compliance to the OHS Act, as well as high maintenance costs.



18. PORTFOLIO COMMITTEES

18.1 Portfolio committee activities for 2017/18

Date	Agenda
Thurs, 04 May 2017	Briefing on the strategic plans, 2017/18 APPs and budgets by: - Department of Performance Monitoring and Evaluation (DPME). - Department of Agriculture, Forestry and Fisheries (DAFF) including Marine Living Resources Fund (MLRF)
Tue, 09 May 2017	Briefing on strategic plans, 2017/18 APPs and budgets by: - Financial and Fiscal Commission (FFC) - Onderstepoort Biological Products (OBP) - Agricultural Research Council (ARC) - National Agricultural Marketing Council (NAMC) - Perishable Products Export Control Board (PPECB)
Tue, 16 May 2017	Briefing by DAFF in response to 2017/18 APP and outstanding issues emanating from the BRRR; all other outstanding oversight matters and reports. DAFF should also present its Monitoring & Evaluation (M&E) unit structure
Fri, 19 May 2017	Consideration and adoption of the draft Committee Report on the strategic plans and 2017/18 APPs of DAFF and its entities
24 May 2017	Debate on Vote 24: Agriculture, Forestry and Fisheries
06 June 2017	Further briefing by DAFF/parliamentary support officials on the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016]
13 & 14 June 2017	Public Hearings on the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016]
Tue, 20 June 2017	Response by DAFF on the issues raised by the public on the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016]
Wed, 21 June 2017	Presentation by National and Mpumalanga Provincial Department of Agriculture, Forestry and Fisheries on the issues raised during the joint oversight visit to Mpumalanga (26 – 31 March 2017)
Wed, 21 June 2017	Formal deliberations on the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016] (Clause by Clause)
Thurs, 22 June 2017	- Finalisation of the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016]. - Consideration and adoption of all outstanding minutes and reports
27 – 30 June 2017	Oversight Visit Week
Tue, 01 Aug 2017	- Presentation by the DAFF and Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration including the Department of Women and Commission for Gender Equality on the issues raised during the joint oversight visit to Mpumalanga (26 – 31 March 2017) - Briefing by the DAFF on the 2016/17 Fourth Quarter Performance and Expenditure Report
Wed, 02 Aug 2017	- Feedback by DAFF on the avian influenza outbreak and progress regarding its control measures - Response by DAFF on the outstanding issues emanating from the 2017 APP, Budget Vote Report as well as outstanding issues from other committee engagements
Fri, 04 Aug 2017	[Closing date for submission of public comments to Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016].
Tue, 15 Aug 2017	- Public hearings on the Liquor Products Amendment Bill [B10-2016]. - Response by DAFF on the issues raised by the public on the Liquor Products Amendment Bill [B10-2016]



Date	Agenda
Wed, 16 Aug 2017	- Public hearings on the National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016] - Response by DAFF on the issues raised by the public on the National Forests Amendment Bill [B11-2016] and the National Veld and Forest Fire Amendment Bill [B22-2016]
Tue, 22 Aug 2017	Deliberations on the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016]
Wed, 23 Aug 2017	- Consideration and adoption of the draft Joint Oversight Visit Committee Report to Mpumalanga Province dated 27–31 March 2017. - Consideration and adoption of the draft Oversight Visit Committee Report to Knysna, Western Cape Province dated 21 June 2017
Tue, 29 Aug 2017	Formal deliberations of the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016] (Clause by clause)
Tue, 05 Sept 2017	- Finalisation of the Liquor Products Amendment Bill [B10-2016], National Forests Amendment Bill [B11-2016] and National Veld and Forest Fire Amendment Bill [B22-2016] (Adoption of Committee Reports on Bills) - Briefing by the DAFF on the 2017/18 First Quarter Performance and Expenditure Report
11 – 15 Sept 2017	Oversight visit to the North West Province
01 - 06 Oct 2017	Provincial public hearings on the National Forests Amendment Bill [B11 – 2016] (Eastern Cape, KwaZulu-Natal Provinces).
Tue, 10 Oct 2017	- Briefing by the Auditor-General of South Africa (AGSA), FFC and DPME on the 2016/17 Annual Reports of the Department of Agriculture, Forestry and Fisheries (DAFF) and its entities in preparation for the BRRR process - Briefing on the 2016/17 Annual Reports by the DAFF, Marine Living Resources Fund (MLRF) and progress report by DAFF on the deregistration of Ncera Farms (Pty) Ltd - Consideration and adoption of the draft Fourth Term Committee programme
Wed, 11 Oct 2017	Briefing on the 2016/17 Annual Reports by the Agricultural Research Council (ARC), Onderstepoort Biological Products (OBP), National Agricultural Marketing Council (NAMC) and the Perishable Products Export Control Board (PPECB)
Tue, 17 Oct 2017	Consideration and adoption of the Committee BRR Report and outstanding minutes
19 – 21 Oct 2017 (Fri & Sat)	Provincial Public Hearings on the National Forests Amendment Bill [B11 – 2016] (Western Cape Province)
Tue, 24 Oct 2017	Joint meeting with the PC on Rural Development and Land Reform: - Progress report and update by DAFF, DRDLR and DPME on Operation Phakisa including its funding - Consideration and adoption of all outstanding committee minutes and reports
Tue, 31 Oct 2017	Briefing by DAFF and the Forest Charter Council on forestry issues including transformation in the sector
02 – 04 Nov 2017 (Fri & Sat)	Provincial public hearings on the National Forests Amendment Bill [B11 – 2016] (Limpopo Province)
Tue, 07 Nov 2017	Progress report by DAFF and NAMC on the transformation of the Agricultural Trusts
Fri, 10 Nov 2017	Oversight visit to the Philippi Horticultural Area, Cape Town (Western Cape Province)
Tue, 14 Nov 2017	Briefing by DAFF on all the outstanding fisheries issues including the following: - Progress on the implementation of the Emang Basadi Report - Hawks investigation at the Fisheries Branch - Preparation for the allocation of the 2020 commercial fishing rights and small-scale fishing rights - Update on Operation Phakisa (Oceans Economy), aquaculture development and marine protection and governance.
16 – 18 Nov 2017 (Fri & Sat)	Provincial public hearings on the National Forests Amendment Bill [B11 – 2016] (Mpumalanga Province)
Tue, 21 Nov 2017	Briefing by DAFF on the 2017/18 second quarter performance and expenditure report

Date	Agenda
Tue, 28 Nov 2017	- Response by DAFF on all outstanding issues from committee engagements and recommendations from committee reports - Progress report by DAFF on issues from previous oversight visits (all provinces) - Consideration and adoption of all outstanding committee minutes and reports
Tue, 30 Jan 2018	- Briefing by DAFF on the 2017/18 second quarter performance and expenditure report - Response by DAFF on all issues raised during the extended public hearings on the National Forests Amendment Bill [B11-2016] - Consideration and adoption of outstanding minutes and reports
8 Feb 2018	President's State-of-the-Nation Address (Joint sitting)
Tue, 13 Feb 2018	Response by DAFF on the sectoral issues raised in the SONA and impact on the activities of the department
Tue, 20 Feb 2018	Further deliberations on the National Forests Amendment Bill [B11-2016]
Tue, 27 Feb 2018	Formal deliberations (clause by clause) and finalisation of the National Forests Amendment Bill [B11-2016]
Tue, 06 March 2018	Response by DAFF on the BRRR and other outstanding issues that has been raised by the committee
Tue, 13 March 2018	Briefing on DAFF's strategic plans, 2018/19 APP and budget by: Auditor-General of South Africa (AGSA) and Financial Fiscal Commission (FFC)
Tue, 20 March 2018	Briefing on DAFF's strategic plans, 2018/19 APP and budget by: - DAFF and Marine Living Resource Fund (MLRF) - Agricultural Research Council (ARC), Onderstepoort Biological Products (OBP), National Agricultural Marketing Council (NAMC) & Perishable Products Export Control Board (PPECB)
Fri, 23 March 2018	Consideration and adoption of the committee draft strategic plans, 2018/19 APP and budget of DAFF and its entities
26 – 30 March 2018	Oversight Visit to the Northern Cape Province

19. SELECT COMMITTEE ON LAND AND MINERAL RESOURCES

19.1 Select committee activities for 2017/18

No.	Date	Agenda
1	06 May 2017	Briefing by the DAFF on their Annual Performance Plan, focussing on provincial expenditure
2	01 August 2017	Meeting with the DAFF to discuss submissions received and challenges / issues of concern raised in the submissions of the Plant Improvement Bill [B 8B – 2015] sec 76 and Plant Breeders' Rights Bill [B 11B – 2015] sec 766
3	10 October 2017	Negotiating mandate meeting on the: Plant Improvement Bill [B 8B – 2015] and Plant Breeders Rights Bill [B 11B – 2015]
4	17 October 2017	Continuation of the negotiating mandate meeting on the: Plant Improvement Bill [B 8B – 2015] sec 76; and Breeders' Rights Bill [B 11B -2015] sec 76
5	06 March 2018	Negotiating mandate meeting on the Plant Improvement Bill [B 8B – 2015] sec 76 and Plant Breeders' Rights Bill [B 11B – 2015] sec 76
6	20 March 2018	Briefing by the DAFF Liquor Products Amendment Bill [B 10B -2016] (s75)
7	22 May 2018	Final mandate meeting on the Plant Improvements Bill [B 8B – 2015] sec 76 and Plant Breeders' Rights Bill [B 11B – 2015] sec 76 briefing by the DAFF on its strategic plan and Budget Vote, with emphases placed on matters affecting provincial interests
8	12 June 2018	Briefing by the DAFF Liquor Products Amendment Bill [B 10B – 2016] (s75)
9	25–29 June 2018	Committee oversight visit to Western Cape region investigating aquaculture opportunities within the area

20. SCOPA RESOLUTIONS

The department did not appear before SCOPA and there is no SCOPA resolution report.



21. PRIOR MODIFICATIONS TO AUDIT REPORT

There has been no modification to the Audit Report.

22. INTERNAL CONTROL UNIT

At present there is no dedicated Internal Control unit in the department, however, the responsibility for the co-ordination of the internal control function rests with the Office of the Chief Financial Officer with the individual branches being responsible for the design and implementation of internal controls in their directorates. Further, the mandate of the Internal Audit unit covers the review of the internal control environment. During the year under review the Internal Audit unit completed 28 audits.

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

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

The department has an Audit Steering Committee in place that:

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

23. INTERNAL AUDIT

Key activities and objectives of the Internal Audit Unit

The Internal Audit function of the department obtains its mandate from the Public Finance Management Act 1 of 1999 (PFMA), as amended, and the Treasury Regulations, as amended. The Internal Audit unit operates in alignment with an approved Internal Audit Charter which defines the purpose, authority and responsibility of the chief directorate. The chief directorate conducts its operations in accordance with the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The Internal Audit unit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the control environment of the department. It also assists the department to accomplish its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Chief Directorate: Internal Audit through its Chief Director: Internal Audit, reports functionally to the Audit Committee and administratively to the Director-General (Accounting Officer).

The following were the key activities and the objectives of the Internal Audit unit during the 2017/18 financial year:

The following are the key activities and the objectives of the Internal Audit during the 2017/18 financial year:

- Assisting the Director-General/Acting Director-General in maintaining efficient and effective systems of internal controls by assessing and evaluating the adequacy and effectiveness of control processes and systems within the department.
- Determining whether the department's objectives will be achieved economically, efficiently and effectively by



evaluating and assessing operations, processes, procedures, systems and activities.

- Making appropriate recommendations for improving the governance and risk management processes in order to achieve the department's objectives.
- Assessing and evaluating the compliance of the departmental performance information (DPI) with set standards for reporting on performance information.

The Audit Committee and management assesses the performance of the Directorate: Internal Audit to determine the level of its effectiveness and recommends areas which need improvement, where identified.

Summary of audit work done

The Chief Directorate, as per requirements of the Institute of Internal Auditors' Standards and Treasury Regulations, developed a three-year rolling strategic plan, inclusive of a one-year operational audit plan, in consultation with management which was approved by the Audit Committee. The Chief Directorate: Internal Audit provided the Audit Committee on a quarterly basis with progress reports on the execution of the approved Annual Audit Plan. The Annual Audit Plan made provision for 33 risk-based, governance, regularity and compliance audits. At the end of the 2017/18 financial year a total of 27 (82%) audits were completed.

Based on the reports finalised and issued, internal controls were in certain instances assessed as inadequate and ineffective. Such weaknesses were identified and raised with the department and were mostly considered to have resulted as a consequence of ineffective monitoring to ensure that internal controls had been implemented and, where implemented, had been adhered to. The overall assessment, however, is that the internal control environment is assessed as satisfactory.

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

24. AUDIT COMMITTEE

Key activities and objectives of the Audit Committee

The Audit Committee obtains its mandate from the Public Finance Management Act 1 of 1999 (PFMA), as amended, and the Treasury Regulations, as amended. The 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.

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 responsibilities with the ultimate aim being the achievement of the department's objectives. The department has a fully functional Audit Committee, which operates in accordance with the requirements of the PFMA and Treasury regulations. The Audit Committee comprises highly qualified members appointed from outside the public service and operates in terms of the Audit Committee Charter (Terms of Reference), which was reviewed and approved during the period under review.

During the period under review the committee met six times and the Director-General was either in attendance or represented at these meetings. The Office of the Auditor-General is always invited to these meetings. The committee has unrestricted access to both information and personnel of the department. A 360-degree evaluation of the performance of the committee is done to assess its performance and measures are put in place to address weaknesses, where identified. The next performance assessment of the audit committee will be done during the first quarter of



2018/19 to allow the newly appointed Audit Committee members to conclude a year's work before an evaluation. The AGSA's evaluation of the Audit Committee is that there is a functioning and effective Audit Committee that promotes accountability and service delivery through evaluating and monitoring responses to risks and providing oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations. The Audit Committee also provides guidance to the Internal Audit function.

Audit Committee members and attendance

The Audit Committee consists of five external members; and has to meet at least four times per year in accordance with its approved Terms of Reference. During the period under review, six meetings were held on 25 May 2017; 25 July 2017; 31 July 2017; 08 September 2017; 04 December 2017 and 02 March 2018. Details of the audit committee members who served during the financial year are:

25. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018.

Audit Committee responsibility

The Audit Committee reports that it has complied with its responsibilities in terms of Section 38(1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13.

The Audit Committee has adopted appropriate formal ToRs as its Audit Committee Charter, and has discharged its responsibilities in accordance with these terms of reference during the reporting period.

The effectiveness of internal control

The committee approved the Internal Audit Charter and the three-year rolling Strategic Plan, inclusive of a one-year Operational Audit Plan. The Chief Directorate: Internal Audit reported on a quarterly basis on the progress regarding the execution of the approved Annual Plan and functioning of the unit in terms of its Internal Audit Charter. During its scheduled meetings and when the need arose, the committee held closed meetings with the Chief Directorate: Internal Audit and the office of the Auditor-General of South Africa. The committee has reviewed audit reports from both internal and external audit. The committee noted the need for improvement in the systems of internal controls from the activities that were covered by both internal and external audit. The committee noted the improvements already made in respect of performance information management.

The Audit Committee is satisfied that the Chief Directorate: Internal Audit is independent, objective and endeavours to address the risks pertinent to the department in its audits. Our review of the findings of the work of internal audit, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the department.

The following internal audit work was completed during the year under review:

1. Stakeholder engagement
2. Recruitment and selection
3. Performance management system
4. Security services
5. Infrastructure support
6. 2016/17 Annual Financial Statements
7. 2016/17 Annual Performance Report
8. Review of Organisational Performance Guidelines
9. Risk management processes and follow-up audit: Risk management
10. Sector education and training
11. Animal health
12. Follow-up audit: Internal audit reports



13. Follow-up audit: AG findings for 2015/16
14. Performance information: (Quarter 1, Quarter 2, Quarter 3 and Quarter 4)
15. Management Performance Assessment Tool (MPAT)
16. Draft Annual Performance Plan for 2018/19
17. Natural resource management (Woodlands and indigenous forestry management)
18. Accruals (Q2)—2017/18
19. Division of Revenue Act (DoRA)—CASP
20. BBBEE Charters Compliance
21. Forestry Operations (Nurseries)
22. Interim Financial Statements 2017/18

Areas of concern for the Audit Committee

The Audit Committee has concerns about the following matters:

Management monitoring and control

During the year under review, the Director-General was suspended for a number of months after which period the suspension was withdrawn and the Director-General was restored in his position. This incident, unfortunately, resulted in a degree of uncertainty which inherently weighs on the internal control environment. The committee noted gaps in senior management oversight; particularly relating to its responsibility of ensuring that corrective actions are taken regarding weaknesses in controls, with particular reference to its monitoring function. It is also a concern that a significant number of findings raised by the auditors were repeat findings.

Conditional grants utilisation monitoring

During the financial year, a number of incidents were reported at provincial level where allegations of mismanagement, fraud, and/or misuse of funding allocated by the department under one or more of its programmes were raised. The department, subsequent to the financial year end, instituted measures entailing focussed audits by Internal Audit and outsourced forensic audits to follow through on the reported incidents. While these efforts are welcome, the committee remains concerned about the adequacy and effectiveness of the departmental measures to monitor and control funded programmes implemented at provincial level.

Department budget

The department is under pressure as its budget allocation from the National Treasury has been cut substantially during the past few years as part of austerity measures in the management of the national fiscus. This has resulted in underfunding for a number of high risk areas including ICT, boarder control, forestry management, etc. Management efforts however were noted in ensuring that the department does not overspend.

Valuation of biological assets and forestry management practices

Material misstatements in the disclosure of the biological assets were identified during the audit process and corrected. These related to inaccuracies in the valuation of plantations. While these were corrected, the Audit Committee is concerned about gaps in departmental processes and controls applicable to the valuation of plantations. The concern further extends to forestry management practices including controls relating to timber sales. This matter shall receive close attention in the 2018/19 financial year.

Vacancies at senior management level

Vacant positions in senior management extended to periods exceeding six months. The following Deputy Director-General (DDG) positions are vacant with acting officials:

- DDG: Forestry and Natural Resources Management—post vacant from 01 September 2017;
- DDG: Food Security and Agrarian Reform—post vacant from 01 July 2017; and
- DDG: Economic Development, Trade and Marketing—Post vacant from 08 April 2017.

Risk Management

While the risk management fundamentals have been put in place in the department, the committee is concerned with the level of maturity in the risk management processes. Significant delays were observed in concluding the 2017/18 and 2018/19 Strategic Risk Assessment, and the monitoring of the risk management action plans has not effectively



taken place. Risk management was not adequately prioritised within the department during the 2017/18 financial year and hence did not receive the necessary attention. Attendance of the Risk Management Committee meetings by senior management was poor with a number of meetings being cancelled and/or deferred.

The department is tasked with managing potential catastrophic risks that could have a huge, adverse impact on the economy, people and animal health. For this reason, risk management is critical. The committee has engaged the Accounting Officer on this matter and anticipates that measures will be instituted to ensure that risk management is accorded the attention it deserves.

In-year Management and Monthly/Quarterly Report

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

Evaluation of Financial Statements

We have reviewed the unaudited Annual Financial Statements prepared by the department and satisfied ourselves that they are of the required standards and comply with the relevant prescripts. The Audit Committee thus submits that it has:

- Reviewed the unaudited Annual Financial Statements submitted to the Auditor-General;
- Reviewed the Annual Report of the department;
- Reviewed the Auditor-General management report and management responses to the report;
- Reviewed the Audit Report of the Auditor-General.

Changes to accounting policies

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

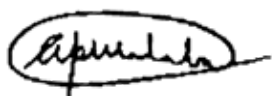
Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and noted that the root causes for a significant number of matters had not been adequately resolved, hence repeat audit findings. Management has recommitted to clear the outstanding matters.

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

Appreciation

The Audit Committee expresses its sincere appreciation to the Executive Authority, Accounting Officer, Auditor-General of South Africa, the DAFF management team, and Internal Audit for their support and cooperation.



MR A.P. WAKABA

Chairperson of the Audit Committee

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES



PART D

Human Resource Management

26. INTRODUCTION

In line with Public Service Regulations (Public Service Regulations, 2016, Chapter 3, Regulation 31) the Chief Directorate: Human Resources Management and Development gives an account on how it has provided strategic and transformed human resource services within the department through the development of strategies and plans, employee engagement and people empowerment practices during the 2017/2018 financial year.

Concerted commitment and available resources were invested towards ensuring that the department achieves its planned strategic deliverables, manages risks and challenges and ensures optimal service delivery with high levels of compliance to governance principles and the public service regulatory framework on people management.

The post establishment of the department totalled 6 120 posts; with 5 209 positions filled and 911 vacant positions, as at 31 March 2018. During the period under review, the departmental vacancy rate increased from 11,5% in 2016/2017 to 14,9% at the end of the 2017/2018 financial year. The increased vacancy rate is owing to the suspension of all processes relating to the filling of posts during the financial year. The department is currently in the process of prioritising the vacant positions to be filled, informed by the available budget on Compensation of Employees (CoE). A PERSAL clean-up process will follow this exercise. The Organisational Development Committee (ODC) continues to monitor the management of vacancies in the department, on a monthly basis, with a view of downscaling the vacancy rate.

The staff turnover rate decreased by 0,2%; from 5,7% during the 2016/2017 financial year, to 5,5% during the 2017/2018 financial year. The staff turnover remains within the generally acceptable norm of 15% in the public service. This status reflects the available institutional memory and intelligence necessary for the realisation of the departmental mandate.

A total of 74 new staff members joined the department through appointments and transfers, while 27 employees were promoted to vacant positions within the department—which includes one employee that was promoted to a vacant SMS position. A total of 299 employees, which includes 14 Senior Management Service (SMS) members, left the service of the department as a result of resignations, transfers, deaths, retirements, dismissals/discharges and/or contract expiry during the financial year. Most of the employees who left the department were on salary levels three to five (the majority were due to retirement).

Altogether 37 posts were subjected to job evaluation, which resulted in the upgrading of the salary levels of five posts and no posts downgraded. The job evaluation results of corporate services jobs were subjected to verification through the DPSA's job evaluation coordination process.

As a result of the Compensation of Employees (CoE) budget ceilings, imposed by the National Treasury, the Minister of Agriculture, Forestry and Fisheries has, effectively from 7 September 2017, suspended the filling of vacancies in the department as an interim measure, until practical solutions on how to manage the CoE budget within the ceilings set by National Treasury is found. The suspension of the filling of vacancies resulted in an increase in the vacancy rate. Subsequently a departmental task team (DTT) was established to interrogate and make recommendations to the Minister on constraints relating to the CoE on the departmental budget and holistically address cost drivers that directly contribute to the budget constraints and recommend strategies to counter those constraints. The five main areas that were identified for intervention were: the post establishment, service benefits, foreign offices, organisational design/structure and a general category of other cost drivers which include items such as accommodation, travel and subsistence, government vehicles as well as unfunded mandates. The DTT identified short, medium and long-term interventions to address the identified challenges and progress is reported to the Executive Management Committee (EXCO) of the department.

27. OVERVIEW OF HUMAN RESOURCES

Human resource priorities

Human resource planning remains at the core of ensuring the departmental capacity delivers on its mandate and strategic objectives.

In light of the above, the department continues to pursue its mandate, as well as driving transformation of the sector through implementation of the National Development Plan 2030 and monitoring of the Human Resource (HR) Plan. The year under review was the final year for the implementation of the MTEF HR Plan 2015/16—2017/18, which had identified the following HR Plan priorities:

1. Repositioning of HR as a strategic partner to enable DAFF to achieve its strategic objectives;
2. Employment of the youth in the DAFF;



3. Transformation of the workforce;
4. Management of the challenges of an ageing and ailing workforce and employment;
5. Review of the departmental organisational structure to facilitate integration and eliminate duplication of functions.

In order to implement the MTEF HR Plan effectively, the Human Resource Strategic Planning Framework for the Public Service—Vision 2015 requires the adjustment of the MTEF HR Plan on an annual basis. The monitoring and reporting on the MTEF HR Plan is done through the human resources key performance indicators. The quarterly HR Plan implementation reports are developed and submitted for the consideration by the Director-General. The quarterly HR Plan Implementation Reports for the monitoring of the MTEF HR Plan will be incorporated in the Annual MTEF HR Plan Implementation report, which is due to DPSA by 31 May 2018. The HR priority on employment of the youth in the DAFF, which contributes to the overall government strategic intent on youth development, has been fully achieved.

The vision of strategic partnering with line functions remains central to the human resources service delivery model which is aimed at maximising compliance to the regulatory framework, consistent application of best practices on people management as well as a high performing organisational culture. In this regard, human resources teams participate at branch level engagements in line functions.

The department continues to ensure harmonisation on cross-cutting human resource management and development issues in the agricultural, forestry and fisheries sectors through the HRM&D MINTECH structure.

Organisational development

During the financial year, the department embarked on a work study investigation on two functional areas, viz. the Comprehensive Agricultural Support Programme (CASP) and the Security Services unit. The intervention was aimed at strengthening the project monitoring capability of CASP and increasing the operational capacity of the security function. The proposals are finalised and currently in the process of being interrogated by the Executive Management Committee (EXCO) for approval. The Organisational Development Committee and the Job Evaluation Panel are effective structures in the maintenance of the organisational structure and post establishment as well as ensuring that all the jobs in the department are appropriately graded.

At sectoral level, value adding progress is being made. Following the approval and endorsement of the job evaluation of the 12 identified posts by MINTECH; the results were subsequently submitted to the MPSA for a directive before being implemented. The outcome of the consultation with the MPSA is outstanding.

Furthermore, the job evaluation coordination process with the provincial departments of agriculture further identified 26 jobs across the agricultural sector that had to be subjected to the job evaluation process as there had been a change in the prescribed JE system to be used in the public service. This was undertaken to ensure consistency in the grading of similar posts across the sector. The results of this evaluation will be implemented in the respective departments. Quarterly MINTECH HRM&D Working group meetings (4 meetings in total) were held with the provincial departments of agriculture to ensure consistent application of HRM&D practices across the agricultural public sector.

Recruitment

Leadership capacity and capability was improved through the appointment/ promotion of four SMS members, during the period under review.

Senior managers were held accountable for their posts establishment through the provision of a report on the filled and vacant positions to each branch head, to ensure adherence to sound principles of establishment management. The post establishment is updated and maintained on the Human Resources Management Information System (PERSAL) to ensure that all filled and vacant funded positions are appropriately recorded.

A moratorium was placed on the filling of vacancies since September 2017 owing to budgetary constraints; this has resulted in a vacancy rate of 14,9% as at 31 March 2018. The current process of prioritisation of vacant positions to be filled will result in improved capacity to deliver services in the department as well as a reduction in the vacancy rate.

As a result of the suspension of the filling of posts, more overtime work was performed by employees to meet service delivery requirements, which resulted in overtime becoming a significant cost driver.



Performance management

The department has made strides in improving the quality of alignment between the performance agreements and the departmental performance plans (Strategic Plan, Annual Performance Plans and Operational Plans), as well as the enhancement of the performance management culture. The overall compliance on the finalisation and submission of the performance agreements and work plans is at an aggregate of 98% compared to 94% achieved during the 2016/17 performance cycle. The 2016/17 performance cycle annual performance assessment outcome for employees on salary levels 1 to 12 has been finalised and implemented.

A total of 1935 employees were trained on the DPSA Determination and Directive on Performance Management for Employees Other Than SMS Members. Altogether 22 appeal cases were received and 19 finalised, with three being referred back to the relevant directorates. New templates in line with the Determination and Directive on Performance Management for Employees Other than SMS Members have been developed and finalised at the HR Forum.

Through the issuing of the HRM circulars, compliance to the regulatory framework is ensured whereby employees are reminded of:

- The amendment of Chapter four (4) of the SMS handbook as well as submission of the performance agreements for 2018/19 performance cycle;
- Finalisation and submission of the second bi-annual assessment reports for 2017/18 performance cycle;
- Finalisation and submission of the second mid-term reviews as well as annual performance appraisals for 2017/18 performance cycle.

Employees who fail to comply with the performance management framework are called to account, and forfeit performance incentives. During the last quarter of 2017/18 financial year, extensive re-orientation training on performance management for employees on salary level 12 and below was conducted.

Employee health and wellness

Employee health and wellness was prioritised to ensure a safe and healthy working environment. Access to the service has been enhanced through the implementation of a hybrid model; employees now have access to a 24-hour call centre service to help them cope with the challenges relating to work-life balance. Employees in the regions and forestry plantations will also benefit from this model.

Occupational health and safety capacity has been improved through the appointment of a health and safety co-ordinator, as well as the nomination of health and safety representatives and first aiders across the department. The nominated employees will be training on their roles and responsibilities to ensure their operational effectiveness. Occupational risk assessments were conducted in various offices and the reports were submitted to the relevant senior managers to implement in order to mitigate the risks identified. Guidance was provided to management regarding occupational hazards within their sections.

Preventative measures were conducted and these included counselling sessions, supervisory training on EAP, as well as circulation of material on tuberculosis, pregnancy and Down Syndrome awareness articles.

The 2018/19 Employee Health and Wellness Operational Plans were developed and submitted for approval to the Director-General and duly filed with the DPSA.

Employee development

The department continues to invest in employee growth and development in line with the Departmental HRD Strategy as well as the National Development Plan 2030, Chapter 13, which envisions a capable and developmental state by the year 2030.

To this end, the approved Work Place Skills Plan was fully implemented, thereby ensuring that the department has the necessary and critical skills required to deliver on its mandate, with a total number of 3 276 employees being trained on various skills programmes and short courses. A talent pipeline has been maintained by awarding 51 bursaries and six employees placed on the ABET programme, during this period.

In order to improve efficiency, the National School of Governance (NSG) introduced the online version of the Compulsory Induction Programme (CIP). A total number of 174 employees were trained through the online CIP—these employees



were provided with the necessary support. This methodology is preferred since it reduces amount of time spent away from work by employees to physically attend induction sessions.

The above interventions are aimed at ensuring that employees are equipped with the necessary competencies to execute their duties and responsibilities, and remain accountable in their roles.

Human resource planning

The Human Resource Planning Task Team concluded that the department did not meet the conditions for adjustment of the MTEF HR Plan 2015/16—2017/18 as contained in the amended directive on the Human Resource Strategic Planning Framework for the Public Service—Vision 2015. This decision was taken with the view of revising the key activities of the HR Plan priorities in order to maximise achievement. The Department of Public Service and Administration (DPSA) was informed accordingly. Therefore, the HR Plan priorities remained in effect until the MTEF HR Plan 2015/16—2017/18 came to an end on 31 March 2018.

A new MTEF HR Plan 2018/19—2020/21 must be developed and submitted to the DPSA by the end of June 2018. To this end, an HR Plan meeting was held on 12 February 2018 to initiate the development of the MTEF HR Plan 2018/19—2020/21. This process will determine new HR priorities, in alignment with the organisational status and environmental context.

The department's progress on employment equity as at 31 March 2018 is summarised as follows:

SMS members EE profile			
Status	Male	Female	Disabled
Target	50%	50%	2%
Current	54%	46%*	1,6%
Total gender profile in the department			
	Male	Female	Disabled
Target	48%	52%	2%
Current	53%	47%	1%

The above table depicts a significant milestone in drawing towards the 50/50 representation target as set by Cabinet for employees at SMS level in the public service. This confirms that implementation of the transformation agenda of government by DAFF is on track. Focused interventions towards achieving the 2% target in respect to the representation of people with disabilities will take priority in future when vacant positions are filled.

Human resource policies

In order to improve support to managers with HR tools, systems and processes on people management, the HR delegations in terms of the Public Service Regulations were developed, approved and submitted to DPSA for filing, in line with new Public Service Regulations, 2016 (PSR) that came into effect 1 August 2016. Furthermore, the new PSR required that the HR policies, practices, processes and delegations be reviewed. To this end, the various HR policies have been reviewed, approved by the departmental management and consultations with members of organised labour are currently underway. The Policy on Acting in Higher positions has been approved, and the following policies are currently being reviewed:

- Overtime Policy
- Employee Performance and Development;
- Special Leave Policy;
- Secondment Policy;
- Policy on Remunerated Work Outside the Department.

In the meantime, 18 HRM&D circulars were released to communicate HRM practices and developments to employees in the department.



Labour relations

In order to reduce conflict, misconduct and employee complaints, managers and employees were empowered through awareness campaigns on the department's Code of Conduct, and disciplinary and grievances procedures during the roll out of HR policies. These sessions placed specific focus on the department's Code of Conduct, as well as the disciplinary and grievances procedures to reduce the prevalence of misconduct and employee complaints.

These interventions resulted in a reduction of grievances from 78 during 2016/17, to 74 in 2017/18.

A similar decline in the incidence of misconduct cases is observed as indicated in the table below:

Misconduct cases			
Financial year	Total	Finalised	Pending
2016/17	47	25	22
2017/18	42	24	18

Various factors contributed to the finalisation of misconduct cases outside the targeted timeframe of an average number of 100 days. These range from postponements by representatives of parties, to unavailability of departmental witnesses.

The Departmental Bargaining Chamber (DBC) is operational and is currently addressing the following matters on the agenda:

- Various complaints received from PSA members and closure of certain camps in the Kruger National Park
- Funeral Policy
- Injury on duty concerns in Stellenbosch
- Non-implementation of Resolution 1 of 2012
- Employee Satisfaction Survey
- GPSSBA Resolution 5 of 2014 (Recognition of improved qualifications in the public service) Training on the amended Labour relations Act and the BCEA
- NEHAWU issues in Grootfontein Agricultural Development Institute (GADI)
- Departmental HR Policy review
- Subsidised motor transport
- Guidelines on the management of department restructuring
- Issues at Branch: Fisheries
- Security clearance at Branch: Fisheries
- Non-filling of vacancies
- The long outstanding prioritisation of positions
- Impending Border Management Agency (BMA) and the effect it will have on DAFF officials
- Appointment of military veterans
- Unilateral reduction of cell phone and 3G allowances
- Appointment of contract workers in Branch: Fisheries
- Payment of performance bonuses
- The Departmental Task Teams
- Transfer of MMM in KZN
- Transfer of plantations in Mpumalanga
- Review of Employee Performance Management and Development Policy
- Transformation at DAFF.

The Mandating Committee and the Ministerial Task Team support the collective bargaining process to fast track the resolution of matters and ensure harmonious relations between social partners, whenever incidents of conflict and disagreement surface.

The implementation of the Employee Satisfaction Survey recommendations is on the radar for 2018/19, upon approval. It is anticipated that the intervention will improve staff morale within the department.

28. HUMAN RESOURCE OVERSIGHT STATISTICS

28.1 Personnel related expenditure

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

Table 3.1.1: Personnel expenditure by programme for the period 1 April 2017 to 31 March 2018

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	827 999	440 353	2 101	12 723	53,2	77
2. Agricultural Production, Health and Food Safety	2 230 660	588 379	1 126	7 723	26,4	103
3. Food Security and Agrarian Reform	1 925 580	151 823	36 393	3 664	7,9	29
4. Economic Development, Trade and Marketing	278 667	116 848	918	27	41,9	21
5. Forestry	960 504	533 009	4 260	5 920	55,5	94
6. Fisheries	504 722	242 430	–	–	48,0	43
Total	6 728 132	2 072 842	44 798	30 057	30,8	367

Table 3.1.2: Personnel costs by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	86 678	4,2	519	167 140
Skilled (levels 3–5)	381 079	18,4	1 851	205 894
Highly skilled production (levels 6–8)	638 580	30,8	1 635	390 505
Highly skilled supervision (levels 9–12)	669 702	32,3	1 062	630 587
Senior management (levels 13–16)	156 095	7,5	126	1 237 165
Contract (levels 1–2)	25 692	1,2	228	112 930
Contract (levels 3–5)	4 178	0,2	18	233 611
Contract (levels 6–8)	3 115	0,2	8	391 875
Contract (levels 9–12)	90 898	4,4	139	653 536
Contract (levels 13–16)	14 863	0,7	10	1 496 100
Contract other	313	0,0	8	39 375
Periodical remuneration	1 648	0,1	49	33 857
Total	2 072 842	100,0	5 653	366 751



Table 3.1.3: Salaries, overtime, home-owner's allowance and medical aid by programme for the period 1 April 2017 to 31 March 2018

Programme	Salaries		Overtime		Home-owner's allowance		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
1. Administration	379 046	86,1	3 340	0,8	13 052	3,0	21 174	4,8
2. Agricultural Production, Health and Food Safety	515 185	87,6	5 818	1,0	17 357	2,9	26 505	4,5
3. Food Security and Agrarian Reform	133 438	87,9	783	0,5	5 079	3,3	7 580	5,0
4. Trade Promotions and Market Access	103 622	88,7	6	0,0	2 206	1,9	3 634	3,1
5. Forestry	456 321	85,6	7 291	1,4	28 723	5,4	28 409	5,3
6. Fisheries	211 850	87,4	20 870	8,6	5 330	2,2	10 656	4,4
Total	1 799 462	86,8	38 108	1,8	71 747	3,5	97 958	4,7

Table 3.1.4: Salaries, overtime, home-owner's allowance and medical aid by salary band for the period 1 April 2017 to 31 March 2018

Salary bands	Salaries		Overtime		Home-owner's allowance		Medical aid	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical aid as a % of personnel cost
Lower skilled (levels 1–2)	67 506	77,9	582	0,7	7 741	8,9	7 880	9,1
Skilled (levels 3–5)	300 841	78,9	7 916	2,1	26 567	7,0	27 009	7,1
Highly skilled production (levels 6–8)	529 994	8,0	23 799	3,7	22 438	3,5	39 114	6,1
Highly skilled supervision (levels 9–12)	609 204	91,0	4 861	0,7	12 145	1,8	21 817	3,3
Senior management (levels 13–16)	147 657	94,6	59	0,0	2 699	1,7	2 126	1,4
Contract (level 1–2)	27 069	105,4	155	0,6	–	0,0	–	0,0
Contract (level 3–5)	3 771	90,3	596	14,3	–	0,0	–	0,0
Contract (level 6–8)	3 182	102,2	133	4,3	–	0,0	–	0,0
Contract (level 9–12)	95 434	105,0	5	0,0	34	0,0	2	0,0
Contract (level 13–16)	14 489	97,5	–	0,0	123	0,8	11	0,1
Contract other	315	100,7	2	0,6	–	0,0	–	0,0
Total	1 799 462	86,8	38 108	1,8	71 747	3,5	97 958	4,7

28.2 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 staff members who 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 have 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 as at 31 March 2018

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1. Administration	1 136	989	12,9	5
2. Agricultural Production, Health and Food Safety	1 444	1 283	11,1	138
3. Food Security and Agrarian Reform	411	357	13,1	237
4. Trade Promotions and Market Access	161	143	11,2	4
5. Forestry	2 405	1 971	18,0	–
6. Fisheries	563	466	20,8	24
Total	*6 120	*5 209	14,9	408

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

Table 3.2.2 Employment and vacancies by salary band as at 31 March 2018

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)	1 553	1 289	17,0	237
Skilled (levels 3–5)	1 365	1 127	17,4	18
Highly skilled production (levels 6–8)	1 788	1 589	11,1	4
Highly skilled supervision (levels 9–12)	1 287	1 103	14,3	144
Senior management (levels 13–16)	125	99	20,8	5
Total	*6 118	*5 207	14,9	408

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

Table 3.2.3 Employment and vacancies by critical occupations as at 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administrative related	162	133	17,9	2
Agricultural animal, oceanography, forestry and other science	307	268	12,7	4
Agriculture related	395	342	13,4	–
Aircraft pilot and related associate professional	1	1	–	–
All artisans in the building, metal, machinery, etc.	29	26	10,3	–
Appraisers valuers and related professionals	25	21	16,0	3
Auxiliary and related workers	118	97	17,8	–
Biochemistry, pharmacology, zoology and life science technicians	43	33	23,3	–



Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Building and other property caretakers	58	52	10,3	–
Bus and heavy vehicle drivers	14	12	14,3	–
Chemists	2	2	–	–
Cleaners in offices, workshops, hospitals, etc.	100	91	9,0	1
Client information clerks (switchboard, reception and information clerks)	12	12	–	–
Communication and information related	12	9	25,0	–
Computer system designers and analysts	10	10	–	–
Economists	82	72	12,2	1
Engineers and related professionals	12	7	41,7	7
Farmhands and workers	223	177	20,6	–
Farming forestry advisors and farm managers	102	83	18,6	–
Finance and economics related	27	23	14,8	1
Financial and related professionals	36	28	22,2	–
Financial clerks and credit controllers	131	120	8,4	–
Fishing mate/master	11	10	9,1	–
Food services aids and waiters	30	27	10,0	–
Forestry labourers	1 043	836	19,8	–
Head of department/chief executive officer	1	1	–	–
Health sciences related	5	5	–	–
Horticulturists, foresters, agricultural and forestry technicians	423	381	9,9	–
Household and laundry workers	15	12	20,0	–
Human resources and organisational development and related professionals	45	38	15,6	–
Human resources clerks	96	89	7,3	–
Human resources related	21	17	19,0	–
Information technology related	1	1	–	–
Language practitioners, interpreters and other communicators	28	23	17,9	–
Legal related	7	3	57,1	–
Librarians and related professionals	4	3	25,0	–
Library mail and related clerks	85	78	8,2	–
Light vehicle drivers	12	8	33,3	–
Logistical support personnel	37	32	13,5	–
Material-recording and transport clerks	108	98	9,3	–
Mechanical engineering technicians	4	2	50,0	–
Messengers, porters and deliverers	80	64	20,0	–
Meteorologist	1	1	–	–
Motor vehicle drivers	37	36	2,7	–
Motorised farm and forestry plant operators	74	62	16,2	–
Natural sciences related	13	11	15,4	–
Nature conservation and oceanographically related technicians	67	50	25,4	–
Other administrative and related clerks and organisers	461	404	12,4	20

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Other administrative policy and related officers	134	121	9,7	–
Other information technology personnel	60	54	10,0	–
Photographic, lithographic and related workers	2	–	100,0	–
Printing and related machine operators	11	7	36,4	–
Printing planner and production controller	1	1	–	–
Quantity surveyors and related professionals	3	3	–	–
Rank: Minister	1	1	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	226	198	12,4	–
Risk management and security services	7	6	14,3	–
Road trade workers	5	4	20,0	1
Safety, health and quality inspectors	32	27	15,6	–
Secretaries and other keyboard operating clerks	126	120	4,8	1
Security officers	398	328	17,6	–
Senior managers	124	98	21,0	4
Ship's deck officers and pilots	30	20	33,3	–
Social sciences related	1	1	–	–
Statisticians and related professionals	21	17	19,0	–
Trade workers	277	251	9,4	7
Trainees	–	–	–	227
Veterinarians	37	28	24,3	129
Veterinary assistants	5	5	–	–
Water plant and related operators	8	7	12,5	–
Total	*6 120	*5 209	14,9	408

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

28.3 Filling of SMS posts

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

Table 3.3.1 SMS posts information as at 31 March 2018

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General	1	1	1,0	–	–
Salary level 15	8	5	5,1	3	11,5
Salary level 14	29	21	21,2	8	30,8
Salary level 13	87	72	72,7	15	57,7
Total	125	99	100,0	26	100,0



Table 3.3.2 SMS posts information as at 30 September 2017

SMS level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General	1	1	1,0	–	–
Salary level 15	8	5	5,0	3	12,5
Salary level 14	29	22	21,8	7	29,2
Salary level 13	87	73	72,2	14	58,3
Total	125	101	100,0	24	100,0

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

SMS level	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	2	–	–
Salary level 14	6	–	1
Salary level 13	9	1	2
Total	17	1	3

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS posts—advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months:
- The department is currently in the process of prioritising the filling of the vacancies owing to the reduction in budget allocations - The budget constraints which directly impact on the filling of vacant posts and the temporary suspension of the filling of vacancies in the department which was implemented on 22 September 2017 contributes to the non-filling of SMS posts.

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

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months for the period 1 April 2017 to 31 March 2018

N/A.

28.4 Job evaluation

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

Table 3.4.1 Job evaluation by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Number of posts on	Number of jobs	% of posts evaluated by	Posts upgraded		Posts downgraded	
	approved establishment	evaluated	salary bands	Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	1 553	–	–	–	–	–	–
Skilled (levels 3–5)	1 365	11	0,8	–	–	–	–
Highly skilled production (levels 6–8)	1 788	15	0,8	–	–	–	–
Highly skilled supervision (levels 9–12)	1 287	11	0,9	5	45,5	–	–
Senior Management Service Band A	87	–	–	–	–	–	–
Senior Management Service Band B	29	–	–	–	–	–	–
Senior Management Service Band C	8	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
Total	*6 118	37	0,6	5	45,5	–	–

* Number of posts, excluding the Minister and Deputy Minister

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

Table 3.4.2 Profile of employees whose positions were upgraded for the period 1 April 2017 to 31 March 2018

Beneficiaries	African	Asian	Coloured	White	Total
Female	2	–	–	–	2
Male	10	–	–	–	10
Total	12	–	–	–	12
Employees with a disability					–

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 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 to 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	1	8	9	Retention
Administrative related	2	9	10	Job evaluation
Administrative related	1	7	11	Retention
Administrative related	1	9	11	Retention
Administrative related	1	9	12	Retention
Administrative related	2	11	12	Grade progression
Administrative related	4	11	12	Retention



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative related	1	11	13	Retention
Administrative related	1	11	14	Retention
Agricultural animal, oceanography, forestry and other sciences	1	8	10	Retention
Agricultural animal, oceanography, forestry and other sciences	1	9	10	Retention
Agricultural animal, oceanography, forestry and other sciences	3	9	10	Grade progression
Agricultural animal, oceanography, forestry and other sciences	1	10	11	Grade progression
Agricultural animal, oceanography, forestry and other sciences	2	11	12	Grade progression
Agriculture related	2	8	9	Occupation adjustment
Agriculture related	1	9	10	Retention
Agriculture related	2	9	10	Grade progression
Agriculture related	1	11	13	Retention
Aircraft pilots and related associate professionals	1	11	12	Grade progression
All artisans in the building, metal, machinery, etc.	1	5	6	Grade progression
All artisans in the building, metal, machinery, etc.	4	6	7	Grade progression
All artisans in the building, metal, machinery, etc.	5	7	8	Grade progression
Appraisers–valuers and related professionals	1	11	12	Job evaluation
Auxiliary and related workers	2	4	5	Grade progression
Auxiliary and related workers	3	5	6	Grade progression
Auxiliary and related workers	1	6	7	Retention
Auxiliary and related workers	11	6	7	Grade progression
Auxiliary and related workers	1	6	8	Retention
Auxiliary and related workers	1	5	7	Grade progression/Transfer with level
Building and other property caretakers	50	2	3	Grade progression
Building and other property caretakers	1	4	5	Grade progression
Bus and heavy vehicle drivers	7	3	4	Grade progression
Bus and heavy vehicle drivers	9	4	5	Grade progression
Cleaners in offices, workshops, hospitals, etc.	21	2	3	Grade progression
Cleaners in offices, workshops, hospitals, etc.	3	4	5	Grade progression
Cleaners in offices, workshops, hospitals, etc.	1	6	7	Grade progression
Client information clerks (switchboard, reception and information clerks)	1	6	7	Grade progression
Economists	1	9	10	Grade progression
Economists	1	10	11	Job evaluation
Farmhands and labourers	33	2	3	Grade progression
Farmhands and labourers	2	4	5	Grade progression

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Farming forestry advisors and farm managers	1	4	5	Grade progression
Farming forestry advisors and farm managers	4	8	9	Occupation adjustment
Farming forestry advisors and farm managers	1	9	10	Retention
Finance and economics related	1	9	10	Job evaluation
Financial and related professionals	1	7	8	Grade progression
Financial clerks and credit controllers	19	6	7	Grade progression
Financial clerks and credit controllers	8	7	8	Grade progression
Food services aids and waiters	5	2	3	Grade progression
Forestry labourers	563	2	3	Grade progression
Forestry labourers	2	2	4	Transfer with level
Forestry labourers	1	2	5	Transfer with level
Forestry labourers	26	4	5	Grade progression
Forestry labourers	2	5	6	Grade progression
Forestry labourers	1	6	7	Grade progression
Horticulturists, foresters, agricultural and forestry technicians	4	8	9	Occupation adjustment
Horticulturists, foresters, agricultural and forestry technicians	1	8	10	Retention
Horticulturists, foresters, agricultural and forestry technicians	1	9	10	Grade progression
Human resources and organisational development and related	1	9	12	Retention
Human resources clerks	1	5	6	Job evaluation/Transfer
Human resources clerks	12	6	7	Grade progression
Human resources clerks	2	7	8	Grade progression
Human resources related	1	9	10	Retention
Librarians and related professionals	1	8	10	Retention
Library mail and related clerks	6	5	6	Grade progression
Library mail and related clerks	12	6	7	Grade progression
Library mail and related clerks	1	7	8	Grade progression
Library mail and related clerks	1	5	11	Retention
Library mail and related clerks	1	8	11	Retention
Logistical support personnel	1	6	7	Retention
Logistical support personnel	3	7	8	Grade progression
Logistical support personnel	1	8	9	Retention
Material-recording and transport clerks	2	5	6	Grade progression
Material-recording and transport clerks	16	6	7	Grade progression
Mechanical engineering technicians	1	10	11	Grade progression OSD
Messengers, porters and deliverers	22	2	3	Grade progression
Messengers, porters and deliverers	1	5	7	Retention
Messengers, porters and deliverers	1	2	4	Transfer with level
Motor vehicle drivers	2	2	3	Grade progression
Motorised farm and forestry plant operators	4	2	3	Grade progression



Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Motorised farm and forestry plant operators	1	4	5	Grade progression
Natural science related	1	8	10	Retention
Other administrative policy and related officers	1	7	8	Grade progression
Other administrative policy and related officers	1	8	9	Retention
Other administrative and related clerks and organisers	19	5	6	Grade progression
Other administrative and related clerks and organisers	72	6	7	Grade progression
Other administrative and related clerks and organisers	2	2	7	Grade progression/Transfer with level
Other administrative and related clerks and organisers	1	5	8	Relocate with level
Other administrative and related clerks and organisers	7	7	8	Grade progression
Other information technology personnel	1	11	12	Grade progression
Regulatory inspectors	1	7	8	Grade progression
Secretaries and other keyboard operating clerks	2	5	8	Retention
Secretaries and other keyboard operating clerks	5	6	7	Grade progression
Secretaries and other keyboard operating clerks	5	7	8	Grade progression
Secretaries and other keyboard operating clerks	1	8	9	Retention
Security officers	4	2	3	Grade progression
Security officers	2	3	4	Grade progression
Security officers	1	4	5	Grade progression
Security officers	3	5	6	Grade progression
Security officers	9	6	7	Grade progression
Senior managers	1	12	13	Foreign representation
Senior managers	5	12	14	Foreign representation
Senior managers	2	13	14	Retention
Senior managers	1	12	15	Foreign representation
Senior managers	1	14	15	Retention
Statisticians and related professionals	2	8	10	Grade progression/job evaluation
Statisticians and related professionals	3	11	12	Grade progression
Trade labourers	63	2	3	Grade progression
Trade labourers	1	2	4	Grade progression/Transfer with level
Trade labourers	3	4	5	Grade progression
Veterinarians	2	11	12	Grade progression
Veterinarians	1	11	13	Retention
Water plant and related operators	1	2	3	Grade progression
Water plant and related operators	1	4	5	Grade progression

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Total number of employees whose salaries exceeded the level determined by job evaluation				1 149
% of total employed	22,1			

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

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 to 31 March 2018

Beneficiary	African	Asian	Coloured	White	Total
Female	530	1	9	73	613
Male	461	1	21	40	523
Total	991	2	30	113	1 136
Employees with a disability	5	–	1	7	13

28.5 Employment changes

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

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Number of employees at beginning of period April 2017	Number of employees at 31 March 2018	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	1 387	1 289	16	10	0,7
Skilled (levels 3–5)	1 199	1 127	17	174	14,5
Highly skilled production (levels 6–8)	1 637	1 589	18	61	37
Highly skilled supervision (levels 9–12)	1 111	1 103	21	40	3,6
Senior Management Service Band A	76	72	2	4	5,3
Senior Management Service Band B	21	21	1	6	28,6
Senior Management Service Band C	8	5	–	4	50,0
Senior Management Service Band D	1	1	–	–	–
Total	*5 440	*5 207	75	299	5,5

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



Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018

Critical occupation	Number of employees at beginning of period 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administrative related	138	–	5	3,6
Agricultural, animal, oceanography, forestry and other sciences	273	3	6	2,2
Agriculture related	347	3	6	1,7
Aircraft pilot and related associate professional	1	–	–	–
All artisans in building, metal, machinery, etc.	27	–	1	3,7
Appraisers, valuers and related professionals	23	1	2	8,7
Auxiliary and related workers	102	–	6	5,9
Biochemistry, pharmacology, zoology and life science technicians	34	–	1	2,9
Building and other property caretakers	54	–	3	5,6
Bus and heavy vehicle drivers	13	–	2	15,4
Chemists	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	90	8	7	7,8
Client information clerks	12	–	–	–
Communication and information related	10	–	–	–
Computer system designers and analysts	10	–	–	–
Economists	72	1	1	1,4
Engineers and related professionals	3	4	–	–
Farmhands and labourers	196	3	11	5,6
Farming, forestry advisors and farm managers	85	1	6	7,1
Finance and economics related	24	–	1	4,2
Financial and related professionals	30	–	2	6,7
Financial clerks and credit controllers	124	2	7	5,6
Fishing mate/master	10	–	1	10,0
Food services aids and waiters	27	1	1	3,7
Forestry labourers	910	5	86	9,5
Geologists, geophysicists, hydrologists and related professionals	–	–	–	–
Head of department/chief executive officer	1	–	–	–
Health sciences related	4	1	–	–
Horticulturists, foresters, agricultural and forestry technicians	385	5	9	2,3
Household and laundry workers	13	–	1	7,7
Human resources and organisational development and related professionals	40	1	3	7,5
Human resources clerks	88	4	4	4,5

Critical occupation	Number of employees at beginning of period 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Human resources related	20	1	4	20,0
Information technology related	1	1	–	–
Language practitioners, interpreters and other communicators	23	–	–	–
Legal related	3	1	1	33,3
Librarians and related professionals	3	–	–	–
Library, mail and related clerks	78	1	1	1,3
Light vehicle drivers	9	–	1	11,1
Logistical support personnel	34	–	2	5,9
Material-recording and transport clerks	104	–	3	2,9
Mechanical engineering technicians	2	–	–	–
Messengers, porters and deliverers	72	1	7	9,7
Meteorologists	1	1	–	–
Motor vehicle drivers	38	–	2	5,3
Motorised farm and forestry plant operators	66	–	4	6,1
Natural sciences related	11	1	1	9,1
Nature conservation and oceanography related technicians	52	–	2	3,8
Other administrative and related clerks and organisers	419	6	18	4,3
Other administrative policy and related officers	122	4	6	4,9
Other information technology personnel	51	3	1	2,0
Photographic, lithographic and related workers	–	–	–	–
Printing and related machine operators	7	–	–	–
Printing planners and production controllers	1	–	–	–
Quantity surveyors and related professionals	3	–	–	–
Rank: Minister	1	–	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	204	–	6	2,9
Risk management and security services	7	–	1	14,3
Road trade workers	5	–	1	20,0
Safety health and quality inspectors	28	–	1	3,6
Secretaries and other keyboard operating clerks	118	2	3	2,5
Security officers	352	3	23	6,5
Senior managers	105	3	11	11,4
Ship's deck officers and pilots	25	–	4	16
Social sciences related	1	–	–	–
Statisticians and related professionals	18	–	1	5,6
Trade labourers	270	–	20	7,4



Critical occupation	Number of employees at beginning of period 1 April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Veterinarians	28	3	2	7,1
Veterinary assistants	4	1	–	–
Water plant and related operators	7	–	–	–
Total	*5 442	76	299	5,5

* Number of employees, including the Minister and Deputy Minister

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

Table 3.5.3 Reasons why staff members left the department for the period 1 April 2017 to 31 March 2018

Termination type	Number	% of total resignations
Death	35	11,7
Resignation	96	32,1
Expiry of contract	5	1,7
Dismissal operational changes	–	–
Dismissal misconduct	7	2,3
Dismissal inefficiency	6	2,0
Discharged because of ill health	–	–
Retirement	131	43,8
Transfer to other public service departments	19	6,4
Other	–	–
Total	299	100,0
Total number of employees who left as a % of total employment		5,7

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 to 31 March 2018

Occupation	Employees April 2017	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	138	–	–	110	79,7
Agricultural, animal, oceanography, forestry and other sciences	273	1	0,4	202	74,0
Agriculture related	347	5	1,4	270	77,8
Aircraft pilot and related associate professional	1	–	–	1	100,0
All artisans in building, metal, machinery, etc.	27	–	–	21	77,8
Appraisers, valuers and related professionals	23	–	–	13	56,5
Auxiliary and related workers	102	–	–	91	89,2
Biochemistry, pharmacology, zoology and life science technicians	34	–	–	17	50,0
Building and other property caretakers	54	–	–	21	38,9
Bus and heavy vehicle drivers	13	–	–	12	92,3
Chemists	2	–	–	1	50,0

Occupation	Employees April 2017	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
Cleaners in offices, workshops, hospitals, etc.	90	–	–	89	98,9
Client information clerks (switch-board, reception and information clerks)	12	–	–	6	50,0
Communication and information related	10	–	–	9	90,0
Computer system designers and analysts	10	–	–	7	70,0
Economists	72	–	–	49	68,1
Engineers and related professionals	3	–	–	4	133,0
Farmhands and workers	196	–	–	114	58,2
Farming, forestry advisors and farm managers	85	1	1,2	46	54,1
Finance and economics related	24	–	–	19	79,2
Financial and related professionals	30	–	–	21	70,0
Financial clerks and credit controllers	124	–	–	118	95,2
Fishing mate/master	10	–	–	10	100,0
Food services aids and waiters	27	–	–	23	85,2
Forestry workers	910	2	0,2	881	96,8
Head of department/chief executive officer	1	–	–	–	–
Health sciences related	4	–	–	2	50,0
Horticulturists, foresters, agricultural and forestry technicians	385	4	1,0	318	82,6
Household and laundry workers	13	–	–	10	76,9
Human resources, organisation development and related professionals	40	–	–	30	75,0
Human resources clerks	88	–	–	69	78,4
Human resources related	20	–	–	15	75,0
Information technology related	1	–	–	1	100,0
Language practitioners, interpreters and other communicators	23	–	–	18	78,3
Legal related	3	–	–	2	66,7
Librarians and related professionals	3	–	–	2	66,7
Library, mail and related clerks	78	–	–	59	75,6
Light vehicle drivers	9	–	–	6	66,7
Logistical support personnel	34	–	–	30	88,2
Material-recording and transport clerks	104	–	–	89	85,6
Mechanical engineers	2	–	–	1	50,0
Messengers, porters and deliverers	72	1	1,4	62	86,1



Occupation	Employees April 2017	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
Meteorologist	1	–	–	–	–
Motor vehicle drivers	38	–	–	27	71,1
Motorised farm and forestry plant operators	66	–	–	45	68,2
Natural sciences related	11	–	–	8	72,7
Nature conservation and oceanography related technicians	52	1	1,9	44	84,6
Other administrative and related clerks and organisers	419	3	0,7	348	83,1
Other administrative policy and related officers	122	2	1,6	82	67,2
Other information technology personnel	51	–	–	33	64,7
Photographic, lithographic and related workers	–	–	–	–	–
Printing and related machine operators	7	–	–	2	28,6
Printing planners and production controller	1	–	–	1	100,0
Quantity surveyors and related professionals	3	–	–	1	33,3
Rank: Minister and Deputy Minister	2	–	–	–	–
Regulatory inspectors	204	–	–	192	94,1
Risk management and security services	7	–	–	5	71,4
Road trade workers.	5	–	–	–	–
Safety, health and quality inspectors	28	2	7,1	18	64,3
Secretaries and other keyboard operating clerks	118	4	3,4	95	80,5
Security officers	352	–	–	310	88,1
Senior managers	105	1	1,0	1	1,0
Ship's deck officers and pilots	25	–	–	21	84,0
Social sciences related	1	–	–	1	100,0
Statisticians and related professionals	18	–	–	14	77,8
Trade workers	270	–	–	161	59,6
Veterinarians	28	–	–	19	67,9
Veterinary assistants	4	–	–	4	100,0
Water plant and related operators	7	–	–	3	42,9
Total	*5 442	27	0,5	4 304	79,1

* Number of employees, including the Minister and Deputy Minister

Table 3.5.5: Promotions by salary band for the period 1 April 2017 to 31 March 2018

Salary band	Employees 1 April 2017	Promotions to another salary level	Salary bands 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)	1 387	–	–	1 032	744
Skilled (levels 3–5)	1 199	6	0,5	1 058	882
Highly skilled production (levels 6–8)	1 637	12	0,7	1 380	84,3
Highly skilled supervision (levels 9–12)	1 111	8	0,7	808	72,7
Senior Management (levels 13–16)	106	1	0,9	26	24,5
Total	*5 440	27	0,5	4 304	79,1

* Number of employees, excluding the Minister and Deputy Minister

28.6 Employment equity

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	42	6	–	3	34	4	2	4	95
Professionals	390	24	11	89	338	23	13	70	958
Technicians and associate professionals	470	111	7	82	453	47	9	48	1 227
Clerks	236	31	2	12	458	57	7	109	912
Service and sales workers	229	5	1	13	81	2	–	1	332
Craft and related trade workers	17	5	–	8	–	–	–	–	30
Plant, machine operators and assemblers	118	14	–	2	8	–	–	–	142
Elementary occupations	789	51	–	4	641	25	–	1	1 511
Total	2 291	247	21	213	2 013	158	31	233	*5 207

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	42	6	–	3	34	4	2	4	95
Professionals	390	24	11	89	338	23	13	70	958
Technicians and associate professionals	470	111	7	82	453	47	9	48	1 227
Clerks	236	31	2	12	458	57	7	109	912
Service and sales workers	229	5	1	13	81	2	–	1	332
Craft and related trade workers	17	5	–	8	–	–	–	–	30
Plant, machine operators and assemblers	118	14	–	2	8	–	–	–	142
Elementary occupations	789	51	–	4	641	25	–	1	1 511
Total	2 291	247	21	213	2 013	158	31	233	*5 207

* Number of employees, excluding the Minister and Deputy Minister



Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (levels 15–16)	5	–	–	–	1	–	–	–	6
Senior management (level 13–14)	38	6	–	4	33	3	3	6	93
Professionally qualified and experienced specialists and mid-management (levels 9–12)	448	30	13	104	381	35	13	79	1 103
Skilled technical and academically qualified workers, junior management, supervisors, foremen (levels 6–8)	518	121	8	92	648	57	12	133	1 589
Semiskilled and discretionary decision making (levels 3–5)	646	63	–	13	346	42	3	14	1 127
Unskilled and defined decision making (levels 1–2)	636	27	–	–	604	21	–	1	1 289
Total	2 291	247	21	213	2 013	158	31	233	*5 207

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

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	–	–	–	–	–	–
Senior management	2	–	–	–	1	–	–	–	3
Professionally qualified and experienced specialists and mid-management	6	–	2	–	11	–	1	1	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen	4	–	–	–	14	–	–	–	18
Semiskilled and discretionary decision making	4	–	–	–	12	1	–	–	17
Unskilled and defined decision making	6	1	–	–	7	2	–	–	16
Total	22	1	2	–	45	3	1	1	*75
Employees with disabilities	–	–	–	–	–	–	–	–	–

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

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	–	–	–	–	–	–
Senior management	–	–	–	–	1	–	–	–	1
Professionally qualified and experienced specialists and mid-management	1	–	–	–	7	–	–	–	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen	1	1	–	–	9	–	0–	1	12
Semiskilled and discretionary decision making	4	–	–	–	2	–	–	–	6
Unskilled and defined decision making	–	–	–	–	–	–	–	–	–
Total	6	1	–	–	19	–	–	1	27
Employees with disabilities	–	–	–	–	–	–	–	–	–

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	2	–	–	1	4
Senior management	4	–	–	–	3	1	–	2	10
Professionally qualified and experienced specialists and mid-management	19	2	–	7	9	1	–	2	40
Skilled technical and academically qualified workers, junior management, supervisors, foremen	22	6	–	1	23	2	–	7	61
Semiskilled and discretionary decision making	94	9	–	–	64	4	–	1	172
Unskilled and defined decision making	4	–	–	–	4	2	–	–	10
Total	144	17	–	8	105	10	–	13	297
Employees with disabilities	1	–	–	–	1	–	–	–	2

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Co- loured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	26	–	–	1	13	–	–	–	40



Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	14	2	–	4	22	3	2	6	53
Professionals	343	13	8	13	338	11	3	46	775
Technicians and associate professionals	244	24	8	25	196	12	2	6	517
Clerks	202	54	2	20	291	8	6	14	597
Service and sales workers	5	–	–	2	4	–	–	2	13
Craft and related trade workers	90	8	7	7	113	10	–	9	244
Plant, machine operators and assemblers	17	5	2	4	13	10	3	4	58
Elementary occupations	522	12	–	–	480	5	–	–	1 019
Total	1 437	118	27	75	1 457	59	16	87	3 276
Employees with disabilities	4	–	–	–	3	–	–	–	7

28.7 Signing of performance agreements by SMS members

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

Table 3.7.1 Signing of performance agreements by SMS members as 31 May 2017

SMS level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as% of total number of SMS members
Director-General	1	1	1	100,0
Salary level 15	8	5	4	80,0
Salary level 14	29	21	18	85,7
Salary level 13	87	79	72	91,1
Total	125	106	97	91,5

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as on 31 March 2018

One SMS member was on incapacity leave
Non-compliance by the other SMS members

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as on 31 March 2018

Audi alteram partem letters were issued to the SMS members

28.8 Performance rewards

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

Table 3.8.1 Performance rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

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	1 066	4 278	24,9	21 021	19 720
Male	516	2 278	22,7	10 044	19 465
Female	550	2 000	27,5	10 977	19 958
Asian	18	51	35,3	308	17 111
Male	10	21	47,6	208	20 800
Female	8	30	26,7	100	12 500
Coloured	131	400	32,8	2 609	19 916
Male	79	245	32,2	1 685	21 329
Female	52	155	33,5	924	17 769
White	232	425	54,6	4 770	20 560
Male	96	205	46,8	2 042	21 271
Female	136	220	61,8	2 728	20 059
Employees with disabilities	20	53	37,7	337	16 850
Total	1 467	*5 207	28,2	29 045	19 799

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

****The figures represent the 2016/2017 assessment period and the performance rewards that were paid out for such period in the 2017/2018 financial year.***

Table 3.8.2: Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1–2)	114	1 289	8,8	742	6 509	0,9
Skilled (levels 3–5)	330	1 127	29,3	2 892	8 764	0,8
Highly skilled production (levels 6–8)	592	1 589	37,3	10 677	18 035	1,7
Highly skilled supervision (levels 9–12)	410	1 103	37,2	13 656	33 307	2,0
Total	1 446	5 108	28,3	27 967	19 341	1,6



Table 3.8.3: Performance rewards by critical occupation for the period 1 April 2017 to 31 March 2018

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	95	133	71,4	3 029	31 884
Agricultural animal, oceanography, forestry and other sciences	85	268	31,7	3 172	37 318
Agriculture related	68	342	19,9	1 961	28 838
Aircraft pilot and related associate professionals	–	1	–	–	–
All artisans in building, metal, machinery, etc.	6	26	23,1	144	24 000
Appraisers, valuers and related professionals	13	21	61,9	372	28 615
Auxiliary and related workers	44	97	45,4	589	13 386
Biochemistry, pharmacology, zoology and life science technicians	12	33	36,4	216	18 000
Building and other property caretakers	10	52	19,2	55	5 500
Bus and heavy vehicle drivers	–	12	–	–	–
Chemists	1	2	50,0	32	32 000
Cleaners in offices, workshops, hospitals, etc.	39	91	42,9	310	7 949
Client information clerks (switchboard, reception and information clerks)	4	12	33,3	51	12 750
Communication and information related	7	9	77,8	220	31 429
Computer system designers and analysts	8	10	80,0	338	42 250
Economists	23	72	31,9	738	32 087
Engineers and related professional	3	7	42,9	117	39 000
Farmhands and workers	27	177	15,3	182	6 741
Farming, forestry advisors and farm managers	21	83	25,3	440	20 952
Finance and economics related	15	23	65,2	522	34 800
Financial and related professionals	15	28	53,6	315	21 000
Financial clerks and credit controllers	35	120	29,2	526	15 029
Fishing mate/masters	7	10	70,0	104	14 857
Food services aids and waiters	13	27	48,1	101	7 769
Forestry workers	104	836	12,4	773	7 433
Head of department/chief executive officer	–	1	–	–	–
Health sciences related	2	5	40,0	50	25 000
Horticulturists, foresters, agricultural and forestry technicians	23	381	6,0	537	23 348
Household and laundry workers	4	12	33,3	32	8 000
Human resources and organisational development and related professionals	23	38	60,5	760	33 043
Human resources clerks	35	89	39,3	570	16 286
Human resources related	14	17	82,4	613	43 786
Information technology related	1	1	100,0	53	53 000
Language practitioners, interpreters and other communicators	16	23	69,6	365	22 813



Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Legal related	–	3	–	–	–
Librarians and related professionals	2	3	66,7	45	22 500
Library, mail and related clerks	23	78	29,5	360	15 652
Light vehicle drivers	3	8	37,5	30	10 000
Logistical support personnel	15	32	46,9	341	22 733
Material-recording and transport clerks	14	98	14,3	174	12 429
Mechanical engineering technicians	–	2	–	–	–
Messengers, porters and deliverers	41	64	64,1	370	9 024
Meteorologist	–	1	–	–	–
Motor vehicle drivers	2	36	5,6	10	5 000
Motorised farm and forestry plant operators	3	62	4,8	27	9 000
Natural science related	3	11	27,3	44	14 667
Nature conservation and oceanography related technicians	5	50	10,0	84	16 800
Other administrative and related clerks and organisers	120	404	29,7	1 574	13 117
Other administrative policy and related officers	69	121	57,0	1 312	19 014
Other information technology personnel	26	54	48,1	733	28 192
Photographic, lithographic and related	–	–	–	–	–
Printing and related machine operators	–	7	–	–	–
Printing planners and production controllers	1	1	100,0	19	19 000
Quantity surveyors and related professionals	–	3	–	–	–
Regulatory inspectors	91	198	46,0	1 737	19 088
Risk management and security services	4	6	66,7	63	15 750
Road trade workers	–	4	–	–	–
Safety health and quality inspectors	2	27	7,4	46	23 000
Secretaries and other keyboard operating clerks	98	120	81,7	2 032	20 735
Security officers	50	328	15,2	459	9 180
Senior managers	13	98	13,3	609	46 846
Ship's deck officers and pilots	11	20	55,0	139	12 636
Social sciences related	–	1	–	–	–
Statisticians and related professionals	16	17	94,1	617	38 562
Trade workers	65	251	25,9	448	6 892
Veterinarians	13	28	46,4	408	31 385
Veterinary assistants	3	5	60,0	69	23 000
Water plant and related operators	1	7	14,3	8	8 000
Total	1 467	*5 207	28,2	29 045	19 799

* Number of employees, excluding the Minister and Deputy Minister



**The figures represents the 2016/2017 assessment period and the performance rewards that were paid out for such period in the 2017/2018 financial year.*

Table 3.8.4 Performance related rewards (cash bonuses) by salary band for Senior Management Services for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	16	72	22,2	808	50 500	0,5
Band B	5	21	23,8	270	54 000	0,2
Band C	–	5	–	–	–	–
Band D	–	1	–	–	–	–
Total	21	99	21,2	1 078	51 333	0,7

**The figures represent the 2016/2017 assessment period and the performance rewards that were paid out for such period in the 2017/2018 financial year.*

28.9 Foreign workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 and 31 March 2018

Salary band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	–	–	–	–	–	–
Skilled (level 3–5)	1	9,1	1	9,1	–	–
Highly skilled production (level 6–8)	–	–	–	–	–	–
Highly skilled supervision (level 9–12)	9	81,8	9	81,8	–	–
Senior management (levels 13–16)	1	9,1	1	9,1	–	–
Total	11	100,0	11	100,0	–	–

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative related	1	9,1	1	9,1	–	–
Agricultural animal, oceanography, forestry and other sciences	5	45,4	5	45,4	–	–
Other administrative and related clerks and organisers	1	9,1	1	9,1	–	–
Veterinarians	3	27,3	3	27,3	–	–
Senior Managers	1	9,1	1	9,1	–	–
Total	11	100,0	11	100,0	–	–

28.10 Leave utilisation

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

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

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)	3 349	87,7	495	11,7	6,8	1 653
Skilled (levels 3–5)	10 536	84,5	1 278	30,3	8,2	7 264
Highly skilled production (levels 6–8)	10 993	75,8	1 410	33,4	7,8	14 549
Highly skilled supervision (levels 9–12)	6 496	69,3	947	22,4	6,9	15 196
Senior management (levels 13–16)	609	80,5	94	2,2	6,5	2 531
Total	31 983	78,7	4 224	100,0	7,6	41 193

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% days with medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	80	100,0	9	8,2	8,9	41
Skilled (levels 3–5)	1 044	100,0	38	34,5	27,5	791
Highly skilled production (levels 6–8)	1 318	100,0	42	38,2	31,4	1 579
Highly skilled supervision (levels 9–12)	421	100,0	18	16,4	23,4	936
Senior management (levels 13–16)	37	100,0	3	2,7	12,3	157
Total	2 900	100,0	110	100,0	26,4	3 504



The following table 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 at the time of termination of service.

Table 3.10.3 Annual leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1–2)	14 178	939	15,1
Skilled (levels 3–5)	47 149	2 046	23,0
Highly skilled production (levels 6–8)	40 713	1 774	22,9
Highly skilled supervision (levels 9–12)	29 568	1 295	22,8
Senior management (levels 13–16)	3 250	139	23,4
Total	134 858	6 193	21,8

Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 December 2016
Lower skilled (levels 1–2)	1	1	1,0	17
Skilled (levels 3–5)	586	81	7,2	86
Highly skilled production (levels 6–8)	193	25	7,7	65
Highly skilled supervision (levels 9–12)	181	18	10,1	58
Senior management (levels 13–16)	28	6	4,7	37
Total	989	131	7,5	75

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

Table 3.10.5 Leave pay-outs for the period 1 April 2017 to 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R)
Leave pay-out for 2016/17 owing to non-utilisation of leave for the previous cycle	118	6	19 667
Capped leave pay-outs on termination of service for 2017/18	13 196	425	31 049
Current leave pay-out on termination of service for 2017/18	504	42	12 000
Total	13 818	473	29 214

28.11 HIV/Aids and health promotion programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Agricultural machine users (farm workers, engineering services)	Preventative strategies through awareness campaigns, health related education

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
Migrant workers (Border posts and fence, quarantine stations and camps) projects (Infrastructure Support, WUID)	HIV counselling and testing, general screening tests
Shift workers	Provision of protective clothing and equipment
General workers (when coming into contact with body fluids)	Treatment through referrals
First aiders	Care and support through home visits, Employee Assistance Programme
Health and Safety representatives	Risk assessments
EHW practitioners	

Table 3.11.2 Details of health promotion and HIV/Aids programmes

Questions	Yes	No	Details, if yes
1. Has the department designated an SMS member 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 well-being 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.	√		8 Total budget: R323 2360



Questions	Yes	No	Details, if yes
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.	√		• EAP programmes: • Domestic violence • Substance abuse information • Electronic life skills orientation • Customary marriage education • Retirement planning • Trauma management • Financial management • Counselling • Facilitation of family support • Stress management • Health promotion and HIV and AIDS • Awareness campaigns, including communicable and non-communicable diseases • Nutrition and lifestyle management • HIV and AIDS management • Physical fitness • Vaccination against certain communicable diseases, e.g. influenza • HIV counselling and testing • Screening tests including HCT • Condom distribution • Facilitation of ARV treatment through a local clinic • Intranet messages • Gender based violence • Policy and procedure on Incapacity Leave and Ill-Health Retirement (PILIR) • Liaise between DAFF and the Health Risk Manager • Assist employees regarding the correct completion of relevant documents • Provide training in person and during awareness campaigns • One-on-one sessions
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	√		Workplace Safety Committee: Chairperson: K. Kgang Committee 1: Technical—Tau Nyaku Committee 2: Administration—Lexcy Manamela Committee 3: Stellenbosch—Deveroux Martin Committee 4: GADI—Tino Hersemen Committee 5: Forestry Management (KZN)—Kim Weir Committee 6: Forestry Management (EC)—Gwendoline Sgwabe
			Committee 7: Forestry Management (Mpu/Limp)—Andrew Tshivhase Committee 8: Forestry Management (other regions) Committee 9: Inspection Services—Ernest Phoku Committee 10: Infrastructure Support—J. du Plessis Committee 11: Animal Health—Mpho Maja Committee 12: Fisheries West Coast Region—S. Pheela

Questions	Yes	No	Details, if yes
5. Has the department reviewed its employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed	√		Gender Sensitive HIV and AIDS and TB Policy, Occupational Health and Safety Policy, Communicable and non-communicable diseases guidelines
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	√		Implementation of the following policies: • HIV, AIDS and TB Policy • Employment Equity Act • Promotion of equality and Prevention of Unfair Discrimination Act 2000 • Awareness education on stigma and discrimination
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved	√		• Increased uptake of HCT through GEMS • The program runs monthly • Increased male participation • Change of behaviour as observed by the high utilisation of condoms • Most of the employees know their status
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators	√		Impact analysis is conducted bi-annually • Knowledge and attitudes • Behavioural change • Practices • Quarterly reports • SMT tool—DPSA Compliance document

28.12 Labour relations

Table 3.12.1 Collective agreements for the period 1 April 2017 to 31 March 2018

Subject matter	Date
None	–

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 to 31 March 2018

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	4,2
Verbal warning	–	–
Written warning	–	–
Final written warning	3	12,5
Suspended without pay	5	20,7
Fine	–	–
Demotion	–	–



Outcomes of disciplinary hearings	Number	% of total
Dismissal	7	29,2
Not guilty	7	29,2
Resignation owing to misconduct	–	–
Case withdrawn	1	4,2
Total	24	100,0

Table 3.12.3 Types of misconduct addressed and disciplinary hearings for the period 1 April 2017 to 31 March 2018

Type of misconduct	Number	% of total
Misuse of government vehicle	7	16,7
Abscondments/absent without authorisation	12	28,6
Theft	1	2,4
Fraud	8	19,0
Contravenes an Act/policy/standard	5	11,9
Assault/threats to assault	3	7,1
Prejudicing the administration of the department	3	7,1
Insubordination	1	2,4
Performing remunerative employment without prior permission	2	4,8
Total	42	100,0

Table 3.12.4 Grievances lodged for the period 1 April 2017 to 31 March 2018

Grievances	Number	% of total
Number of grievances resolved	38	51,4
*Number of grievances not resolved	36	48,6
Total number of grievances lodged	74	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 3.12.5 Disputes lodged with councils for the period 1 April 2017 to 31 March 2018

Disputes	Number	% of total
Number of disputes upheld	–	–
Number of disputes dismissed	4	19,0
Matter settled	3	14,3
Still pending	14	66,7
Total number of disputes lodged	21	100,0

Table 3.12.6 Strike actions for the period 1 April 2017 to 31 March 2018

Strike actions
None.

Table 3.12.7 Precautionary suspensions for the period 1 April 2017 to 31 March 2018

Precautionary suspensions	
Number of people suspended	6
Number of people whose suspension exceeded 30 days	6
Average number of days suspended	206 days
Cost of suspension	R2 086 284,92



28.13 Skills development

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

Table 3.13.1 Training needs identified for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period				
			Learnerships	Skills Programmes and other short courses	Other forms of training ABET	Internal Bursaries	Total
Legislators, senior officials and managers	Female	51	–	32	–	1	33
	Male	56	–	18	–	2	20
Professionals	Female	473	–	376	–	22	398
	Male	531	–	362	–	15	377
Technicians and associate professionals	Female	567	–	210	–	6	216
	Male	695	–	291	–	10	301
Clerks	Female	643	–	315	–	4	319
	Male	288	–	271	–	7	278
Service and sales workers	Female	85	–	6	–	–	6
	Male	272	–	7	–	–	7
Craft and related trade workers	Female	–	–	129	–	3	132
	Male	32	–	104	–	8	112
Plant and machine operators and assemblers	Female	8	–	27	–	3	30
	Male	145	–	26	–	2	28
Elementary occupations	Female	726	–	473	12	–	485
	Male	904	–	417	117	–	534
Gender subtotals	Female	2 517	–	1 568	12	39	1 619
	Male	2 923	–	1 496	117	44	1 657
Total		*5 440	–	3 064	129	83	3 276

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

Table 3.13.2 Training provided for the period 1 April 2017 to 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period				
			Learnerships	Skills programmes	Other forms of training		Total
				and other short courses	Bursaries	ABET	
Legislators, senior officials and managers	Female	51	–	40	1	–	41
	Male	56	–	24	1	–	25



Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period				
			Learnerships	Skills programmes	Other forms of training		Total
				and other short courses	Bursaries	ABET	
Professionals	Female	473	–	191	8	–	199
	Male	531	–	193	2	–	195
Technicians and associate professionals	Female	567	–	142	6	–	148
	Male	695	–	128	6	–	134
Clerks	Female	643	–	148	15	–	163
	Male	288	–	99	9	–	108
Service and sales workers	Female	85	–	23	–	–	23
	Male	272	–	14	–	–	14
Craft and related trades workers	Female	–	6	54	–	–	60
	Male	32	5	54	–	–	59
Plant and machine operators and assemblers	Female	8	–	10	1	–	11
	Male	145	–	21	–	–	21
Elementary occupations	Female	726	–	71	–	6	77
	Male	904	–	134	2	–	136
Gender subtotals	Female	2 517	6	679	31	6	722
	Male	2 923	5	667	20	–	692
Total		*5 440	11	1 346	51	6	1 414

* Number of employees, excluding the Minister and Deputy Minister

28.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2017 to 31 March 2018

Nature of injury on duty	Number	% of total
Required basic medical attention only	22	100,00
Temporary total disablement	–	–
Permanent disablement	–	–
Fatal	–	–
Total	22	100,0

28.15 Utilisation of consultants

Table 3.15.1 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
Development Finance Policy—D: DFC	2	180	R600 000,00
PPECB SA-GAP—D: Marketing	1	365	R500 000,00
Flesh media group—D: Marketing	1	365	R168 000,00
Fresh mark system—D: Marketing	1	365	R151 438,80
Quantec Research group—D: Marketing	1	365	R59 892,18
Singisi rent review—D: CF	1	60	R95 000,00
Review of Commodity Clearance applications—D: GR	15	20	R157 681,00
Review of General release applications—D: GR	6	3	R26 267,00
Review of Contained use—D: GR	4	1	R9 172,00
Review of Trail Release applications—D: GR	9	10	R87 933,00
Review of Facility Registration applications—D: GR	2	1	R11 760,00

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
11	43	1 735	R1 867 143,98

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDI)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Development Finance Policy—D: DFC	–	–	–
PPECB SA-GAP—D: Marketing	–	–	–
Flesh media group—D: Marketing	–	–	–
Fresh mark system—D: Marketing	–	–	–
Quantec Research group—D: Marketing	–	–	–
Singisi rent review—D: CF	100	100	1
Review of Commodity Clearance applications—D: GR	–	–	–
Review of General release applications—D: GR	–	–	–
Review of Contained use—D: GR	–	–	–
Review of Trail Release applications—D: GR	–	–	–
Review of Facility Registration applications—D: GR	–	–	–

Table 3.15.3 Report on consultant appointments using donor funds

No consultants were appointed using donor funds.

26.16 Severance packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 to 31 March 2018

No employees were granted severance packages for the period 1 April 2017 to 31 March 2018.
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PART E

Financial Statements

Contents

Report of the Auditor-General to Parliament	165
Appropriation Statement	171
Notes to the Appropriation Statement	225
Statement of Financial Performance	227
Statement of Financial Position	228
Statement of Changes in Net Assets	229
Cash Flow Statement	230
Accounting Policies	231
Notes to the Annual Financial Statements (including Accounting Policies)	239
Annexures	279



REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 24: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Agriculture, Forestry and Fisheries set out on pages 171 to 279, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, 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 to the financial statements, including a summary of significant accounting policies.
2. 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 2018, and its financial performance and cash flows for the year then ended in accordance with the modified cash standards prescribed by 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, 2017 (Act No. 3 of 2017) (DoRA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

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

Unaudited supplementary schedules

7. The supplementary information set out on pages 279 to 298 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the Accounting Officer for the financial statements

8. The Accounting-Officer is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash standards prescribed by national treasury and the requirements of the PFMA and 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 owing to fraud or error.
9. In preparing the financial statements, the Accounting Officer is responsible for assessing the Department of Agriculture, Forestry and Fisheries' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Accounting Officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.



Auditor-General's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2: Agricultural production, health and food safety	46 – 54
Programme 3: Food security and agrarian reform	54 – 60
Programme 4: Trade promotion and market access	60 – 67
Programme 5: Forestry and natural resources management	67 – 72

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

Programme 2: Agricultural Production, Health and Food Safety

Indicator number 2.2.3: Number of regulatory compliance and monitoring interventions implemented

17. I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the target: four regulatory interventions implemented (quarantine, inspections, surveillance and testing). This was due to information provided as evidence not being complete and accurate. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of the indicator: number of regulatory compliance and monitoring interventions implemented as reported in the annual performance report.



Programme 4: Trade Promotion and Market Access

Indicator number 2.3.9: International relations strategy implemented

18. The targets for this indicator were not specific in clearly identifying the nature and required level of performance during the planning process, as required by the Framework for Managing Programme Performance Information.

Indicator	Planned target	Reported achievement
2.3.9 International relations strategy implemented	Report on strategic engagement of partners within south-south, north-south and multilateral agencies/forums	Report on strategic engagement of partners within south-south, north-south and multilateral agencies/forums has been compiled
	Report on strategic engagement of partners within Africa and African agencies	Report on strategic engagement of partners within Africa and African agencies has been compiled
	Status report on compliance to AU and SADC obligations	Status report on compliance to AU and SADC obligations has been compiled

19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 3: Food Security and Agrarian Reform
- Programme 5: Forestry and Natural Resources Management

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 37 to 79 for information on the achievement of planned targets for the year and explanations provided for the under-/overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 17 and 18 of this report.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 2: Agricultural Production, Health and Food Safety; Programme 3: Food Security and Agrarian Reform; and Programme 4: Trade Promotion and Market Access. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Report on the audit of compliance with legislation

Introduction and scope

23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

24. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements

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

Revenue management

26. Appropriate processes were not implemented to provide for the collection of and reconciliation of revenue, as required by treasury regulation 7.2.1.

Expenditure management

27. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R5,479 million, as disclosed in note 26 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with supply chain management requirements.

Other information

28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

32. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.



Leadership

33. There was inadequate oversight to ensure that internal controls are implemented. In addition, the instability in leadership roles and vacancies in critical positions that existed contributed to the ineffective monitoring of action plans.

Financial and performance management

34. The lack of adequate controls relating to daily and monthly processing of transactions resulted in findings on the financial and performance reports. Non-compliance with legislation could have been prevented had compliance been properly reviewed and monitored.

Auditor-General

AUDITOR-GENERAL

PRETORIA

31 JULY 2018



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE–AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit 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 department's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department of Agriculture, Forestry and Fisheries ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the Accounting Officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



APPROPRIATION STATEMENT

for the year ended 31 March 2018

Appropriation per programme	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
1. Administration	906 834	–	13 653	920 487	827 999	92 488	90,0	843 571	828 485
2. Agricultural Production, Health and Food Safety	2 236 871	–	12 649	2 249 520	2 230 660	18 860	99,2	1 927 266	1 927 031
3. Food Security and Agrarian Reform	1 944 057	–	(15 453)	1 928 604	1 925 580	3 024	99,8	1 881 198	1 879 016
4. Trade Promotion and Market Access	261 706	–	18 214	279 920	278 667	1 253	99,6	310 700	310 464
5. Forestry and Natural Resources Management	1 015 682	–	(51 924)	963 758	960 504	3 254	99,7	1 084 122	1 077 741
6. Fisheries	481 884	–	22 861	504 745	504 722	23	100,0	468 108	468 090
Subtotal	6 847 034	–	–	6 847 034	6 728 132	118 902	98,3	6 514 965	6 490 827
Reconciliation with statement of financial performance									
Add:									
Departmental receipts				228 106				202 706	
Aid assistance				2 729				5 108	
Actual amounts per statement of financial performance (total revenue)				7 077 869				6 722 779	
Add:									
Aid assistance					1 741				5 190
Actual amounts per statement of financial performance (total expenditure)					6 729 873				6 496 017



Appropriation per economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 906 247	(27 594)	(16 015)	2 862 638	2 751 287	111 351	96,1	2 815 915	2 817 435
Compensation of employees	2 100 236	–	(6 988)	2 093 248	2 072 842	20 406	99,0	1 984 332	1 938 317
Salaries and wages	1 823 076	(8 015)	4 471	1 819 532	1 799 462	20 070	98,9	1 729 903	1 684 023
Social contributions	277 160	8 015	(11 459)	273 716	273 380	336	99,9	254 429	254 294
Goods and services	804 097	(26 663)	(9 004)	768 430	677 488	90 942	88,2	831 265	878 803
Administrative fees	7 761	5 060	(3 467)	9 354	9 327	27	99,7	9 641	9 576
Advertising	7 669	872	(2 337)	6 204	6 198	6	99,9	7 523	7 514
Minor assets	7 474	(2 478)	(1 715)	3 281	2 990	291	91,1	3 778	3 697
Audit costs:	12 867	387	734	13 988	13 988	–	100,0	10 146	10 146
External									
Bursaries:	5 212	(1 614)	(811)	2 787	2 782	5	99,8	2 677	2 671
Employees									
Catering:	693	14	81	788	786	2	99,7	837	837
Departmental activities									
Communication	22 253	(2 993)	7 894	27 154	27 131	23	99,9	29 869	29 846
Computer services	50 980	(16 806)	(7 274)	26 900	26 892	8	100,0	24 508	28 869
Consultants:	15 332	(5 402)	7 088	17 018	17 015	3	100,0	14 961	22 974
Business and advisory services									
Infrastructure and planning services	336	100	–	436	436	–	100,0	2 069	2 069
Laboratory services	346	(187)	(20)	139	139	–	100,0	207	206
Legal services	5 572	2 090	4 807	12 469	12 467	2	100,0	5 378	6 139
Contractors	19 429	(4 209)	(4 211)	11 009	10 972	37	99,7	13 737	15 459
Agency and support/outsourced services	131 460	(9 256)	(12 888)	109 316	19 312	90 004	17,7	23 001	22 995
Entertainment	354	(89)	(25)	240	236	4	98,3	292	287
Fleet services	19 709	4 658	42	24 409	24 341	68	99,7	17 472	17 575
Inventory: Clothing material and supplies	6 829	398	(2 240)	4 987	4 930	57	98,9	3 098	3 095
Inventory: Farming supplies	30 636	3 683	(10 906)	23 413	23 409	4	100,0	225 441	219 753
Inventory: Food and food supplies	2 324	(823)	(84)	1 417	1 403	14	99,0	1 440	1 437
Inventory: Fuel, oil and gas	1 149	169	(117)	1 201	1 200	1	99,9	1 213	1 211
Inventory: Materials and supplies	1 129	(417)	673	1 385	1 385	–	100,0	211	210
Inventory: Medical supplies	602	(209)	(386)	7	7	–	100,0	89	89



Appropriation per economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Medicine	3 152	2 623	7 643	13 418	13 417	1	100,0	1 307	1 307
Inventory: Other supplies	2 112	(1 343)	(142)	627	626	1	99,8	719	719
Consumable supplies	26 354	(10 959)	(7 989)	7 406	7 376	30	99,6	8 013	7 989
Consumable: Stationery, printing and office supplies	19 305	(5 948)	(3 790)	9 567	9 536	31	99,7	8 922	8 901
Operating leases	41 465	(120)	75 110	116 455	116 442	13	100,0	92 018	108 384
Property payments	178 557	3 660	(52 297)	129 920	129 845	75	99,9	142 435	145 341
Transport provided: Departmental activity	15	(15)	–	–	–	–	–	–	–
Travel and subsistence	104 514	13 869	(12 766)	105 617	105 483	134	99,9	116 169	120 095
Training and development	41 557	(2 111)	5 365	44 811	44 798	13	100,0	29 058	29 048
Operating payments	20 417	466	(1 567)	19 316	19 236	80	99,6	17 550	17 475
Venues and facilities	15 084	1 611	6 581	23 276	23 268	8	100,0	17 486	32 889
Rental and hiring	1 449	(1 344)	10	115	115	–	100,0	–	–
Interest and rent on land	1 914	(931)	(23)	960	957	3	99,7	318	315
Interest	279	53	(23)	309	306	3	99,0	20	17
Rent on land	1 635	(984)	–	651	651	–	100,0	298	298
Transfers and subsidies	3 821 261	133	8 773	3 830 167	3 828 299	1 868	100,0	3 519 093	3 518 631
Provinces and municipalities	2 242 938	133	135	2 243 206	2 243 083	123	100,0	2 203 850	2 203 728
Provinces	2 241 689	–	–	2 241 689	2 241 689	–	100,0	2 202 452	2 202 452
Provincial Revenue Funds	2 241 689	–	–	2 241 689	2 241 689	–	100,0	2 202 452	2 202 452
Municipalities	1 249	133	135	1 517	1 394	123	91,9	1 398	1 276
Municipal bank accounts	1 249	133	135	1 517	1 394	123	91,9	1 398	1 276
Departmental agencies and accounts	1 299 976	–	–	1 299 976	1 299 970	6	100,0	1 129 082	1 129 077
Departmental agencies and accounts	1 299 976	–	–	1 299 976	1 299 970	6	100,0	1 129 082	1 129 077
Higher education institutions	–	–	–	–	–	–	–	8 529	8 529

Appropriation per economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Foreign governments and international organisations	36 637	–	–	36 637	35 616	1 021	97,2	42 445	42 306
Public corporations and private enterprises	150 829	–	19	150 848	150 848	–	100,0	98 514	98 506
Public corporations	150 828	–	–	150 828	150 828	–	100,0	98 333	98 333
Other transfers to public corporations	150 828	–	–	150 828	150 828	–	100,0	98 333	98 333
Private enterprises	1	–	19	20	20	–	100,0	181	173
Other transfers to private enterprises	1	–	19	20	20	–	100,0	181	173
Non-profit institutions	20 125	–	–	20 125	19 595	530	97,4	18 484	18 482
Households	70 756	–	8 619	79 375	79 187	188	99,8	18 189	18 003
Social benefits	6 201	–	6 988	13 189	13 153	36	99,7	16 373	16 302
Other transfers to households	64 555	–	1 631	66 186	66 034	152	99,8	1 816	1 701
Payments for capital assets	119 526	27 461	6 632	153 619	147 947	5 672	96,3	179 017	153 834
Buildings and other fixed structures	69 209	(2 176)	(8 499)	58 534	53 882	4 652	92,1	75 733	51 663
Buildings	30 767	(2 176)	(5 846)	22 745	20 514	2 231	90,2	38 879	15 638
Other fixed structures	38 442	–	(2 653)	35 789	33 368	2 421	93,2	36 854	36 025
Machinery and equipment	49 765	10 667	14 847	75 279	74 260	1 019	98,6	100 838	99 766
Transport equipment	33 419	4 134	3 717	41 270	41 265	5	100,0	56 893	56 879
Other machinery and equipment	16 346	6 533	11 130	34 009	32 995	1 014	97,0	43 945	42 887
Biological assets	160	(121)	–	39	39	–	100,0	223	184
Intangible assets	392	19 091	284	19 767	19 766	1	100,0	2 223	2 221
Payments for financial assets	–	–	610	610	599	11	98,2	940	927
Total	6 847 034	–	–	6 847 034	6 728 132	118 902	98,3	6 514 965	6 490 827



PROGRAMME 1: ADMINISTRATION

Subprogramme	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Ministry	42 699	2 850	(5 455)	40 094	40 076	18	100,0	40 466	40 451
1.2 Departmental Management	28 942	518	1 426	30 886	30 871	15	100,0	36 710	32 811
1.3 Financial Administration	194 846	(2 723)	(778)	191 345	191 273	72	100,0	177 886	177 841
1.4 Internal Audit	10 132	100	(808)	9 424	9 414	10	99,9	7 059	7 051
1.5 Corporate Services	179 893	2 315	8 340	190 548	190 476	72	100,0	189 465	187 782
1.6 Stakeholders Relations, Communication and Legal Services	80 558	40	1 283	81 881	81 855	26	100,0	92 613	92 593
1.7 Policy Planning, Monitoring and Evaluation	173 802	150	(1 947)	172 005	81 971	90 034	47,7	78 569	78 531
1.8 Office Accommodation	195 962	(3 250)	11 592	204 304	202 063	2 241	98,9	220 803	211 425
Total for subprogrammes	906 834	—	13 653	920 487	827 999	92 488	90,0	843 571	828 485

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	851 079	(2 277)	17 564	866 366	776 168	90 198	89,6	783 021	791 101
Compensation of employees	451 684	—	(11 279)	440 405	440 353	52	100,0	451 096	409 639
Salaries and wages	388 370	(935)	(8 361)	379 074	379 046	28	100,0	395 003	353 563
Social contributions	63 314	935	(2 918)	61 331	61 307	24	100,0	56 093	56 076
Goods and services	399 184	(2 350)	28 847	425 681	335 536	90 145	78,8	331 911	381 449
Administrative fees	2 851	2 829	(2 231)	3 449	3 441	8	99,8	5 388	5 380
Advertising	4 375	(441)	(1 889)	2 045	2 043	2	99,9	3 812	3 810
Minor assets	1 454	(623)	(622)	209	199	10	95,2	301	291
Audit costs: External	12 867	238	734	13 839	13 839	—	100,0	10 146	10 146
Bursaries: Employees	1 747	(188)	(245)	1 314	1 312	2	99,8	1 151	1 149
Catering: Departmental activities	354	9	21	384	383	1	99,7	447	446
Communication	7 679	(1 996)	9 254	14 937	14 933	4	100,0	17 582	17 580

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	22 325	(89)	(456)	21 780	21 777	3	100,0	20 991	25 354
Consultants:	3 301	(354)	8 230	11 177	11 176	1	100,0	7 060	14 107
Business and advisory services									
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	731	870	(53)	1 548	1 547	1	99,9	952	951
Contractors	5 108	136	(2 660)	2 584	2 576	8	99,7	600	2 352
Agency and support// outsourced services	95 973	(1 393)	(883)	93 697	3 695	90 002	3,9	2 946	2 944
Entertainment	232	(105)	(10)	117	115	2	98,3	174	173
Fleet services	3 167	485	(106)	3 546	3 531	15	99,6	3 159	3 155
Inventory: Clothing material and supplies	36	(32)	–	4	4	–	100,0	11	11
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	22	(3)	(6)	13	13	–	100,0	–	–
Inventory: Materials and supplies	1	–	(1)	–	–	–	–	1	1
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	2 762	(487)	(1 090)	1 185	1 179	6	99,5	1 307	1 301
Consumable:	5 500	(794)	(942)	3 764	3 759	5	99,9	3 971	3 966
Stationery, printing and office supplies									
Operating leases	37 840	–	66 585	104 425	104 425	–	100,0	82 520	98 896
Property payments	138 590	(2 959)	(48 200)	87 431	87 400	31	100,0	114 874	116 628
Transport provided:	–	–	–	–	–	–	–	–	–
Departmental activity									
Travel and subsistence	31 198	4 096	(1 353)	33 941	33 916	25	99,9	41 522	44 414
Training and development	2 673	(63)	(506)	2 104	2 101	3	99,9	1 707	1 705
Operating payments	4 441	342	(1 977)	2 806	2 794	12	99,6	2 529	2 520
Venues and facilities	13 921	(1 814)	7 253	19 360	19 356	4	100,0	8 760	24 169
Rental and hiring	36	(14)	–	22	22	–	100,0	–	–
Interest and rent on land	211	73	(4)	280	279	–	99,6	14	13
Interest	211	73	(4)	280	279	1	99,6	14	13



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	19 480	7	2 010	21 497	21 465	32	99,9	20 312	20 279
Provinces and municipalities	52	7	1	60	52	8	86,7	59	50
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–
Municipalities	52	7	1	60	52	8	86,7	59	50
Municipal bank accounts	52	7	1	60	52	8	86,7	59	50
Departmental agencies and accounts	19 010	–	–	19 010	19 004	6	100,0	17 362	17 358
Departmental agencies and accounts	19 010	–	–	19 010	19 004	6	100,0	17 362	17 358
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	12	9
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	–	–	–	–	–	12	9
Other transfers to private enterprises	–	–	–	–	–	–	–	12	9
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	418	–	2 009	2 427	2 409	18	99,3	2 879	2 862
Social benefits	418	–	934	1 352	1 342	10	99,3	2 734	2 724
Other transfers to households	–	–	1 075	1 075	1 067	8	99,3	145	138
Payments for capital assets	36 275	2 270	(6 092)	32 453	30 196	2 257	93,0	40 185	17 056
Buildings and other fixed structures	30 767	(2 176)	(7 419)	21 172	18 941	2 231	89,5	28 872	5 768
Buildings	30 767	(2 176)	(7 419)	21 172	18 941	2 231	89,5	28 872	5 768
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	5 116	3 577	1 129	9 822	9 796	26	99,7	9 182	9 158
Transport equipment	211	1 655	(3)	1 863	1 862	1	99,9	23	23

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other machinery and equipment	4 905	1 922	1 132	7 959	7 934	25	99,7	9 159	9 135
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	392	869	198	1 459	1 459	–	100,0	2 131	2 130
Payments for financial assets	–	–	171	171	170	1	99,4	53	49
Total	906 834	–	13 653	920 487	827 999	92 488	90,0	843 571	828 485

1.1 Ministry

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	41 815	1 133	(6 373)	36 575	36 562	13	100,0	40 153	40 145
Compensation of employees	24 436	–	(3 592)	20 844	20 841	3	100,0	20 882	20 879
Goods and services	17 379	1 133	(2 781)	15 731	15 721	10	99,9	19 271	19 266
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	12	–	827	839	837	2	99,8	91	87
Provinces and municipalities	12	–	–	12	11	1	91,7	11	10
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	1	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	827	827	826	1	99,9	79	77
Payments for capital assets	872	1 717	8	2 597	2 594	3	99,9	221	219
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Machinery and equipment	872	1 717	8	2 597	2 594	3	99,9	221	219
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	83	83	83	–	100,0	1	–
Total	42 699	2 850	(5 455)	40 094	40 076	18	100,0	40 466	40 451

1.2 Departmental Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	28 494	518	1 589	30 601	30 588	13	100,0	36 260	32 364
Compensation of employees	22 450	–	(7 335)	15 115	15 113	2	100,0	23 949	13 017
Goods and services	6 044	518	8 924	15 486	15 475	11	99,9	12 311	19 347
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	2	–	8	10	9	1	90,0	42	41
Provinces and municipalities	2	–	1	3	2	1	66,7	3	3
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	7	7	7	–	100,0	39	38

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	446	–	(171)	275	274	1	99,6	408	406
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	446	–	(171)	275	274	1	99,6	408	406
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	28 942	518	1 426	30 886	30 871	15	100,0	36 710	32 811

1.3 Financial Administration

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	193 589	(3 696)	(1 203)	188 690	188 640	50	100,0	175 552	175 523
Compensation of employees	146 534	–	2 587	149 121	149 109	12	100,0	143 901	141 811
Goods and services	46 844	(3 769)	(3 786)	39 289	39 252	37	99,9	31 637	33 699
Interest and rent on land	211	73	(4)	280	279	1	99,6	14	13
Transfers and subsidies	217	6	672	895	879	16	98,2	1 112	1 102
Provinces and municipalities	37	6	(5)	38	34	4	89,5	38	34
Departmental agencies and accounts	29	–	–	29	23	6	79,3	28	24
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	151	–	677	828	822	6	99,3	1 046	1 044
Payments for capital assets	1 040	967	(247)	1 760	1 754	6	99,7	1 185	1 180
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	990	967	(197)	1 760	1 754	6	99,7	1 185	1 180
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	50	–	(50)	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	194 846	(2 723)	(778)	191 345	191 273	72	100,0	177 886	177 841

1.4 Internal Audit

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	9 663	100	(839)	8 924	8 916	8	99,9	7 016	7 009
Compensation of employees	7 661	–	(773)	6 888	6 887	1	100,0	5 940	5 938
Goods and services	2 002	100	(66)	2 036	2 029	7	99,7	1 076	1 071
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	36	36	35	1	97,2	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	36	36	35	1	97,2	–	–



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	469	–	(5)	464	463	1	99,8	43	42
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	127	–	(5)	122	121	1	99,2	43	42
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	342	–	–	342	342	–	100,0	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	10 132	100	(808)	9 424	9 414	10	99,9	7 059	7 051



1.5 Corporate Services

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	176 810	591	5 778	183 179	183 124	55	100,0	179 281	177 614
Compensation of employees	136 647	–	2 125	138 772	138 758	14	100,0	134 836	124 199
Goods and services	40 163	591	3 653	44 407	44 366	41	99,9	44 445	53 415
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	1 890	1	226	2 117	2 109	8	99,6	2 014	2 007
Provinces and municipalities	1	1	2	4	3	1	75,0	4	2
Departmental agencies and accounts	1 671	–	–	1 671	1 671	–	100,0	1 637	1 637
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	4	4
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	218	–	224	442	435	7	98,4	369	364
Payments for capital assets	1 193	1 723	2 248	5 164	5 156	8	99,8	8 160	8 152
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 193	854	2 000	4 047	4 039	8	99,8	6 037	6 029
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	869	248	1 117	1 117	–	100,0	2 123	2 123
Payments for financial assets	–	–	88	88	87	1	98,9	10	9
Total	179 893	2 315	8 340	190 548	190 476	72	100,0	189 465	187 782

1.6 Stakeholder Relations, Communication and Legal Services

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	79 610	30	1 609	81 249	81 227	22	100,0	91 812	91 801
Compensation of employees	56 190	–	(3 132)	53 058	53 050	8	100,0	69 954	52 172
Goods and services	23 420	30	4 741	28 191	28 177	14	100,0	21 858	39 629
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	39	–	148	187	184	3	98,4	173	167
Provinces and municipalities	–	–	2	2	1	1	50,0	2	1
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	5	4
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	39	–	146	185	183	2	98,9	166	162
Payments for capital assets	909	10	(474)	445	444	1	99,8	627	624
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	909	10	(474)	445	444	1	99,8	619	617
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	8	7
Payments for financial assets	–	–	–	–	–	–	–	1	1
Total	80 558	40	1 283	81 881	81 855	26	100,0	92 613	92 593



1.7 Policy, Planning, Monitoring and Evaluation

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	156 048	108	(2 008)	154 148	64 120	90 028	41,6	61 071	61 042
Compensation of employees	57 766	–	(1 159)	56 607	56 595	12	100,0	51 634	51 623
Goods and services	98 282	108	(849)	97 541	7 525	90 016	7,7	9 437	9 419
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	17 320	–	93	17 413	17 412	1	100,0	16 880	16 875
Provinces and municipalities	–	–	1	1	1	–	100,0	1	–
Departmental agencies and accounts	17 310	–	–	17 310	17 310	–	100,0	15 697	15 697
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	2	1
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	10	–	92	102	101	1	99,0	1 180	1 177
Payments for capital assets	434	42	(32)	444	439	5	98,9	614	611
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	434	42	(32)	444	439	5	98,9	614	611
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	4	3
Total	173 802	150	(1 947)	172 005	81 971	90 034	47,7	78 569	78 531

1.8 Office Accommodation

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	165 050	(1 061)	19 011	183 000	182 991	9	100,0	191 876	205 603
Compensation of employees	–	–	–	–	–	–	–	–	–
Goods and services	165 050	(1 061)	19 011	183 000	182 991	9	100,0	191 876	205 603
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
Payments for capital assets	30 912	(2 189)	(7 419)	21 304	19 072	2 232	89,5	28 927	5 822
Buildings and other fixed structures	30 767	(2 176)	(7 419)	21 172	18 941	2 231	89,5	28 872	5 768
Machinery and equipment	145	(13)	–	132	131	1	99,2	55	54
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	195 962	(3 250)	11 592	204 304	202 063	2 241	98,9	220 803	211 425



PROGRAMME 2: AGRICULTURAL PRODUCTION, HEALTH AND FOOD SAFETY

Subprogramme	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Management	2 912	–	(115)	2 797	2 792	5	99,8	3 081	3 078
2.2 Inspection and Laboratory Services	372 384	–	6 228	378 612	377 556	1 056	99,7	330 205	330 063
2.3 Plant Production and Health	610 779	–	16 696	627 475	627 444	31	100,0	575 805	575 759
2.4 Animal Production and Health	276 213	–	(10 160)	266 053	248 285	17 768	93,3	205 186	205 142
2.5 Agricultural Research	974 583	–	–	974 583	974 583	–	100,0	812 989	812 989
Total for subprogrammes	2 236 871	–	12 649	2 249 520	2 230 660	18 860	99,2	1 927 266	1 927 031

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	682 401	(18 828)	4 880	668 453	650 535	17 918	97,3	584 545	584 353
Compensation of employees	606 667	–	(517)	606 150	588 379	17 771	97,1	539 461	537 318
Salaries and wages	536 246	(112)	(3 422)	532 712	515 185	17 527	96,7	472 196	470 089
Social contributions	70 421	112	2 905	73 438	73 194	244	99,7	67 265	67 229
Goods and services	75 734	(18 828)	5 397	62 303	62 156	147	99,8	45 084	47 035
Administrative fees	773	(165)	(44)	564	560	4	99,3	611	606
Advertising	384	(64)	(40)	280	279	1	99,6	402	401
Minor assets	176	53	(41)	188	179	9	95,2	99	94
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	698	(69)	(76)	553	552	1	99,8	626	624
Catering: Departmental activities	5	2	–	7	7	–	100,0	46	46
Communication	4 229	(672)	145	3 702	3 695	7	99,8	3 585	3 578
Computer services	25 011	(18 059)	(6 661)	291	290	1	99,7	456	456
Consultants: Business and advisory services	1 137	(324)	(57)	756	756	–	100,0	1 575	1 575
Infrastructure and planning services	–	–	–	–	–	–	–	–	–

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Laboratory services	210	(82)	(16)	112	112	–	100,0	96	95
Legal services	2 404	326	4 126	6 856	6 855	1	100,0	1 448	2 210
Contractors	547	190	(325)	412	401	11	97,3	1 143	1 132
Agency and support/outsourced services	105	(27)	(1)	77	77	–	100,0	74	74
Entertainment	28	(3)	(4)	21	21	–	100,0	24	23
Fleet services	4 444	1 610	1 460	7 514	7 492	22	99,7	6 007	6 122
Inventory: Clothing material and supplies	115	(7)	160	268	267	1	99,6	295	294
Inventory: Farming supplies	168	104	(141)	131	131	–	100,0	151	150
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	280	(50)	2	232	232	–	100,0	281	280
Inventory: Materials and supplies	26	(8)	780	798	798	–	100,0	–	–
Inventory: Medical supplies	600	(214)	(386)	–	–	–	–	88	88
Inventory: Medicine	2 528	3 145	7 651	13 324	13 324	–	100,0	1 167	1 167
Inventory: Other supplies	1 750	(1 041)	(142)	567	566	1	99,8	542	541
Consumable supplies	806	(91)	384	1 099	1 093	6	99,5	740	735
Consumable: Stationery, printing and office supplies	3 631	(399)	(463)	2 769	2 761	8	99,7	2 406	2 401
Operating leases	792	(748)	(9)	35	33	2	94,3	95	93
Property payments	3 752	140	923	4 815	4 802	13	99,7	2 902	4 087
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	16 026	(2 230)	(1 020)	12 776	12 744	32	99,7	15 300	15 265
Training and development	1 290	(44)	(118)	1 128	1 126	2	99,8	1 423	1 421
Operating payments	3 794	(276)	(665)	2 853	2 828	25	99,1	3 100	3 076
Venues and facilities	–	175	–	175	175	–	100,0	402	401
Rental and hiring	25	–	(25)	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 551 753	5	1 208	1 552 966	1 552 952	14	100,0	1 318 191	1 318 178
Provinces and municipalities	522 200	5	144	522 349	522 344	5	100,0	491 553	491 548
Provinces	522 139	–	–	522 139	522 139	–	100,0	491 363	491 363



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provincial Revenue Funds	522 139	–	–	522 139	522 139	–	100,0	491 363	491 363
Municipalities	61	5	144	210	205	5	97,6	190	185
Municipal bank accounts	61	5	144	210	205	5	97,6	190	185
Departmental agencies and accounts	974 783	–	–	974 783	974 783	–	100,0	813 189	813 189
Departmental agencies and accounts	974 783	–	–	974 783	974 783	–	100,0	813 189	813 189
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	19	19	19	–	100,0	28	27
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	19	19	19	–	100,0	28	27
Other transfers to private enterprises	–	–	19	19	19	–	100,0	28	27
Non-profit institutions	14 410	–	–	14 410	14 410	–	100,0	12 100	12 100
Households	40 360	–	1 045	41 405	41 396	9	100,0	1 321	1 314
Social benefits	360	–	990	1 350	1 344	6	99,6	1 279	1 273
Other transfers to households	40 000	–	55	40 055	40 052	3	100,0	42	41
Payments for capital assets	2 717	18 823	6 294	27 834	26 910	924	96,7	24 438	24 411
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	2 717	648	6 294	9 659	8 735	924	90,4	24 438	24 411
Transport equipment	–	326	(3)	323	323	–	100,0	17 311	17 310
Other machinery and equipment	2 717	322	6 297	9 336	8 412	924	90,1	7 127	7 101
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	18 175	–	18 175	18 175	–	100,0	–	–
Payments for financial assets	–	–	267	267	263	4	98,5	92	89
Total	2 236 871	–	12 649	2 249 520	2 230 660	18 860	99,2	1 927 266	1 927 031

2.1 Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	2 882	–	(96)	2 786	2 782	4	99,9	3 061	3 059
Compensation of employees	2 323	–	175	2 498	2 497	1	100,0	2 322	2 321
Goods and services	559	–	(271)	288	285	3	99,0	739	738
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	3	3	2	1	66,7	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	3	3	2	1	66,7	–	–
Payments for capital assets	30	–	(22)	8	8	–	100,0	20	19
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	30	–	(22)	8	8	–	100,0	20	19
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	2 912	–	(115)	2 797	2 792	5	99,8	3 081	3 078



2.2 Inspection and Laboratory Services

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	370 558	(18 393)	(912)	351 253	351 116	137	100,0	327 938	327 817
Compensation of employees	321 219	–	2 839	324 058	324 021	37	100,0	303 766	301 647
Goods and services	49 339	(18 393)	(3 751)	27 195	27 095	100	99,6	24 172	26 170
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	60	2	429	491	485	6	98,8	874	868
Provinces and municipalities	28	2	93	123	120	3	97,6	113	110
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	11	11	11	–	100,0	24	23
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	32	–	325	357	354	3	99,2	737	735
Payments for capital assets	1 766	18 391	6 465	26 622	25 710	912	96,6	1 328	1 314
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 766	216	6 465	8 447	7 535	912	89,2	1 328	1 314
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	18 175	–	18 175	18 175	–	100,0	–	–
Payments for financial assets	–	–	246	246	245	1	99,6	65	64
Total	372 384	–	6 228	378 612	377 556	1 056	99,7	330 205	330 063

2.3 Plant Production and Health

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	73 746	(327)	16 595	90 014	89 990	24	100,0	72 035	71 997
Compensation of employees	68 334	–	16 811	85 145	85 136	9	100,0	66 589	66 576
Goods and services	5 412	(327)	(216)	4 869	4 854	15	99,7	5 446	5 421
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	536 674	1	64	536 739	536 736	3	100,0	503 498	503 495
Provinces and municipalities	522 150	1	–	522 151	522 150	1	100,0	491 372	491 371
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	4	4
Non-profit institutions	14 410	–	–	14 410	14 410	–	100,0	12 100	12 100
Households	114	–	64	178	176	2	98,9	22	20
Payments for capital assets	359	326	35	720	717	3	99,6	272	267
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	359	326	35	720	717	3	99,6	272	267
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	2	2	1	1	50,0	–	–
Total	610 779	–	16 696	627 475	627 444	31	100,0	575 805	575 759



2.4 Animal Production and Health

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	235 215	(108)	(10 707)	224 400	206 647	17 753	92,1	181 511	181 480
Compensation of employees	214 791	–	(20 342)	194 449	176 725	17 724	90,9	166 784	166 774
Goods and services	20 424	(108)	9 635	29 951	20 922	29	99,9	14 727	14 706
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	40 436	2	712	41 150	41 146	4	100,0	830	826
Provinces and municipalities	22	2	51	75	74	1	98,7	68	67
Departmental agencies and accounts	200	–	–	200	200	–	100,0	200	200
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	8	8	8	–	100,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	40 214	–	653	40 867	40 864	3	100,0	562	559
Payments for capital assets	562	106	(184)	484	475	9	98,1	22 818	22 811
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	562	106	(184)	484	475	9	98,1	22 818	22 811
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	19	19	17	2	89,5	27	25
Total	276 213	–	(10 160)	266 053	248 285	17 768	93,3	205 186	205 142



2.5 Agricultural Research

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	–	–	–	–	–	–	–	–	–
Compensation of employees	–	–	–	–	–	–	–	–	–
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	974 583	–	–	974 583	974 583	–	100,0	812 989	812 989
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	974 583	–	–	974 583	974 583	–	100,0	812 989	812 989
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	974 583	–	–	974 583	974 583	–	100,0	812 989	812 989



PROGRAMME 3: FOOD SECURITY AND AGRARIAN REFORM

Subprogramme	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Management	3 697	–	816	4 513	4 511	2	100,0	4 660	4 657
3.2 Food Security	1 342 038	(1 420)	(23 585)	1 317 033	1 314 577	2 456	99,8	1 251 045	1 250 173
3.3 Sector Capacity Development	230 898	1 420	(831)	231 487	230 931	556	99,8	248 690	247 390
3.4 National Extension Support Services	367 424	–	8 147	375 571	375 561	10	100,0	376 803	376 796
Total for subprogrammes	1 944 057	–	(15 453)	1 928 604	1 925 580	3 024	99,8	1 881 198	1 879 016

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	266 729	(5 672)	(22 021)	239 036	238 605	431	99,8	212 549	212 469
Compensation of employees	161 926	–	(10 087)	151 839	151 823	16	100,0	144 880	142 588
Salaries and wages	140 609	(244)	(6 919)	133 446	133 438	8	100,0	128 489	126 204
Social contributions	21 317	244	(3 168)	18 393	18 385	8	100,0	16 391	16 384
Goods and services	104 802	(5 672)	(11 934)	87 196	86 781	415	99,5	67 667	69 880
Administrative fees	403	2 118	(559)	1 962	1 958	4	99,8	836	834
Advertising	1 346	732	(358)	1 720	1 720	–	100,0	1 598	1 596
Minor assets	4 306	(1 219)	(749)	2 338	2 077	261	88,8	2 971	2 919
Audit costs: External	–	149	–	149	149	–	100,0	–	–
Bursaries: Employees	1 277	(979)	(92)	206	205	1	99,5	167	166
Catering: Departmental activities	4	3	–	7	7	–	100,0	8	9
Communication	2 983	(958)	(53)	1 972	1 971	1	99,9	1 813	1 813
Computer services	770	336	(1)	1 105	1 102	3	99,7	1 038	1 038
Consultants: Business and advisory services	395	3 064	4	3 463	3 462	1	100,0	1 045	2 011
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	136	(105)	(4)	27	27	–	100,0	–	–
Legal services	149	26	–	175	175	–	100,0	4	4
Contractors	4 071	(2 759)	(5)	1 307	1 300	7	99,5	1 739	1 733
Agency and support/ outsourced services	8 227	(2 084)	(6 049)	94	93	1	98,9	1 033	1 032



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Entertainment	26	–	(2)	24	24	–	100,0	23	23
Fleet services	1 754	448	60	2 262	2 251	11	99,5	1 799	1 798
Inventory: Clothing material and supplies	628	(28)	(5)	595	544	51	91,4	135	134
Inventory: Farming supplies	1 851	74	(315)	1 610	1 609	1	99,9	1 906	1 906
Inventory: Food and food supplies	2 234	(778)	(84)	1 372	1 358	14	99,0	1 254	1 251
Inventory: Fuel, oil and gas	218	201	(6)	413	412	1	99,8	159	159
Inventory: Materials and supplies	887	(402)	(20)	465	465	–	100,0	143	142
Inventory: Medical supplies	2	5	–	7	7	–	100,0	1	1
Inventory: Medicine	624	(522)	(8)	94	93	1	98,9	140	140
Inventory: Other supplies	362	(302)	–	60	60	–	100,0	176	177
Consumable supplies	12 877	(5 271)	(4 883)	2 723	2 713	10	99,6	2 073	2 068
Consumable: Stationery, printing and office supplies	5 158	(3 093)	(1 272)	793	782	11	98,6	685	682
Operating leases	53	–	(53)	–	–	–	–	–	–
Property payments	1 280	6 963	(165)	8 078	8 071	7	99,9	4 552	4 542
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	16 932	1 093	(2 355)	15 670	15 654	16	99,9	14 522	15 865
Training and development	30 881	(1 022)	6 537	36 396	36 393	3	100,0	24 148	24 147
Operating payments	4 086	(1 766)	(927)	1 393	1 385	8	99,4	1 634	1 627
Venues and facilities	882	402	(569)	715	713	2	99,7	2 065	2 063
Rental and hiring	–	2	(1)	1	1	–	100,0	–	–
Interest and rent on land	1	–	–	1	1	–	100,0	2	1
Interest	1	–	–	1	1	–	100,0	2	1
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 639 547	34	466	1 640 047	1 639 907	140	100,0	1 600 750	1 600 627
Provinces and municipalities	1 507 204	34	(32)	1 507 206	1 507 202	4	100,0	1 565 376	1 565 373
Provinces	1 506 875	–	–	1 506 875	1 506 875	–	100,0	1 565 090	1 565 090
Provincial Revenue Funds	1 506 875	–	–	1 506 875	1 506 875	–	100,0	1 565 090	1 565 090
Municipalities	329	34	(32)	331	327	4	98,8	286	283
Municipal bank accounts	329	34	(32)	331	327	4	98,8	286	283



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	600	–	–	600	600	–	100,0	19 462	19 462
Departmental agencies and accounts	600	–	–	600	600	–	100,0	19 462	19 462
Higher education institutions	–	–	–	–	–	–	–	5 820	5 820
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	106 247	–	–	106 247	106 247	–	100,0	5 951	5 950
Public corporations	106 246	–	–	106 246	106 246	–	100,0	5 935	5 935
Other transfers to public corporations	106 246	–	–	106 246	106 246	–	100,0	5 935	5 935
Private enterprises	1	–	–	1	1	–	100,0	16	15
Other transfers to private enterprises	1	–	–	1	1	–	100,0	16	15
Non-profit institutions	–	–	–	–	–	–	–	1 500	1 498
Households	25 496	–	498	25 994	25 858	136	99,5	2 641	2 524
Social benefits	941	–	272	1 213	1 209	4	99,7	1 114	1 099
Other transfers to households	24 555	–	226	24 781	24 649	132	99,5	1 527	1 425
Payments for capital assets	37 781	5 638	5 963	49 382	46 931	2 451	95,0	67 508	65 532
Buildings and other fixed structures	35 043	–	132	35 175	32 756	2 419	93,1	44 250	43 285
Buildings	–	–	1 573	1 573	1 573	–	100,0	10 007	9 870
Other fixed structures	35 043	–	(1 441)	33 602	31 183	2 419	92,8	34 243	33 415
Machinery and equipment	2 699	5 610	5 738	14 047	14 015	32	99,8	23 003	22 032
Transport equipment	–	1 921	365	2 286	2 285	1	100,0	895	894
Other machinery and equipment	2 699	3 689	5 373	11 761	11 730	31	99,7	22 108	21 138
Biological assets	39	–	–	39	39	–	100,0	223	184
Intangible assets	–	28	93	121	121	–	100,0	32	31
Payments for financial assets	–	–	139	139	137	2	98,6	391	388
Total	1 944 057	–	(15 453)	1 928 604	1 925 580	3 024	99,8	1 881 198	1 879 016

3.1 Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 304	–	816	4 120	4 118	2	100,0	4 660	4 657
Compensation of employees	2 740	–	783	3 523	3 522	1	100,0	4 021	4 020
Goods and services	564	–	33	597	596	1	99,8	639	637
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	393	–	–	393	393	–	100,0	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	393	–	–	393	393	–	100,0	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	3 697	–	816	4 513	4 511	2	100,0	4 660	4 657



3.2 Food Security

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	87 033	(1 463)	(21 779)	63 791	63 763	28	100,0	59 684	59 662
Compensation of employees	67 229	(1 500)	(14 810)	50 919	50 912	7	100,0	47 659	46 186
Goods and services	19 804	37	(6 969)	12 872	12 851	21	99,8	12 025	13 476
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	1 218 927	–	206	1 219 133	1 219 129	4	100,0	1 155 483	1 155 465
Provinces and municipalities	1 112 411	–	(40)	1 112 371	1 112 370	1	100,0	1 148 326	1 148 324
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	820	820
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	106 246	–	–	106 246	106 246	–	100,0	5 944	5 944
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	270	–	246	516	513	3	99,4	393	377
Payments for capital assets	36 078	43	(2 015)	34 106	31 682	2 424	92,9	35 515	34 684
Buildings and other fixed structures	35 043	–	(1 441)	33 602	31 183	2 419	92,8	34 243	33 415
Machinery and equipment	1 035	43	(574)	504	499	5	99,0	1 254	1 251
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	18	18
Payments for financial assets	–	–	3	3	3	–	100,0	363	362
Total	1 342 038	(1 420)	(23 585)	1 317 033	1 314 577	2 456	99,8	1 251 045	1 250 173



3.3 Sector Capacity Development

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	146 979	(4 209)	(9 148)	133 622	133 229	393	99,7	117 622	117 573
Compensation of employees	84 114	1 500	2 890	88 504	88 499	5	100,0	85 121	84 306
Goods and services	62 864	(5 709)	(12 038)	45 117	44 729	388	99,1	32 499	33 266
Interest and rent on land	1	–	–	1	1	–	100,0	2	1
Transfers and subsidies	82 321	34	203	82 558	82 423	135	99,8	99 118	99 013
Provinces and municipalities	56 887	34	8	56 929	56 926	3	100,0	70 901	70 900
Departmental agencies and accounts	600	–	–	600	600	–	100,0	19 462	19 462
Higher education institutions	–	–	–	–	–	–	–	5 000	5 000
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	1	–	–	1	1	–	100,0	7	6
Non-profit institutions	–	–	–	–	–	–	–	1 500	1 498
Households	24 833	–	195	25 028	24 896	132	99,5	2 248	2 147
Payments for capital assets	1 598	5 595	7 978	15 171	15 145	26	99,8	31 923	30 778
Buildings and other fixed structures	–	–	1 573	1 573	1 573	–	100,0	10 007	9 870
Machinery and equipment	1 559	5 567	6 312	13 438	13 412	26	99,8	21 679	20 711
Biological assets	39	–	–	39	39	–	100,0	223	184
Intangible assets	–	28	93	121	121	–	100,0	14	13
Payments for financial assets	–	–	136	136	134	2	98,5	27	26
Total	230 898	1 420	(831)	231 487	230 931	556	99,8	248 690	247 390



3.4 National Extension Support Services

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	29 413	–	8 090	37 503	37 495	8	100,0	30 583	30 577
Compensation of employees	7 843	–	1 050	8 893	8 890	3	100,0	8 079	8 076
Goods and services	21 570	–	7 040	28 610	28 605	5	100,0	22 504	22 501
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	337 906	–	57	337 963	337 962	1	100,0	346 149	346 149
Provinces and municipalities	337 906	–	–	337 906	337 906	–	100,0	346 149	346 149
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	57	57	56	1	98,2	–	–
Payments for capital assets	105	–	–	105	104	1	99,0	70	70
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	105	–	–	105	104	1	99,0	70	70
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	1	–
Total	367 424	–	8 147	375 571	375 561	10	100,0	376 803	376 796



PROGRAMME 4: TRADE PROMOTION AND MARKET ACCESS

2017/18								2016/17	
Subprogramme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Management	5 066	–	(4 066)	1 000	997	3	99,7	3 275	3 271
4.2 International Relations and Trade	121 940	306	23 418	145 664	144 445	1 219	99,2	136 664	136 460
4.3 Cooperatives and Rural Enterprise Development	70 789	(306)	(1 629)	68 854	68 840	14	100,0	114 816	114 804
4.4 Agro-processing and Marketing	63 911	–	491	64 402	64 385	17	100,0	55 945	55 929
Total for sub programmes	261 706	–	18 214	279 920	278 667	1 253	99,6	310 700	310 464

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	137 650	(47)	18 049	155 652	155 561	91	99,9	139 611	139 526
Compensation of employees	105 779	–	11 090	116 869	116 848	21	100,0	106 385	106 359
Salaries and wages	94 889	(2 086)	10 827	103 630	103 622	8	100,0	93 489	93 477
Social contributions	10 890	2 086	263	13 239	13 226	13	99,9	12 896	12 882
Goods and services	31 871	(47)	6 959	38 783	38 713	70	99,8	33 226	33 167
Administrative fees	939	87	(216)	810	807	3	99,6	955	952
Advertising	418	(156)	(40)	222	221	1	99,5	252	251
Minor assets	112	(39)	(50)	23	19	4	82,6	48	44
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	292	(120)	(76)	96	95	1	99,0	310	310
Catering: Departmental activities	315	(43)	45	317	317	–	100,0	234	234
Communication	1 204	345	(269)	1 280	1 278	2	99,8	1 370	1 368
Computer services	287	27	(14)	300	300	–	100,0	92	91
Consultants: Business and advisory services	6 278	(6 257)	7	28	27	1	96,4	9	9
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	–	–	–	–	–	–	–	40	40



2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	58	151	148	357	352	5	98,6	95	90
Agency and support/outsourced services	2 817	225	(2 208)	834	834	–	100,0	740	740
Entertainment	38	20	2	60	59	1	98,3	47	45
Fleet services	232	37	(26)	243	239	4	98,4	200	198
Inventory: Clothing material and supplies	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	100	129	52	281	281	–	100,0	–	–
Inventory: Materials and supplies	5	–	(5)	–	–	–	–	1	1
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	71	19	(54)	36	35	1	97,2	51	50
Consumable: Stationery, printing and office supplies	993	36	(348)	681	679	2	99,7	584	580
Operating leases	1 957	1 140	8 898	11 995	11 984	11	99,9	9 257	9 250
Property payments	10	250	22	282	275	7	97,5	28	26
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	11 584	1 924	(2 013)	11 495	11 478	17	99,9	11 053	11 038
Training and development	1 122	(143)	(60)	919	918	1	99,9	606	605
Operating payments	2 862	2 202	3 075	8 139	8 131	8	99,9	6 721	6 713
Venues and facilities	121	119	53	293	292	1	99,7	533	532
Rental and hiring	56	–	36	92	92	–	100,0	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	123 705	–	96	123 801	122 643	1 158	99,1	170 482	170 338
Provinces and municipalities	11	–	(8)	3	2	1	66,7	2	2
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipalities	11	–	(8)	3	2	1	66,7	2	2
Municipal bank accounts	11	–	(8)	3	2	1	66,7	2	2
Departmental agencies and accounts	41 917	–	–	41 917	41 917	–	100,0	35 310	35 309
Departmental agencies and accounts	41 917	–	–	41 917	41 917	–	100,0	35 310	35 309
Higher education institutions	–	–	–	–	–	–	–	100	100
Foreign governments and international organisations	36 637	–	–	36 637	35 616	1 021	97,2	42 445	42 306
Public corporations and private enterprises	44 582	–	–	44 582	44 582	–	100,0	92 399	92 398
Public corporations	44 582	–	–	44 582	44 582	–	100,0	92 398	92 398
Other transfers to public corporations	44 582	–	–	44 582	44 582	–	100,0	92 398	92 398
Private enterprises	–	–	–	–	–	–	–	1	–
Other transfers to private enterprises	–	–	–	–	–	–	–	1	–
Non-profit institutions	300	–	–	300	170	130	56,7	–	–
Households	258	–	104	362	356	6	98,3	226	223
Social benefits	258	–	34	292	287	5	98,3	216	215
Other transfers to households	–	–	70	70	69	1	98,6	10	8
Payments for capital assets	351	47	69	467	463	4	99,1	592	586
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	351	47	69	467	463	4	99,1	592	586
Transport equipment	–	–	–	–	–	–	–	–	–
Other machinery and equipment	351	47	69	467	463	4	99,1	592	586
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	15	14
Total	261 706	–	18 214	279 920	278 667	1 253	99,6	310 700	310 464



4.1 Management

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 066	–	(4 073)	993	990	3	99,7	3 251	3 248
Compensation of employees	2 485	–	(1 909)	576	576	–	100,0	2 268	2 267
Goods and services	2 581	–	(2 164)	417	414	3	99,3	983	981
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	7	7	7	–	100,0	24	23
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	7	7	7	–	100,0	24	23
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	5 066	–	(4 066)	1 000	997	3	99,7	3 275	3 271

4.2 International Relations and Trade

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	84 819	306	23 358	108 483	108 419	64	99,9	93 519	93 459
Compensation of employees	64 788	–	12 684	77 472	77 458	14	100,0	68 891	68 874
Goods and services	20 031	306	10 674	31 011	30 961	50	99,8	24 628	24 585
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	37 043	–	61	37 104	35 951	1 153	96,9	42 699	42 560
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	100	100
Foreign governments and international organisations	36 637	–	–	36 637	35 616	1 021	97,2	42 445	42 306
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	300	–	–	300	170	130	56,7	–	–
Households	106	–	61	167	165	2	98,8	154	154
Payments for capital assets	78	–	(1)	77	75	2	97,4	431	427
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	78	–	(1)	77	75	2	97,4	431	427
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	15	14
Total	121 940	306	23 418	145 664	144 445	1 219	99,2	136 664	136 460



4.3 Cooperatives and Rural Enterprise Development

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	25 927	(353)	(1 596)	23 978	23 968	10	100,0	21 974	21 967
Compensation of employees	21 277	–	(290)	20 987	20 984	3	100,0	18 580	18 577
Goods and services	4 650	(353)	(1 306)	2 991	2 984	7	99,8	3 394	3 390
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	44 701	–	2	44 703	44 700	3	100,0	92 750	92 747
Provinces and municipalities	11	–	(8)	3	2	1	66,7	2	2
Departmental agencies and accounts	–	–	–	–	–	–	–	305	304
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	44 582	–	–	44 582	44 582	–	100,0	92 399	92 398
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	108	–	10	118	116	2	98,3	44	43
Payments for capital assets	161	47	(35)	173	172	1	99,4	92	90
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	161	47	(35)	173	172	1	99,4	92	90
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	70 789	(306)	(1 629)	68 854	68 840	14	100,0	114 816	114 804



4.4 Agro-processing and Marketing

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	21 838	–	360	22 198	22 184	14	99,9	20 867	20 852
Compensation of employees	17 229	–	605	17 834	17 830	4	100,0	16 646	16 641
Goods and services	4 609	–	(245)	4 364	4 354	10	99,8	4 221	4 211
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	41 961	–	26	41 987	41 985	2	100,0	35 009	35 008
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	41 917	–	–	41 917	41 917	–	100,0	35 005	35 005
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	44	–	26	70	68	2	97,1	4	3
Payments for capital assets	112	–	105	217	216	1	99,5	69	69
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	112	–	105	217	216	1	99,5	69	69
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	63 911	–	491	64 402	64 385	17	100,0	55 945	55 929



PROGRAMME 5: FORESTRY AND NATIONAL RESOURCES MANAGEMENT

2017/18								2016/17	
Subprogramme	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Management	5 242	125	(2 161)	3 206	3 202	4	99,9	4 787	4 782
5.2 Forestry Operations	479 190	190	(26 911)	452 469	449 875	2 594	99,4	439 001	438 833
5.3 Forestry Oversight and Regulation	60 188	–	(3 893)	56 295	55 765	530	99,1	53 049	52 911
5.4 Natural Resources Management	471 062	(315)	(18 959)	451 788	451 662	126	100,0	587 285	581 215
Total for sub programmes	1 015 682	–	(51 924)	963 758	960 504	3 254	99,7	1 084 122	1 077 741

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	748 586	(770)	(57 132)	690 684	687 988	2 696	99,6	870 039	863 851
Compensation of employees	554 378	–	(18 840)	535 538	533 009	2 529	99,5	516 360	516 278
Salaries and wages	478 899	(4 638)	(15 447)	458 814	456 321	2 493	99,5	443 080	443 049
Social contributions	75 479	4 638	(3 393)	76 724	76 688	36	100,0	73 280	73 229
Goods and services	192 506	234	(38 273)	154 467	154 302	165	99,9	353 377	347 272
Administrative fees	2 795	191	(417)	2 569	2 561	8	99,7	1 851	1 804
Advertising	1 146	801	(10)	1 937	1 935	2	99,9	1 459	1 456
Minor assets	1 426	(650)	(253)	523	516	7	98,7	359	349
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	1 198	(258)	(322)	618	618	–	100,0	423	442
Catering: Departmental activities	15	43	15	73	72	1	98,6	102	102
Communication	6 158	288	(1 183)	5 263	5 254	9	99,8	5 519	5 507
Computer services	2 587	979	(142)	3 424	3 423	1	100,0	1 931	1 930
Consultants: Business and advisory services	4 221	(1 531)	(1 096)	1 594	1 594	–	100,0	5 272	5 272
Infrastructure and planning services	336	100	–	436	436	–	100,0	2 069	2 069
Laboratory services	–	–	–	–	–	–	–	111	111
Legal services	2 288	868	734	3 890	3 890	–	100,0	2 934	2 934
Contractors	9 645	(1 927)	(1 369)	6 349	6 343	6	99,9	10 160	10 152
Agency and support/outsourced services	24 338	(5 977)	(3 747)	14 614	14 613	1	100,0	18 208	18 205



2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Entertainment	30	(1)	(11)	18	17	1	94,4	24	23
Fleet services	10 112	2 078	(1 346)	10 844	10 828	16	99,9	6 307	6 302
Inventory: Clothing material and supplies	6 050	465	(2 395)	4 120	4 115	5	99,9	2 657	2 656
Inventory: Farming supplies	28 617	3 505	(10 450)	21 672	21 669	3	100,0	223 384	217 697
Inventory: Food and food supplies	90	(45)	–	45	45	–	100,0	186	186
Inventory: Fuel, oil and gas	529	(108)	(159)	262	262	–	100,0	773	772
Inventory: Materials and supplies	210	(7)	(81)	122	122	–	100,0	66	66
Inventory: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	1	1
Consumable supplies	9 838	(5 129)	(2 346)	2 363	2 356	7	99,7	3 842	3 835
Consumable: Stationery, printing and office supplies	4 023	(1 698)	(765)	1 560	1 555	5	99,7	1 276	1 272
Operating leases	823	(512)	(311)	–	–	–	–	146	145
Property payments	34 925	(734)	(4 877)	29 314	29 297	17	99,9	20 079	20 058
Transport provided: Departmental activity	15	(15)	–	–	–	–	–	–	–
Travel and subsistence	28 774	8 986	(6 025)	31 735	31 691	44	99,9	33 772	33 513
Training and development	5 591	(839)	(488)	4 264	4 260	4	99,9	1 174	1 170
Operating payments	5 234	(36)	(1 073)	4 125	4 098	27	99,3	3 566	3 539
Venues and facilities	160	2 729	(156)	2 733	2 732	1	100,0	5 726	5 724
Rental and hiring	1 332	(1 332)	–	–	–	–	–	–	–
Interest and rent on land	1 702	(1 004)	(19)	679	677	2	99,7	302	301
Interest	67	(20)	(19)	28	26	2	92,9	4	3
Rent on land	1 635	(984)	–	651	651	–	100,0	298	298
Transfers and subsidies	224 694	87	4 777	229 558	229 040	518	99,8	167 441	167 295
Provinces and municipalities	213 471	87	30	213 588	213 483	105	100,0	146 860	146 755
Provinces	212 675	–	–	212 675	212 675	–	100,0	145 999	145 999
Provincial Revenue Funds	212 675	–	–	212 675	212 675	–	100,0	145 999	145 999
Municipalities	796	87	30	913	808	105	88,5	861	756
Municipal bank accounts	796	87	30	913	808	105	88,5	861	756



2017/18								2016/17	
Economic classifica- tion	Adjusted appro- priation	Shifting of funds	Virement	Final ap- propria- tion	Actual expendi- ture	Variance	Expen- diture as % of final appro- priation	Final ap- propria- tion	Actual expendi- ture
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	2 000	2 000
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	2 000	2 000
Higher education institutions	–	–	–	–	–	–	–	2 609	2 609
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	124	122
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	–	–	–	–	–	124	122
Other transfers to private enterprises	–	–	–	–	–	–	–	124	122
Non-profit institutions	5 415	–	–	5 415	5 015	400	92,6	4 884	4 884
Households	3 808	–	4 747	8 555	8 542	13	99,8	10 964	10 925
Social benefits	3 808	–	4 542	8 350	8 345	5	99,9	10 872	10 836
Other transfers to households	–	–	205	205	197	8	96,1	92	89
Payments for capital assets	42 402	683	398	43 483	43 447	36	99,9	46 294	46 249
Buildings and other fixed structures	3 399	–	(1 212)	2 187	2 185	2	99,9	2 611	2 610
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	3 399	–	(1 212)	2 187	2 185	2	99,9	2 611	2 610
Machinery and equipment	38 882	785	1 617	41 284	41 251	33	99,9	43 623	43 579
Transport equipment	33 208	232	3 358	36 798	36 795	3	100,0	38 664	38 652
Other machinery and equipment	5 674	553	(1 741)	4 486	4 456	30	99,3	4 959	4 927
Biological assets	121	(121)	–	–	–	–	–	–	–
Intangible assets	–	19	(7)	12	11	1	91,7	60	60
Payments for financial assets	–	–	33	33	29	4	87,9	348	346
Total	1 015 682	–	(51 924)	963 758	960 504	3 254	99,7	1 084 122	1 077 741

5.1 Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	5 203	51	(2 209)	3 045	3 043	2	99,9	4 701	4 698
Compensation of employees	2 634	–	(804)	1 830	1 830	–	100,0	2 336	2 335
Goods and services	2 569	51	(1 405)	1 215	1 213	2	99,8	2 365	2 363
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	–	–	117	117	116	1	99,1	47	46
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	13	13
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	117	117	116	1	99,1	34	33
Payments for capital assets	39	74	(69)	44	43	1	97,7	39	38
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	39	74	(69)	44	43	1	97,7	39	38
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	5 242	125	(2 161)	3 206	3 202	4	99,9	4 787	4 782



5.2 Forestry Operations

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	439 544	158	(32 650)	407 052	404 483	2 569	99,4	388 385	388 255
Compensation of employees	348 931	–	(15 942)	332 989	330 498	2 491	99,3	323 997	323 954
Goods and services	88 911	1 162	(16 689)	73 384	73 308	76	99,9	64 086	64 000
Interest and rent on land	1 702	(1 004)	(19)	679	677	2	99,7	302	301
Transfers and sub-sidies	3 034	–	3 274	6 308	6 299	9	99,9	9 674	9 663
Provinces and municipalities	182	–	40	222	219	3	98,6	181	178
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	101	99
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	2 852	–	3 234	6 086	6 080	6	99,9	9 392	9 386
Payments for capital assets	36 612	32	2 444	39 088	39 075	13	100,0	40 897	40 872
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	36 591	53	2 444	39 088	39 075	13	100,0	40 897	40 872
Biological assets	21	(21)	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	21	21	18	3	85,7	45	43
Total	479 190	190	(26 911)	452 469	449 875	2 594	99,4	439 001	438 833

5.3 Forestry Oversight and Regulation

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	53 852	(12)	(3 989)	49 851	49 824	27	99,9	44 669	44 636
Compensation of employees	32 988	–	(258)	32 730	32 720	10	100,0	32 221	32 208
Goods and services	20 864	(12)	(3 731)	17 121	17 104	17	99,9	12 448	12 428
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	6 149	–	105	6 254	5 753	501	92,0	8 152	8 050
Provinces and municipalities	600	–	–	600	500	100	83,3	600	500
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	2 609	2 609
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	3	3
Non-profit institutions	5 415	–	–	5 415	5 015	400	92,6	4 884	4 884
Households	134	–	105	239	238	1	99,6	56	54
Payments for capital assets	187	12	(9)	190	188	2	98,9	228	225
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	187	12	(9)	190	188	2	98,9	168	165
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	60	60
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	60 188	–	(3 893)	56 295	55 765	530	99,1	53 049	52 911



5.4 Natural Resources Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	249 987	(967)	(18 284)	230 736	230 638	98	100,0	432 284	426 262
Compensation of employees	169 825	–	(1 836)	167 989	167 961	28	100,0	157 806	157 781
Goods and services	80 162	(967)	(16 448)	62 747	62 677	70	99,9	274 478	268 481
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	215 511	87	1 281	216 879	216 872	7	100,0	149 568	149 536
Provinces and municipalities	212 689	87	(10)	212 766	212 764	2	100,0	146 079	146 077
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	2 000	2 000
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	7	7
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	822	–	1 291	2 113	2 108	5	99,8	1 482	1 452
Payments for capital assets	5 564	565	(1 968)	4 161	4 141	20	99,5	5 130	5 114
Buildings and other fixed structures	3 399	–	(1 212)	2 187	2 185	2	99,9	2 611	2 610
Machinery and equipment	2 065	646	(749)	1 962	1 945	17	99,1	2 519	2 504
Biological assets	100	(100)	–	–	–	–	–	–	–
Intangible assets	–	19	(7)	12	11	1	91,7	–	–
Payments for financial assets	–	–	12	12	11	1	91,7	303	303
Total	471 062	(315)	(18 959)	451 788	451 662	126	100,0	587 285	581 215



PROGRAMME 6: FISHERIES

Subprogramme	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Management	3 124	–	(68)	3 056	3 055	1	100,0	2 810	2 809
6.2 Aquaculture	38 454	–	5 441	43 895	43 889	6	100,0	40 698	40 693
6.3 Monitoring Control and Surveillance	86 198	–	16 102	102 300	102 294	6	100,0	93 264	93 259
6.4 Marine Resources Management	22 677	–	(934)	21 743	21 738	5	100,0	21 396	21 393
6.5 Fisheries Research and Development	69 765	–	2 320	72 085	72 080	5	100,0	68 181	68 177
6.6 Marine Living Resources Fund	261 666	–	–	261 666	261 666	–	100,0	241 759	241 759
Total for sub programmes	481 884	–	22 861	504 745	504 722	23	100,0	468 108	468 090

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	219 802	–	22 645	242 447	242 430	17	100,0	226 150	226 135
Compensation of employees	219 802	–	22 645	242 447	242 430	17	100,0	226 150	226 135
Salaries and wages	184 063	–	27 793	211 856	211 850	6	100,0	197 646	197 641
Social contributions	35 739	–	(5 148)	30 591	30 580	11	100,0	28 504	28 494
Goods and services	–	–	–	–	–	–	–	–	–
Administrative fees	–	–	–	–	–	–	–	–	–
Advertising	–	–	–	–	–	–	–	–	–
Minor assets	–	–	–	–	–	–	–	–	–
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	–	–	–	–	–	–	–	–	–
Communication	–	–	–	–	–	–	–	–	–
Computer services	–	–	–	–	–	–	–	–	–
Consultants: Business and advisory services	–	–	–	–	–	–	–	–	–



Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	262 082	-	216	262 298	262 292	6	100,0	241 917	241 914

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	261 666	-	-	261 666	261 666	-	100,0	241 759	241 759
Departmental agencies and accounts	261 666	-	-	261 666	261 666	-	100,0	241 759	241 759
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	416	-	216	632	626	6	99,1	158	155
Social benefits	416	-	216	632	626	6	99,1	158	155
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	41	41
Total	481 884	-	22 861	504 745	504 722	23	100,0	468 108	468 090



6.1 Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	3 124	—	(68)	3 056	3 055	1	100,0	2 810	2 809
Compensation of employees	3 124	—	(68)	3 056	3 055	1	100,0	2 810	2 809
Goods and services	—	—	—	—	—	—	—	—	—
Interest and rent on land	—	—	—	—	—	—	—	—	—
Transfers and subsidies	—	—	—	—	—	—	—	—	—
Provinces and municipalities	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts	—	—	—	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—
Non-profit institutions	—	—	—	—	—	—	—	—	—
Households	—	—	—	—	—	—	—	—	—
Payments for capital assets	—	—	—	—	—	—	—	—	—
Buildings and other fixed structures	—	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangible assets	—	—	—	—	—	—	—	—	—
Payments for financial assets	—	—	—	—	—	—	—	—	—
Total	3 124	—	(68)	3 056	3 055	1	100,0	2 810	2 809



6.2 Aquaculture

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	38 321	–	5 359	43 680	43 676	4	100,0	40 596	40 592
Compensation of employees	38 321	–	5 359	43 680	43 676	4	100,0	40 596	40 592
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	133	–	82	215	213	2	99,1	61	60
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	133	–	82	215	213	2	99,1	61	60
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	41	41
Total	38 454	–	5 441	43 895	43 889	6	100,0	40 698	40 693



6.3 Monitoring Control and Surveillance

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	86 149	–	16 047	102 196	102 192	4	100,0	93 178	93 175
Compensation of employees	86 149	–	16 047	102 196	102 192	4	100,0	93 178	93 175
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	49	–	55	104	102	2	98,1	86	84
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	49	–	55	104	102	2	98,1	86	84
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	86 198	–	16 102	102 300	102 294	6	100,0	93 264	93 259



6.4 Marine Resources Management

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	22 648	–	(931)	21 717	21 714	3	100,0	21 396	21 393
Compensation of employees	22 648	–	(931)	21 717	21 714	3	100,0	21 396	21 393
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	29	–	(3)	26	24	2	92,3	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	29	–	(3)	26	24	2	92,3	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	22 677	–	(934)	21 743	21 738	5	100,0	21 396	21 393



6.5 Fisheries Research and Development

2017/18								2016/17	
Economic classification	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	69 560	–	2 238	71 798	71 793	5	100,0	68 170	68 166
Compensation of employees	69 560	–	2 238	71 798	71 793	5	100,0	68 170	68 166
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and sub-sidies	205	–	82	287	287	–	100,0	11	11
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	205	–	82	287	287	–	100,0	11	11
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	69 765	–	2 320	72 085	72 080	5	100,0	68 181	68 177



6.6 Marine Living Resources Fund

Economic classification	2017/18							2016/17	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	–	–	–	–	–	–	–	–	–
Compensation of employees	–	–	–	–	–	–	–	–	–
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	261 666	–	–	261 666	261 666	–	100,0	241 759	241 759
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	261 666	–	–	261 666	261 666	–	100,0	241 759	241 759
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	261 666	–	–	261 666	261 666	–	100,0	241 759	241 759



NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2018

1. Details of transfers and subsidies as per Appropriation Act (after virement):

Details of these transactions can be viewed in note 8,38 and 39 on transfers and subsidies and Annexure 1 (B-G) 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 can be viewed in note 7 (payments for financial assets) to the annual financial statements.

4. Explanation of material variances from amounts voted (after virement):

4.1 Per programme

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Administration	920 487	827 999	92 488	10,0
Agricultural Production, Health and Food Safety	2 249 520	2 230 660	18 860	0,8
Food Security and Agrarian Reform	1 928 604	1 925 580	3 024	0,2
Trade Promotion and Market Access	279 920	278 667	1 253	0,4
Forestry and Natural Resources Management	963 758	960 504	3 254	0,3
Fisheries	504 745	504 722	23	0,0
Total	6 847 034	6 728 132	118 902	1,7

Administration

Expenditure to the amount of R90,0 million was not incurred due to the Memorandum of Agreement with Statistics SA only signed on 11 April 2018.

Agricultural Production, Health and Food Safety

Expenditure to the amount of R17,712 million in respect of Primary Animal Health Care was not incurred as less veterinarians were absorbed in the Compulsory Community Services Programme.



4.2 Per economic classification

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	2 093 248	2 072 842	20 406	1,0
Goods and services	768 430	677 488	90 942	11,8
Interest and rent on land	960	957	3	0,3
Subtotal	2 862 638	2 751 287	111 351	3,9
Transfers and subsidies				
Provinces and municipalities	2 243 206	2 243 083	123	0,0
Departmental agencies and accounts	1 299 976	1 299 970	6	0,0
Public corporations and private enterprises	150 848	150 848	–	0,0
Foreign governments and international organisations	36 637	35 616	1 021	2,8
Non-profit institutions	20 125	19 595	530	2,6
Households	79 375	79 187	188	0,2
Subtotal	3 830 167	3 828 299	1 868	0,0
Payments for capital assets				
Buildings and other fixed structures	58 534	53 882	4 652	7,9
Machinery and equipment	75 279	74 260	1 019	1,4
Biological assets	39	39	–	0,0
Intangible assets	19 767	19 766	1	0,0
Subtotal	153 619	147 947	5 672	3,7
Payments for financial assets	610	599	11	1,8
Total	6 847 034	6 728 132	118 902	1,7

Expenditure to the amount of R90,0 million in respect of the Agricultural Census Project in Programme 1 and expenditure to the amount of R17,712 million in respect of Primary Animal Health Care in Programme 2 were not incurred.

4.3 Per conditional grant

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
Comprehensive Agricultural Support Programme (CASP)	1 645 946	1 645 946	–	0,0
Ilima/Letsema	522 139	522 139	–	0,0
Infrastructure Development and Poverty Relief (Land-Care)	73 604	73 604	–	0,0
Total	2 241 689	2 241 689	–	0,0



STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2018

		2017/18	2016/17
	Note(s)	R'000	R'000
Revenue			
Annual appropriation	1	6 847 034	6 514 965
Departmental revenue	2	228 106	202 706
Aid assistance	3	2 729	5 108
Total revenue		7 077 869	6 722 779
Expenditure			
Current expenditure			
Compensation of employees	4	2 072 842	1 938 317
Goods and services	5	677 488	878 803
Interest and rent on land	6	957	315
Aid assistance	3	570	516
Total current expenditure		2 751 857	2 817 951
Transfers and subsidies			
Transfers and subsidies	8	3 828 299	3 518 631
Aid assistance	3	1 171	4 674
Total transfers and subsidies		3 829 470	3 523 305
Expenditure for capital assets			
Tangible assets	9	128 181	151 613
Intangible assets	9	19 766	2 221
Total expenditure for capital assets		147 947	153 834
Payments for financial assets	7	599	927
Total expenditure		6 729 873	6 496 017
Surplus for the year		347 996	226 762
Reconciliation of net surplus for the year			
Voted funds		118 902	24 138
Annual appropriation		118 902	24 138
Departmental revenue and NRF receipts	15	228 106	202 706
Aid assistance	3	988	(82)
Surplus/(deficit) for the year		347 996	226 762

STATEMENT OF FINANCIAL POSITION

as at 31 March 2018

	Note(s)	2017/18 R'000	2016/17 R'000
Assets			
Current assets		127 866	30 448
Cash and cash equivalents	10	123 460	27 228
Prepayments and advances	11	744	17
Receivables	12	3 662	3 203
Non-current assets		7 978	8 035
Investments	13	2	2
Receivables	12	7 976	8 033
Total assets		135 844	38 483
Liabilities			
Current liabilities		133 405	36 745
Voted funds to be surrendered to the Revenue Fund	14	118 902	24 138
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	15	12 392	8 261
Payables	16	1 199	4 094
Aid assistance unutilised	3	912	252
Non-current liabilities			
Payables	17	2	2
Total liabilities		133 407	36 747
Net assets		2 437	1 736
Represented by:			
Recoverable revenue		2 437	1 736
Total		2 437	1 736



STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2018

	Note(s)	2017/18 R'000	2016/17 R'000
Recoverable revenue			
Opening balance		1 736	1 305
Transfers:		701	431
Irrecoverable amounts written off	7.1	(359)	(693)
Debts recovered (included in departmental receipts)		(4 785)	(3 157)
Debts raised		5 845	4 281
Closing balance		2 437	1 736
Total		2 437	1 736



CASH FLOW STATEMENT

for the year ended 31 March 2018

	Note(s)	2017/18 R'000	2016/17 R'000
Cash flows from operating activities			
Receipts		7 075 461	6 721 911
Annual appropriated funds received	1	6 847 034	6 514 965
Departmental revenue received	2	220 006	198 047
Interest received	2.3	5 692	3 791
Aid assistance received	3	2 729	5 108
Net (increase)/decrease in working capital		(4 024)	(4 044)
Surrendered to Revenue Fund		(248 113)	(235 871)
Surrendered to RDP Fund/Donor		(328)	–
Current payments		(2 751 551)	(2 817 934)
Interest paid	6	(306)	(17)
Payments for financial assets		(599)	(927)
Transfers and subsidies paid		(3 829 470)	(3 523 305)
Net cash flow available from operating activities	18	241 070	139 813
Cash flows from investing activities			
Payments for capital assets	9	(147 947)	(153 834)
Proceeds from sale of capital assets	2.4	2 408	868
(Increase)/decrease in investments		–	–
Net cash flows from investing activities		(145 539)	(152 966)
Cash flows from financing activities			
Increase/(decrease) in net assets		701	431
Increase/(decrease) in non-current payables		–	–
Net cash flows from financing activities		701	431
Net increase/(decrease) in cash and cash equivalents		96 232	(12 722)
Cash and cash equivalents at beginning of period		27 228	39 950
Cash and cash equivalents at end of period	10	123 460	27 228



ACCOUNTING POLICIES

for the year ended 31 March 2018

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

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

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements, and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 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 (ZAR), which is also the functional currency of the department.

1.4 Rounding

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

1.5 Foreign currency translation

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

1.6 Comparative figures

1.1.1 Prior period comparative information

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

1.1.2 Current year comparison with budget

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



2. REVENUE

2.1 Appropriated funds

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

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

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

2.2 Departmental revenue

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

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

2.3 Accrued departmental revenue

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

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

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

Write-offs are made according to the department's Debt Write-off Policy.

3. AID ASSISTANCE

3.1 Aid assistance received

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

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

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

3.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment.

Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

4. EXPENDITURE

4.1 Compensation of employees

4.1.1 Salaries and wages

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

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



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

4.1.2 Social contributions

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

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

4.1.3 Termination benefits

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

4.1.4 Other long-term employee benefits

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

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

4.2 Goods and services

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

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

4.3 Interest and rent on land

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

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

4.4 Financial transactions in assets and liabilities

Debts are written off when they are identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds, with the exception of debt transferred to the department from the Agricultural Debt Account, after the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001) had been repealed during the 2008/09 financial year.

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

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

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

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

4.5 Transfers and subsidies

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



4.6 Unauthorised expenditure

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

- approved by Parliament with funding and the related funds are received; or
- approved by Parliament 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 at the amount of the confirmed unauthorised expenditure.

4.7 Fruitless and wasteful expenditure

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

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

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

4.8 Irregular expenditure

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

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

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

5. ASSETS

5.1 Cash and cash equivalents

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

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

5.2 Pre-payments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

5.3 Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's Write-Off Policy.

5.4 Investments

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



5.5 Inventory

At the date of acquisition, inventories are recorded at cost price in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or the lower of cost and current replacement value.

5.6 Capital assets

5.6.1 Movable assets

Movable capital assets are initially recorded in the notes to the financial statements at cost.

Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, 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 reliably, the immovable capital assets are measured at fair value for recording in the asset register.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

Repairs and maintenance are expensed as current "goods and services" in the statement of financial performance.

5.6.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost.

Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.



5.6.4 *Biological assets: Forestry*

Biological assets (plantations) are measured at standing and cost value. The standing value is the value of the standing, marketable timber that is present on 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 value of the stand is recognised as marketable and computed from the ages of three years and above for all eucalyptus and acacia species, and from the age of six years and above for all pinus species. All other species, either than eucalyptus, acacia and pinus, are recognised from the age of three years and above.

The cost value is the value of the stand after it has been established that is required at a specific age and in the calculation which includes the activities that took place up to that certain age. The cost value is calculated yearly from the establishment age up to five years for all pinus species. For eucalyptus species the cost value is calculated for seedling and coppiced stands separately, from establishment to two years.

The department uses the Microforest for managing the growing stock data base.

The valuation is performed annually and is recognised in the notes to the financial statements.

Biological assets (plantations) are subsequently carried at fair value.

5.6.5 *Heritage assets: Forestry*

Indigenous forests are valued at R1 per hectare and are demarcated as state forests in terms of chapter 3 of the National Forests Act, 1998 (Act No. 84 of 1998).

The valuation is performed annually and is recognised in the notes to the financial statements.

6. LIABILITIES, PROVISIONS AND CONTINGENTS

6.1 Payables

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

6.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department; or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

6.3 Contingent assets

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

6.4 Commitments

Commitments are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities; thereby incurring future expenditure that will result in the outflow of cash.

6.5 Accrued expenditure

Accrued expenditure payable is recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.



6.6 Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the employee benefits note in the notes to the financial statements.

6.7 Leases

6.7.1 Finance leases

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

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; 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 reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

6.8 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

An assessment of whether there is an indication of possible impairment is done at each reporting date.

6.9 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

7. RECEIVABLES

Receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

Write-offs are made according to the department's Write-off Policy.

8. NET ASSETS

8.1 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating from prior reporting period, which are recognised for the first time in the statement of financial position in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period, and are transferred to the NRF when the underlying asset is disposed and the related funds are received.



8.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in the 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

A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

10. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation including their close family members where relevant is recorded in the notes to the financial statements.

11. PRINCIPAL-AGENT ARRANGEMENTS

Where agent-principal arrangements exist, the total payment made and the nature, circumstances and terms relating to the arrangements are disclosed in the notes to the financial statements.

12. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events have been disclosed in the notes to the financial statements.

13. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with Modified Cash Standards (MCS) requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.



NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2018

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:

	2017/18		2016/17	
	Final appro- priation	Actual funds received	Final appro- priation	Appropriation received
	R'000	R'000	R'000	R'000
Administration	920 487	920 487	843 571	843 571
Agricultural Production, Health and Food Safety	2 249 520	2 249 520	1 927 266	1 927 266
Food Security and Agrarian Reform	1 928 604	1 928 604	1 881 198	1 881 198
Trade Promotion and Market Access	279 920	279 920	310 700	310 700
Forestry and Natural Resources Management	963 758	963 758	1 084 122	1 084 122
Fisheries	504 745	504 745	468 108	468 108
Total	6 847 034	6 847 034	6 514 965	6 514 965

2. DEPARTMENTAL REVENUE

	Note(s)	2017/18 R'000	2016/17 R'000
Sales of goods and services other than capital assets	2.1	208 863	190 749
Fines, penalties and forfeits	2.2	19	45
Interest, dividends and rent on land	2.3	6 221	4 738
Sales of capital assets	2.4	2 408	868
Transactions in financial assets and liabilities	2.5	10 440	6 032
Transfer received	2.6	155	274
Departmental revenue collected		228 106	202 706

2.1 Sales of goods and services other than capital assets

	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department	208 859	190 625
Sales by market establishment	1 903	2 279
Administrative fees	160 927	134 822
Other sales	46 029	53 524
Sales of scrap, waste and other used current goods	4	124
Total	208 863	190 749

2.2 Fines, penalties and forfeits

	2017/18 R'000	2016/17 R'000
Fines	4	26
Penalties	15	19
Total	19	45

2.3 Interest, dividends and rent on land

	2017/18 R'000	2016/17 R'000
Interest	5 692	3 791
Rent on land	529	947
Total	6 221	4 738

2.4 Sale of capital assets

	Note(s)	2017/18 R'000	2016/17 R'000
Tangible assets		2 408	868
Machinery and equipment	33.2	2 408	868
Total		2 408	868

2.5 Transactions in financial assets and liabilities

	2017/18 R'000	2016/17 R'000
Receivables	5 147	4 297
Other receipts including recoverable revenue	5 293	1 735
Total	10 440	6 032

2.6 Transfers received

	2017/18 R'000	2016/17 R'000
Public corporations and private enterprises	155	274
Total	155	274



3. AID ASSISTANCE

	Note(s) Annex 1	2017/18 R'000	2016/17 R'000
Opening balance		252	334
Transferred from statement of financial performance		988	(82)
Paid during the year		(328)	–
Closing balance		912	252

Transferred from statement of financial performance:

Opening balance	(R252 thousand)
Revenue	(R2,729 million)
Expenditure	R1,741 million
Refund to NT	R328 thousand
Balance	(R912 thousand)

3.1 Analysis of balance by source

	2017/18 R'000	2016/17 R'000
Aid assistance from RDP	912	252
Closing balance	912	252

3.2 Analysis of balance

	2017/18 R'000	2016/17 R'000
Aid assistance unutilised	912	252
Closing balance	912	252
Aid assistance not requested/not received	782	2 070

On 3 April 2018 the amount of R782 thousand for grass-fed markets was requested from National Treasury–RDP.

3.3 Aid assistance expenditure per economic classification

	2017/18 R'000	2016/17 R'000
Current	570	516
Transfers and subsidies	1 171	4 674
Total aid assistance expenditure	1 741	5 190

4. COMPENSATION OF EMPLOYEES

4.1 Salaries and wages

	2017/18 R'000	2016/17 R'000
Basic salary	1 417 906	1 326 219
Performance award	28 831	25 554
Service based	3 799	4 667
Compensative/circumstantial	20 124	22 775
Periodic payments	—	1
Other non-pensionable allowances	328 802	304 807
Total	1 799 462	1 684 023

4.2 Social contributions

	2017/18 R'000	2016/17 R'000
Employer contributions		
Pension	175 791	163 495
Medical	97 141	90 363
Bargaining council	446	419
Insurance	2	17
Total	273 380	254 294
Total compensation of employees	2 072 842	1 938 317
Average number of employees	5 209	5 512

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

Compensation of employees excludes R13,601 million disclosed as project costs (refer to note 9).

5. GOODS AND SERVICES

	Note(s)	2017/18 R'000	2016/17 R'000
Administrative fees		9 327	9 576
Advertising		6 198	7 514
Minor assets	5.1	2 990	3 697
Bursaries (employees)		2 782	2 671
Catering		786	837



	Note(s)	2017/18 R'000	2016/17 R'000
Communication		27 131	29 846
Computer services	5.2	26 892	28 869
Consultants: Business and advisory services		17 015	22 974
Infrastructure and planning services		436	2 069
Laboratory services		139	206
Legal services		12 467	6 139
Contractors		10 972	15 459
Agency and support//outsourced services		19 312	22 995
Entertainment		236	287
Audit cost – external	5.3	13 988	10 146
Fleet services		24 341	17 575
Inventory	5.4	46 377	227 821
Consumables	5.5	16 912	16 890
Operating leases		116 442	108 384
Property payments	5.6	129 845	145 341
Rental and hiring		115	–
Travel and subsistence	5.7	105 483	120 095
Venues and facilities		23 268	32 889
Training and development		44 798	29 048
Other operating expenditure	5.8	19 236	17 475
Total		677 488	878 803

Goods and services—excludes R17,582 million disclosed as project costs (refer to note 9).

5.1 Minor assets

	2017/18 R'000	2016/17 R'000
Tangible assets	2 977	3 697
Biological assets	3	–
Machinery and equipment	2 967	3 692
Transport assets	7	5
Intangible assets	13	–
Software	13	–
Total	2 990	3 697

5.2 Computer services

	2017/18 R'000	2016/17 R'000
SITA computer services	13 147	18 956
External computer service providers	13 745	9 913
Total	26 892	28 869

5.3 Audit cost – external

	2017/18 R'000	2016/17 R'000
Regularity audits	13 988	10 146
Total	13 988	10 146

5.4 Inventory

	Note(s)	2017/18 R'000	2016/17 R'000
Clothing material and accessories		4 930	3 095
Farming supplies		23 409	219 753
Food and food supplies		1 403	1 437
Fuel, oil and gas		1 200	1 211
Materials and supplies		1 385	210
Medical supplies		7	89
Medicine		13 417	1 307
Other supplies	5.4.1	626	719
Total		46 377	227 821

5.4.1 Other supplies

	2017/18 R'000	2016/17 R'000
Ammunition and security supplies	5	7
Other	621	712
Total	626	719

Other consists of laboratory chemicals and supplies.



5.5 Consumables

	2017/18 R'000	2016/17 R'000
Consumable supplies	7 377	7 989
Uniform and clothing	1 565	2 013
Household supplies	2 192	2 103
Building material and supplies	3 386	–
IT consumables	163	77
Other consumables	71	3 796
Stationery, printing and office supplies	9 535	8 901
Total	16 912	16 890

Other consumables include laboratories and medical kits.

Items under building material and supplies were previously classified under other consumables.

5.6 Property payments

	2017/18 R'000	2016/17 R'000
Municipal services	28 680	35 643
Property management fees	54 644	76 142
Property maintenance and repairs	9 915	5 325
Other	36 606	28 231
Total	129 845	145 341

Other includes cleaning and security services.

5.7 Travel and subsistence

	2017/18 R'000	2016/17 R'000
Local	92 098	104 032
Foreign	13 385	16 063
Total	105 483	120 095

5.8 Other operating expenditure

	2017/18 R'000	2016/17 R'000
Professional bodies, membership and subscription fees	1 266	1 083
Resettlement costs	1 914	1 804
Other	16 056	14 588
Total	19 236	17 475

Other includes insurance for subsidised vehicles, school boarding/tuition cost, printing, publication services and freight services.

6. INTEREST AND RENT ON LAND

	2017/18 R'000	2016/17 R'000
Interest paid	306	17
Rent on land	651	298
Total	957	315

Interest paid on overdue accounts was reported in note 27.

7. PAYMENTS FOR FINANCIAL ASSETS

	Note(s)	2017/18 R'000	2016/17 R'000
Debts written off	7.1	599	927
Total		599	927

7.1 Debts written off

	2017/18 R'000	2016/17 R'000
Recoverable revenue written off		
Trade debt and farm rental debt		
Irrecoverable/uneconomical	239	234
Staff debt		



	2017/18 R'000	2016/17 R'000
Recovery of debt would cause undue hardship	–	73
Irrecoverable/uneconomical	253	169
Claims settled or waived to the advantage of the state	–	5
Other debt		
Irrecoverable/uneconomical (student debt)	84	14
Claims settled or waived to the advantage of the state (private claims – BAS)	3	–
Irrecoverable/uneconomical (private claims - BAS)	9	432
Damage arising from criminal acts or omission (staff debt BAS)	10	–
Irrecoverable/uneconomical (expenditure)	1	–
Total debt written off	599	927
Irrecoverable/uneconomical (Trade and farm rental debt – refer to note 25.2)		239
<i>BAS debt (refer to note 12.4)</i>		
<i>Irrecoverable/uneconomical (Staff debt BAS)</i>		253
<i>Irrecoverable/uneconomical (Student debt – BAS)</i>		84
<i>Claims settled or waived to the advantage of the state (Private claims – BAS)</i>		3
<i>Irrecoverable/uneconomical (Private claims – BAS)</i>		9
<i>Damage arising from criminal acts or omission (Staff debt BAS)</i>		10
Total (refer to Statement of Change in Net Assets)		359
<i>Irrecoverable/uneconomical (Expenditure)</i>		1
Total		599

8. TRANSFERS AND SUBSIDIES

	Note(s)	2017/18 R'000	2016/17 R'000
Provinces and municipalities	38, 39	2 243 083	2 203 728
Departmental agencies and accounts	Annex 1B	1 299 970	1 129 077
Higher education institutions	Annex 1C	–	8 529
Foreign governments and international organisations	Annex 1E	35 616	42 306
Public corporations and private enterprises	Annex 1D	150 848	98 506
Non-profit institutions	Annex 1F	19 595	18 482
Households	Annex 1G	79 187	18 003
Total		3 828 299	3 518 631

9. EXPENDITURE FOR CAPITAL ASSETS

	Note(s)	2017/18 R'000	2016/17 R'000
Tangible assets		128 181	151 613
Buildings and other fixed structures	35	53 882	51 663
Machinery and equipment	33	74 260	99 766
Biological assets	33	39	184
Intangible assets		19 766	2 221
Software	34	19 766	2 221
Total		147 947	153 834
The following amounts have been included as project costs in expenditure for capital assets			
Compensation of employees		13 601	14 696
Goods and services		17 582	18 707
Total		31 183	33 403

9.1 Analysis of funds utilised to acquire capital assets–2017/18

	Voted funds R'000	Total R'000
Tangible assets	128 181	128 181
Buildings and other fixed structures	53 882	53 882
Machinery and equipment	74 260	74 260
Biological assets	39	39
Intangible assets	19 766	19 766
Software	19 766	19 766
Total	147 947	147 947

With the implementation of the new SCOA chart new items were created under the expenditure for capital assets to cater for compensation of employees and goods and services items that are under the capital projects of the department.



9.2 Analysis of funds utilised to acquire capital assets–2016/17

	Voted funds R'000	Total R'000
Tangible assets	151 613	151 613
Buildings and other fixed structures	51 663	51 663
Machinery and equipment	99 766	99 766
Biological assets	184	184
Intangible assets	2 221	2 221
Software	2 221	2 221
Total	153 834	153 834

9.3 Finance lease expenditure included in expenditure for capital assets

	2017/18 R'000	2016/17 R'000
Tangible assets	44 662	35 530
Machinery and equipment	44 662	35 530
Total	44 662	35 530

Machinery and equipment consist of:

Finance leases for transport equipment: R35,208 million.

Finance leases for other machinery (photo copier machines): R9,454 million.

10. CASH AND CASH EQUIVALENTS

	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account	123 035	27 149
Cash receipts	176	6
Cash on hand	249	73
Total	123 460	27 228

11. PREPAYMENTS AND ADVANCES

	2017/18 R'000	2016/17 R'000
Travel and subsistence	744	17
Total	744	17

The Department of Agriculture Forestry and Fisheries (DAFF) is acting as an agent for the Department of Environmental Affairs (DEA). A separate fund was created to manage the funds (see note 36.2 – Department acting as the agent). An advance to the value of R31,9 million was paid during the 2015/16 and 2016/17 financial years to the MLRF for the Operation: Phakisa Aquaculture. For the 2017/18 financial year DEA paid another advance of R6 million to DAFF, which was subsequently transferred to the MLRF.

12. RECEIVABLES

	Note(s)	2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	1 336	–	1 336	1 597	–	1 597
Recoverable expenditure	12.2	95	358	453	315	188	503
Staff debt	12.3	171	–	171	115	9	124
Other debtors	12.4	2 060	7 618	9 678	1 176	7 836	9 012
Total		3 662	7 976	11 638	3 203	8 033	11 236

12.1 Claims recoverable

	Note(s)	2017/18	2016/17
	Annex 4	R'000	R'000
National departments		1 276	1 597
Provincial departments		60	–
Total		1 336	1 597

12.2 Recoverable expenditure (disallowance accounts)

	2017/18	2016/17
	R'000	R'000
Disallowance: Dishonoured cheques	78	2
Disallowance : Damages and losses	375	501
Total	453	503

12.3 Staff debt

	2017/18	2016/17
	R'000	R'000
Salaries: Deduction disallowance account	13	10
Salaries: Tax debt	8	14
Salary: Reversal control	150	100
Total	171	124



12.4 Other debtors

	2017/18 R'000	2016/17 R'000
Debt account	9 678	9 012
Total	9 678	9 012

Other debtors refer to employee/ex-employee debt in respect of leave without pay and bursary debt etc. Increase in debt from previous year is primarily as a result of an escalation in cases received in respect of leave without pay for various reasons and breaches of bursary contracts.

13. INVESTMENTS

	2017/18 R'000	2016/17 R'000
Non-current		
Shares and other equity		
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products Ltd	1	1
Total non-current	2	2

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 and are no longer reflected in the AFS of DAFF. Refer to note 17.

14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	2017/18 R'000	2016/17 R'000
Opening balance	24 138	8 208
Transfer from statement of financial performance (as restated)	118 902	24 138
Paid during the year	(24 138)	(8 208)
Closing balance	118 902	24 138

15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	2017/18 R'000	2016/17 R'000
Opening balance	8 261	33 218
Transfer from Statement of Financial Performance (as restated)	228 106	202 706
Paid during the year	(223 975)	(227 663)
Closing balance	12 392	8 261

16. PAYABLES—CURRENT

	Note(s)	2017/18 R'000	2016/17 R'000
Advances received	16.1	295	86
Clearing accounts	16.2	824	558
Other payables	16.3	80	3 450
Total		1 199	4 094

Advances were received from the Department of Environmental Affairs for Operation Phakisa: Aquaculture. A separate fund was created to manage the advances. Subsequently DAFF paid the advances to the MLRF for implementation of the programme. The advance is thus not reflected in the above note. Refer also to Annexure 8A and 8B.

16.1 Advances received

	2017/18 R'000	2016/17 R'000
Other institutions	295	86
Total	295	86

16.2 Clearing accounts

	2017/18 R'000	2016/17 R'000
Salary: Income tax	550	391
Salary: Pension fund	3	6
Salary: GEHS refund control	63	—
Salary: ACB recalls	—	3
Salary: Reversal account	208	158
Total	824	558



16.3 Other payables

	2017/18 R'000	2016/17 R'000
Disallowance damages and losses	48	2
Sport fees	29	928
Cash on hand–Forestry Lease Rental Trust	3	3
Lease received and not paid at year end–Forestry Lease Rental Trust	–	2 517
Total	80	3 450

Sports fees are monies paid by the students for the different sport clubs at GADI.

The Abattoir Industry Fund, National Forestry Recreation and Accss Trust and the Forestry Lease Rental Trust fund are managed separately from DAFF's voted funds and are no longer reflected in the DAFF's AFS.

17. PAYABLES–NON CURRENT

	Note(s)	2017/18				2016/17
		One to two years	Two to three years	More than three years	Total	Total
		R'000	R'000	R'000	R'000	R'000
Other payables	17.1	–	–	2	2	2
Total		–	–	2	2	2

The Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust Fund that are managed separately from DAFF's voted funds and are no longer reflected in the AFS of DAFF. Refer also to note 13.

17.1 Other payables

	2017/18 R'000	2016/17 R'000
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products Ltd	1	1
Total	2	2

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance	347 996	226 762
Add back non cash/cash movements not deemed operating activities	(106 926)	(86 949)
(Increase)/decrease in receivables–current	(402)	(2 304)
(Increase)/decrease in prepayments and advances	(727)	564
Increase/(decrease) in payables–current	(2 895)	(2 304)
Proceeds from sale of capital assets	(2 408)	(868)
Expenditure on capital assets	147 947	153 834
Surrenders to Revenue Fund	(248 113)	(235 871)
Surrenders to RDP Fund/donor	(328)	–
Net cash flow generated by operating activities	241 070	139 813

19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account	123 035	27 149
Cash receipts	176	6
Cash on hand	249	73
Total	123 460	27 228

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	Nature	Note(s)	2017/18 R'000	2017/18 R'000
Liable to	Employee			
Housing loan guarantees Employees		Annex 3A	57	57
Claims against the department		Annex 3B	633 158	124 944
Other		Annex 3B	11 341	–
Total			644 556	125 001

The cases reported under contingent liabilities in Annexure 3A represent a housing loan guarantee that was issued to an employee still in the employment of DAFF. Any possible outflow of funds will firstly be recovered from the salary/ service benefits of the employee before any debt is raised.

The cases reported under contingent liabilities in Annexure 3B represent legal cases instituted against DAFF which are in various stages of investigation/legal actions.

The cases reported under contingent liabilities (other) in Annexure 3B represent Occupation Specific Dispensation (OSDs) unpaid and are subject to approval by the Department of Public Service and Administration.



21. COMMITMENTS

	2017/18 R'000	2016/17 R'000
Current expenditure	331 166	277 003
Approved and contracted	183 541	157 776
Approved but not yet contracted	147 625	119 227
Capital expenditure	10 793	14 506
Approved and contracted	9 719	9 819
Approved but not yet contracted	1 074	4 687
Total commitments	341 959	291 509

The commitments amounting to R320,825 million are for a period longer than a year.

22. ACCRUALS AND PAYABLES NOT RECOGNISED

22.1 Accruals

			2017/18 R'000	2016/17 R'000
	30 days R'000	30+ days R'000	Total R'000	Total R'000
Listed by economic classification				
Goods and services	72 490	35 827	108 317	63 642
Capital assets	1 483	24	1 507	2 977
Total	73 973	35 851	109 824	66 619
Listed by programme level				
Administration			23 197	27 063
Agricultural Production, Health and Food Safety			74 811	25 942
Food Security and Agrarian Reform			602	1 613
Economic Development, Trade and Marketing			3 978	3 830
Forestry			7 236	8 171
Total			109 824	66 619

22.2 Payables not recognised

			2017/18	2016/17
	30 days	30+ days	Total	Total
	R'000	R'000	R'000	R'000
Listed by economic classification				
Goods and services	24 591	148 830	173 421	178 820
Capital assets	485	2 740	3 225	6 343
Total	25 076	151 570	176 646	185 163

Listed by programme level

Administration			130 327	75 744
Agricultural Production, Health and Food Safety			4 708	30 953
Food Security and Agrarian Reform			27 549	35 952
Economic Development, Trade and Marketing			2 376	16 001
Forestry			11 686	26 513
Total			176 646	185 163

	Note(s)	2017/18	2016/17
		R'000	R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	130 645	77 075
Confirmed balances with other government entities	Annex 5	24 712	28 143
Total		155 357	105 218

23. EMPLOYEE BENEFITS

	2017/18	2016/17
	R'000	R'000
Leave entitlement	86 182	81 230
Service bonus (thirteenth cheque)	54 663	51 953
Performance awards	31 744	30 122
Capped leave commitments	123 121	124 549
Other	4 087	4 086
Total	299 797	291 940

At this stage the department is not able to reliably measure the long term portion of the Long Service Awards.
 Performance awards are based on the 1,5% of the 2017/18 budget for Compensation of Employees.
 Other: Long Services Awards.



24. LEASE COMMITMENTS

24.1 Operating leases

	Land	Buildings and other fixed structures	Total
	R'000	R'000	R'000
2017/18			
Not later than 1 year	1	242 542	242 543
Later than 1 year and not later than 5 years	3	634 804	634 807
Later than five years	42	35 646	35 688
Total lease commitments	46	912 992	913 038
2016/17			
Not later than 1 year	1	210 807	210 808
Later than 1 year and not later than 5 years	3	408 825	408 828
Later than five years	42	481	523
Total lease commitments	46	620 113	620 159

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 the National Department of Public Works (NDPW) in the March 2018 lease invoices.

The projected renewal periods are per DAFF's needs assessments and the procurement instruction issued by NDPW.

State-owned accommodation charges over the MTEF period are included in the above figures.

Shared facilities: The following office accommodation is still being shared between Department of Water and Sanitation (DWS) and DAFF (Forestry). DWS is the user department and is paying the rent: King Williams Town, Mthatha, Thohoyandou, Sekhukhune, Giyani (Mopani), Waterberg DWS, Capricon DWS, Bronkhorstspuit.

Leases extended by NDPW (month-to-month basis): The following lease agreements have expired and NDPW extends the leases on a month-to-month basis to allow monthly rental payments until the finalisation of the lease renewals or acquisition of alternative office space as per Procurement Instruction issued: Durban-John Ross House Pietermaritzburg, Laager Centre Building, De Aar Locust Depot, Kimberley 2 Harrison Street, Bloemfontein Omni Building, Cape Town Epping Fresh Produce Market, Lanseria International Airport, Kempton Park, OR Thabo International Airport Cargo & Terminal, Pretoria Delpen Building, Jeffrey's Bay SASSA Bamelela Building, Port Edward Erf 147 Ramsey Ave, Port St John's Erf 433, 79 Bridge Street, Old Mutual Square, 185/189, Longmarket Street Pietermaritzburg, Vryburg 95 Vry Street, Cape Town International Airport, Cape Town Forestrust Building, Parkalot Reeds House Cape Town, Mosselbay Searle's Manor, Rolyats Centre Building and Mafikeng 57 Molopo Road.

Existing lease agreements: The lease commitments for lease office accommodation/buildings/facilities/land were based on the actual lease tariff and escalation rate per annum, as outlined in the signed lease agreements/cost analyses per building/facility/land.

24.2 Finance leases expenditure

	Machinery and equipment R'000	Total R'000
2017/18		
Not later than 1 year	5 282	5 282
Later than 1 year and not later than 5 years	5 062	5 062
Total lease commitments	10 344	10 344
2016/17		
Not later than 1 year	4 195	4 195
Later than 1 year and not later than 5 years	2 115	2 115
Total lease commitments	6 310	6 310

The finance leases represent 231 photo copier machines and 14 departmental cellular devices.

25. ACCRUED DEPARTMENTAL REVENUE

	2017/18 R'000	2016/17 R'000
Sales of goods and services other than capital assets	7 659	19 917
Interest, dividends and rent on land	7 655	28 190
Transactions in financial assets and liabilities	9 543	31 443
Total	24 857	79 550

The decrease in the accrued departmental revenue is due to the significant amount written off that relates to a decision taken in 2003 to accept a proposed settlement of a claim against the Agricultural Bank of North West. Accordingly, an amount of approximately R32 million was written off. The debt originated from state-assisted production loan scheme for the 1996/97 production season according to which the Agricultural Bank of North West was one of the agents who administered the scheme on behalf of DAFF. Since the granting of the loan to the amount of R35 088 067 to the Agricultural Bank of North West in 1996, a total amount of R39 029 424 has been recovered and the amount written off is in essence a result of accrued interest.

25.1 Analysis of accrued departmental revenue

	2017/18 R'000	2016/17 R'000
Opening balance	79 550	78 232
Less: amounts received	(98 589)	(78 168)
Add: amounts recorded	44 135	79 720
Less: amounts written-off/reversed as irrecoverable	(239)	(234)
Closing balance	24 857	79 550



25.2 Accrued department revenue written off

	2017/18 R'000	2016/17 R'000
Nature of losses		
Irrecoverable/uneconomical (trade and farm rental debt)	239	234
Total	239	234

Refer to note 7.1.

Agriculture Debt Account: Debt to the amount of R34,610 million was written off in terms of the Treasury Regulations

25.3 Impairment of accrued departmental revenue

	2017/18 R'000	2016/17 R'000
Estimate of impairment of accrued departmental revenue	4 369	40 148
Total	4 369	40 148

The impairment includes trade debt of R116 thousand and the Agriculture Debt Account R4,253 million. Refer to the narrative under note 25 for the reason for the decrease in impairment.

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

	2017/18 R'000	2016/17 R'000
Opening balance	790	899
Add: Irregular expenditure—relating to current year	5 479	2 806
Less: Prior year amounts condoned	(82)	(871)
Less: Current year amounts condoned	(4 019)	(2 044)
Closing balance	2 168	790
Analysis of awaiting condonation per age classification		
Current year	1 460	762
Prior years	708	28
Total	2 168	790



26.2 Details of irregular expenditure—added current year (relating to current and prior years)

Incident	Disciplinary steps taken/ criminal proceedings	2017/18 R'000
Milla SA	Action against the officials	21
Africa Land-Use Training	Action against the officials	5
The Institute of Internal Auditors SA	Action against the officials	6
University of Stellenbosch	Action against the officials	4
Clinx Medical Waste Management	Action against the officials	1
Manstrat Agricultural Intelligence Solution	No action required	3 938
Begin Trading	No action required	1
Air Liquide Healthcare	Action against the officials	8
Delta Facilities	Action against the officials	15
AGS Frasers International Removals	Still to be investigated	21
Mpumalanga Promotion Events	No action required	20
Advocate Memani—SCM procedures	Under investigation	370
Ms Dlamini—Employment contract	Under investigation	1 069
Total		5 479

26.3 Details of irregular expenditure condoned

Incident	Condoned by (condoning authority)	2017/18 R'000
Milla SA	Director-General	21
Africa Land-Use Training	Director-General	5
The Institute of Internal Auditors SA	Director-General	6
Clinx Medical Waste Management	Director-General	1
Begin Trading	Director-General	1
University of Stellenbosch	Director-General	4
Manstrat Agricultural Intelligence Solution	Director-General	3 938
Air Liquide Healthcare	Director-General	8
Delta Facilities	Director-General	15
Mpumalanga Promotion Events	Director-General	20
Subtotal		4 019
Prior year:		
South African Poultry Association	Director-General	82
Subtotal		82
Total		4 101



26.4 Details of irregular expenditure under investigation (not included in the main note)

Incident	2017/18 R'000
Overtime: Exceeding 30% (2017/18)	8 508
Overtime: Exceeding 30% (2016/17)	1 900
Total	10 408

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

	2017/18 R'000	2016/17 R'000
Opening balance	404	1
Prior period error	–	25
As restated	404	26
Fruitless and wasteful expenditure–relating to prior year	–	363
Fruitless and wasteful expenditure–relating to current year	373	17
Less: Amounts resolved	(770)	(2)
Closing balance	7	404

27.2 Analysis of awaiting resolution per economic classification

	2017/18 R'000	2016/17 R'000
Current	7	41
Capital	–	363
Total	7	404

27.3 Analysis of current year's (relating to current and prior years) fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings	2017/18 R'000
Interest paid on overdue accounts	No disciplinary steps	306
Cancellation of DPW projects (Stellenbosch)	No disciplinary steps	42
No shows – travelling arrangement made in advance	Disciplinary step in process	25
Total		373

27.4 Less: Amounts resolved

	R'000
2016/17	
Interest paid on overdue accounts (2017/24)	16
Cancellation of DPW projects (Head Office)	363
2017/18	
Interest paid on overdue accounts (2017/28)	299
Cancellation of DPW projects (Stellenbosch)	42
No shows–travelling arrangements made in advance (2016/17)	25
No shows–travelling arrangements made in advance (2015/16)	25
Total	770

27.5 Prior period error

	2016/17 R'000
Nature of prior period error	
Relating to 2016/17 [affecting the opening balance]	25
No shows–travelling arrangement	25
Total prior period errors	25

27.6 Details of fruitless and wasteful expenditures under investigation (not included in the main note)

Incident	2017/18 R'000
No shows–travelling arrangement made in advance	36
Overtime claims–calculation errors	3 320
Total	3 356

28. RELATED PARTY TRANSACTIONS

Ministerial portfolio	Department	Schedule	Public entity
Agriculture, Forestry and Fisheries	Agriculture, Forestry and Fisheries	3A	Agricultural Research Council
		3A	National Agricultural Marketing Council
		3A	Perishable Products Export Control Board
		3B	Ncera Farms (Pty) Ltd
		3B	Onderstepoort Biological Products
		3A	Marine Living Resources Fund



All departments and public entities in the national sphere of government are related parties.

In terms of a Memorandum of Agreement between Ncera Farms (Pty) Ltd (the company), DAFF and the Agricultural Research Council (ARC) signed on 16 March 2018, the entire business of the company, all employees of the company, its assets (both corporeal and incorporeal) and the goodwill of the company be transferred to the ARC as a going concern in terms of the provisions of section 197 of the Labour Relations Act, 1995.

The National Treasury will attend to the de-listing of Ncera Farms as a schedule 3B PFMA public entity during the 2018/19 financial year.

29. KEY MANAGEMENT PERSONNEL

	No. of Individual	2017/18 R'000	2016/17 R'000
Political office bearers (provide detail below)	2	4 386	4 212
Officials:			
Level 15 to 16	22	27 425	29 897
Level 14 (incl. CFO if at a lower level)	49	45 049	48 113
Family members of key management personnel	3	2 085	1 797
Total		78 945	84 019

30. IMPAIRMENT (OTHER THAN RECEIVABLES, ACCRUED DEPARTMENTAL REVENUE, LOANS AND INVESTMENTS)

	2017/18 R'000	2016/17 R'000
Debtors (BAS debt)	103	69
Total	103	69

31. PROVISIONS

	2017/18 R'000	2016/17 R'000
Land rental to tribal authorities	2 872	2 236
Total	2 872	2 236

31.1 Reconciliation of movement in provisions—2017/18

	Provision 1 R'000	Total provisions R'000
Opening balance	2 236	2 236
Increase in provision	636	636
Closing balance	2 872	2 872

31.2 Reconciliation of movement in provisions—2016/17

	Provision 1 R'000	Total provisions R'000
Opening balance	–	–
Increase in provision	2 236	2 236
Closing balance	2 236	2 236

The provision represents rent of land (plantations) of which the agreements with the tribal authorities are not finalised. The legal processes are in progress and therefore the timing of outflow is uncertain.

32. NON-ADJUSTING EVENTS AFTER REPORTING DATE

The suspended Director-General, Mr M.M Mlengana resumed his duties on 23 April 2018.

The Director -General of DAFF announced on 15 June 2018 that the Deputy-Director General: Fisheries Management, Ms S. Ndudane has been placed on precautionary suspension. Mr B. Semoli, Chief Director: Aquaculture and Economic Development has been appointed as acting Deputy Director-General.

33. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2018

	Opening balance R'000	Value adjust- ments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Heritage assets	197	–	–	–	197
Heritage assets	197	–	–	–	197
Machinery and equipment	460 874	299	35 322	29 055	467 440
Transport assets	170 172	21	10 854	13 619	167 428
Computer equipment	121 763	–	12 247	4 672	129 338
Furniture and office equipment	35 113	–	1 755	972	35 896
Other machinery and equipment	133 826	278	10 466	9 792	134 778
Biological assets	811 625	23 131	13 911	40 227	808 440
Biological assets	811 625	23 131	13 911	40 227	808 440
Capital work-in-progress					
Total movable tangible capital assets	1 272 696	23 430	49 233	69 282	1 276 077



Adjustments for Biological assets are due to growth and age class distribution.

Movable tangible capital assets under investigation

	Number	Value R'000
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	4	47

Assets could not be found during the asset verification process. The cases are under investigation.

33.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2018

	Cash	Non-cash	(Capital work in progress current costs and finance lease pay- ments)	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment	74 260	6 941	(44 662)	(1 217)	35 322
Transport assets	41 265	4 797	(35 208)	–	10 854
Computer equipment	12 190	901	–	(844)	12 247
Furniture and office equipment	1 864	86	–	(195)	1 755
Other machinery and equipment	18 941	1 157	(9 454)	(178)	10 466
Biological assets	39	13 872	–	–	13 911
Biological assets	39	13 872	–	–	13 911
Total additions to movable tangible capital assets	74 299	20 813	(44 662)	(1 217)	49 233

The capital work-in-progress comprises the following:

- Transport assets: Phakisa vehicles leased and mobile clinics not finalised.
- Other machinery and equipment–photo copier machines leased.
- The non-cash additions of biological assets are new plants.

33.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2018

	Sold for cash	Non-cash disposal	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Machinery and equipment	9 694	19 361	29 055	2 408
Transport assets	7 618	6 001	13 619	2 026
Computer equipment	28	4 644	4 672	–
Furniture and office equipment	–	972	972	–
Other machinery and equipment	2 048	7 744	9 792	382
Biological assets	–	40 227	40 227	–
Biological assets	–	40 227	40 227	–
Total disposal of movable tangible capital assets	9 694	59 588	69 282	2 408

The non-cash disposals among others represents assets transferred or in the process of being transferred to the sector colleges and Department of International Relations and Co-operation.

The biological non-cash disposals are due to fires at Luvhola and Voorspoed compartments with no value and livestock such as boars and gifts transferred to Tompi Seleka Sector College.

33.3 Movement for 2016/17

Movement in tangible capital assets per asset register for the year ended 31 March 2018

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	190	7	–	–	197
Heritage assets	190	7	–	–	197
Machinery and equipment	432 246	573	66 511	38 456	460 874
Transport assets	151 678	549	27 315	9 370	170 172
Computer equipment	116 452	6	22 113	16 808	121 763
Furniture and office equipment	34 352	12	2 009	1 260	35 113
Other machinery and equipment	129 764	6	15 074	11 018	133 826
Biological assets	802 602	–	11 881	2 858	811 625
Biological assets	802 602	–	11 881	2 858	811 625
Total movable tangible capital assets	1 235 038	580	78 392	41 314	1 272 696



33.4.1 Prior period error

	2016/17 R'000
Nature of prior period error	
Relating to prior years [affecting the opening balance]	580
Data and price corrections	580
Relating to 2016/17	(51)
Data and price corrections	(51)
Total prior period errors	529

Amendments are due to cost price changes and data corrections.

33.4 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2018

	Intangible assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Opening balance	110	72 109	1 295	73 514
Value adjustments	–	28	73	101
Additions	1 017	3 733	628	5 378
Disposals	1 075	3 293	774	5 142
Total minor assets	52	72 577	1 222	73 851
Number of R1 minor assets	–	44 209	6	44 215
Number of minor assets at cost	19	53 223	755	53 997
Total number of minor assets	19	97 432	761	98 212

Minor capital assets under investigation

	Number	Value R'000
Included in the above total of the minor capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	20	18

Assets could not be found during the asset verification process. The cases are under investigation.

Movement in minor assets per the asset register for the year ended as at 31 March 2017

	Intangible assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Opening balance	253	72 446	1 474	74 173
Prior period errors	11	(5)	–	6
Additions	315	4 463	866	5 644
Disposals	469	4 795	1 045	6 309
Total minor assets	110	72 109	1 295	73 514
Number of R1 minor assets	8	45 093	6	45 107
Number of minor assets at cost	100	51 902	948	52 950
Total minor assets	108	96 995	954	98 057

33.4.1 Prior period error

	2016/17 R'000
Nature of prior period error	
Relating to prior years	6
Data and price corrections	(5)
Data and price corrections	11
Relating to 2016/17	76
Data and price corrections	76
Total prior period errors	82

Majority of the errors are due to the asset register amendments on incorrect asset category corrections.

33.5 Movable assets written off for the year ended 31 March 2018

	Intangible assets R'000	Machinery and equip- ment R'000	Biological assets R'000	Total R'000
Assets written off	1 579	11 648	528	13 755
Total movable assets written off	1 579	11 648	528	13 755

Moveable assets written off for the year ended 31 March 2017

Assets written off	1 229	7 181	447	8 857
Total movable assets written off	1 229	7 181	447	8 857

Written off assets are due to assets sold, destroyed and theft or losses.



33.6 S42 Movable capital assets

	Intangible assets	Machinery and equipment	Biological assets	Total
Major assets subjected to transfer in terms of S42 of the PFMA–31 March 2018				
Number of assets	3	231	4	238
Value of the assets (R'000)	121	8 959	39	9 119
Minor assets subjected to transfer in terms of S42 of the PFMA–31 March 2018				
Number of assets	3	1 742	1	1 746
Value of the assets (R'000)	10	1 658	3	1 671
Major assets subjected to transfer in terms of S42 of the PFMA–31 March 2017				
Number of assets	–	323	18	341
Value of the assets (R'000)	–	21 493	183	21 676
Minor assets subjected to transfer in terms of S42 of the PFMA–31 March 2017				
Number of assets	–	1 979	–	1 979
Value of the assets (R'000)	–	2 641	–	2 641

34. INTANGIBLE CAPITAL ASSETS

Movement in intangible capital assets per asset register for the year ended 31 March 2018

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	32 952	1 500	721	33 731
Total intangible capital assets	32 952	1 500	721	33 731

34.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2018

	Cash	Non-cash	(Development work in progress current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Software	19 766	1 618	(19 542)	(342)	1 500
Total additions to intangible capital assets	19 766	1 618	(19 542)	(342)	1 500

The development work-in-progress represents self-development system in progress not finalised.

The cash amount represents mostly the development cost for the development of an E-certification system for export purposes for DAFF in particular for Directorate: Inspection Services.

34.2 Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2018

	Non-cash disposal	Total disposals
	R'000	R'000
Software	721	721
Total disposals of intangible capital assets	721	721

The non-cash disposal represents the amount of the software licence no longer used in the department and software procured for Elsenburg Sector College in the Western Cape.

34.3 Movement for 2016/17

Movement in intangible capital assets per asset register for the year ended 31 March 2017

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	15 004	30	18 679	761	32 952
Total intangible capital assets	15 004	30	18 679	761	32 952



34.3.1 Prior period error

	2016/17 R'000
Nature of prior period error	
Relating to prior years [affecting the opening balance]	30
Data and price corrections	30
Relating to 2016/17	216
Data and price corrections	216
Total prior period errors	246

Majority of the prior period error is due to price corrections on existing software upgrades.

35. IMMOVABLE TANGIBLE CAPITAL ASSETS

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2018

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	2 354	12 192	12 192	2 354
Dwellings	1 592	–	–	1 592
Non-residential buildings	762	–	–	762
Other fixed structures	–	12 192	12 192	–
Total immovable tangible capital assets	2 354	12 192	12 192	2 354

35.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2018

	Cash R'000	(Capital work in progress current costs and finance lease pay- ments) R'000	Received cur- rent, not paid (Paid current year, received prior year) R'000	Total R'000
Building and other fixed structures	53 882	(41 440)	(250)	12 192
Non-residential building	250	–	(250)	–
Other fixed structures	53 632	(41 440)	–	12 192
Total additions to immovable tangible capital assets	53 882	(41 440)	(250)	12 192

35.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2018

	Non-cash disposal R'000	Total disposals R'000
Buildings and other fixed structures	12 192	12 192
Other fixed structures	12 192	12 192
Total disposals of immovable tangible capital assets	12 192	12 192

The non-cash disposal represents the expense for the supply, assembling and installation of windmills, boreholes and reservoirs for North West and Limpopo Provinces.

35.3 Movement for 2016/17

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	803	(302)	24 098	22 245	2 354
Dwellings	803	(302)	1 091	–	1 592
Non-residential building	–	–	762	–	762
Other fixed structures	–	–	22 245	22 245	–
Total immovable tangible capital assets	803	(302)	24 098	22 245	2 354

35.3.1 Prior period error

	2016/17 R'000
Nature of prior period error	(302)
Relating to 2016/17 [affecting the opening balance]	(302)
Total prior period errors	(302)

Prior period error was due to data errors and asset category amendments.



35.4 Capital work-in-progress

Capital work-in-progress as at 31 March 2018

	Opening balance 1 April 2017	Current year WIP	Ready for use (assets to the AR)/ contracts terminated	Closing balance 31 March 2018
Note Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	43 941	53 882	12 233	85 590
Machinery and equipment	26 855	–	–	26 855
Intangible assets	3 050	19 542	–	22 592
Total	73 846	73 424	12 233	135 037

Capital work-in-progress as at 31 March 2017

	Opening balance 1 April 2016	Current year WIP	Ready for use (assets to the AR)/ contracts terminated	Closing balance 31 March 2017
Note Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures	15 568	50 981	(22 608)	43 941
Machinery and equipment	23 500	3 355	–	26 855
Intangible assets	6 054	596	(3 600)	3 050
Total	45 122	54 932	(26 208)	73 846

35.5 S42 Immovable assets

Assets subjected to transfer in terms of S42 of the PFMA–2017/18

	Number of assets	Value of as- sets R'000
Buildings and other fixed structures	3	10 369
Other fixed structures	3	10 369
Total	3	10 369

Water reservoirs in Limpopo and North West Provinces and drilling projects finalised and subject to transfer.

Assets subjected to transfer in terms of S42 of the PFMA–2016/17

	Number of assets	Value of assets R'000
Buildings and other fixed structures	10	22 245
Other fixed structures	10	22 245
Total	10	22 245

36. PRINCIPAL–AGENT ARRANGEMENTS

36.1 Department acting as the principal

	2017/18 R'000	2016/17 R'000
Transfer payment to Land and Agriculture Development Bank of South Africa (a)	40 166	38 232
Transfer payment to Land and Agriculture Development Bank of South Africa (b)	100 000	–
Total	140 166	38 232

- The Land and Agriculture Development Bank of South Africa acts as the administrator and manager of the AgriBEE (Agricultural Broad Based Black Economic Empowerment) Fund. The AgriBEE Fund is utilised to provide funding for the start-up of agribusiness ventures and the purchase of equity in existing agribusinesses that are geared towards the ownership of agribusiness by AgriBEE beneficiaries.
- The Land and Agriculture Development Bank of South Africa provides development finance to commercial and emerging farmers. The Land Bank has developed specialised funding instruments and products to support black commercial farmers and emerging farmers that may lack the requisite skills, knowledge and expertise to become sustainable commercial farmers in their own right. The objective is to create a partnership to provide blended support to black commercial producers in the agriculture, forestry and fisheries sectors in an attempt to accelerate agricultural development and to transform these sectors. The support will include blended funding, skills and technical support required by these producers. Also refer to Annex 1 D– Statement of transfer/subsidies to Public Cooperations and Private Entities.

36.2 Department acting as the agent

36.2.1 Revenue received for agency activities

	2017/18 R'000	2016/17 R'000
(a) Department of Environmental Affairs–Operation Phakisa: Aquaculture	6 000	13 700
(b) Department of Higher Education and Training (DHET)–National Skills Fund (NSF)	–	23 294
Total	6 000	36 994



- (a.) The funding was received from DEA and paid to the MLRF for the Operation Phakisa–Aquaculture.
 (b.) The purpose of the funding is to implement skills development initiatives to optimise returns on the selected CASP projects for the period October 2014 to March 2017.
 As at 31 March 2018 no funding was received from DHET.

36.2.2 Reconciliation of funds and disbursements–2017/18

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
DEA–Operation Phakisa- Aquaculture	6 000	9 672
Total	6 000	9 672

DEA–Operation Phakisa–Aquaculture–R23,581 million available from the prior year.

36.2.3 Reconciliation of carrying amount of receivables and payables–2017/18

Payables

Name of principal entity	Expenses incurred on behalf of the principal R'000	Cash paid on behalf of the principal R'000
DEA	9 672	9 672
Total	9 672	9 672

37. PRIOR PERIOD ERRORS

37.1 Correction of prior period errors

	Amount before error corrections 2016/17 R'000	Prior period error 2016/17 R'000	Restated amount 2016/17 R'000
Assets:			
Movable tangible capital assets–note 33.3.1	54	475	529
Minor assets note 33.4.1	(69)	151	82
Intangible capital assets note 34.3.1	1 971	(1 725)	246
Immovable tangible capital assets note 35.3.1	–	(302)	(302)
Receivables note 12 & 12.3: Staff debt	106	(6)	100
Receivables note 12 & 12.4: Other debtors	9 006	6	9 012
Non-current assets–Investments Note 13	651 458	(651 456)	2
Net effect	662 526	(652 857)	9 669

Movable tangible capital assets: Amendments are due to cost price changes and data corrections.

Minor assets: The majority of the errors are due to asset category corrections.

Intangible capital assets: The majority of the errors are due to price corrections on existing software that was upgraded.

Immovable tangible capital assets: Error was due to data errors and asset category amendments.

Receivables: The error was due to the conversion of the BAS V4 to the V5 database in the 2016/17 and 2017/18 financial years.

Non-current assets–Investments: The trust funds are no longer classified as DAFF's assets. (Note 13.)

	Amount before error corrections 2016/17 R'000	Prior period error 2016/17 R'000	Restated amount 2016/17 R'000
Liabilities:			
Commitments–Approved but not yet contracted (note 21)	144 227	(25 000)	119 227
Accruals–Goods and services (note 22)	38 642	25 000	63 642
Current liabilities–Payables (note 16)	1 574	2 520	4 094
Current liabilities–Payables (note 16.3)	(930)	3 450	2 520
Non-Current liabilities–Payables (note 17)	653 978	(653 976)	2
Net effect	837 491	(648 006)	189 485

Commitments and Accruals: The ARC delivered a service to DAFF during the 2016/17 financial year; however the invoice was dated 5 March 2018 and was received by DAFF on 13 April 2018.

Non-Current and Current Liabilities–Payables: The trust funds are no longer classified as DAFF's liabilities (notes 16 and 17)

	Amount before er- ror corrections 2016/17 R'000	Prior period error 2016/17 R'000	Restated amount 2016/17 R'000
Other:			
No shows–travelling arrangements made in advance 2016/17 (note 27)	379	25	404
Net effect	379	25	404



38. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province// grant	Grant allocation				Transfer			Spent				2016/17
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Summary by province												
Eastern Cape	327 214	–	–	327 214	327 214	–	–	327 214	322 417	–	99,0	337 998
Free State	237 635	–	–	237 635	237 635	–	–	237 635	149 920	–	63,0	239 242
Gauteng	118 932	–	–	118 932	118 932	–	–	118 932	63 783	–	54,0	115 942
Kwazulu-Natal	288 966	–	–	288 966	288 966	–	–	288 966	213 637	–	74,0	296 663
Limpopo	320 019	–	–	320 019	320 019	–	–	320 019	311 502	–	97,0	334 890
Mpumalanga	214 268	–	–	214 268	214 268	–	–	214 268	211 708	–	99,0	227 758
Northern Cape	298 346	–	–	298 346	298 346	–	–	298 346	289 718	–	97,0	192 734
North West	240 383	–	–	240 383	240 383	–	–	240 383	236 439	–	98,0	238 327
Western Cape	195 926	–	–	195 926	195 926	–	–	195 926	194 329	–	99,0	218 898
Subtotal	2 241 689	–	–	2 241 689	2 241 689	–	–	2 241 689	1 993 453	–	88,9	2 202 452
Summary by grant												
Comprehensive Agricultural Support Programme (CASP)	1 654 946	–	–	1 654 946	1 654 946	–	–	1 654 946	1 447 625	–	88,0	1 641 824
Ilima/Letsema	522 139	–	–	522 139	522 139	–	–	522 139	474 034	–	91,0	491 363
Infrastructure Development and Poverty Relief (Land-Care)	73 604	–	–	73 604	73 604	–	–	73 604	71 794	–	98,0	69 265
Subtotal	2 241 689	–	–	2 241 689	2 241 689	–	–	2 241 689	1 993 453	–	88,9	2 202 452
Comprehensive Agricultural Support Programme (CASP)												
Eastern Cape	248 046	–	–	248 046	248 046	–	–	248 046	243 445	–	98,0	263 490
Free State	168 592	–	–	168 592	168 592	–	–	168 592	102 356	–	61,0	174 289
Gauteng	87 136	–	–	87 136	87 136	–	–	87 136	32 064	–	37,0	85 079
Kwazulu-Natal	209 598	–	–	209 598	209 598	–	–	209 598	157 085	–	75,0	222 155
Limpopo	238 991	–	–	238 991	238 991	–	–	238 991	233 545	–	98,0	260 576
Mpumalanga	155 447	–	–	155 447	155 447	–	–	155 447	152 981	–	98,0	172 414
Northern Cape	232 772	–	–	232 772	232 772	–	–	232 772	225 577	–	97,0	128 364
North West	169 167	–	–	169 167	169 167	–	–	169 167	165 972	–	98,0	171 258

Name of province/grant	Grant allocation				Transfer			Spent				2016/17
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%
Western Cape	136 197	–	–	136 197	136 197	–	–	136 197	134 600	–	99,0	164 199
Subtotal	1 645 946	–	–	1 645 946	1 645 946	–	–	1 645 946	1 447 625	–	87,9	1 641 824
ILima/Letsema												
Eastern Cape	67 356	–	–	67 356	67 356	–	–	67 356	67 282	–	100,0	63 876
Free State	63 178	–	–	63 178	63 178	–	–	63 178	41 699	–	66,0	59 447
Gauteng	27 673	–	–	27 673	27 673	–	–	27 673	27 596	–	100,0	26 061
Kwazulu-Natal	67 356	–	–	67 356	67 356	–	–	67 356	44 540	–	66,0	63 876
Limpopo	67 356	–	–	67 356	67 356	–	–	67 356	64 285	–	95,0	63 876
Mpumalanga	52 213	–	–	52 213	52 213	–	–	52 213	52 212	–	100,0	49 136
Northern Cape	58 480	–	–	58 480	58 480	–	–	58 480	58 480	–	100,0	55 050
North West	63 178	–	–	63 178	63 178	–	–	63 178	62 591	–	99,0	59 448
Western Cape	55 349	–	–	55 349	55 349	–	–	55 349	55 349	–	100,0	50 593
Subtotal	522 139	–	–	522 139	522 139	–	–	522 139	474 034	–	90,8	491 363
Infrastructure Development and Poverty Relief (Land Care)												
Eastern Cape	11 812	–	–	11 812	11 812	–	–	11 812	11 690	–	99,0	10 632
Free State	5 865	–	–	5 865	5 865	–	–	5 865	5 865	–	100,0	5 506
Gauteng	4 123	–	–	4 123	4 123	–	–	4 123	4 123	–	100,0	4 802
Kwazulu-Natal	12 012	–	–	12 012	12 012	–	–	12 012	12 012	–	100,0	10 632
Limpopo	13 672	–	–	13 672	13 672	–	–	13 672	13 672	–	100,0	10 438
Mpumalanga	6 608	–	–	6 608	6 608	–	–	6 608	6 515	–	99,0	6 208
Northern Cape	7 094	–	–	7 094	7 094	–	–	7 094	5 661	–	80,0	9 320
North West	8 038	–	–	8 038	8 038	–	–	8 038	7 876	–	98,0	7 621
Western Cape	4 380	–	–	4 380	4 380	–	–	4 380	4 380	–	100,0	4 106
Subtotal	73 604	–	–	73 604	73 604	–	–	73 604	71 794	–	97,5	69 265
Total	2 241 689	–	–	2 241 689	2 241 689	–	–	2 241 689	1 993 453	–	88,9	2 202 452



39. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of municipality	Grant allocation				Transfer		
	DoRA and other transfers	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Inxuba Yethemba	8	–	5	13	12	–	–
City of Tshwane	972	–	(21)	951	829	–	–
Maluti-A-Phofung	1	–	(1)	–	–	–	–
Makhado	30	–	(30)	–	–	–	–
Mbomela/Umjindi	86	–	(34)	52	52	–	–
Dawid Kruiper	5	–	(4)	1	1	–	–
Witzenberg	1	–	(1)	–	–	–	–
Knysna	1	–	(1)	–	–	–	–
Umzimvubu	–	–	250	250	250	–	–
Greater Tzaneen	–	–	250	250	250	–	–
Total	1 104	–	413	1 517	1 394	–	–

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental agency/account	Transfer allocation				Transfer		2016/17
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Primary Agriculture Sector Education and Training Authority	1 207	–	–	1 207	1 207	100,0	1 175
Agricultural Research Council	974 583	–	–	974 583	974 583	100,0	812 989
FP&M SETA	464	–	–	464	464	100,0	462
Marine Living Resources Fund	261 966	–	(300)	261 666	261 666	100,0	241 759
National Agricultural Marketing Council	41 917	–	–	41 917	41 917	100,0	35 005
National Research Foundation	17 310	–	–	17 310	17 310	100,0	15 697
Perishable Products Export Control Board	600	–	–	600	600	100,0	600
Water Research Commission	2 000	–	–	2 000	2 000	100,0	2 000

ANNEXURE 1B (CONTINUED)

Departmental agency/account	Transfer allocation				Transfer		2016/17
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Broadcasting Corporation (SABC)	29	–	–	29	23	79,0	25
ARC–National Beef Cattle Herd of the year award	200	–	–	200	200	100,0	100
ARC–National Emerging Beef Farmer award	–	–	–	–	–	–	100
National Student Financial Aid Scheme	–	–	–	–	–	–	18 862
Small Enterprise Development Agency	–	–	–	–	–	–	305
Total	1 300 276	–	(300)	1 299 976	1 299 970	–	1 129 079

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

Name of higher education institution	Transfer allocation				Transfer			2016/17
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
North West University	–	–	–	–	–	–	–	100
University of Pretoria	–	–	–	–	–	–	–	2 609
University of Fort Hare	–	–	–	–	–	–	–	5 000
University of KwaZulu-Natal	–	–	–	–	–	–	–	820
Total	–	–	–	–	–	–	–	8 529



ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/ private enterprises	Transfer allocation						Expenditure		2016/17
	Adjusted Appropriation Act	Roll-overs	Ad-just-ments	Total available	Actual transfer	% of available funds transfer-red	Capital	Current	Final appro-priation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers	150 828	–	–	150 828	150 828	100,0	–	–	98 333
Forest Sector Charter Council	4 416	–	–	4 416	4 416	100,0	–	–	4 166
Land and Agri Bank of SA	140 166	–	–	140 166	140 166	100,0	–	–	88 232
Ncera Farms (Pty) Ltd	6 246	–	–	6 246	6 246	100,0	–	–	5 935
Private Enterprises									
Transfers	1	–	19	20	20	100,0	–	–	181
Red Meat Industry Forum	1	–	–	1	1	100,0	–	–	1
Claims against the state	–	–	19	19	19	100,0	–	–	180
Total	150 829	–	19	150 848	150 848	100,0	–	–	98 514

ANNEXURE 1E

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

Foreign government/ international organi- sation	Transfer allocation				Expenditure		2016/17
	Adjusted Appropriation Act	Rollovers	Adjust- ments	Total avail- able	Actual transfer	% of avail- able funds transferred	Final appro- priation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Foreign rates and taxes	411	–	114	525	520	99,0	460
Commonwealth Agricultural Bureau International	300	–	(31)	269	268	100,0	337
Consultative Group on International Agricultural Research	7 000	–	(155)	6 845	6 045	88,0	7 072
Food and Agriculture Organisation of the United Nations	24 640	–	(277)	24 363	24 363	100,0	30 140
International Commission of Agricultural Engineering	20	–	–	20	–	0,00	21
International Cotton Advisory Council	285	–	18	303	303	100,0	389
International Dairy Federation	50	–	–	50	50	100,0	50
International Grains Council	230	–	(37)	193	193	100,0	212
Office International de la Vigne et du Vin	800	–	23	823	823	100,0	978
International Seed Testing Association	175	–	(16)	159	158	99,0	120
International Union for the Protection of New Varieties of Plants	745	–	–	745	724	97,0	794
International Union of Forestry Research Organisations	10	–	–	10	9	90,0	11
Organisation for Economic Cooperation and Development	185	–	174	359	328	91,0	194
World Org-Animal Health	1 425	–	548	1 973	1 832	93,0	–
Office International des Epizooties	–	–	–	–	–	–	1 667
Total	36 276	–	361	36 637	35 616		42 445



ANNEXURE 1F

STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institution	Transfer allocation				Expenditure		2016/17
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Deciduous Fruit Producers Trust	14 410	–	–	14 410	14 410	100,0	12 100
Food and Trees for Africa	400	–	–	400	–	0,00	200
Forestry South Africa	4 965	–	–	4 965	4 965	100,0	4 648
Institute for Commercial Forestry Research-7 th Forest Science Symposium	–	–	50	50	50	100,0	–
School Support: Agricultural students–tuition and book fees	–	–	–	–	–	–	1 500
Wine and Spirit Board	–	–	300	300	170	57,0	–
Total	19 775	–	350	20 125	19 595		18 448

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation				Expenditure		2016/17
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Final appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Social benefits	686	–	12 503	13 189	13 153	100,0	16 373
Bursaries (non–employees)	22 955	–	300	23 255	23 228	100,0	1 400
Claims against the state	–	–	1 631	1 631	1 606	98,0	316
DAFF–Female Entrepreneur Awards	1 000	–	–	1 000	900	90,0	100
Youth in DAFF awards	–	–	300	300	300	100,0	–
Farmer support households	–	–	40 000	40 000	40 000	100,0	–
Total	24 641	–	54 734	79 375	79 187		18 189

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Received in cash			
Current financial year 2017/18			
Bioversity International	Field work	26	–
Cochran Fellowship Programme	Training programme	6	–
AU-IBAR	Meeting	9	–
Food and Agriculture Organisation of United Nations (FAO)	Workshop	7	–
The World Bank and Food and Agriculture Organisation of United Nations (FAO)	Seminar	12	–
United States Department of Agriculture (USDA)	Workshop	16	–
SADC/Japan International Cooperation Agency (JICA)	4 th Expert Working Group meeting	5	–
Gesellschaft fur International Zusammenarbeit (GIZ)	Workshop	5	–
African Union	Workshop	1	–
Organisation for Animal Health (OIE)	Dr Modisane to attend the OIE meet-ings	25	–
SWEDAC Academy	Training programme	12	–
Food and Agriculture Organisation of United Nations (FAO)	Workshop	12	–
SADC Plant Genetic Resources Centre (SPGRC)	Meeting	8	–
Food and Agriculture Organisation of United Nations (FAO)	Workshop	11	–
Previous financial year 2016/17			
Organisation for Animal Health (OIE)	OIE meetings	–	174
China National Bamboo Research Centre (CBRC)	High level seminar	–	2
United National Framework Convention on Climate Change (UNFCCC)	Workshop	–	19
South African Society for Veterinary Epidemiology and Preventive Medicine (SASVEPM)	Conference	–	17
South African National Biodiversity	International union	–	13
The Cherry Producers Association of South Africa	Discussion meeting	–	4
African Forest Forum (AFF)	Workshop	–	2
World Meteorological Organisation (WMO)	Training course	–	19
National Plant Genetic Resources	Meeting	–	5
Biodiversity International	Agrobiodiversity congress	–	11
African Solidarity Trust Fund	Workshop	–	7
Subtotal		155	273
Received in kind			
Current financial year 2017/18			
Organisation for Animal Health (OIE)	Dr Modisane to attend the OIE meetings	184	



Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
National Plant Protection Organisation (NPPO)	Review and pre-test the quarantine status and pest mitigation	19	—
African Union Internal African Bureau for Animal Resources (AU-ABAR)	9 th Pan African meeting	10	—
Pioneer Food	Meeting	10	—
Perishable Products Export Control Board (PPECB)	Assistance meeting	49	—
Microsoft	Workshop	4	—
Nosa Agricultural Services SA Subtropical Growers Association, MCB Forestry Group, Oceana Group, Johnnie Walker & RSA Group	2017#YAFF Awards	518	—
Various	Gifts and donations	16	—
Brandbar	Nampo Harvest Day	4	—
South African Bioproduct Organisation (SABO)	Conference	8	—
Perishable Products Exports Control Board (PPECB)	Training	150	—
Food & Agriculture Organisation (FAO)	Training	14	—
United State Department of Agriculture (USDA)	SA Entomological Congress	34	—
Sundays River Citrus Company (SRCC)	Training	32	—
Central Agricultural Society Bloemfontein	Dairy judging	2	—
Economic Commission for Africa (ECA)	Training	18	—
FruitFly SA	Conference	18	—
Inter-Africa Phytosanitary Council of the African Union (AU-IAPSC)	27 th General Assembly	19	—
Food and Agriculture Organisation (FAO)	Meeting	23	—
Nematology Society of Southern Africa (NSSA)	Symposium	6	—
SanBio/Bio FISA	Training	16	—
United States Department of Agriculture (USDA)	Workshop	5	—
Plant SA	Certificate scheme	3	—
AGBIZ Grain	Symposium	2	—
Food and Agriculture Organisation (FAO)	Workshop	19	—
Croplife SA	Mini congress	4	—
HORTGRO	Workshop	14	—
Highveld Honey Farms	Testing of honey	20	—
African Union (AU)	Regional workshop	11	—
United States Department of Agriculture (USDA)	Training course	75	—
USDA-APHIS	Workshop	49	—
Institute for Development Assistance Management (IDAM)	Training	50	—
International Atomic Energy Agency (IAEA)	38 th Session of Codex Committee	27	—
International Atomic Energy Agency (IAEA)	Training course	23	—
International Atomic Energy Agency (IAEA)	Training workshop CSIR Campus	519	—
Impumelelo Agricbusiness Solutions	Engagement meeting	9	—
United States Department of Agriculture (USDA)	Expert meeting	19	—
Wine Institute USA	International Wine Summit	12	—
Total SA, Old Mutual, Mondi Zimele, Omnia Fertiliser, Manstrat and Sakata	Prize money	2 160	—
United States Department of Agriculture (USDA)	Workshop	5	—
Fertiliser Association of South Africa (FERTASA)	Sampling project	21	—
HORTGRO	Third Global Use Summit	50	—

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Crop Life SA	Workshop	33	—
Cape Flora SA	Grower's day	1	—
Seed Training Project	Training workshop	33	—
South African National Seed Organisation (SANSOR)	Annual Report	44	—
Food and Agriculture Organisation (FAO)	Team meeting	9	—
Motor Vehicle Spares PE	Donation of four engines	20	—
United States Department of Agriculture (USDA)	Workshop	62	—
SADC/Japan International Cooperation Agency (JICA)	Workshop	20	—
Plant SA	Meeting	3	—
Gesellschaft für Internationale Zusammenarbeit (GIZ)	Workshop	18	—
Kathu Solar Park (RF)	Media notice	245	—
Royal Museum for Central Africa	Workshop	14	—
Food and Agriculture Organisation (FAO)	Training workshop	38	—
African Union (AU)	Regional workshop	6	—
South African Field Epidemiology Training Programme (SAFET)	Workshop	15	—
SPGRC Board	Meeting	3	—
SWEDAC Academy	Training programme	40	—
African Centre for Biodiversity (ACB)	Workshop	5	—
Food and Agriculture Organisation (FAO)	Workshop	32	—
Association of Meat Importers & Inspection Services (AMIE)	Donation of assets	28	—
Grain SA	Information meeting	6	—
South Africa Berry Producer Association (SABPA) and Rooibos Limited	Meeting	7	—
Food and Agriculture Organisation (FAO)	Workshop reporting on state plant genetic resources	20	—
Food and Agriculture Organisation (FAO)	National coordinator workshop	20	—
Food and Agriculture Organisation (FAO)	Workshop	19	—
Special Commonwealth Assistance for Africa Programme (SCAAP)	Training programme	11	—
South African National Seed Organisation (SANSOR)	SANSOR workshop	7	—
World Congress on Genetics Applied to Livestock Production (WCGALP)	11 th WCGALP Congress	65	—
Citrus Growers Association (CGA)	Meeting—regulation of export fresh fruit	25	—
International Atomic Energy Agency (IAEA)	Training	30	—
FruitFly SA	Presentation	6	—
South African National Biodiversity Institute (SANBI)	Annual meeting	5	—
Southern African Development Community (SADC), Japan International Cooperation Agency (JICA)	Joint expert working group	9	—
Food and Agriculture Organisation (FAO)	Technical meeting	29	—
African Forest Forum (AFF)	12 th Session of the United Nations Forum on Forest	9	—
United Nations Forum and Forest (UNFF)	12 th Session of the United Nations Forum on Forest	26	—
South African Society for Agricultural Extension, Xcalibre, Manstrat Agriculture Intelligence Solutions, BFF Safety Group. The Land and Agricultural Development Bank of SA	National Extension and Advisory Services Award event (NEASA)	353	—



Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Klein Karoo Seed Production	Laboratory inspections	3	—
Department of Environmental Affairs	3 rd Biodiversity Economy Indaba	15	—
Association of Meat Importers and Inspection Services (AMIE)	Venue/catering	18	—
AB InBEV	Heritage tour	10	—
Woolworths, PPECB, Dried Fruit Industry	Meeting	12	—
The Central Agricultural Society	2018 Dairy Show	3	—
South African Sugarcane Institute (SASRI)	Site visit	2	—
ARYSTA Lifescience	Launch programme	6	—
National Plant Production Organisation (NPPO)	Workshop to review production practices	36	—
National Plant Production Organisation (NPPO)	Workshop to review production practices	15	—
HORTGRO	Workshop	7	—
AU-IBAR	Meeting	22	—
SA Olive Industry Association	Workshop—Olive regulation	3	—
Food and Agriculture Organisation of the United Nations (FAO)	Meeting—FRA 2020	19	—
Subtropical Industry	Catering	2	—
National Plant Production Organisation (NPPO)	Workshop to review production practices	10	—
International Atomic Energy Agency (IAEA)	Coordination meeting	16	—
Previous financial year 2016/17			
Total SA, Old Mutual, Mondi, SAPPI, Omnia Fertiliser, Manstrat and Sakata	DAFF Female Entrepreneur Awards	—	1 924
Organisation for Animal Health (OIE)	OIE meeting	—	106
Steden University	Board meeting	—	2
The Cherry Producers Association of South Africa	Discussion meeting	—	7
United State Department of Agriculture (USDA)	Participate in International Plant Health System Analysis	—	35
German Society International Cooperation (GIZ)	Work place equipment	—	54
German Embassy in SA	Furniture	—	3
Central Agricultural Society	Judges at a dairy show	—	4
United State Department of Agriculture (USDA)	Participate the third International Symposium	—	25
South African Society for Veterinary Epidemiology and Preventive Medicine (SASVEPM)	Conference	—	23
Fresh Produce Exporters Forum (FPEF)	Transport to be used by the National Plant Protection Organisation of SA	—	22
PSCA	Workshop	—	7
Go Reefers Logistics LCL Logistic SA and Sundays Rivers Citrus Company	EU orchard inspection and the issuance of Phytosanitary certificates	—	224
South African National Biodiversity (SANBI)	International union for the protection of new varieties	—	39
South African National Biodiversity (SANBI)	Workshop	—	6
ICID-CIID	Workshop	—	42
Croplife	East and Southern Africa Regulatory Workshop	—	29
GOGO Cold Storage	GoGo cold storage fruits inspection	—	10
South African National Seed Organisation (SANSOR)	Seed Certificate Scheme Workshop	—	11
South African Table Grape Industry (SATGI)	Autumn Royal table grapes variety colour chart	—	6

Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Department of Water and Sanitation	Donation of various books	–	167
Japan International Cooperation Agency (JICA)	Small Holder Horticulture Empowerment programme workshop	–	61
Animal Feed Manufactures Association (AFMA)	Symposium attendance fee	–	7
Potato Certificate Services	Seed Potato Grower's Forum	–	4
Food and Agriculture Organisation (FAO)	Workshop	–	52
Japan International Cooperation Agency (JICA)	Meeting of joint coordination committee of Fica project	–	16
SA Subtropical Growers Association (SUBTROP)	Information session	–	1
Agriconsulting Europe SA	Workshop (BTSF)	–	17
European Commission	Training course on food testing	–	56
Atomic Energy (IAEA)	Coordination meeting for INT/5154	–	24
Japan International Cooperation Agency (JICA)	Advance remote sensing training course	–	90
South Africa Table Grape Industry (SATGI)	To conduct phytosanitary verification for the registration of SATGI	–	18
Agri Limpopo	Reward recognition	–	3
South African Pest Control Association (SAPCA)	Annual Pest Biz 2016 conference	–	4
Mr Gert Luus	Exchange of furniture	–	8
Plant SA	Certificate scheme meeting	–	1
Western Cape Citrus Producers (WCCPF)	Western Cape Citrus Producers Forum meeting	–	6
African Forest Forum (AFF)	Workshop	–	15
KZN Provincial Department of Agriculture and Environmental Affairs	Donation of asset	–	32
The Fertiliser Association of SA (FERTSA)	Attendance symposium	–	3
New Zealand Development Scholarship - Africa	Support sustainable development countries	–	562
Woolworths (Pty) Ltd	Testing and monitoring of dairy products	–	4
United Nation Economic Commission for Africa	Training workshop	–	25
Total SA	National Arbor Week	–	2 400
Department of Environmental Affairs	200 trees	–	12
South African Avocado Growers Association (SAAGA)	Symposium	–	2
Australian Centre for International Agricultural Research (ACIAR)	Executive Research Management training	–	260
European Commission	Training	–	28
South African Meat Industry Company (SAMIC)	Meeting with Woolworths (Pty) Ltd	–	7
International Fund for Agricultural Development (IFAD)	Participate in the panel review of the IADFP	–	120
Food and Agriculture Organisation (FAO)	Donation	–	421
African Development Bank	Training	–	7
Food and Agriculture Organisation (FAO)	Technical meeting	–	13
Food and Agriculture Organisation (FAO)	Development Commute Sanitary and Phytosanitary Coordinating Committee	–	17
Food and Agriculture Organisation (FAO)	Training workshop	–	39
Pomegranate Association of SA (POMASA)	Meeting	–	3
University of Washington	Workshop	–	20
Special Common Wealth Assistance for Africa (SCAAP)	Course	–	7



Name of organisation	Nature of gift, donation or sponsorship	2017/18	2016/17
		R'000	R'000
Impumelelo Agribusiness Solutions	Meeting	–	6
Potato SA	Meeting for Vegetable Industry Export Strategy	–	3
African Union Internal African Bureau for Animal Resources (AU-ABAR)	Training workshop	–	75
Citrus Research International	Citrus research symposium	–	5
African Union	Validation workshop on sustainable forest management	–	10
Go-Greefers	Risk Management session	–	19
African Forum for Agriculture Advisory Services (AFAAS)	African Forum for Advisory Services	–	24
Biodiversity International	Agro Biodiversity Congress	–	73
China National Bamboo Research (CBRC)	Seminar on forest industry	–	54
Citrus Growers Association (CGA)	Conducting a system audit	–	260
Fruits SA	Maintenance of existing fruits export	–	12
Monitoring for Environment and Security in Africa (MESA)	Training for trainers/donation of equipment	–	21
Nando's	Observe poultry supply chain	–	7
Perishable Products Exports Control Board (PPECB)	PPECB's technical seminars	–	29
Perishable Products Exports Control Board (PPECB)	Discuss audit findings/meeting/workshop	–	27
Prokon SA	Meeting	–	11
Various	#AGRISTARS Recognition Awards Youth Engagement	–	1 086
United Nations Framework Convention on Climate Changes (UNFCCC)	Workshop	–	26
Various	Gift to employees	–	11
National Forum of Forest (UNFF)	Council Resolution Meeting	–	23
National Forum of Forest (UNFF)	AHEG 2 meeting	–	14
Grain SA	Accommodation	–	1
SA Subtropical Growers Association (SUBTROP)	Catering	–	2
International Fund for Agricultural Development (IFAD)	Integrated Agricultural Development Finance Policy	–	600
Subtotal		5 766	9 510
Total		5 921	9 783

ANNEXURE 1I

STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on/by 31 March 2018	Closing balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
Bioversity International	Farmers seed systems and community seed banks in SA	–	324	302	–	22
Bioversity International	Conservation and use of crop wild relatives in three ACP countries	–	84	8	76	–
The Australian Centre for International Agricultural Research (ACIAR)	Small scale and emerging beef cattle farmers in SA	252	2 289	1 399	252	890
United States Agency for International Development (USAID)	Response of vegetation, soil water cycle to different management regimes: Victoria Falls area, Zimbabwe	–	32	32	–	–
Total		252	2 729	1 741	328	912

Refer to note 3

ANNEXURE 1J

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

Nature of gift, donation or sponsorship	2017/18	2016/17
	R'000	R'000
Made in kind		
Arbor Week—the greening projects of the department in the disadvantaged sector of the population	2 027	983
Total	2 027	983



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		Net asset value of investment		Profit/(loss) for the year		Losses guaranteed
						R'000		R'000		R'000		
		2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	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	–	–	–	–	–	–	

In terms of a Memorandum of Agreement between Ncera Farms (Pty) Ltd (the company), DAFF and the Agricultural Research Council (ARC) signed on 16 March 2018, the entire business of the company, all employees of the company, its assets (both corporeal and incorporeal) and the goodwill of the company be transferred to the ARC as a going concern in terms of the provisions of section 197 of the Labour Relations Act, 1995.

The National Treasury will attend to the de-listing of Ncera Farms as a schedule 3B PFMA public entity during the 2018/19 financial year.

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018–LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2017	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	57	57	–	–	–	57	–	–
Total		57	57	–	–	–	57	–	–

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018

Nature of Liability	Opening balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/ cancelled/re- duced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2018
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims	124 944	509 573	1 359	–	633 158
Subtotal	124 944	509 573	1 359	–	633 158
Other					
Occupation Specific Dispensation (OSDs) first batch	–	11 280	11 280	–	–
Occupation Specific Dispensation (OSDs) second batch	–	6 405	–	–	6 405
Occupation Specific Dispensation (OSDs) third batch	–	2 979	58	–	2 921
Occupation Specific Dispensation (OSDs) fourth batch	–	2 015	–	–	2 015
Subtotal	–	22 679	11 338	–	11 341
Total	124 944	532 252	12 697	–	644 499

Nature of liabilities recoverable	Opening balance 1 April 2017	Details of liability and recoverability	Movement during year	Closing balance 31 March 2018
	R'000		R'000	R'000
Vehicle accidents–compensation	914	Claims: Motor Vehicle accidents–still under investigation	(100)	814
Compensation	9	Claim: Assets	98	107
Buffalo Conservation 97 (Pty) Ltd and Dr. D.I. Ntshali	8 426	Prohibition of movement of animals	–	8 426
Komape K.	1 203	Breach of the employment agreement	875	2 078
Engelbrecht L.	34	Damage to their properties	–	34
Landman J.	200	Compensation	–	200
Swanvest 234 (EDMS) Beperk	53 315	Failure to issue import permits	–	53 315
Woodworks M&J	60 000	Civil claim	–	60 000
Brainware Projects 596 CC	82	Contractual	–	82
BIE Inspection Services (Pty) Ltd	161	Goods sold delivered	–	161
Maqondose N.	10	Collision claim	(10)	–
Rembuluwani M.	590	Civil claim-compensation	–	590
Schoonraad C.J.	–	Collision claim	46	46
Pieter Beukes	–	Civil claim	4 148	4 148
Sixolile Cube	–	Civil claim	166	166
Binase Puzi	–	Compensation	56	56
J.P. Potgieter and two others	–	Compensation	6 597	6 597



Nature of liabilities recoverable	Opening balance 1 April 2017	Details of liability and recoverability	Movement during year	Closing balance 31 March 2018
	R'000		R'000	R'000
Thembani M. Gomani	–	Compensation	8	8
Great North Transport	–	Collision claim	239	239
Mphale Albert Khoeli	–	Compensation	287	287
Occupation Specific Dispensation (OSDs) second batch	–	Compensation	6 405	6 405
Occupation Specific Dispensation (OSDs) third batch	–	Compensation	2 921	2 921
Occupation Specific Dispensation (OSDs) fourth batch	–	Compensation	2 015	2 015
Department of Water and Sanitation	–	Water use	387	387
B&B Properties (Pty) Limited	–	Compensation	495 417	495 417
Total	124 944		519 555	644 499

The combined summons received from B&B Properties etc. amounts to R495,417 million. DAFF is noted as one of the fifteen (15) defendants in the summons. The portion/percentage of liability for each defendant is unknown

ANNEXURE 4

CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	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
Department								
National Departments								
Marine Living Resources Fund (DAFF)	–	–	1 081	836	1 081	836		
Department of Public Works	–	761	–	–	–	761		
South African Police Service	–	–	157	–	157	–		
Government Printing Works	38	–	–	–	38	–	09/04/2018	38
Provincial Departments								
Provincial Department of Agriculture and Rural Development (KwaZulu-Natal)	–	–	25	–	25	–		
Provincial Department of Agriculture and Rural Development (Limpopo)	–	–	35	–	35	–		
Total	38	761	1 298	836	1 336	1 597	–	38



ANNEXURE 5

INTER-GOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
National Departments						
South African Police Services	–	172	–	31	–	203
Department of Environmental Affairs	–	–	–	212	–	212
Department of International Relations and Cooperation	5 451	17 197	–	4 164	5 451	21 343
Department of Justice	2 697	3 137	–	878	2 697	4 015
Department of Public Works	122 497	56 587	–	26 640	122 497	83 227
Provincial Departments						
KwaZulu-Natal						
Provincial Government	–	–	–	715	–	715
Free State						
Provincial Government	–	–	–	2 709	–	2 709
Northern Cape						
Provincial Government	–	–	–	50	–	50
Eastern Cape						
Provincial Government	–	–	–	642	–	642
Subtotal	130 645	77 075	–	36 041	130 645	113 116
Other government entity						
Telkom SA	1 252	1 967	–	1 838	1 252	3 805
SITA	372	704	–	1 698	372	2 402
Office of the Auditor-General	883	3 267	–	1 109	883	4 376
Eastern Cape Rural Development Agency	22 205	22 205	–	–	22 205	22 205
Subtotal	24 712	28 143	–	4 645	24 712	32 788
Total	155 357	105 218		40 686	155 357	145 904

ANNEXURE 6

INVENTORIES

Inventories [per major category]	2017/18		2016/17	
	Quantity	R'000	Quantity	R'000
Opening balance	60 253	1 297	24 772	1 772
Add/(Less): Adjustments to prior year balance	(84)	4 972	40 972	1 405
Add: Additions/Purchases—Cash	2 124 346	39 900	1 770 643	228 259
Add: Additions—Non-cash				
(Less): Disposals	—	—	(16)	—
(Less): Issues	(2 127 355)	(39 862)	(1 738 666)	(227 643)
Add/(Less): Variance figure	85	(4 280)	(37 452)	(2 496)
Add/(Less): Adjustments	—	(691)	—	—
Closing balance	57 245	1 336	60 253	1 297

ANNEXURE 7

MOVEMENT IN CAPITAL WORK-IN-PROGRESS

Movement in capital work-in-progress for the year ended 31 March 2018

	Opening balance	Current year capital WIP	Ready for use (Asset register)/Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment	26 855	—	—	26 855
Transport assets	26 855	—	—	26 855
Buildings and other fixed structures	43 941	53 882	(12 233)	85 590
Other fixed structures	43 941	53 882	(12 233)	85 590
Computer software	3 050	19 542	—	22 592
Computer software	3 050	19 542	—	22 592
Total	73 846	73 424	(12 233)	135 037



Seven Mercedes mobile clinics represent the transport assets not finalised.

Computer software represents the self-development systems not finalised.

Project WSC51209 with an amount of R41 655.00 is cancelled due to the closure of the current primary access and realignment of a new proposed intersection with additional alterations that will be very costly.

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, construction not started	Planned, construction started	Total R'000
0 to 1 year	2	17	61 233
1 to 3 years	12	17	70 523
3 to 5 years	1	4	3 281
Total	15	38	135 037

Movement in Capital work-in progress for the year ended 31 March 2017.

	Opening balance	Current year capital WIP	Ready for use (Asset register)//Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment	23 500	3 355	–	26 855
Transport assets	23 500	3 355	–	26 855
Buildings and other fixed structures	15 568	50 981	(22 608)	43 941
Other fixed structures	15 568	50 981	(22 608)	43 941
Computer software	6 054	596	(3 600)	3 050
Computer software	6 054	596	(3 600)	3 050
Total	45 122	54 932	(26 208)	73 846

Seven Mercedes mobile clinics represent the transport assets not finalised.

Computer software represents the self-developed systems not finalised.

Projec WC S5154 is cancelled due to retrofitting of Agriculture Place.

ANNEXURE 8A

INTER-ENTITY ADVANCES PAID

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
	–	–	–	–	–	–
Total	–	–	–	–	–	–

A total advance to the value of R37,9 million was paid to the MLRF for Operation Phakisa: Aquaculture in the 2015/16, 2016/17 and 2017/18 financial year.

Expenses to the value of R9,672 million were received and set-off against the advance. On 31 March 2018 the value of the advance is R19,909 million.

ANNEXURE 8B

INTER-ENTITY ADVANCES RECEIVED

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
	R'000	R'000	R'000	R'000	R'000	R'000
Other institutions						
Current						
Citrus Growers Association	135	86	–	–	135	86
PPECB	2	–	158	–	160	–
Total	137	86	158	–	295	86

An advance of R37,9 million was received from Department of Environmental Affairs for Operation Phakisa: Aquaculture for the 15/16, 16/17 and 17/18 financial year. An amount of R9,672 million was set-off against the advance during 2017/18.

