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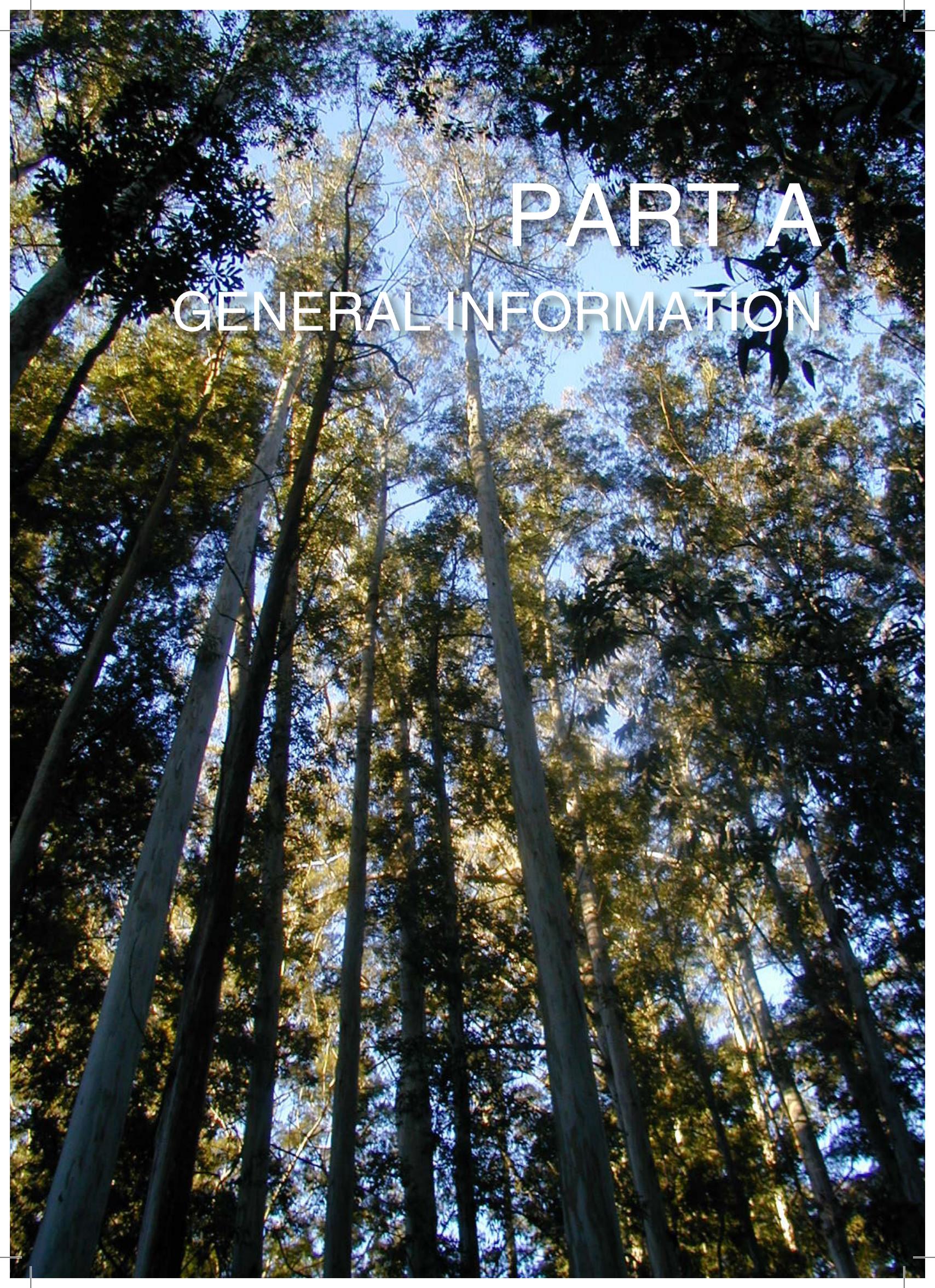
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PART A

GENERAL INFORMATION

DEPARTMENT GENERAL INFORMATION

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ACRONYMS

AENE	Adjusted Estimates of National Expenditure
AIMS	Agricultural Information Management System
AGRIBEE	Agricultural Black Economic Empowerment
APAP	Agricultural Policy Action Plan
APP	Annual Performance Plan
ARC	Agricultural Research Council
ARV	Anti-RetroViral
ASRDC	Agriculture and Sustainable Rural Development Committee (Manco subcommittee)
AU	African Union
AG	Auditor General
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	Bi-National 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
CCBT	Conservation of Southern Bluefin Tunas
CEM	Contagious Equine Metritis
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHE	Council on Higher Education
COGTA	Cooperative Governance and Traditional Affairs
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
DPME	Department of Planning, Monitoring and Evaluation
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
EFTA	European Free Trade Association
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

FAW	Fall Army Worm
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
HOA	Home owner's allowance
HPG	Holistic planned grazing
HR	Human resources
HRD	Human Resources Development
HRM	Human Resources 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
MERCOSUR	Mercado Cumún del Sur
MINTECH	Ministerial Technical Committee
MINMEC	Ministers and Members of Executive Councils
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
N/A	Not applicable
NAFFET	National Agriculture, Forestry and Fisheries Education and Training
NAMC	National Agricultural Marketing Council
NATSAFT	National Education and Training Strategy for Agriculture, Forestry and Fisheries
NBS	Natal Building Society
NBAC	National Bid Adjudication Committee
NC	Northern Cape
NCOP	National Council of Provinces

NDP	National Development Plan
NDPW	National Department of Public Works
NDMC	National Disaster Management Center
NEPARD	New Partnership for Africa is Development
NERPO	National Emergent Red Meat Producers' Organisation
NGP	New Growth Path
NIPF	National Industrial Policy Framework
NRF	National Revenue Fund/National Research Foundation
NT	National Treasury
NW	North West
NUFFIC	Netherlands Universities Foundation for International Cooperation
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
RAAVC	Revitalising of Agricultural Agro-processing Value Chain
RDP	Reconstruction and Development Programme
REDD+	Reducing Emissions from Forest Degradating and Deforestation - Plus
R&D	Research and Development
SCM	Supply Chain Management
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
SONA	State of Nation Address
TAC	Total allowable catch
TB	Tuberculosis
TAE	Total allowable estimate
TNF	Tripartite Negotiating Forum
ToR	Terms of Reference
TUPs	Temporary unplanted areas
TV	Television

USA	United States of America
USAID	United States Agency for International Development
VAT	Value-added Tax
WC	Western Cape
WCRL	West Coast rock lobster
WCS	System for Registration of Capital Works Projects (Department of Public Works)
WIFM	Woodlands and Indigenous Forest Management (Directorate)
WFP	World Food Programme
WfW	Working for Water
WTO	World Trade Organization
WWWTG	World Wine Trade Group

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: FacM	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. SF	Directorate Subsistence Farming
D. SHD	Directorate Small Holder Development

FOREWORD BY THE MINISTER



Mr Senzeni Zokwana (MP)
Minister of Agriculture, Forestry
and Fisheries

I am honoured to present the 2016/17 Annual report of the Department of Agriculture, Forestry and Fisheries (DAFF). This annual report is a key instrument for the department to report against its set performance targets and budget outlined in the department's Strategic Plan.

Through this annual report, the department is able to account to Parliament and to the people of South Africa on its performance. This is an indication of our commitment to running a transparent, effective and accountable department.

In executing its mandate, DAFF is guided by key government policies and plans for the medium term, including the National Development Plan (NDP), the New Growth Path (NGP), the Medium Term Strategic Framework (MTSF), the Industrial Policy Action Plan (IPAP), Presidential Infrastructure Coordinating Commission (PICC) and, in particular, the Strategic Integrated Project (SIP) 11 of the PICC.

During the 2016/17 financial year, the department experienced achievements and challenges.

Food security

The 1996 World Food Summit agreed on the following definition of food security, which is used by the Food and Agriculture Organization (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 needs and food preferences for an active and healthy life".

It is disheartening to know that millions of South Africans have insufficient access to food. To address this enormous challenge, DAFF is continuing to develop and implement targeted policies and programmes. These policies and programmes will assist in ensuring the availability, accessibility and affordability of safe and nutritious food at national and household levels.

Job creation

Like many other sectors of the economy, the agricultural sector is going through a tough period. According to the latest report by Statistics South Africa, the agricultural sector has contracted for four consecutive quarters of 2016. South African

agriculture is confronted by increasing costs of production attributed largely to the high prices of inputs (fertilisers, seed and pesticides), electricity, fuel, mechanisation and labour. There are also additional challenges like frequent drought spells and outbreaks of pests and diseases.

The NDP has identified agriculture, mining and manufacturing as important drivers of job creation and economic growth in South Africa. Agriculture has the most potential compared to the other two. Furthermore, agriculture and agro-processing are expected to create at least one million jobs by 2030. The agricultural sector is also vital in terms of food security, rural development and poverty alleviation.

Revitalising Agriculture and the Agro-Processing Value Chain

During the State of the Nation Address (SoNA) in February 2015, His Excellency President Jacob Zuma announced the Nine-Point Plan to respond to sluggish growth. The Nine-Point Plan identified the Revitalisation of the Agriculture and Agro-processing Value-Chain (RAAVC) as one of the key drivers to fast-tracking economic growth.

In his 2016 SoNA, His Excellency reiterated the centrality of the Nine-Point Plan in fast-tracking economic growth.

Government has made progress and is continuing to bring about transformation in our rural areas through interventions in agriculture and agro-processing. These interventions are helping remove constraints to growth in this crucial sector of our country. Interventions include, among others, fast-tracking land reform, market access, producer support and production support.

President Zuma recently launched the 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 chain.

This was the culmination of a six-month consultation process for the five-week Operation Phakisa Labs. A total of 27 initiatives were finalised across seven work streams to remove constraints to growth in this crucial sector of our country.

The programme will be launched under the theme "Transforming the Agricultural Sector towards an Inclusive Rural Economy".

The RAAVC will continue to be implemented and will be measured in terms of economic growth, job creation and food security.

Fall armyworm

During the year under review, the country experienced a fall armyworm (FAW) outbreak. This was confirmed after DAFF received a diagnostic report from the Agricultural Research Council (ARC) on 03 February 2017, which confirmed that the FAW was positively identified from samples collected in the Limpopo Province (LP).

As the FAW is a new pest to South Africa, no pesticide was previously registered to be used against it. A process of emergency registration of agricultural chemicals was therefore initiated where chemical suppliers were encouraged to apply for emergency registration of agricultural chemicals to be used on maize and other host plants against the FAW.

The South African Emergency Plant Pest Response Plan, which deals with new pest detections, is already in motion to fight the FAW. Additionally, the Fall Armyworm Steering Committee has been established and meets regularly with all Provincial Departments of Agriculture (PDAs), industry members and research organisations to evaluate the progress and results of these ongoing activities.

The control measures relating to the FAW were recently approved. These control measures will assist in the control and management of the FAW infested areas and maintenance of pest free areas. The process to publish the control measures in the Government Gazette is ongoing and will be concluded shortly.

These measures include:

- Compulsory notification of the occurrence or suspected occurrence of the FAW;
- Responsibilities of the executing officer and/or authority to provide for necessary action to be taken upon pest reporting;
- Responsibility of land user to provide for his/her role to ensure compliance with the prescribed control measures;
- Issuing of guideline or action plan to empower the executive officer to develop action plans and guidelines for the implementation of these control measures.

Government, led by DAFF, is continuing with the assessment of the spread and damage. Government also continues to take awareness actions to provide farmers with accurate technical information and control options, as well as to ensure the responsible emergency registration of agricultural chemicals.

Drought

As we all know, South Africa is recovering from a severe drought that almost crippled the country's agricultural sector. This was the worst drought the country has ever experienced since 1904.

Government initiated and funded drought-relief programmes. This entailed reprioritising R263 million of the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema. Provinces made R198 million available through the Provincial Equitable Share. Funding from programmes such as the Prevention and Mitigation of Disaster Risk (PMDR) were also utilised on borehole drilling and the construction of fire breaks.

DAFF further requested funds for drought assistance from the National Treasury (NT) through the National Disaster Management Centre (NDMC) in the Department of Cooperative Governance and Traditional Affairs (COGTA), following the verification of the drought situation in the declared areas. As a result of these assessments, NT made an amount of R212 million available to assist affected farmers across the country.

The allocation of R212 million made available through the Adjusted Estimates of National Expenditure (AENE) was for livestock feed only.

DAFF management, in consultation with the National Disaster Management Centre (NDMC) and NT, took a decision to procure animal feed on behalf of the provinces based on, but not limited to the following reasons:

- Allocated time frame within which the scheme must be implemented;
- To control financial mismanagement and unaccountability;
- To enhance monitoring and evaluation, as well as reporting.

The department will continue to work with various stakeholders to ensure food security, job creation and contribute to the gross domestic product (GDP).

Acknowledgement and conclusion

In conclusion, I would like to express my gratitude to the Deputy Minister and the chairpersons and members of the parliamentary committees for their political leadership, expertise and guidance. I also wish to extend my appreciation to the leadership and members of staff of the public entities, 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 Senzeni Zokwana (MP)

Minister of Agriculture, Forestry and Fisheries



Gen. Bheki Cele (MP)
Deputy Minister of Agriculture,
Forestry and Fisheries

As it was indicated in the 2015/16 Annual report, DAFF has continued to support smallholder producers and new entrants. The project of transforming the agricultural, forestry and fisheries sectors has gained momentum. The Minister and I visited many communities in an effort to understand their conditions, particularly on the drought situation that was said to have been one of worst the country has experienced in in many years.

As part of some drought relief interventions, the department reprioritised R263 million of the CASP and Ilima/Letsema. The provinces made R198 million available through the Provincial Equitable Share Funding and programmes such as the PMDR were also expanded with interventions on drilling of boreholes and construction of fire breaks. The department engaged with all the role players to find solutions to drought disaster and approached the National Treasury through NDMC in the Department of Cooperative Governance and Traditional Affairs, following the verification of the drought situation in the declared areas. The National Treasury was able to avail R212 million to assist affected farmers across the country.

This allocation was made available for livestock feed through the AENE. The allocation letter was received on 29 September 2016 in which it was indicated that the department was expected to report progress on a monthly basis to the National Treasury and the NDMC. The department was able to report accordingly.

DAFF management, in consultation with the National Treasury and NDMC, took a decision to procure animal feed on behalf of the provinces. The Eastern Cape (EC) was allocated R29 million, Free State (FS) was allocated R31 million, KwaZulu-Natal (KZN) received R23 million, Limpopo (LP) R28 million, Mpumalanga (MP) R26 million, Northern Cape (NC) R25 million, North West (NW) R38 million and lastly, the Western Cape (WC) was allocated R12 million.

Farmer support and development

It is estimated that currently there are about 2,4 million smallholders in South Africa (StatsSA 2016). This group of farmers face a myriad of challenges, yet it is the sector that has the potential to create jobs as it is inclined to use labour-intensive methods as opposed to capital-intensive techniques, which justifies the need for their support. As a result, the department implemented CASP since the 2004/5 financial year with the primary aim of providing effective agricultural support and to streamline the provision of services to targeted beneficiaries of land reform's restitution and redistribution, as well as to other African producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export.

The programme is targeted to support different levels of clients within the farming continuum and these are:

- The hungry—supported through advice and food emergencies through the agricultural food packs and dealing with food crises;
- Subsistence and household food producers—supported through food production, including the special programme on food and nutrition security where the provision of starter packs for production is made;
- Smallholder producers—supported through farm level support that includes beneficiaries of the Land Redistribution for Agricultural Development;
- Black commercial producers—supported through farm level support that includes participation, ownership and control of the value chain;
- General public—to ensure that business and the regulatory environment is conducive to support agricultural development and food safety.

In 2016/17, R1,6 billion was made available as a conditional grant to implement CASP and R491 million was made available for Ilima/Letsema, bringing the total available to support smallholder farmers to R2 billion. This resulted in 346 projects being supported, benefiting 32 066 smallholder farmers at the end of quarter three, and creating 9 092 direct jobs. The farmers were supported with infrastructure for production, marketing and agro-processing, land preparation, establishment of orchards, production inputs, training and mentorship, as well as being assisted with SA-GAP certification.

Forestry sector

The department manages approximately 64 000 hectares (ha) of plantations categorised into Category B and C. These plantations have vast areas suitable for planting, but which are temporarily unplanted. The department will revitalise the plantations and a large number of jobs will be created by employing workers from the surrounding communities. South Africa is currently experiencing a shortage of timber and is constrained to meet the national demand for sawlog timber. Approximately 30 000 ha of currently fallow areas, could be a strategic contribution to timber supply in order to meet needs along the value chain.

The forestry sector offers long-term investment opportunities for rural economic development. Increased production and productivity in prioritised areas will be ensured by sustainable forest management through the replanting of 1 725 ha in temporary unplanted areas (TUPs), certification of one plantation for the Forestry Stewardship Council, and the implementation of the Agro-forestry Strategy. The department will continue to facilitate the development of the areas with afforestation potential in the EC and KZN in order to create economic and employment opportunities in rural areas.

A significant number of jobs will be created through refurbishment of Category B and C plantations and Land Care programmes. In addition, 16 000 ha of agricultural land and 300 ha of state indigenous forests and woodlands will be restored through rehabilitation that includes area fencing, controlling of weeds and alien invasive species, veld reclamation, tree planting, soil conservation works and natural regeneration.

In terms of improving the administration of the forestry legislation, the department has finalised the consultation process on the two forestry bills (National Forests Act No. 84 of 1998 and National Veld and Forest Fire Act No. 101 of 1998). The bills are currently in Parliament. For increased communication and consultation on compliance and enforcement in integrated fire management, the department established a multi stakeholder forum that serves as a networking platform. This forum, through collaboration with other stakeholders, strengthens the mandate of DAFF with regard to the implementation of the National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998). Furthermore, the department will continue to facilitate the registration of Fire Protection Associations (FPAs) in high risk areas, and the consolidation of non-viable FPAs and alignment of FPAs within municipal boundaries to ensure the effective utilisation of limited resources.

In the case of the transfer of the Mbazwana Manzenzwenya plantations to the Tembe, Mbila and Mabaso communities, the KZN Provincial Department of Education has committed to employ the 156 employees working on the DAFF plantations. Furthermore, 835,1 ha have been replanted within the Jobs Fund/DAFF Rehabilitation Programme. Sustainable management of our natural resources, namely land, soil, water and climate systems is critical for the sustainable use of our resources and food security. To address the loss of prime agricultural land to other sectors, the Preservation and Development of Agricultural Land Framework (PDALF) has been developed by the department. The consultation is underway with all stakeholders, and will be followed by the parliamentary consultation process.

As a department we follow our mandate of managing natural resources such as land, soil, water, climate systems and food security. There has been an increase in the loss of agricultural land to mining and human settlements in the country. As the custodian of all these resources we have drafted a bill which will help us intervene. The Preservation of Agricultural

Land Framework Bill is in the consultation stages with interested stakeholders and ultimately, it will be taken through the parliamentary process for approval and implementation.

In conclusion, I would like to thank the Honourable Minister Senzeni Zokwana for the political guidance that I receive, the Portfolio Committee on Agriculture, Forestry and Fisheries and also the Select Committee on Land and Mineral Resources for the oversight on the work of the department. Another word of thanks goes to the Director-General and his team for their continuous support. This gesture is even extended to all the stakeholders in the agriculture, forestry and fisheries sectors. Working together we can move South Africa forward where we will be able to foster radical economic transformation in our life time.



Gen. Bheki Cele (MP)

Deputy Minister of Agriculture, Forestry and Fisheries



Name: Mr R.M. Ramasodi
Acting Accounting Officer: Department
of Agriculture, Forestry and Fisheries

During 2016, South Africa experienced one of the worst droughts ever recorded that already started in early 2015. The result of the drought has led to the negative growth of value added for the agricultural, forestry and fisheries sectors of 6,1 % in 2015 and 7,8% in 2016. These two consecutive years translated into negative growth rates of the GDP, quarter on quarter over the same period. According to the South African Weather Services, 2015 was the driest year on record in South Africa dating back to 1904. Following the El Niño-induced drought, maize production declined by 22%, from 9,955 million tons in 2015 to 7,778 million tons in 2016.

The uncertainty and the volatile environment as a result of drought led to a dampened demand and declining output. The agricultural production was 2,8% lower in 2016 than in 2015. The 6,0% decrease in field crops production was mainly the result of a decrease in the production of summer grains (maize, sorghum) and oilseeds (especially soya beans and groundnuts). Horticultural production had a sharp increase of 5,9% in the production of subtropical, citrus and vegetables, while animal products had an insignificant increase. However, despite this negative scenario, farmers enjoyed increased income because of higher prices received for their products in 2016 as compared to 2015.

Albeit the decline of value added for agriculture, forestry and fisheries, trade balance has remained positive as agricultural exports continued to trend above imports. The 22,5% increase in agricultural products imports in 2016 is attributed to increases in imports of maize by 370,3%, wheat (18,7%), poultry meat (17,5%) and rice (7,2%).

A lower production output in 2016 meant price increases in agricultural products were passed to consumers. The increase in farm debt of 8,9% in 2016 (year-on-year) limits the potential of growth in investment of both machinery and equipment by farmers, which is often negatively influenced by the volatile rand as large quantities of machinery are imported into the country.

The chicken industry came into turmoil after government regulated bringing content in frozen chicken meat to 15% in 2016. This remained a thorny issue to both industry and government as both parties rallied to achieve amicable solutions. The South African Poultry Association (SAPA) argued that new regulation on brining frozen chicken meat would render chicken unaffordable to the poor, weaken local demand and force the industry to cut employment. It argued that imports of poultry meat should be viewed as dumping because imports came in at below cost of production in the countries of origin. SAPA estimates that 1 000 jobs will be lost for every 10 000 tons of imports. It further argued that 13,9% import tariff on in-bone

portions be increased to 37%. The Competition Commission has concurred that there is sufficient evidence of dumping, and the protection of the domestic industry is necessary. In all practicality, cheaper chicken imports are supposed to be beneficial to the consumer, however, this has not been realised

The production cost structure in the industry is influenced by several cost variables. There are intermediate and capital costs such as fuel costs, feed costs, fertiliser costs, chemicals, machinery and tractors. The movements in global Brent Crude prices and the exchange rate can lead to greater shocks on production costs, given that South Africa is a significant importer of both fuel and chemicals. In 2016, farmers spent 6,3% higher on fuel costs, 8,0% on farm feeds, 6,0% on chemicals and 3,0% on fertilisers. South Africa is a net importer of fertilisers, and in 2016, net imports were 32,4% higher than in 2015. The country imports almost 95% of tractors and machinery and in 2016 tractor sales declined by 11,3% compared to 2015.

International uncertainties such as Brexit led to panic, in particular, for South Africa's agricultural export market with possibilities of facing generally higher tariffs. Britain consumes a major portion of South Africa's fresh fruit that enter the European Union (EU) market. It remains the second largest trading partner for South African exports, accounting for R9,5 billion in 2016 and the fourth trading partner with South Africa on imports valued at R4,2 billion in the same year.

The release of Community Survey 2016 by Statistics South Africa was able to identify households which are engaged in agricultural production. Surveys on the household level are able to bridge the gap of lack of reliable, socio-economic data at municipal level, such as the extent of poverty in households, access to water and light, employment and unemployment and food security necessary for decision-making, planning and measurement of such indicators.

The expected maize bumper crop of 14,5 million tons in the 2016/2017 production season is bound to restore South Africa to a position of a net exporter of maize and have economic spin offs in other subsectors, in particular, the poultry industry that is already starting to recover.

The challenge of developing the smallholder sector (producers who produce for own consumption and sell the remainder to derive an income) is closely tied up with the challenge of making smallholder agriculture more remunerative. Currently, more than half of all smallholder producers live below the poverty line. The footprint of government support services reaching smallholders has been improving.

For instance, since the implementation of the Extension Recovery Programme in 2008/09, the number of Extension Officers has increased from 2 210 to the current 3 100. According to the National Food and Nutrition Security Plan, extension services will assist efficiently if the number is increased to 5 600. The momentum must be increased, and other forms of support must improve as well.

Presently, about three quarters of smallholder/producers are within the former homelands, and the rest of the farming community is split between urban areas and commercial farming areas. There is a scope to increase the size of the smallholder sector in each of these areas. In the former homelands, there are thousands of hectares of underutilised arable land that can be put back into production, especially with concerted support for input access, mechanisation services, technical support and linkages to markets. Smallholders need to be commercialised and statistically noted which will contribute to local production in particular.

Globally, approximately 795 million people are undernourished, less than 167 million over the last decade. The decline is pronounced in developing regions, despite significant population growth. Regionally, hunger has decreased by 30% between 1990–92 and 2015 (State of World Food Security; UN: FAO). According to the State of Food Insecurity in the World Report of 2015, this 30% decline translates to approximately one person out of four in Sub-Saharan Africa being undernourished today compared to a ratio of one person out of three in 1990–92.

In South Africa, about 14,1 million (26%) of people are still predisposed to hunger and malnutrition and therefore have severe and inadequate access to food, thereby increasing levels of absolute poverty every year. The General Household Survey of Statistics SA indicates that the figure steadily increased from 12 million in 2011 and 13,6 million in 2013. As a result, the National Policy on Food and Nutrition Security was approved by Cabinet in 2013, followed by the National Food and Nutrition Security Plan. The plan is based on the dimensions of food security namely: access, availability, utilisation and stability. This was predisposed by the launch of the Fetsa Tlala Food Production Initiative to place one million ha of fallow land under production in line with the MTSF for Outcome 7.

The department will continue providing targeted support programmes such as CASP, and Illima/Letsema in order to realise enhanced food production, contributing towards the eradication of hunger by 2030.

Departmental receipts

Departmental receipts	2016/17			2015/16		
	Actual amount collected	Actual amount collected	Over/under collection	Estimates	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	213 062	190 749	22 313	164 682	186 027	(21 345)
Transfers received	420	274	146	400	355	45
Fines, penalties and forfeits	46	45	1	29	270	(241)
Interest, dividends and rent on land	4 634	4 738	(104)	17 629	5 143	12 486
Sale of capital assets	1 348	868	480	1 176	1 720	(544)
Financial transactions in assets and liabilities	7 688	6 032	1 656	22 410	18 899	3 511
Total	227 198	202 706	24 492	206 326	212 414	(6 088)

- Revenue derived from the sale of goods and services includes statutory services, the registration of plant breeders, stock remedies, agricultural remedies and wood product sales.
- The sales of redundant capital assets amounted to R868 thousand in 2016/17 compared to R1,720 million in 2015/16.
- The sales of redundant capital assets for 2016/17 included motor vehicles (R754 thousand), farm/agriculture equipment (R36 thousand) and other machinery and equipment (R78 thousand).
- The sales of redundant capital assets for 2015/16 included construction and maintenance equipment (R100 thousand), busses (R178 thousand), motor vehicles (R1,125 million), farm/agriculture equipment (R111 thousand), a truck (R80 thousand) and other machinery and equipment (R126 thousand).
- Financial transactions in assets and liabilities for 2016/17 no longer include the refunds from unspent conditional grants and projects received from provincial governments, compared to R6,788 million that was included in 2015/16.

Programme expenditure

Departmental receipts	2016/17			2015/16		
	Actual amount collected	Actual amount collected	Over/under collection	Estimates	Actual amount collected	Over/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	843,571	828,485	15,086	788,853	785,802	3,051
Agricultural Production, Health and Food Safety	1,927,266	1,927,031	235	2,143,284	2,143,017	267
Food Security and Agrarian Reform	1,881,198	1,879,016	2,182	1,910,535	1,906,795	3,740

Departmental receipts	2016/17			2015/16		
	Actual amount collected	Actual amount collected	Over/under collection	Estimates	Actual amount collected	Over/under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Trade Promotion and Market Access	310,700	310,464	236	237,327	236,758	569
Forestry and Natural Resources Management	1,084,122	1,077,741	6,381	862,844	862,280	564
Fisheries	468,108	468,090	18	465,907	465,890	17
Total	6,514,965	6,490,827	24,138	6,408,750	6,400,542	8,208

Reasons for underexpenditure

Administration

The expenditure to the amount of R23,014 million for capital works in respect of the Stellenbosch-Plant Quarantine Station: upgrading and maintenance of building and laboratories and other capital works projects did not realise owing to the delays in the Department of Public Works' processes.

Forestry and Natural Resources Management

Expenditure to the amount of R5,936 million in respect of CASP Indirect Grant: Fodder for animal feed was not fully incurred owing to delay in distributing fodder to Northern Cape farmers following the late implementation of SCM by the Northern Cape Province.

Virements

In total three virements, including the final virement, totalling R169,224 million were granted. Expenses funded through this process included Operation Phakisa payments, ICT upgrade, SITA software licence fees, claims from DIRCO in respect of foreign offices, shortfalls which occurred in programmes, property management leases and municipal services, claims against the state, household social benefits, Ministerial stakeholder engagements and Extension Suit Online. 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 R2,806 million and R380 thousand, respectively, were identified in the 2016/17 financial year through various control measures. These cases are being investigated in terms of the Departmental Financial Instructions (IDFIs). The outcome of the investigation determines the appropriate disciplinary processes to be decided on 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 which will guide an 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 into twenty seven 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. New key activities include the dynamic business model for producer support and the Ndimu (Agriculture information) desk which is expected to revolutionise e 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 a product of public, private partnerships and will be implemented as such. Commodity organisations that include the grains, fruit and livestock industry, the financial institutions, labour organisations have set the stage for public private partnerships. The National Plan of Food and Nutrition Security is a collaborative effort and will require partnerships to be implemented successfully. Financial institutions are collaborating with government to finance agriculture where government shall bring the grants to support the farmers who require them and guarantee support to access loans. A total of 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 the partnerships for increasing production where smallholder farmers have land and promote access to national markets and exports. 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 which shall 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 the agricultural insurance to mitigate the growing risk due to climate change.

Supply chain management

During the period under review, the department finalised 15 bids, with a total value of R72,7 million. Altogether 67% of the value was allocated to B-BBEE status level contributors and 33% of the value to non-B-BBEE status level contributors. A total of 80% of these bids were finalised within the 90 days period from date of the Bid Specification Committee meeting. The department also finalised quotations to the value of R225,9 million of which 94% of the value was allocated to B-BBEE status level contributors and 6% of the value to non B-BBEE status level contributors.

The department successfully implemented the Supply Chain Management process via the central supplier database of NT. Notwithstanding various cash flow challenges experienced by the department, 90% 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 2016/17 financial year, the department obtained five deviation approvals from NT for any exemptions and deviations in terms of the Public Financial Management Act and Treasury Regulations.

Agricultural debt

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

On 31 March 2017, the total outstanding debt was R58 187 191,69, the number of debtors was 127 and the number of accounts was 154. In comparison to 1998 when this financial assistance was discontinued, the debt amounted to R1 140,7 million, the number of debtors to 9 614 and the number of accounts to 16 432.

The net amount recovered during the 2016/17 financial year was R6 320 006,90 and the debt written off amounted to R4 458 948,97.

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 R.M. Ramasodi
Acting Accounting Officer
Department of Agriculture, Forestry and Fisheries

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

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

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

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

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

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

In my opinion, the Annual report fairly reflects the operations, performance information, human resource information and the financial affairs of the department for the financial year ended 31 March 2017.

Yours faithfully,



Acting Accounting Officer

Mr R.M. Ramasodi

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

DAFFs' legal mandate covers the agricultural, forestry and fisheries value chains from inputs, production and value adding to retailing.

Legislative mandate

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

The following acts reflect the legislative mandate of the department:

Table 1: Legislative mandate

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

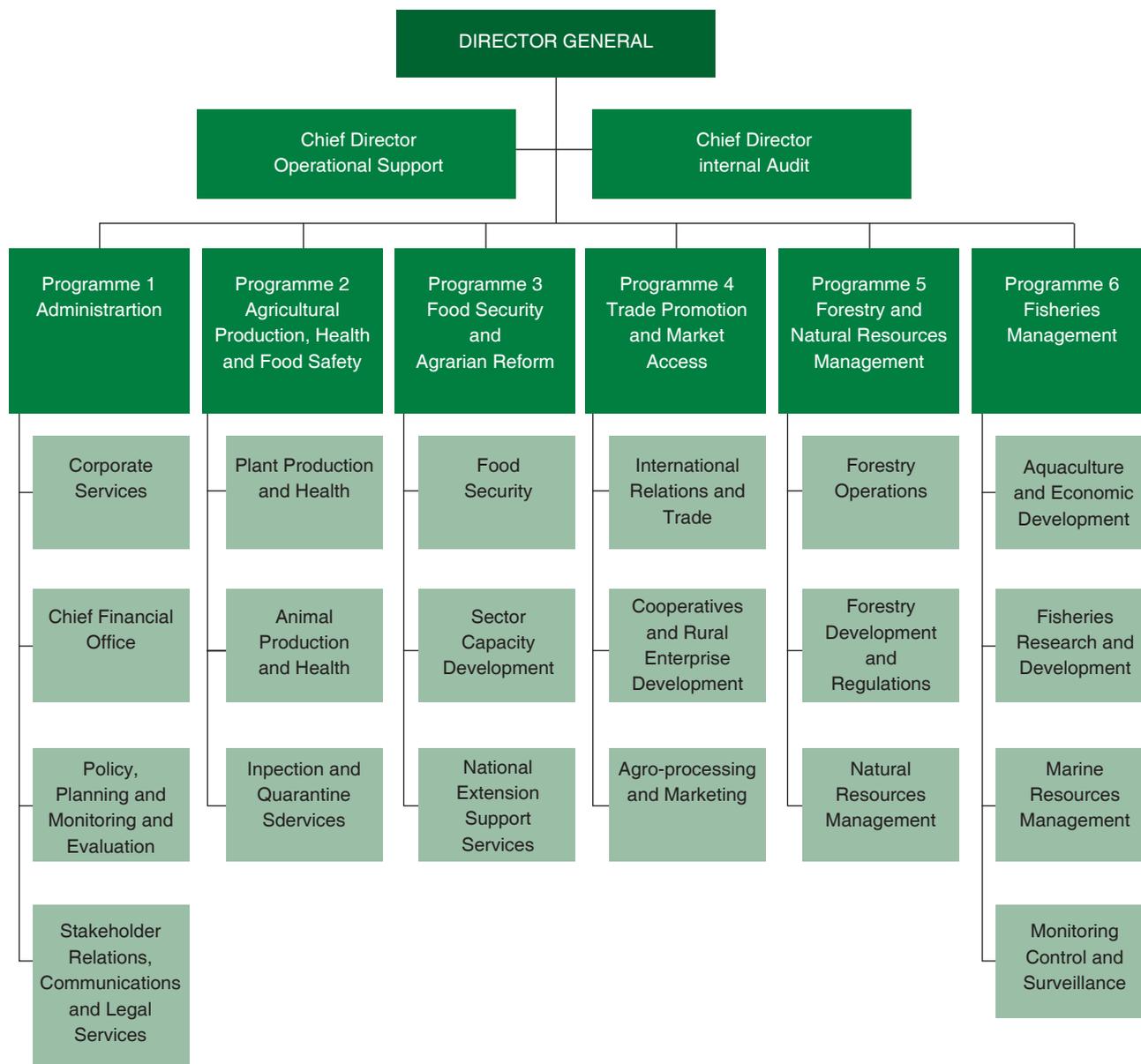
Act number and year	Purpose	Functional competence	Responsibility
Agricultural Pests Act, 1983 (Act No.36 of 1983)	Provides for measures by which agricultural pests may be prevented and combated	National	Directorates: Plant Health Inspection Services Land Use and Soil Management
Agricultural Pests Act, 1983 (Act No.36 of 1983)	Provides for the establishment of a juristic person to deal with agricultural research; the determination of its objectives, functions, powers and duties	Local 4A	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 Diseases Act, 1991 (Act No.35 of 1984)	Provides for the control of animal diseases and parasites, as well as for measures to promote animal health	Concurrent	Directorate: Animal Health
Animal Identification Act, 2002 (Act No.6 of 2002)	Consolidates the law relating to the identification of animals and provides for incidental matters	Concurrent	Directorate: Veterinary Public Health
Animal Improvement Act 1998 (Act No.62 of 1998)	Provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals	National	Directorate: Animal Production
Animal Protection Act, 1962 (Act No.71 of 1962)	Consolidates and amends the law relating to the prevention of cruelty to animals	Concurrent	Directorate: Animal Production
Conservation of Agricultural Resources Act, 1983 (Act No.43 of 1983)	Provides for control over the utilisation of the natural agricultural resources of the Republic in order to promote the conservation of the soil, water sources and vegetation and the combating of weeds and invader plants	Concurrent	Directorate: Land Use and Soil Management
Fencing Act, 1963 (Act No.31 of 1963)	Consolidates the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto	Concurrent Local	Directorate: Land Use and Soil Management
Fertilizers, Farm Feeds Agricultural Remedies and Stock Remedies Act, 1947 (Act No.36 of 1947)	Provides for the appointment of a Registrar of Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilisers, farm feeds, agricultural remedies and stock remedies and the designation of technical advisers and analysts	National	Directorate: Agriculture Inputs Control
Genetically Modified Organisms Act, 1997 (Act No.15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms; 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

Act number and year	Purpose	Functional competence	Responsibility
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
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

Act number and year	Purpose	Functional competence	Responsibility
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 2016/17 through the following organisational structure:



4. ENTITIES REPORTING TO THE MINISTER

The table below 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

The National Treasury expects South African economy to grow by 1,3% in 2017 and 2% in 2018 as economic conditions strengthen. Factors supporting the forecast include marginally higher global growth, stabilising commodity prices, greater reliability of the electricity network, more favourable weather conditions, recovering business and consumer confidence and improved labour relations. The Reserve Bank's forecast for GDP growth has been revised up in 2017 to 1,2%. While International Monetary Fund (IMF) forecasts 0.8% growth for SA in 2017. The World Bank cut South Africa's GDP growth forecast for 2017 to 0,6% from 1,1% earlier. Inflation increased to 6,4% in 2016 from 4,6% in 2015, driven by higher food prices and petrol prices. Inflation is expected to remain above 6% in 2017 and to decline to 5,7% in 2018. The main contributor to declining inflation over the medium term is lower food price inflation.

The agriculture, forestry and fisheries sector has outperformed all the sectors in Q1 at 23,7%, a dramatic improvement from the drought condition. The improvement of the climate condition since December 2016 has enabled the growth of the agricultural production forecast of major crops such as maize and soyabeans (by up to more than 101% compared to last season) and selected vegetables and fruits.

The global economic growth outlook has improved, but is clouded by policy uncertainty as the world trading system comes under mounting pressure. Government continues to work with business and labour to rebuild confidence, promote investment and improve prospects for more inclusive growth. South Africa needs broad-based economic transformation that creates jobs and business opportunities, reduces inequality and boosts income growth. S&P Global Ratings and Fitch Ratings Ltd have cut the nation's credit rating to sub-investment grade. Meanwhile Moody's put its assessment of the nation's debt, which is two levels above sub-investment level, on review for a downgrade.

The South African economy remained unable to create significant employment opportunities given an environment of sustained low output growth. Unemployment stood at 26,5% in the fourth quarter of 2016. The total number of people employed in 2016 stood at 43,08 in the fourth quarter of 2016. The number of people employed in the agricultural sector increased by 6,9% in the fourth quarter of 2016, from 860 000 persons in the fourth quarter of 2015 to 919 000 persons in the fourth quarter of 2016.

Interest Rates: Majority of analysts expect the Reserve Bank to maintain the repurchase interest rate unchanged at 7,00% in 2017, with an average forecast of 6,98%. For 2018, analysts expect the repo rate to end the year at 6,88%.

Exchange rate: The strengthening of the rand in the past months of 2017 could easily be reversed as the rand appreciation has not been spurred by a broad strengthening of the economy. Most analysts expect the rand to trade at R16,71 against the US Dollar.

Balance of payments: A substantially weaker rand exchange rate in 2015 alongside a recovery in commodity prices contributed to South Africa's trade balance recording a trade surplus of R15 billion in 2016 compared to a deficit of R38 billion in 2015. The lower cost of imports, such as crude oil and refined petroleum products contributed largely to an improvement in the trade balance. Meanwhile, the manufacturing sector reported an improvement in the export performance of motor vehicle exports. Despite a surplus in the trade balance in 2016, weaker economic activity suppressed imports rather than an improved export performance.

Agricultural sector

The challenge of developing the smallholder sector is closely tied up with the challenge of making smallholder agriculture more remunerative. Currently, more than half of all smallholder producers live below the poverty line. The footprint of government support services reaching smallholders has been improving.

For instance, since the implementation of Extension Recovery Programme in 2008/09, the number of Extension Officers has increased from 2 210 to the current 3 100. According to the National Food and Nutrition Security Plan, extension services will assist efficiently if the number is increased to 5 600. The momentum must be increased, and other forms of support must improve as well.

Presently, about three quarters of smallholder producers are within the former homelands, and the rest of the farming community are split between urban areas and commercial farming areas. There is scope to increase the size of the smallholder sector in each of these areas. In the former homelands, there are thousands of hectares of underutilised arable land that can be put back into production, especially with concerted support for input access, mechanisation services, technical support and linkages to markets. Smallholders need to be commercialised and statistically noted which will contribute to local production in particular.

Globally, approximately 795 million people are undernourished, 167 million less than over the last decade. The decline is pronounced in developing regions, despite significant population growth. Regionally, hunger has decreased by 30% between 1990–92 and 2015 (State of World Food Security; UN: FAO). According to the State of Food Insecurity in the World Report of 2015, this 30% decline translates to approximately one person out of four in Sub-Saharan Africa being undernourished today compared to a ratio of one person out of three in 1990–92.

In South Africa, about 14,1 million (26%) of people are still predisposed to hunger and malnutrition and therefore have severe and inadequate access to food, thereby increasing levels of absolute poverty every year. The General Household Survey of Statistics SA indicates that the figure steadily increased from 12,0 million in 2011 and 13,6 million in 2013. As a result, the National Policy on Food and Nutrition Security was approved by Cabinet in 2013, followed by the National Food and Nutrition Security Plan. The plan is based on the dimensions of food security, namely access, availability, utilisation and stability. This was predisposed by the launch of Fetsa Tlala Food Production Initiative to place one million ha of fallow land under production in line with the MTSF for Outcome 7.

The department will continue providing targeted support programmes, such as CASP and Illima/Letsema in order to realise enhanced food production, contributing towards the eradication of hunger by 2030.

Forestry

Although the recent rainfalls have brought about much needed relief, the long standing effects of the drought are quite palpable and still felt within the timber industry. In the fourth quarter of 2016, exports of forestry products decreased by 6%, while imports decreased by 8%. The total export value of forestry products decreased by 6% from R7,6 billion in the fourth quarter of 2015 to R7,1 billion in the fourth quarter of 2016.

Fisheries

Throughout 2016, several exporters faced supply constraints associated with the drought, including diseases and fishing quotas (FAO, 2016). South Africa, in the fourth quarter of 2016 produced R1,9 billion worth of fisheries products compared with R1,6 billion produced in the fourth quarter of 2015. In the fourth quarter of 2016, exports grew by 19% while imports decreased by 13%. Trade volumes of fishery products continued to expand in the fourth quarter of 2016.

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 on other legal and regulatory requirements section in the report of the AG. Refer to page 159 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

During the 2016/17 financial year, the department held 43 stakeholder engagement Imbizo, of which 21 were for the Minister and 22 for the Deputy Minister. The Imbizo approach is the post-event feedback mechanism that aims to proactively keep the citizens abreast of interventions and plans underway to address socio-economic challenges in a sustainable manner. The purpose of Imbizo is to heighten the level of communication aimed at strengthening mutually beneficial interactions and engagements, as well as progressive partnerships between government and communities in the agricultural sector. A very successful and well attended Minister's Service Delivery Forum was also held in the period under review, with the focus being on bringing sector stakeholders together in line with the Sector Delivery Model in order to discuss and agree on collective programmes of action towards delivering sector priorities as outlined in government's Medium Term Strategic Framework (MTSF), which forms the basis of the Minister's Performance Agreement.

The presence of Fall Armyworm (FAW) in South Africa was confirmed on 3 February 2017 with positive morphological and molecular identification of caterpillars and adult moths. FAW was detected mainly in Limpopo, Gauteng, North West, Mpumalanga, KwaZulu-Natal, Free State the Eastern Cape and some parts of the Northern Cape. Most of the scouting reports for FAW were from maize, sweetcorn and sorghum plants in South Africa. FAW preferentially attacks maize, but it may target other crops in the vicinity if its populations are already high in maize. DAFF worked with all provinces to interact on operations and with Grain SA, SANSOR, ARC, Northwest University, Crop Life, Insecticide Resistance Action Committee (IRAC) and Crop Watch. The department together with key stakeholders has successfully implemented the Emergency Plant Pest Response Plan and most farmers continued with production after the application of pesticides. In line with the Emergency Plant Pest Response Plan, a consultative forum of all relevant stakeholders was established in an attempt to curb the spread of the pest. This forum was effectively used to direct surveillance, receive and review reports of the pest incursion, providing advice to producers and to prioritise research needs. The department also focused on the emergency registration of pesticides to ensure that the pesticides are available to deal with the pest.

The Operation Phakisa Agriculture, Land Reform and Rural Development Lab ("the Lab") under the leadership of the Department of Agriculture, Forestry and Fisheries (DAFF), the Department of Rural Development and Land Reform (DRDLR) and the Department of Planning, Monitoring and Evaluation (DPME) in the Presidency was held over five weeks of intensive exercise that saw approximately 156 – 161 participants from across the agriculture, rural development and land sectors. Representatives from national government departments, Provincial Departments of Agriculture (PDAs), State-Owned Enterprises (SOEs), organised agriculture, finance development institutions, labour, civil society and experts in the field engaged to develop detailed problem analyses, set priorities, developed initiatives and recommended delivery plans for the Presidency and departments' consideration. Sixteen Operation Phakisa projects for Phase 1 and 2 were supported during the financial year.

The 7th Biennial Land Care Conference was held in Kimberley, Northern Cape Province from 03 to 06 October 2016. The conference is an ongoing activity and one of the government's key programmes aimed at contributing to solutions to challenges of land degradation. The conference was successfully held under the theme: "Making a Land Care Difference Towards Land Degradation Neutrality".

Stakeholders, including the International Fund Agriculture Development (IFAD) were widely consulted for inputs and comments regarding the Integrated Development Finance Framework's recommended funding modalities. The framework is currently undergoing the departmental approval process. The National Food and Nutrition Security Plan (NFNSP) led and facilitated by the Department of Planning, Monitoring and Evaluation (DPME) was presented to the joint Portfolio Committee of Agriculture, Forestry and Fisheries and Rural Development and MEC in March 2017 for endorsement. DAFF received an amount of 98,543 USD\$ from the FAO of the UN to facilitate the work of developing a vocational education and training strategy for the sector. Through this funding, DAFF and the FAO were able to appoint a team of specialists in the

field of agriculture, forestry and fisheries, vocational education and training and strategy development to supplement the DAFF writing team. DAFF was able to review and issue permits and licences in the following fishing sectors: Large Pelagics, Tuna and Swordfish, Kwazulu-Natal Beach Seine, Net Fish, Seaweed, Horse Mackerel and Patagonian Tooth Fish. The department conducted 63 joint operations with other law enforcement stakeholders, implemented 6 095 compliance and enforcement measures in the six prioritised fishing sectors (hake, abalone, rock lobster, linefish, pelagic and squid) and also undertook 276 investigations on both rights and non-rights holders.

National Arbor Week was launched in Limpopo, Tzaneen at Nkowankowa Stadium and was attended by about 3 000 people from both the forestry and agricultural sectors. The focus was on the theme “Forests and Water“, with emphasis on agroforestry, which will be coordinated through a strategy due to be finalised in the current financial year. The launch event was a successful partnership between the department, Total South Africa, Food and Trees for Africa, Limpopo Provincial Department of Agriculture and Rural Development, Mopani District Municipality and the Tzaneen Local Municipality. As a measure to contribute to the food security challenges in the country, during the Mandela Day celebration in Senwabarwana (Eldorado village) in Limpopo, DAFF presented 500 fruit trees to be planted at the identified households. Households and projects were identified and profiled to identify their needs and their level of vulnerability during the Ministerial visit for the youth event held in Sekhukhune, which saw 90 fruit trees distributed to three projects. Similarly, the Women and Youth in Agriculture event that was hosted by the DAFF Deputy Minister in the Nkomazi Local Municipality in Mpumalanga contributed 400 fruit trees to be planted at identified households by the Provincial Department of Agriculture, Rural Development and Environmental Affairs.

Two hundred and forty six (246) qualified unemployed graduates were appointed as interns in DAFF and commenced with training on 01 February 2017. In addition, 25 qualified unemployed graduates in the fields of Food Science/Technology, Agriculture and Environment were recommended for placement with PPECB as interns for training as Agri-export technologists and commenced with their training on 01 April 2017. Altogether 75 deserving young people, of whom 59 are undergraduate and 16 postgraduate from previously disadvantaged communities, were awarded bursaries in January 2017 to further their studies in areas identified as scarce and critical. In January 2017 the FP&M SETA approved a request to fund learnerships: Silviculture Level 3 for 50 unemployed youth in Bushbuckridge totalling an amount of R 1,3 million.

CASP and Ilima/Letsema conditional grants were allocated a budget of R 1,6 billion and R 491 million, respectively for the 2016/17 financial year, of which 100% of the allocated funds was transferred to the provinces. The department in its endeavour to strengthen its oversight role visited and verified 238 CASP funded projects in addition to five agricultural colleges being visited. As part of its continued efforts to assist distressed farmers, DAFF requested funds for drought assistance from the National Treasury through the NDMC in the COGTA, following the verification of a drought situation being declared in certain areas of the country. NT made an amount of R212 million available for the 2016/17 financial year to assist affected farmers across the country. All the affected provinces have implemented the allocated R212 million as part of assistance to the affected farmers, through the delivery and distribution of feeds. A total of 108 boreholes were drilled during 2016/17.

5.2 Service Delivery Improvement Plan (SDIP)

Main services provided and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Issuing of veterinary import permits	Producers, processors, traders and importers on animal and animal products, specimens, vaccines, pharmaceuticals and contaminated objects	On average 3 500 permits are issued per month (demand driven)	92% of permit applications received are issued within 4 working days	A total of 69 564 permits were issued in the 2016/17 financial year 3% of the permits were issued within the turnaround time of 4 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. 87% of applications processed per month	On average ± 1 238 applications were received per month	A total of 14 856 permits/vessels licenses issued in the 2016/17 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
<p>Clients are consulted via meetings and presentations The office also communicates via e-mail, letters, phone calls, SMSs, fax and website</p>	<p>Clients are consulted via meetings and presentations. The office also communicates via e-mail, letters, phone calls, SMSs, fax and website</p>	<ul style="list-style-type: none"> • Meetings were held with stakeholders • The central email was monitored daily by a dedicated official and therefore email enquiries were attended to normally within one working day • Letters were sent to clients regarding the revised tariffs; • Numerous phone calls were made to follow up with clients where applicable • SMSs were sent to clients regarding status of applications • Clients were faxed application forms where applicable. • Updated information was uploaded on the website
<p>Clients are consulted via meetings and presentations The office also communicates via e-mail, letters, phone calls, SMS, fax and website</p>	<p>60 road shows 4 DDG dialogues with stakeholders a year 1 ministerial imbizo per province a year Collaborated awareness campaigns Aquaculture roadshows in all nine provinces</p>	<p>1 Abalone Management working group meeting 3 White Mussel Management working group meetings Stakeholder Engagement meetings with Small Pelagic and Large Pelagic right holders and ship agents Meetings with Horse Mackerel rights holders were conducted</p>

Service delivery information tool

Current/actual arrangements	Desired arrangements	Actual achievements
<p>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</p>	<p>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</p>	<p>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</p>
<p>Conduct 36 management working groups (to include small scale and recreational fishing sectors) Conduct DDG CEO Forum and 9 commodity forums Update notices, brochures and pamphlets in the customer services centre Education and awareness campaigns conducted on processes and cost for the service</p>	<p>Checklist of information to be provided included on permit application</p>	<p>Small-scale fishery guide booklets were drafted, translated, and distributed in communities. Similarly, pamphlets were drafted, translated and disseminated in communities Various media (radio, TV, newspapers, Facebook, and website) were used to communicate the registration and verification process SMS bundles also used 1 Netfish management working group meeting held</p>

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p>Establish and implement the compliments and complaints feedback box</p> <p>Response to complaints via letters/e-mail</p> <p>Meetings and presentations are also used as platforms to address complaints</p> <p>Monitor complaints</p>	<p>Establish and implement the compliments and complaints feedback box</p> <p>Response to complaints via letters/e-mail</p> <p>Meetings and presentations are also used as platforms to address complaints</p> <p>Monitor complaints</p>	<p>Most clients complain via telephone and the matter is attended to immediately and resolved normally within one working day</p> <p>The compliments/ complaints box was introduced in the office</p> <p>Clients did provide feedback</p> <p>A total of 102 compliments were received for this period</p> <p>A total of 157 complaints were received and resolved</p> <p>Meetings and presentations were also used as platforms to address complaints</p> <p>Complaints were monitored</p>
	<p>Acknowledgement of enquiries received within 1 day of receipt</p> <p>Response on general enquiries within 16 working days</p>	<p>Responses provided between 16 and 21 working days</p>

5.3 Organisational environment

The department undertook a planning session in June 2016 wherein all the sector role players, that is, the PDAs, public entities/state-owned entities (SOEs) and industry stakeholders were invited to participate. The purpose of the session was to promote intergovernmental relations, public-private partnerships (PPPs) and integrated planning by having all stakeholders planning together towards the achievement of the NDP objectives. Out of this session the sector objectives were developed for 2017/18. These sector objectives are meant to guide all the role players in the sector to align their plans with each other for the achievement of the NDP objectives. The sessions were meant to bring all stakeholders together to assist in clarifying roles and responsibilities, avoid duplication and make appropriate funding arrangements. The sector objectives developed were informed by the MTSF priorities, the Nine-Point Plan: Revitalisation of Agriculture and Agro processing Value Chain (RAAVC) and other government policies. Subsequent to the session, DAFF participated in the PDAs and SOEs' planning sessions in preparation of the first draft of the 2017/18 Annual Performance Plans (APPs) to ensure that they are informed by the agreed sector objectives. The sector objectives were presented and adopted by the Minister's Service Delivery Forum of 3 March 2017.

Through its Branch: Policy, Planning and Monitoring and Evaluation, the department, extensively consulted with its technical branches, the DPME, Auditor-General of South Africa (AGSA) and NT to improve the development of its APP. The DAFF 2017/18 APP and the 2017/18 Marine Living Resources Fund APP were successfully tabled in Parliament by the Honourable Minister of Agriculture, Forestry and Fisheries. The DAFF's 2017/18 APPs were also discussed by the PC Study Group to check if they were aligned to the ruling party's priorities and a positive assessment report was produced by the study group researchers.

DAFF also repositioned itself by informing its sector stakeholders of its mandate and priorities and increased the visibility of its programmes across targeted audiences and sectors, especially in agriculture and forestry. To this effect, the department works with all stakeholders within the sector on initiatives and interventions to increase production within the subsistence, smallholder and commercial environment. A meeting with ARMSCOR (Military Veterans Representative) was facilitated to discuss collaboration on supporting military veterans by initiating sustainable programmes aimed at developing their skills, particularly in the fields of agriculture, forestry and fisheries.

The department has facilitated the amendments of the following legislations:

- Agricultural Produce Agents Amendment Bill of 2016
- National Veld and Forest Fire Amendment Bill of 2016
- Agricultural Product Standards Amendment Bill of 2016.

The department was granted approval for the Socio-Economic Impact Assessment (SEIAS) Report for the Preservation

and Development of Agricultural Land Bill (PDALB) by the Department of Planning, Monitoring and Evaluation. A good working relationship was established between DAFF and members of the National Economic Development and Labour Council (NEDLAC), who realised the importance and urgency of finalising the Bill; thereby committing to source senior legal counsel opinion to address the constitutionality concerns raised by the office of the State Law Advisor. The processes to obtain agreement between DAFF and municipalities on the demarcation of agricultural land processes resulted in the approval received from the Minister to gazette farms to be excluded from the provisions of the SALA Act No.70, which will enhance relations and the administration of legislation between all spheres of government.

The department also organised the 11th NARF plenary and successfully launched the Research Apex body for the agriculture, forestry and fisheries sectors. DAFF and DRDLR in partnership with DPME developed the improvement plan for the Smallholder Synthesis Evaluation. A final evaluation report for the implementation evaluation of the Extension Recovery Programme was compiled and is awaiting final approval from the Steering Committee— a demonstration of how the department continues to improve on its governance issues.

5.4 Key policy developments and legislative changes

The draft Policy on Comprehensive Producer Development Support was recommended by EXCO for further consultation with intergovernmental structures (MINTECH and MINMEC) and Cabinet clusters. The report on the Provincial Consultative Road Shows on the National Policy on Corporate Wear/Uniform and Protective Clothing for Practitioners was finalised and shared with provinces. With effect from the 2017/18 financial year, PDAs will be able to start procuring uniform for their extension practitioners.

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

Subsequent to the approval of APAP, the Economic Sectors Employment and Infrastructure Development Cluster decided that APAP should form an integral part of the Nine-Point Plan under RAAVC, which therefore no longer requires a need to establish a separate Ministerial APAP.

6. STRATEGIC OUTCOME ORIENTED GOALS

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

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

Outcome	Strategic goal	Programme
4: Decent employment through inclusive economic growth	SG 2: Enhance production, employment and economic growth in the 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	SG4: Sustainable use of natural resources in the sector	2, 5 and 6

The department intensified its intention to coordinate performance against MTSF priorities during 2016/17. This was done through engagement with sector stakeholder through the Minister's Service Delivery Forum, where focus was on widening planning and reporting. The purpose moving into 2017/18 is to get reports according to the sector Service Delivery Model which will be submitted to coordinating departments. The following represent some of the contributions that DAFF made towards the achievement of Outcomes 4, 7 and 10.

Outcome 4

Deciduous fruit

Production decreased by 14 063 tons to a total of 2 million tons. Gross value increased by R3,8 billion to a total of R19,8 billion.

Subtropical fruit

Production increased by 1 798 tons, to a total of 587 593 tons. Gross value increased by R519 million, to a total of R4,4 billion.

Citrus fruit

Production decreased by 379 884 tons, to a total of 2,2 million tons. Gross income increased by R1,2 million to a total of R 17,7 billion.

Vegetables

Production decreased by 373 125 tons, to a total of 5 million tons. Gross income increased by R10,6 billion to a total of R23,5 billion.

Jobs

A total of 919 000 jobs were created, an increase of 59 000 jobs added. (StatsSA, 2017).

Wine

Total production of wine decreased by 63,5 million litres of wine, and gross value decreased by R230 million.

Red meat

Production (slaughtering) increased by 54 967 tons, worth R 3,8 billion.

Market intelligence was provided in the following four country market profiles:

- Chile
- Kuwait
- Singapore
- Switzerland.

Outcome 7

The Vaalharts Irrigation Scheme continues to be revitalised. For the period under review some of the work included conducting the environmental impact assessment, construction of overnight dams and installation of drainage pipes in the Frances Baard District of the Northern Cape Province. The revitalisation of the scheme responds to Outcome 7, Priority 4 (Develop and implement policies promoting the development and support of smallholder producers) coordinated by DAFF.

The department was granted approval of (SEIAS) Socio Economic Impact Assessment System Report for Preservation and Development of Agricultural Land Bill (PDALB) by the Department of Planning, Monitoring and Evaluation. A good working relationship was established between DAFF and members of National Economic Development and Labour Council (NEDLAC), who realised the importance and urgency of finalising the Bill, thereby committing to source senior legal counsel opinion to address the constitutionality concerns raised by the office of the State Law Advisor.

Although there has been severe drought that had a negative impact on agriculture there has been an over-achievement

recorded regarding the number of smallholders supported which was as result of the drought programmes that national departments implemented but due to some targets dependent on rainfall, there have been under-achievements with regard to households benefiting from food and nutrition security initiatives, hectares of underutilised land and land reform projects cultivated for production.

- The policy promoting the development and support of smallholders has been approved by EXCO for further consultation with MINMEC, MINTECH and Cabinet for approval;
- A total of 192 929 smallholder producers were supported through various initiatives;
- A total of 176 483 households benefited from food production initiatives, while a total of 765 576 households accessed food from various food security and nutritional initiatives;
- A total of 344 186 hectares of underutilised land in communal areas and land reform projects have been cultivated;
- A total of 288 837 people were employed through various rural development initiatives including mining, agriculture and land reform projects.

Outcome 10

A total of 26 311,794 hectares of agricultural land and 300,287 ha of state indigenous forests were rehabilitated to promote the sustainable use and management of natural resources. The Climate Change Plan has been implemented through vulnerability mapping for a conventional farming system. A total of 16 Operation Phakisa projects for phase 1 and 2 were also supported. The Aquaculture Development Bill was presented at the National Economic Development and Labour Council (NEDLAC). These contribute to suboutcome 1: Ecosystems are sustained and natural resources are used efficiently; and suboutcome 2: An effective climate change mitigation and adaptation response. Research reports to indicate fish stock levels were compiled for West Coast rock lobster (WCRL), deep-water 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, Communications 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 of 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.

The 2017/18 Annual Performance Plans have been prepared in line with the strategic direction set by the Cabinet and the Minister. The Human Resources (HR) Plan Implementation Report was developed, approved and submitted to DPSA on 31 May 2016. The Disaster Recovery Plan (DRP) failover test was successfully conducted. Unqualified audit report on financial statements for 2015/16 was achieved. Audit Matrix was developed to address the 2015/16 audit findings and was submitted to National Treasury. 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.

Strategic objectives:

Programme: Administration					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
1.1 Strengthen the culture of compliance with statutory requirements and good governance practices	The amended annual plan was implemented as approved by the Audit Committee on 3 December 2015. At the Audit Committee meeting held on 3 March 2016, the new three-year Rolling Audit Plan for 2016/17 to 2018/19 was approved; the 2016/17 Annual Plan was discussed and approved. The amended Audit Committee Charter and Internal Audit Charter were also presented and approved.	Three-year Risk-based Internal Audit Rolling Plan was approved by the Audit Committee on 02 March 2017	Three-year Risk-based Internal Audit Rolling Plan was approved by the Audit Committee on 02 March 2017	N/A	N/A
1.2 Strengthen support, guidance and interrelations with stakeholders in the sector by 2019/20	Media plans for the following events were compiled and implemented: Budget Vote Speech 2015, NCOP Budget Vote, Female Entrepreneur Awards, Abor Week, Food Security Month media launch, World Food Day, APAP, IDAM, Marine Living Resources event, Youth Outreach Programme, Imbizo Focus Week	Communication Strategy and Stakeholder Engagement Strategy implemented	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.	N/A	N/A

Programme: Administration

Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
1.3 Strengthen institutional mechanisms for integrated policy, planning, monitoring and evaluation in the sector by 2019/20	A total of 232 projects were verified in nine provinces in the 2015/16 financial year. Project assessment report compiled and approved	Project verification report submitted to EXCO for approval	Verification reports compiled with a total of 238 projects verified in addition to five agricultural colleges being visited	N/A	N/A

Performance indicator

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.1 Efficient and effective risk management	N/A	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: <ul style="list-style-type: none"> 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 Implemented	Risk Management Implementation Plan was implemented as follows during the year under review: <ul style="list-style-type: none"> 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 	N/A	N/A

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.1 (cont.)		Fraud and Corruption Plan implemented Fraud Register was developed and investigations were conducted	Fraud Prevention and Anti-corruption Strategy was reviewed and approved for 2016/17	Fraud Prevention Plan implemented	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		
1.1.2 Risk-based Internal Audit Plan approved	N/A	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 approved by the Audit Committee by 31 March 2017 Risk-based Annual Internal Audit Plan approved by the Audit Committee by 31 March 2017	Three-year Risk-based Internal Audit Rolling Plan was approved by the Audit Committee on 02 March 2017 Risk-based Annual Internal Audit Plan was approved by the Audit Committee on 02 March 2017	N/A	N/A
1.1.3 Risk-based Annual Pan implemented	N/A	Three-year Internal Audit Rolling Plan was approved by the Audit Committee on 26 March 2015	The amended Annual Plan was implemented as approved by the Audit Committee on 3 December 2015. At the Audit Committee meeting held on 3 March 2016, the new three-year Rolling Audit Plan for 2016/17 to 2018/19 was approved; he Annual Plan for 2016/17 was discussed and approved.	Risk-based Annual Plan Implemented	Risk-based Annual Plan has been Implemented and quarterly progress report on the implementation were prepared		

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.3 (cont.)			The amended Audit Committee Charter and Internal Audit Charter were also presented and approved				
1.1.4 Provide leadership to strategic planning process	N/A	N/A	N/A	Interpret the strategic direction set by the Cabinet and the Minister	The 2017/18 Annual Performance Plans have been prepared in line with the strategic direction set by the Cabinet and the Minister	N/A	N/A
1.1.5 HR Plan implemented	The adjusted IHRMP was approved by the DG and the Minister and submitted to DPSA as planned	The HRP was approved by the Executive Authority during the period under review and was submitted to the DPSA as required (All five KPIs for monitoring and evaluation of the implementation of the HRP were completed)	The HRP was approved by the Executive Authority during the period under review (All five KPIs for monitoring and evaluation of the implementation of the HRP were completed)	HR Plan adjusted and implemented	HR Plan Implementation Report was developed, approved and submitted to DPSA on 31 May 2016	N/A	N/A
1.1.6 Average number of days to finalise misconduct cases improved	N/A	N/A	35 misconduct cases were received and three were finalised within 100 days	New misconduct cases finalised within an average of 100 days	A total of 31 misconduct cases were received during the year under review. 22 cases are still going through investigation and finalisation processes. 3 were finalised after 100 days and 6 finalised within 100 days	Delays in availability of employee's union representatives. The availability of departmental and outside witnesses are also taken into account	Expedition of investigations. Shortening of periods of postponements requested by employee representatives, where possible

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.7 BCP tested	N/A	N/A	The Business Continuity Plan was approved by EXCO on 25 January 2016.	BCP tested on 1 branch	Business Continuity Plan test on 1 branch was not conducted as planned.	Sweeper simulation had to be first conducted as part of the BCP test.	In order to test the BCP (as recommended by the service provider), the department must have approved BCPs for individual directorates or critical operational areas first in place

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.8 ICT DRP tested and reviewed	N/A	N/A	N/A	Test ICT DRP redundancy/failover	Report on ICT Disaster Recovery Plan (DRP) redundancy/failover test has been compiled	N/A	N/A
1.1.9 Unqualified audit report on financial statements	Unqualified audit report for 2012/13 was achieved. Audit Matrix was developed to address the 2012/13 audit findings and was submitted to National Treasury	Unqualified audit report on financial performance for 2013/14 was achieved.	Unqualified audit report on financial performance for 2014/15 was achieved. Audit Matrix was developed to address the 2013/14 audit findings and was submitted to National Treasury	Unqualified audit report on financial statements	Unqualified audit report on financial statements for 2015/16 was achieved. Audit Matrix was developed to address the 2015/16 audit findings and was submitted to National Treasury	N/A	N/A

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.1.10 Integrated Development Finance Policy implemented	N/A	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	Integrated Development Finance Framework implemented.	The Integrated Development Finance Framework was not implemented.	The report on recommended funding modalities was not approved	The report on recommended funding modalities was not approved due to delays in the inputs received from International Fund Agriculture Development (IFAD) which resulted in delays in concluding the report for tabling at the Departmental Executive Committee. The recommended funding modalities will be approved after March for implementation
1.1.11 Number of Bills submitted to Minister	N/A	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 ESEID Cluster	3	The following 3 Bills were submitted to the Minister for Cabinet approval, namely: <ul style="list-style-type: none"> • Agricultural Produce Agents Amendment Bill of 2016 • National Veld and Forest Fire Amendment Bill of 2016 • Agricultural Product Standards Amendment Bill of 2016 	N/A	N/A

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.2.1 Communication Strategy implemented	A total of 9 media plans were developed for the year and were all approved by the acting Chief Director	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 gala 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 Implemented	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	N/A	N/A
1.2.2 Stakeholder Engagement Strategy implemented	N/A	N/A	N/A	Stakeholder Engagement Strategy Implementation Plan implemented	Structured key stakeholder and strategic engagements took place during the year	N/A	N/A
1.3.1 Project Management methodology for the department institutionalised	N/A	N/A	A total of 232 projects were verified in nine provinces in the 2015/16 financial year. Project assessment report compiled and approved	Project verification report submitted to EXCO for approval.	Verification reports compiled with a total of 238 projects verified in addition to five agricultural colleges visited	N/A	N/A
1.3.2 APAP implemented as outlined in the RAAVC Delivery Plan	N/A	N/A	N/A	Annual report on implementation of APAP interventions.	Quarterly reports on RAAVC were compiled.	Annual report on implementation of Agricultural Policy Action Plan (APAP) interventions not compiled	N/A
	N/A	N/A	N/A	Annual review of APAP	No indication of progress	No supporting document for Annual review of APAP	N/A

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.3.3 Sector Information Management System strengthened	N/A	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 small-holder producers	Weekly, monthly, quarterly and annual economic and statistical reports and publications compiled with economic baseline data for the sectors	Update economical and statistics baseline database for the sector	All publications were updated accordingly with the information loaded on the website for all to access	N/A	N/A
1.3.4 Policy and research reviewed for alignment	The targeted R&D Programme was developed and completed for implementation with service providers	R&D Agenda was updated and approved by EXCO for implementation in guiding the call for projects under the RTF Funds were disbursed to the NRF for the RTF SLAs were signed and concluded with the ARC for the implementation of R&D projects M&E 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. Nine sectoral policies were identified, reviewed and analysed for alignment.	Sector research agenda implemented and monitored through the Research Technology Fund Programme implemented Sectoral policies reviewed.	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 eight RTF projects was also conducted	N/A	N/A

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
1.3.4 (cont.)	The status of internal policies and procedures has been completed, and the report has been approved by EXCO	Five sectoral policies were reviewed for alignment with key government strategic documents (NDP; NGP; IPAP; APAP) and recommendations made to guide alignment. The five policies reviewed are: National Policy on Food and Nutrition Security Animal Improvement Policy for South Africa Agricultural Marketing Policy of South Africa Small-scale Fisheries Policy Biosafety Police			Six sectoral policies were reviewed and analysed, with a consolidated report compiled and submitted to EXCO		

Changes to planned targets

Subsequent to the approval of APAP, the economic sectors employment and infrastructure development cluster decided that APAP should form an integral part of the Nine- Point Plan under RAAVC, which therefore no longer requires a need to establish a separate Ministerial APAP.

Strategy to overcome underperformance

In order to improve on achieving the finalisation on new misconducts within the average of 100 days, the department will accelerate the expedition of investigations and shorten the periods of postponements requested by employee representatives, where possible. The successful management of service continuity in these instances has called for recommendations that instead of the sweeper simulation test, review sessions with core directorates be conducted in 2017/18.

With regard to Branch: Policy, Planning and Monitoring and Evaluation, in particular, structured performance oversight meetings by management 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-ones 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 on a monthly basis. Chief Directors should also meet at least once a quarter with the entire directorate staff to ensure no one is left behind in pursuing excellence in performance.

Linking performance with budget

Subprogramme expenditure: Programme 1

Subprogramme name	2016/2017			2015/2016		
	Final appropriation	Actual expenditure	Over/underexpenditure	Final appropriation	Actual expenditure	Over/underexpenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	40 466	40 451	15	39 614	39 601	13
Department Management	36 710	32 811	3 899	19 231	19 212	19
Financial Administration	177 886	177 841	45	163 124	163 075	49
Internal Audit	7 059	7 051	8	4 957	4 953	4
Corporate Services	189 465	187 782	1 683	162 965	162 885	80
Stakeholder Relations, Communication and Legal Services	92 613	92 593	20	117 565	117 535	30
Policy Planning, Monitoring and Evaluation	78 569	78 531	38	79 559	79 522	37
Office Accommodation	220 803	211 425	9 378	201 838	199 019	2 819
Total	843 571	828 485	15 086	788 853	785 802	3 051

7.2 Programme 2: Agricultural Production, Health and Food Safety

Purpose

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

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 2016/17 financial year, 127 veterinary graduates from the University of Pretoria were deployed in an equitable manner, to resource poor communities, to promote access to veterinary services, disease control and eradication

The Red Meat Industry workshop highlighted the importance of adopting the team South Africa approach which will

ensure increased competitiveness of the industry. It urged the whole industry – both smallholder and commercial farmers to find conventions, catch and capture the markets and work together as one team SA towards more achievements. The Kaonafatso ya Dikgomo and Poultry Schemes are instrumental in the DAFF's efforts to improve the participation of smallholder farmers in mainstream livestock industries by way of active participation of smallholder farmers. 35 farmer days with a record attendance of 2 628 farmers were conducted to reinforce training and advisory services. The pre-determined objectives of the year under review relating to the schemes have been achieved.

Strategic objectives

Programme: Agriculture Production, Health and Food Safety					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	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) for prioritised value chain commodities were monitored and annual reports were compiled	4 improvement schemes monitored annually	4 improvement schemes (Kaonafatso ya Dikgomo, poultry, seed and deciduous fruit) were monitored and annual reports were compiled	N/A	N/A
2.2 Effective management of bio-security and related sector risks	Surveillance was conducted on two animal diseases, (PPR and AI) and 1 plant pest risk (Exotic fruit fly) and reports were compiled Surveillance conducted and an annual report on 1 plant disease and pest risk was compiled	Conduct 2 animal disease and 1 plant pest risk surveillances	2 animal disease and 1 plant pest (FMD, PPR and Exotic fruit fly) risk surveillances were conducted and reports were compiled	N/A	N/A
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	National plan for the conservation and sustainable use of farm animal genetic resources was approved by EXCO	Implement national plans to conserve diversity of animal and plant genetic resource	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	N/A	N/A

Performance indicators

Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.1.1 Number of animal improvement schemes for prioritised value chain commodities monitored	1 200 producers benefitted through participation in the Kaonafatso ya Dikgomo Scheme while 100 benefitted through the pigscheme. The activities of beneficiation, among others, include ear tagging, weighing, dipping and general pig management	Two animal improvement schemes were monitored for the purpose of measuring the impact of the schemes on animal production for prioritised value chain commodities, being poultry and beef. A report providing details to this effect was compiled	2 animal improvement schemes were monitored and an annual report was compiled	2 animal improvement schemes monitored (Kaonafatso ya Dikgomo and poultry)	2 animal improvement schemes (Kaonafatso ya Dikgomo and poultry) were monitored and an annual report was compiled	N/A	N/A
2.1.2 Number of plant improvement schemes for prioritised value chain commodities monitored	N/A	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 monitored	2 plant improvement schemes were monitored and final report on the status of the seed and deciduous fruit schemes has been compiled	N/A	N/A
2.2.1 Number of planned animal disease risk surveillances conducted	Two planned animal disease surveillances were conducted, which are the National Pig Survey and Avian Influenza (AI). Reports on the surveillances are available, which cover the outbreak and detection of AI and to prove the eradication of pig diseases	Surveillance was conducted on two animal diseases, namely: Pestes des Petits Ruminants (PPR) and avian influenza (AI) Reports on the 2 animal	Surveillance was conducted on two animal diseases, namely PPR and AI. 2 animal disease risk surveillance conducted (FMD-protection zone and PPR)		Surveillance was conducted on two animal diseases, namely Foot and Mouth Disease (FMD) and Pestes des Petits Ruminants (PPR). An annual report on 2 animal disease risk surveillance has been compiled	N/A	N/A

Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.2.1 (cont.)		diseases have been compiled and cover the detection and reaction to outbreaks of animal diseases and pests	Reports on two animal diseases have been compiled and cover the detection and reaction to outbreaks of animal diseases and pests				
2.2.2 Number of planned plant pest risk surveillances conducted	A final report on the National Exotic Fruit Fly Surveillance Programme of South Africa was concluded, which covers the measures undertaken to limit and/or eradicate the pest	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 surveillance conducted (Exotic Fruit Fly)	1 plant pest risk surveillance was conducted and an annual report on Exotic Fruit Fly risk surveillance has been compiled	N/A	N/A
2.2.3 Number of regulatory compliance and monitoring interventions implemented	N/A	4 regulatory compliance and monitoring interventions (quarantine, inspections, surveillance and testing) were conducted and a report providing details has been compiled. The aim is to minimise pests and diseases entering the territory of South Africa at ports of entry by conducting regulatory compliance and monitoring interventions through quarantine, inspections, surveillance and testing	4 regulatory interventions have been implemented and an annual report on regulatory interventions was compiled	Annual report on 4 regulatory interventions implemented (quarantine inspections, surveillance and testing)	Annual report on implementation of 4 regulatory interventions (quarantine inspections, surveillance and testing) has been compiled.	N/A	N/A

Programme: Agricultural Production, Health and Food Safety

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.2.4 Veterinary Strategy implemented	N/A	The Animal Disease Management Plan was developed to improve the performance of Veterinary Services with the mission to ensure that human and animal well-being is optimised Stakeholder consultation sessions took place on 4 and 5 June 2014 and 18 March 2015, to discuss and give inputs. The final document titled the "South African Animal Disease Management Plan" was approved	The Veterinary Strategy was developed after extensive consultations with stakeholders The strategy was approved by EXCO	Develop legal framework for the Veterinary Strategy	A legal framework for the Veterinary Strategy has been developed	N/A	N/A

Programme: Agricultural Production, Health and Food Safety							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.2.5 Number of veterinary graduates deployed to resource poor communities	N/A	N/A	126 veterinary graduates were deployed to rural communities	130 veterinary graduates deployed to resource-poor communities	127 veterinary graduates were deployed to resource-poor communities.	-3	<p>The total number of final year students who could participate in the CCS were only 126 instead of 130</p> <p>1 university student did not qualify to participate in the CCS programme because the student did not complete the degree</p> <p>1 university graduate assumed duty on 3 April 2017 and is not included in the 127 deployed, due to assumption of duty occurring in the 2017/18 financial year</p> <p>The short fall of 126 was counteracted by request from (17) foreign graduates to participate in the CCS and the process went as follows: 1 international student was granted exemption from performing CCS in accordance with the regulations and 2 requests for exemption are still being processed</p> <p>14 international students are still waiting for their work permit visas</p>

Programme: Agricultural Production, Health and Food Safety

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.2.6 Number of primary animal health care mobile clinics-delivered to-provinces (light delivery vehicle)	N/A	Primary animal health care mobile clinics were delivered to provinces and a report was compiled	A total of 49 primary animal health care clinics were delivered The 49 consist of 18 light delivery vehicles (LDVs) delivered to all nine provinces and 31 prefabricated mobile clinics (prefab) were delivered to 7 provinces	32 primary animal health care clinics (light delivery vehicles) delivered to provinces	29 primary animal health care clinics (light delivery vehicles) were delivered to provinces	-3	Budget constraints due to closure of financial processes at end of the last quarter of the financial year. The vehicles will be delivered to provinces in the 2017/18 financial year
4.1.1 National plan to conserve diversity of plant genetic resources for food and agriculture implemented	N/A	N/A	N/A	National Plan for Conservation and Sustainable Use of Plant Genetic Resources developed	National plan for Conservation and Sustainable Use of Plant Genetic Resources was developed and approved by Departmental Executive Committee	N/A	N/A
4.1.2 National plan to conserve diversity of animal genetic resources for food and agriculture implemented	A progress report on the In situ conservation programme for the Afrikaner cattle in Dr Ruth Segomotsi Mompati District is available Semen evaluation was concluded by the ARC in preparation for the synchronisation of all cows and for artificial insemination A Memorandum of Agreement was concluded between DAFF and RAMSEM on the project of in situ conservation of-Zulu sheep in KZN	N/A	National Plan for the Conservation and Sustainable Use of Farm Animal Genetic Resources was approved by EXCO	Implement national conservation of animals through the establishment of FAnGR community-based conservation organisation and database for indigenous goats in Limpopo	National conservation of animals through the establishment of FAnGR community-based conservation organisation and database for indigenous goats in Limpopo has been implemented	N/A	N/A

Strategy to overcome areas of underperformance

The management of performance is done as follows:

Directorate level

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

Chief directorate level

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

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 2

Subprogramme name	2016/2017			2015/2016		
	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	3 081	3 078	3	2 182	2 180	2
Inspection and Laboratory Services	330 205	330 063	142	322 640	322 468	172
Plant Production and Health	575 805	575 759	46	543 961	543 925	36
Animal Production and Health	205 186	205 142	44	470 568	470 511	57
Agricultural Research	812 989	812 989	0	803 933	803 933	0
Total	1 927 266	1 927 031	235	2 143 284	2 143 017	267

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 Nutrition Security targeting subsistence, smallholder and commercial producers. It comprises three subprogrammes, namely Food Security, Sector Capacity Development, and Extension Support Services.

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

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

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

Strategic objectives

SO 3.1: Lead and coordinate government food security initiatives.

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

SO 3.3: Strengthen comprehensive support systems and programmes.

The Food Security and Agrarian Reform branch continued to make strides to ensure that both prospective and current farmers are supported with a view of increasing mainstreaming production activities and thus ensuring increased food secure nation. The latter was addressed through the following:

- The development and consultation process on the Comprehensive Producer Support Policy continued and it is envisaged that the now agreed to policy prescripts will be submitted through the administrative lines for approval by the end of 2019. Some of the key prescripts in the document are to increase efficiency in allocation of resources and disbursement process. It further seeks to encourage consolidated investment that will lessen the repetitive nature of application by producer.
- The branch continued to respond to drought challenges. Through the drilling of 108 boreholes and erection of a 7,8 km of elephant fence was constructed.
- Two hundred and forty six (246) qualified unemployed graduates were appointed as interns in DAFF and commenced with training on 01 February 2017. In addition, 25 qualified unemployed graduates in the field of food science/technology, agriculture and environment were recommended for placement with PPECB as interns for training as agri-export technologists and will commence with their training on 01 April 2017.
- Altogether 75 deserving young people from previously disadvantaged communities were awarded bursaries in January 2017 to further their studies in areas identified as scarce and critical. Of this total, 59 are undergraduates and 16 are postgraduates.
- The National Policy on Extension and Advisory Services was approved by Cabinet on the 19th of October 2016.
- The report on the provincial consultative roadshows on the National Policy on Corporate Wear/Uniform and Protective Clothing for Practitioners was finalised and shared with provinces. With effect from the 2017/18 financial year, PDAs will be able to start procuring uniform for the extension practitioners.

Strategic objectives

Programme: Food Security and Agrarian Reform					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
3.1 Lead and coordinate government food security initiatives	A total of 14 486 households have been supported during the year under review	40 000 households	A total of 19 791 households have benefited from food production initiatives (Fencing, garden tools, training on vegetable production and seeds packs) in all 9 provinces	-20 209	Though 51 295 households were reported to have benefited from food and nutritional security initiatives by PDA's, misalignment in approved Technical Indicator Descriptions between PDAs and DAFF resulted in some of the evidence for 30,716 households not satisfying DAFF TID requirements and hence not included under actual achievement

Programme: Food Security and Agrarian Reform					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
3.2 Enhance capacity for efficient service delivery in the sector	The Minister has granted approval for the establishment of NAFFET forum and the nominated members will serve on the forum for a period of 3 years	Implement NETSAFF through placement of 30 graduates in projects aligned to APAP prioritised commodities	30 graduates were placed to commodity organisation aligned to APAP	N/A	N/A
3.3 Strengthen planning implementation and monitoring of comprehensive support programmes	The Policy on Comprehensive Producer Development Support has been developed	Develop and implement National Policy on Comprehensive Producer Development	Policy on Comprehensive Producer Development Support has been approved by EXCO on the 27 March 2017	N/A	N/A

Performance indicators

Programme: Food Security and Agrarian Reform					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
3.1 Lead and coordinate government food security initiatives	A total of 14 486 households have been supported during the year under review	40 000 households	A total of 19 791 households have benefited from food production initiatives (Fencing, garden tools, training on vegetable production and seeds packs) in all 9 provinces	-20 209	Though 51 295 households were reported to have benefited from food and nutritional security initiatives by PDA's, misalignment in approved Technical Indicator Descriptions between PDAs and DAFF resulted in some of the evidence for 30,716 households not satisfying DAFF TID requirements and hence not included under actual achievement
3.2 Enhance capacity for efficient service delivery in the sector	The Minister has granted approval for the establishment of NAFFET forum and the nominated members will serve on the forum for a period of 3 years	Implement NETSAFF through placement of 30 graduates in projects aligned to APAP prioritised commodities	30 graduates were placed to commodity organisation aligned to APAP	N/A	N/A

Programme: Food Security and Agrarian Reform					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
3.3 Strengthen planning implementation and monitoring of comprehensive support programmes	The Policy on Comprehensive Producer Development Support has been developed	Develop and implement National Policy on Comprehensive Producer Development	Policy on Comprehensive Producer Development Support has been approved by EXCO on the 27 March 2017	N/A	N/A

Performance indicators

Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
3.1.1 Number of households benefiting from food production initiatives	N/A	N/A	A total of 14 486 households have been supported during the year under review	40 000	A total of 19 791 households have benefited from food production initiatives (Fencing, garden tools, training on vegetable production and seeds packs) in all 9 provinces	-20 209	Though 50 901 households were reported to have benefited from food and nutritional security initiatives by PDA's, misalignment in approved Technical Indicator Description between PDAs and DAFF resulted in some of the evidence for 30,716 households not satisfying DAFF TID requirements and hence not included under actual achievement
3.1.2 Number of hectares of underutilised land in communal areas and land reform projects cultivated for production	N/A	3 262,1 ha planted in North West.	0 ha	120 000	A total of 35 213,07 hectares of underutilised land in communal areas and land reform projects have been cultivated	-84 786,93	The cultivation period started late in Q3 than the anticipated period, due to draught the amount

Programme: Food Security and Agrarian Reform

Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
3.1.2 <i>(cont.)</i>					(planted) for production in the following provinces EC, GP, KZN,LP,MP,NC and WC.		planted in Q4 could therefore compensate what could not be done in Q3
3.2.1 Number of graduates placed in projects aligned to APAP prioritised commodities	N/A	N/A	N/A	30 graduates placed	30 graduates were placed to commodity organisations aligned to APAP.	N/A	N/A
3.2.2 National Policy on Extension and Advisory Services approved and implemented	N/A	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 Service was facilitated for approval through various intergovernmental processes	Facilitate the approval of the National Policy on Extension and Advisory Services through Cabinet processes	The policy and its implementation plan were approved by Cabinet on the 19 th October 2016	N/A	N/A
3.2.3 Number of extension support practitioners deployed to commodity organisations	N/A	N/A	20 Extension Support Practitioners have been deployed by KZN (11) and the Western Cape (9) provinces	20	40 Extension Practitioners were deployed to commodity organisations in three provinces (Free State: 20, Mpumalanga: 13 and Western Cape 7)	+20	Improved coordination through the quarterly organised Public Sector Forums on Extension and Advisory Services (a platform for DAFF, all PDAs, SoEs and relevant stakeholders) increased the interest from PDA's to deploy more Extension Practitioners

Programme: Food Security and Agrarian Reform							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
3.3.1 Policy on Comprehensive Producer Development Support developed and implemented	N/A	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	National Policy on Comprehensive Producer Development Support approved by EXCO	Policy on Comprehensive Producer Development Support has been approved by EXCO on the 27th March 2017	N/A	N/A
3.3.2 Number of smallholder producer receiving support	16 000 smallholder producers have been supported. Among others, through training, advisory services and infrastructure support	14 907 smallholder producers were supported during this financial year The support was provided through: advisories in agriculture: 5 146 training through CASP: 9 396 forestry advisories and training: 365	16 193 smallholders have been supported during the year under review	16 000	A total of 17 004 smallholders supported through advisory in agriculture and forestry, training through CASP and drought relief programmes	-1 004	The intensified drought relief support by national to provinces during this period resulted in more producers been reached for support

Strategy to overcome areas of underperformance

Food Security and Agrarian Reform undertake weekly special meetings chaired by DDG:FSAR to unlock challenging areas that impact on performance. These meetings are over and above the branch quarterly management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also conduct 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 3

Subprogramme name	2016/2017			2015/2016		
	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	4 660	4 657	3	4 035	4 031	4
Food Security	1 251 045	1 250 173	872	1 270 943	1 270 761	182
Sector Capacity Development	248 690	247 390	1 300	263 740	260 194	3 546
National Extension Support Services	376 803	376 796	7	371 817	371 809	8
Total	1 881 198	1 879 016	2 182	1 910 535	1 906 795	3 740

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 of 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.

A total of 18 farms were certified through the South African Agricultural Practices (SA-GAP) Certification Programme. 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 2016/17 a total of 110 cooperatives were supported with training; mainly on the Farmtogether Training Programme and 18 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. Sixteen 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 objective

Programme: Trade Promotion and Market Access					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to Actual achievement for 2016/2017	Comment on deviations
2.3 Ensure support for market access and processing of agricultural, forestry and fisheries products	SA-GAP Certification Programme for small-holder 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	Certification and Accreditation Programme implemented	The annual report on the South African Agricultural Practices (SA-GAP) Certification Programme has been compiled	N/A	N/A
2.3 Ensure support for market access and processing of agricultural, forestry and fisheries products	105 cooperatives were supported with training. 18 commodity-based cooperatives have been established	126 Commodity-based cooperatives supported	128 Commodity-based cooperatives were supported (110 with training and 18 supported with establishment)	2	The deviation from the set target resulted as an additional request by the Chairperson of Homu Homu Secondary Cooperatives (in Bushbuckridge, Mpumalanga). Resulted in 8 rather than the initial 6 that were targeted during quarter 3
2.3 Ensure support for market access and processing of agricultural, forestry and fisheries products	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	Participation to influence trade negotiations	Implementation and negotiations of trade agreements were done through the following agreements: <ul style="list-style-type: none"> • European Free Trade Association (EFTA) • South African Customs Union (SACU) • South African Development Community (SADC) • SACU-MERCOSUR • World Trade Organisation (WTO) • SACU-India • WTO—Doha Development Round Negotiations • World Wine Trade Group (WWTG) Quarterly reports have been compiled	N/A	N/A

Performance indicators

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.1 Enabling environment for smallholder access to market	N/A	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	Annual report on the implementation of SA-GAP Certification Programme	The annual report on the South African Agricultural Practices (SA-GAP) Certification Programme has been compiled	N/A	N/A
2.3.2 Number of agro-processing entrepreneurs trained on processing norms and standards	N/A	N/A	N/A	12	16 entrepreneurs were trained on processing norms and standards during the year under review	4	The department received a discount from the South African Bureau of Standards (SABS) Training Academy which allowed for training of additional 4 agro-processing entrepreneurs
2.3.3 Number of commodity-based cooperatives established	11 commodity-based cooperatives were established during the year under review	19 commodity-based cooperatives have been established between April 2014 and March 2015 in various provinces	18 commodity-based cooperatives have been established	18	18 commodity-based cooperatives have been established as follows: EC = 7 FS = 2 GP = 1 KZN = 4 LP = 2 NW = 1 WC = 1	N/A	N/A

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.4 Number of cooperatives supported with training	<p>A total of 110 co-operatives were supported with training, using the Farmtogether Cooperative Training Programme in the following provinces:</p> <ul style="list-style-type: none"> • LP = 3 cooperatives (21 participants) • GP = 26 cooperatives (104 participants) • MP = 21 cooperatives (73 participants) • NW = 8 cooperatives (22 participants) • WC = 16 cooperatives (164 participants) • FS = 12 cooperatives (165 participants) • NC = 16 cooperatives (50 participants) • EC = 8 cooperatives (15 participants) <p>A total of 65 cooperatives were supported with training on business planning using the business plan guidelines in the following provinces:</p> <ul style="list-style-type: none"> • FS = 5 cooperatives (24 participants) • MP = 10 cooperatives (53 cooperatives) 	107 cooperatives were supported with training during period under review in the various provinces	105 cooperatives were supported with training	108	110 cooperatives were supported with training as follows: EC = 12 FS = 12 GP = 12 KZN = 33 LP = 12 MP = 17 NC = 6 WC = 6	2	The deviation from the set target resulted as additional request by the Chairperson of Homu Homu Secondary Cooperatives (in Bushbuckridge, Mpumalanga) resulted in 8 than the initial 6 that were targeted during quarter three

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.4 (cont.)	<ul style="list-style-type: none"> • LP = 42 cooperatives (111 participants) • WC = 2 cooperatives (7 participants) • NC = 6 cooperatives (11 participants) 						
2.3.5 Agri-BEE Fund implemented	N/A	N/A	N/A	Annual report on the implementation of Agri-BEE Fund	Annual report on the implementation of AgriBEE Fund has been compiled	N/A	N/A
2.3.6 AgriBEE Enforcement Regulation developed and implemented	N/A	N/A	N/A	AgriBEE Enforcement Regulation developed.	The AgriBEE Enforcement Regulations have been developed and currently undergoing departmental approval processes	Consultation through various departmental committees leading to approval has not been concluded	The planned action is to fast track consultations and conclude the AgriBEE Enforcement Regulations in the first quarter of 2017/18
2.3.7 Report on the implementation of AgriBEE Sector Code	N/A	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	Report on the implementation of AgriBEE Sector Code government undertakings has been compiled	N/A	N/A
2.3.8 Report on the implementation of Forest Sector Code	N/A	In collaboration with the Forestry Sector Charter Council (FSCC), the annual report on the status of transformation	The annual report on the status of transformation in the forestry sector was compiled	Report on the implementation of Forest Sector Code government undertakings	Report on the implementation of Forest Sector Code government undertakings has been compiled	N/A	N/A

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.8 (cont.)		in the forestry sector has been completed and approved by the council The report is en route to the Minister for notification					
2.3.9 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	N/A	N/A	Market opportunity profile report has been compiled	Market opportunity profile report	Market opportunity profile report for the fresh and processed vegetable sector has been compiled	N/A	N/A
2.3.9 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	Four (4) progress reports on participation in Tripartite FTA negotiations, covering the following were submitted: <ul style="list-style-type: none"> • Interdepartmental meetings • SACU consultation meetings • Tripartite Trade Negotiating Forum meetings • Senior officials' meeting and 	Monitoring, implementation and negotiations of trade agreements have been done The reports include implementation and negotiations of trade agreements on the following issues:	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	Implement trade agreements and participate in trade negotiations	Implementation and negotiations of trade agreements were done through the following agreements: <ul style="list-style-type: none"> • European Free Trade Association (EFTA) • South African Customs Union (SACU) 	N/A	N/A
2.3.9 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	meeting of Ministers of Trade and Industry	SADC/EU Economic Partnership Agreement (EPA) Southern African Development Community (SADC) Southern African Customs Union (SACU) SACU/EFTA			South African Development Community (SADC) SACU-MERCOSUR <ul style="list-style-type: none"> • WTO • SACU-India 		

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.9 (cont.)		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 WTO, World Wine Trade Group (WWTG)			<ul style="list-style-type: none"> WTO– Doha Development Round Negotiations WWTG Quarterly reports have been compiled		
2.3.9 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	N/A	17 participants have enrolled for a capacity building programme on market research and market intelligence in partnership with ITC	Capacity building programme on market research and market intelligence was implemented. 12 officials expressed interest in being trained instead of 10 as anticipated	Implement capacity building programme on market research	Capacity building programme on market research was implemented during the year under review	N/A	N/A
2.3.9 Agriculture, Forestry and Fisheries Trade Competitiveness Development Plan implemented	N/A	N/A	N/A	Provide market intelligence	Market intelligence was provided in the following four (4) country market profiles: Chile Kuwait Singapore Switzerland	N/A	N/A

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.10 International Relations Strategy implemented	Implementation of bilateral and multilateral engagements and new agreements facilitated: BRICS: DAFF hosted all the activities under the BRICS Agriculture Group, namely: Working Group, Climate Change Seminar and the Ministerial meeting, which culminated in the Declaration of the Ministers.	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	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	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums has been compiled	N/A	N/A
	Argentina: Agreement was signed by the Minister and his counterpart from Argentina. The department is currently processing new agreements: Iran, South Korea, Russia, Palestine and OECD and the agreement with Turkey is ready for signing	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	Report on strategic engagement of partners within South-South, North-South and multilateral agencies/forums has been compiled		

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.10 International Relations Strategy implemented	N/A	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 inter-departmental 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 multilateral agencies for implementation of the joint projects and action plans has been compiled	Report on strategic engagement of partners within Africa and Africa multilateral agencies for implementation of the joint projects and action plans	Report on strategic engagement of partners within Africa and African multilateral agencies for implementation of the joint projects and action plans has been compiled	N/A	N/A

Programme: Trade Promotion and Market Access							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.3.10 International Relations Strategy implemented	N/A	In preparation for the CAADP Compact signing, the following activities were undertaken during the year under review: Policy stock-taking and stakeholder consultations were conducted The final report on policy stock-taking compact document and business plan design roadmap has been submitted to DAFF and FAO. The project (FAO funded) has been completed and closed. Draft Agriculture Public Expenditure Review final report has been submitted for comment by DAFF	The CAADP analytical studies for baseline information necessary for the National AFF Investment Planning were developed, but not yet completed.	Review and monitor the National DAFF investment Plan	The National DAFF investment Plan could not be reviewed and monitored as planned	Analytical studies such as financial analysis, ecosystem analysis, etc. which is a prerequisite for the DAFF National Investment Plan could not be developed due to budgetary constraints	To motivate for funding and continue with the work in 2017/18 year.

Strategy to overcome areas of underperformance The Branch: Trade Promotion and Market Access holds quarterly branch management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also hold meetings to consolidate the discussions to be undertaken at programme level. The Planning, Monitoring and Evaluation units are always invited to participate in subprogramme and programme meetings. Due to budget constraints, the branch had to review its Annual Performance Plan for 2017/18 to give priority to only targets that are costed. The branch will however continue to source funds for the development of the National Agriculture Investment Plan as it is one of the critical requirements for the implementation of the Comprehensive African Agricultural Development Programme (CAADP).

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 4

Subprogramme name	2016/2017			2015/2016		
	Final appropriation	Actual expenditure	Over/under-expenditure	Final appropriation	Actual expenditure	Over/un-derex-penditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	3 275	3 271	4	3 145	3 142	3
International Relations and Trade	136 664	136 460	204	114 523	113 991	532
Cooperatives and Rural Enterprise Development	114 816	114 804	12	64 303	64 289	14
Agro-processing and Marketing	55 945	55 929	16	55 356	55 336	20
Total	310 700	310 464	236	237 327	236 758	569

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 development of the Agro-forestry Strategy and implementation plan was finalised. In the new financial year three pilots will be established to ensure smooth implementation in the near future. 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 1992,98 hectares in TUPs were planted. The above average rainfall obtained during the planting season enabled the commercial plantation regions to plant more trees. An

additional number of seedlings were procured over and above the required number in order to accommodate for blanking or mortality. The achievement of the indicator, number of hectares planted under TUP is a major contribution for the achievement of the strategic objectives of DAFF.

A total of 26 311,794 hectares of agricultural land and 300,287 ha of state indigenous forests were rehabilitated to promote the sustainable use and management of natural resources. The Climate Change Plan has been implemented through vulnerability mapping for conventional farming system. These contribute to suboutcome 1: Ecosystems are sustained and natural resources are used efficiently and suboutcome 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 environmental impact assessment, 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 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
2.1 Ensure increased production and productivity in prioritised areas as well as value chains	2 279,79 ha were planted	1 725 ha of TUPs replanted	1 992,98 hectares in temporary unplanted areas (TUPs) were planted	+267,98	Above average rainfall obtained during the planting season enabled regions to plant more trees
3.1 Lead and coordinate government food security initiatives	Agro- forestry Strategy was developed	Agro-forestry Strategy Framework approved by EXCO	Agro-forestry Strategy Framework has been approved by Executive Committee (EXCO) on the 27th of March 2017	N/A	N/A
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	25 207,29 ha	16000	26 311,794 hectares of agricultural land have been rehabilitated	+10311,794	Incentives received from Extended Public Works Programme (EPWP) granted to Provincial Departments of Agriculture resulted in more hectares than initially planned being rehabilitated
	302,65 ha	300 ha of indigenous forests	A total of 300,287 ha of state indigenous forests were rehabilitated	+ 0,287	N/A

Programme: Forestry and Natural Resources Management					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
4.2 Ensure 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 implemented	The Climate Change Plan has been implemented through vulnerability mapping for conventional farming system and the report on implementation was compiled	N/A	N/A

Performance indicators

Programme: Forestry and Natural Resources Management							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievements 2016/2017	Comment on deviations
2.1.1 Number of hectares planted in TUPs	TUPs 2 005,41 ha	2 098,94 ha planted	2 279,79 ha were planted	1 725 ha	1 992, 98 ha were planted (in temporary unplanted areas) in Limpopo, KZN and Eastern Cape regions	+267,98	Above average rainfall obtained during the planting season enabled the regions to plant more trees
2.1.2 Re-commissioning of Western Cape state forest plantations	N/A	N/A	N/A	Conduct land rights enquiry	The land rights enquiry was conducted and the report has been developed	N/A	N/A
2.1.3 Management model for state-owned forests developed	N/A	N/A	N/A	Draft management model for state-owned forests developed	The draft management model for state-owned forests has been developed	N/A	N/A
2.1.4 Forestry Grant Fund Framework developed	N/A	N/A	N/A	Draft Forestry Grant Fund Framework developed	Draft Forestry Grant Fund Framework developed	N/A	N/A
3.1.1 Agro-forestry Strategy Framework developed and implemented	N/A	N/A	Agro-forestry Strategy was developed	Agro-forestry Strategy Framework approved by EXCO	Agro-forestry Strategy Framework has been approved by Executive Committee (EXCO) on the 27 th of March 2017	N/A	N/A

Programme: Forestry and Natural Resources Management							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievements 2016/2017	Comment on deviations
4.1.1 Number of hectares of agricultural land rehabilitated	Agricultural land rehabilitated was 43 983, 01 ha	33 756,36 ha of land were rehabilitated in 2014/15	25 207,29 ha	16 000	26 311,794 hectares of agricultural land have been rehabilitated	+10311,794	Incentives received from Extended Public Works Programme (EPWP) granted to PDAs resulted in more hectares than initially planned being rehabilitated
4.1.2 Number of hectares of state indigenous forests rehabilitated	Total hectares rehabilitated: Woodland: 612,31 ha	591,2 329 ha of state indigenous forests were rehabilitated	302,65 ha	300 ha of indigenous forests	A total of 300,287 ha of state indigenous forests have been rehabilitated	+0,287	N/A
4.1.3 Promulgation of the Preservation and Development of Agricultural Land Framework Bill by Cabinet	N/A	N/A	The draft Preservation and Development of Agricultural Land Framework (PDALF) Bill has been developed	Pre-certification of the draft Bill by Office of the State Law Advisor	The precertification was not granted The draft Bill submitted to the Office of the Chief State Law Advisor (OCSLA) for precertification and feedback was received.	The precertification not granted	The OCSLA is of the view that the Bill need certain constitutional amendments before pre-certification The department (DAFF) through NEDLAC has procured services of the Constitutional Law expert to address issues raised by the Office of the Chief State Law Advisor (OCSLA)
4.1.4 Number of projects to support revitalisation of irrigation schemes implemented	265 ha were revitalised at Vaalharts Irrigation-Scheme	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 subsurface pipes in-stalled • 857,83 m main pipes installed (63 m is for pipe jacking)	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 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievements 2016/2017	Comment on deviations
4.1.4 (cont)	265 ha were revitalised at Vaalharts Irrigation-Scheme	Irrigation strategy was developed and approved by EXCO	<ul style="list-style-type: none"> • 1 reservoir was constructed • 37 manholes installed 				
4.1.5 Environmental impact assessments conducted	N/A	N/A	The Environmental Impact Assessments (EIAs) were not concluded as planned, however, a scoping report for the application that was not affected by drought was submitted to DEA	Screening applications for EIAs in the Eastern Cape	Screening of applications for EIAs in the Eastern Cape was concluded and the report with the final list of applicants has been prepared	N/A	N/A
4.2.1 Climate Change Adaptation and Mitigation Plan for Agriculture, Forestry and Fisheries implemented	Climate change Adaptation and Mitigation programmes developed and 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	Implement Climate Change Plan through vulnerability mapping for conventional farming system	The Climate Change Plan has been implemented through vulnerability mapping for conventional farming system and the report on implementation was compiled	N/A	N/A
4.2.2 National REDD+ Strategy approved	N/A	N/A	N/A	Discussion document on the REDD + developed	Discussion document on the Reducing Emissions from Forest Degradation and Deforestation Plus (REDD+) has been developed	N/A	N/A

Strategy to overcome underperformance

FNRM (at branch, chief directorate and directorate levels) held Management Committee (MANCO) meetings to oversee operations and consolidate inputs, address service delivery objectives and ensure that strategic matters are referred to the relevant DAFF structures of higher offices for decision making.

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 where professional service providers are utilised for service delivery, with mandatory monthly meetings to assess progress and challenges.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 5

Subprogramme name	2016/2017			2015/2016		
	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	4 787	4 782	5	25 440	25 435	5
Forestry Operations	439 001	438 833	168	440 312	440 188	124
Forestry Oversight and Regulation	53 049	52 911	138	53 268	52 944	324
Natural Resources Management	587 285	581 215	6 070	343 824	343 713	111
Total	1 084 122	1 077 741	6 381	862 844	862 280	564

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 Fisheries Branch/MLRF was able to issue long term fishing rights under the Fishing Rights Allocation Process (FRAP 2015—2016) and in turn to review and issue permits and licences in the following fishing sectors: Large Pelagics (Tuna and Swordfish); Kwazulu-Natal Beach Seine; Netfish; Seaweed; Horse Mackerel, and Patagonian Tooth Fish. Outstanding

sectors are West Coast rock lobster and Abalone. Rights were also allocated in the Hake Inshore Trawl sector, but as a result of a court interdict, the issuing of permits has been put on hold pending the outcome of the court case. Altogether 16 Operation Phakisa aquaculture projects for Phase 1 and 2 were supported during the financial year. In addition, steady progress was made under Operation Phakisa in other areas including the establishment of an Interdepartmental Authorisation Committee and the development of the first Aquatic Animal Health and Welfare Implementation Plan.

Research reports to indicate fish stock levels were compiled for West Coast rock lobster, deep-water hake and abalone. Scientific research and surveys resulted in the provision of scientific recommendations on the sustainable management of the following fish resources:

- KZN prawns
- Patagonian Toothfish
- Hake (Deep-sea trawl; inshore trawl; Longline and Handline)
- Horse Mackerel
- Monkfish
- Kingklip
- Agulhas Sole
- Chokka Squid
- Tunas
- Swordfish
- Pelagic Sharks
- Small Pelagics (including sardine; anchovy; mesopelagics and redeye herring).

A number of task team meetings were held by the NEDLAC Secretariat with regard to finalising the Aquaculture Development Bill. The department conducted 63 joint operations with other law enforcement stakeholders, implemented 6 095 compliance and enforcement measures in the six prioritised fisheries sectors (hake, abalone, rock lobster, linefish, pelagic and squid) and also undertook 276 investigations on both rights and non-rights holders as part of Operation Phakisa Initiative five of the Oceans Economy. South Africa successfully negotiated an increase in its country allocation of tuna from 40t to 450t in the Commission for the Conservation of Southern bluefin tunas (CCSBT) Regional Fisheries Management Organisation. This was as a direct result of South Africa's decision to accede to the CCSBT earlier in the year.

Strategic objectives

Programme: Fisheries Management					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
2.1 Ensure increased production and productivity in prioritised areas as well as value chains	658 FTEs	600 FTEs	1189 FTEs	Overachievement of 589 FTEs	Some projects were able to expand the number of employees beyond the original estimates
	4 Phase 1 Operation Phakisa projects were supported	8 aquaculture projects 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)	8 additional projects supported.	Additional budget was made available to Operation Phakisa resulting in 13 new projects being registered, mostly of which are new Phase 3 Greenfields projects Improved interactions with Department of Public Works and the National Property Committee (NPC) of Transnet Ports

Programme: Fisheries Management					
Strategic objectives	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement for 2016/2017	Comment on deviations
2.1 (cont)					Authority (TNPA) resulted in additional projects being supported
3.1 Lead and coordinate government food security initiatives	Final draft FRAP Framework was approved by the Deputy Director-General	Monitor and regulate rights allocated to 9 fishing sectors	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)	Permits were not issued in 3 fishing sectors (Hake Inshore Trawl, Abalone and West Coast rock lobster (nearshore and offshore))	The department was interdicted from issuing permits in the Hake Inshore Trawl sector Allocation of Fishing Rights in the Abalone, West Coast rock lobster (nearshore and offshore) were deferred to the 2017/18 financial year due to the large number of applications that had to be processed
4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources	Recovery plans for the three sectors: Abalone, WCRL and deep water hake updated	Recovery plans of prioritised fish stocks	Recovery plans of two prioritised fish stocks were compiled (abalone and WCRL)	N/A	N/A.
	Research report to indicate fish stock levels compiled for: WCRL, deep-water hake and abalone	Research reports to indicate fish stock levels compiled	Research reports for WCRL, deep-water hake and abalone compiled	N/A	N/A.

Performance indicator

Programme: Fisheries Management							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.1.1 Number of aquaculture catalyst projects (identified and listed under Operation Phakisa) supported	23 fish farms supported	11 fish farms supported through the provision of technical, ad	4 phase 1 Operation Phakisa projects were supported	5 Operation Phakisa projects for phase 1 supported	16 Operation Phakisa projects were supported as follows: Phase 1 pro	8 additional projects supported	Additional budget was made available to Operation Phakisa resulting in 13 new projects being registered, mostly of which are new

Programme: Fisheries Management							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
2.1.1 (cont.)		visory services and compliance assessments.		3 Operation Phakisa projects for phase 2 supported	jects = 2; Phase 2 projects = 7; and Phase 3 projects = 7. (Note: Phase 3 projects are newly registered Greenfields projects)		Phase 3 Greenfields projects; Improved interactions with Department of Public Works and the National Property Committee (NPC) of Transnet Ports Authority (TNPA) resulted in additional projects being supported
2.1.2 Aquaculture Act developed and implemented as per Operation Phakisa	N/A	Draft Aquaculture Bill was approved by EXCO on 30 March 2015	The Minister approved the submission to gazette the draft Aquaculture Bill	Bill approved	Bill not approved. Consultations in NEDLAC have resulted in further inputs into the long title, the preamble and Chapter 1 Definitions	NEDLAC requested additional time to facilitate inputs into the Bill before finalisation and submission to Parliament	DAFF received a written request from NEDLAC for an extension the deadline for consultations on the Aquaculture Bill
2.1.3 Number of aquaculture research projects conducted	N/A	1 research project on reproduction and nutrition was conducted successfully	2 new research projects on genetics and nutrition for aquaculture species were conducted	2 new research projects on new candidate species for aquaculture conducted	2 new research projects on (spotted grunt and selected ornamental fish) were conducted successfully	N/A	N/A
3.1.1 Commercial fishing rights allocated and managed	FRAP Framework drafted	Final draft FRAP framework was approved by the	Final draft FRAP framework was approved by the Deputy Director-General	Issue permit and permit conditions in the 9 newly allocated fishing sectors	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)	Permits and were not issued in 3 fishing sectors (Hake Inshore Trawl, Abalone and West Coast rock lobster (nearshore and offshore)	The department was interdicted from issuing permits in the Hake Inshore Trawl sector. The volume of applications received in the West Coast rock lobster and Abalone fisheries meant that assessments took longer than anticipated The volume of applications received in the West Coast

Programme: Fisheries Management							
Performance indicator	Actual achievement 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
3.1.1 (cont.)							rock lobster and Abalone fisheries meant that assessments took longer than anticipated
3.1.2 Small-scale Fisheries Policy implemented	N/A	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	Rights allocated to registered small-scale fisheries cooperatives	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; the publication of the provisional lists of successful fishers for the EC, NC and WC.; and the evaluation of appeals for the NC and WC	The appeals process is still open for three communities in the PE Metropolitan area until 13 April 2017. Comments and complaints regarding the provisional lists resulted in delays in finalising the lists. Lack of continuity in the procurement and appointment of service providers and significant internal capacity constraints	Appeals periods have been extended at the request of communities/cooperatives in WC and EC. There were also delays in sorting out data discrepancies in the NCape and WCape before small-scale fishers could be verified
4.1.1 Recovery plans of prioritised fish stocks	Annual TAC/TAE in abalone, hake, WCRL and linefish were set in line with the agreed Operational Management Procedure (OMP) consulted with relevant fisheries stakeholders	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	Recovery plans for 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 reports to indicate fish stock levels compiled	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 2013/2014	Actual achievement 2014/2015	Actual achievement 2015/2016	Planned target 2016/2017	Actual achievement 2016/2017	Deviation from planned target to actual achievement 2016/2017	Comment on deviations
4.1.2 Number of inspections and joint operations (through the Operation Phakisa initiative 5 of ocean economy) with partners	N/A	N/A	N/A	30 operations (compliance =14 monitoring and surveillance =8 fisheries protection vessels =8)	63 joint operations conducted (compliance = 21; monitoring and surveillance = 10; and fisheries protection vessels = 25)	33 additional joint operations were conducted	Operation Phakisa has forced all law enforcement stakeholders to work in an integrated manner as a result there has been more joint operations conducted by the MCS subprogramme together with stakeholders
		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	2 900 compliance and enforcement measures in 6 prioritised fisheries sectors: hake, abalone, rock lobster, linefish, pelagic and squid implemented	A total of 6095 compliance and enforcement measures in 6 prioritised fisheries sectors: hake, abalone, rock lobster, linefish, pelagic and squid implemented	Overachievement of 3195 compliance and enforcement measures in the 6 prioritised fisheries sectors: hake, abalone, rock lobster, linefish, pelagic and squid implemented	The West Coast had an unusual run of Snoek since beginning of April. This resulted in an increase in the number of vessel inspections. This overachievement was also made possible due increase utilisation of small craft during joint operations with other law enforcement agencies
4.1.3 Number of investigations conducted	N/A	N/A	N/A	276 investigations	A total of 276 investigations conducted	N/A	N/A

Strategy to overcome areas of underperformance

Sustainable Aquaculture Management

The Fisheries Branch did not meet its target of submitting the Aquaculture Development Bill to Parliament. 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 2017/18 financial year.

Small-scale Fisheries Management

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 year 2016/2017. 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 2016/17 to 2017/18.

Fishing Rights Allocation Process

The target of allocating fishing rights in nine fishing sectors, with the associated permits and permit conditions, was only partially achieved. Fishing rights were concluded in six of the nine sectors, but due to a court interdict in the Hake Inshore Trawl sector, permits could not be issued in this sector. Fishing rights could not be allocated in the West Coast rock lobster (Nearshore), West Coast rock lobster (Offshore) and Abalone sectors before 31 March. In order to deal with the delays in these three sectors, the department granted exemptions to the former rights holders to continue fishing until the end the respective 2016/17 fishing seasons. The provisional lists were subsequently published in April 2017, and the results in the West Coast rock lobster (offshore) and Abalone sectors will be released before the end of the first quarter of 2017/18.

Changes to planned targets

N/A.

Linking performance with budget

Subprogramme expenditure: Programme 6

Subprogramme name	2016/2017			2015/2016		
	Final appropriation	Actual expenditure	Over/underexpenditure	Final appropriation	Actual expenditure	Over/underexpenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management	2 810	2 809	1	2 148	2 147	1
Aquaculture	40 698	40 693	5	33 803	33 800	3
Monitoring Control and Surveillance	93 264	93 259	5	87 174	87 169	5
Marine Resources Management	21 396	21 393	3	20 345	20 341	4
Fisheries Research and Development	68 181	68 177	4	63 814	63 810	4
Marine Living Resources Fund	241 759	241 759	0	258 623	258 623	0
Total	468 108	468 090	18	465 907	465 890	17

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.	35 005	35 005	All the strategic objectives as stated in the Strategic Plan were achieved.

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
Agricultural Research Council	Conducts research, diagnostic services and develops and transfers technology that promotes the agricultural and related industries.	812 989	812 989	During the financial year, we had 435 peer review scientific publications, five new cultivars were registered, 1 new patent was registered, we supported 1 577 smallholder farmers and 8404 smallholder farmers participated in the Keanofatso Ya Dikgomo scheme.
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	241 759	237 334 (R50 m was deferred to 2017/18)	<p>The Fisheries Branch/MLRF was able to issue long term fishing rights under the Fishing Rights Allocation Process (FRAP 2015–2016) and in turn to review and issue permits and licences in the following fishing sectors: Large Pelagics (Tuna and Swordfish); Kwazulu-Natal beach seine; Netfish; Seaweed; Horse Mackerel, and Patagonian Tooth Fish. Outstanding sectors are WCRL and Abalone. Rights were also allocated in the Hake Inshore Trawl sector, but as a result of a court interdict, the issuing of permits has been put on hold pending the outcome of the court case. 16 Operation Phakisa aquaculture projects for phase 1 and 2 were supported during the financial year.</p> <p>In addition steady progress was made under Operation Phakisa in other areas including the establishment of an Interdepartmental Authorisation Committee and the development of the first Aquatic Animal Health and Welfare Implementation Plan. Research reports to indicate fish stock levels were compiled for WCRL, Deep-Water Hake and Abalone. Scientific research and surveys resulted in the provision of scientific recommendations on the sustainable management of the following fish resources:</p> <ul style="list-style-type: none"> • KZN prawns • Patagonian Toothfish • Hake (Deep-sea trawl; inshore trawl; long-line and handline) • Horse Mackerel • Monkfish • Kingklip • Agulhas Sole • Chokka Squid • Tunas • Swordfish • Pelagic Shar <p>The department conducted 56 joint operations with other law enforcement stakeholders, implemented 6 078 compliance and enforcement measures in the six prioritised fisheries sectors (hake, abalone, rock lobster, linefish, pelagic and squid) and also undertook 235 investigations on both rights and non-rights holders as part of Operation Phakisa Initiative five of the Oceans Economy.</p> <p>South Africa successfully negotiated an increase in its country allocation of tuna from 40t to 450t in the Commission for the Conservation of Southern Bluefin Tunas (CCSBT) Regional Fisheries Management Organisation. This was as a direct result of South Africa's decision to accede to the CCSBT earlier in the year.</p>

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
Perishable Products Export Control Board	Ensure that perishable products intended for export from South Africa meet the international quality standards	600	600	Since its inception in 2006 to 31 March 2017, the Agri-Export Technologist Programme (AETP) has seen a total of 287 students pass through the programme of which 130 have found permanent employment after completion and another 84 being employed on a temporary basis by PPECB as the need arises. This converts to a 75% employment rate when looking at permanent and temporary employment
Ncera Farms (Pty) Ltd	Assist small farmers in the Kidd's Beach area of the Eastern Cape through various services, including advice, extension, ploughing and training	5 935	5 935	<ul style="list-style-type: none"> • Performance Management System implemented • Risk register developed and reviewed • Expenditure and performance quarterly reports presented to caretaker of the Board • Good quality livestock was produced • Ncera Farms vehicles, tractors, truck and equipment were properly maintained • Nine villages were assisted with contract ploughing • Good quality vegetables produced
Land and Agricultural Bank of South Africa	The Land Bank administers the AgriBEE Fund that allocates grants to promote rural community-based empowerment groups	88 232	51 168 (The Agree BEE fund only spent R1,168,00 from the budget of R38,232)	Conducted due diligence on three proposals. Disbursed funds to three approved projects, implementation of two has been completed and 1 is 98% complete
Onderstepoort Biological Products	Funds provided for building and vaccine production facilities	0	0	<p>The biggest achievement within OBP is</p> <ol style="list-style-type: none"> 1) changing of the distribution strategy and 2) ensuring there is product available when there is demand in the market. <p>The above is bearing fruits and the positivity in the market is gaining momentum.</p> <p>We continued to upgrade the facility and the following were major upgrades which took place during the 2016/17 financial year.</p> <ol style="list-style-type: none"> 1) Upgrade of clean steam and steam lines in production 2) Purchase of new freeze drier for our freeze dried product line 3) Panel upgrades of fermenters from analogue to digital for bacterial product line 4) Modular units for cell production

8.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2016 to 31 March 2017

Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
<i>Province</i>						
EC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	337 998	337 691	N/A

Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
FS	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	239 242	236 320	Payment of R2,345 million did not go through at the end of the financial year due to system failure. A roll-over request has been made.
GP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	115 942	114 763	A saving was realised due to the CA tender amount that came in at a lesser amount
KZN	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	296 663	296 663	N/A
LP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	334 890	316 979	Failure to implement some projects due to land disputes, water quality not compliant to production specification and non-response to bids.
MP	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	227 758	227 003	N/A
NC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	192 734	177 379	Projects that are ongoing and where service providers have not submitted the claim forms before end of the financial year.
NW	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	238 327	236 553	N/A
WC	Provincial department	CASP, LandCare and Ilima/Letsema	N/A	218 898	218 849	N/A
Subtotal				2 202 452	2 162 200	

Municipalities

City of Tshwane	Local government	Vehicle licences/Arbour City Awards	N/A	712	712	N/A
Inxuba Yethemba	Local government	Vehicle licences	N/A	10	10	N/A
Makhado	Local government	Vehicle licences	N/A	8	8	N/A

Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
Mbombela	Local government	Vehicle licences	N/A	46	46	N/A
Endumeni	Local government	Vehicle licences	N/A	250	250	N/A
Steve Tshwete	Local government	Arbour City Awards	N/A	250	250	N/A
Subtotal				1,276	1,276	
<i>Departmental agencies</i>						
Primary Agricultural Sector Education and Training Authority	Departmental agency	Contribution to operations	N/A	1 175	1 175	N/A
FP&MSETA	Departmental agency	Contribution to operations	N/A	462	462	N/A
National Student Financial Aid Scheme	Departmental agency	Agricultural studies bursaries	N/A	18 862	18 862	N/A
Small Enterprise Development Agency	Departmental agency	Management skills	N/A	304	304	N/A
Water Research Commission	Departmental agency	Contribution for research projects in water management	N/A	2 000	2 000	N/A
ARC—National Emerging Beef Farmer award	National Emerging Beef Farmer award	National Emerging Beef Farmer award	N/A	100	100	N/A
ARC—National Emerging Beef Farmer award	National Beef Cattle Herd of the year award	National Beef Cattle Herd of the year award	N/A	100	100	N/A
South African Broadcasting Corporation	Departmental agency	Radio and TV licenses	N/A	24	24	N/A
National Research Foundation	Departmental agency	To optimize DAFF's investment in research	N/A	15,697	15,697	N/A
Subtotal				41 553	41 553	
<i>Higher education institutions</i>						
University of Pretoria	Higher Education institutions	Promote greening	N/A	2 609	2 609	N/A
University of KZN	Higher Education institutions	Student support and small scale processing plant engineering	N/A	820	820	N/A
Subtotal				3 207	3 207	
Public corporations						
Forest Sector Charter Council	Public corporation	Contribution to operations	N/A	4 166	4 166	N/A
Subtotal				4 166	4 166	
<i>Private enterprises</i>						
Claims against the state	Private enterprises	Motor vehicle accident	N/A	173	173	N/A
Subtotal				173	173	

Name of transferee	Type of organisation	Purpose for which funds were used	Did the dept. comply with	Amount transferred R'000	Amount spent by the entity R'000	Reasons for funds not spent by the entity
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Foreign governments and international organisations

Foreign rates and taxes	Foreign governments and international organisations	Rates and taxes paid in foreign regions	N/A	457	457	N/A
International organisations	Foreign governments and international organisations	Membership fees	N/A	11 709	11 709	N/A
Food and Agriculture Organisation of the United Nations				30 140	30 140	N/A
Subtotal				42 306	42 306	

Non-profit institutions

Deciduous Fruit Producers Trust	Non-profit institution	Contribution to the pest control programme	N/A	12 100	12 100	N/A
Forestry South Africa	Non-profit institution	Promote greening	N/A	4 684	4 684	N/A
Food and Trees For Africa	Non-profit institution	Promote greening	N/A	200	200	N/A
Colleges in the sector	Non-profit institution	Contribution to tuition and book fees for agricultural students	N/A	1 498	1 498	N/A
Subtotal				18 482	18 482	

Households

Social benefits	Households	Leave gratuities	N/A	16 303	16 303	N/A
Claims against the state	Households	Excess payment subsidised motor insurance	N/A	300	300	N/A
Bursaries (non-employees)	Households	Grootfontein Agricultural Development Institute-students	N/A	1 400	1 400	N/A
Female Entrepreneur Awards	Households	Prize money	N/A	0	0	N/A
Subtotal				18 003	18 003	
TOTAL						

9. CONDITIONAL GRANTS

Conditional grants and earmarked funds paid

The tables below detail the conditional grants paid for the period 1 April 2016 to 31 March 2017.

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	<ul style="list-style-type: none"> • 1 529 subsistence farmers supported • 2 055 smallholder farmers supported • 147 black commercial farmers supported • 20% of youth, 40% of women supported through CASP • Irrigation systems, stock water structures, stock handling facilities, dipping tanks, storage facility, shearing sheds, fencing, 1 vet clinic provided and/or repaired • 2 240 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 2 200 beneficiaries of CASP accessing markets • 875 Jobs created • 37 Extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions • Transfer of funds to NAMC for Agriculture Information Management System (AIMS) to be implemented
Actual outputs achieved	<p>1 200 subsistence farmers supported 1 410 smallholder farmers supported 1 black commercial farmer supported 13% Youth, 37% women and 0,2% farmers with disabilities supported through CASP 52 projects were provided with on and off-farm infrastructure through the following activities: 10 fencing projects (261 km) 6 irrigation systems 26 stock water structures 5 stock handling facilities 3 new dipping tanks 10 multi-purpose and shearing sheds 1 vet clinic refurbished and 1 orchard establishment SA GAP certification: Farmers supported with 5 abluitions and 10 storage facilities in order to be accredited Land under agricultural production (crop and livestock) Yields per unit area 2 000 beneficiaries of CASP trained on farming methods or opportunities along the value chain 1 061 beneficiaries of CASP accessing markets 486 jobs were created from infrastructure projects 15 extension personnel (14 advisors and 1 Deputy Director) were recruited and maintained in the system 84 extension personnel registered with various academic institutions (NMMU; UOFS; Fort Hare; Pretoria, KZN) towards qualification upgrading in 2016 academic year</p>
Amount per amended DORA (R'000)	R263 490
Amount transferred (R'000)	R263 490
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R263 490

Department to whom the grant has been transferred	
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	<ul style="list-style-type: none"> • Project verification visits and reports per quarter • Quarter 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 • Two MINTTECH meetings were held between the DG and DAFF leadership with Heads of Provincial Departments of Agriculture where oversight is provided on conditional grants implementation
Free State: Department of Agriculture and Rural Development	
Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 44 subsistence farmers supported • 707 smallholder farmers supported • 20 black commercial farmers supported • 20% youth, 40% women supported through CASP • On and off-farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • 720 beneficiaries of CASP accessing markets • 711 jobs created • 1 extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions • Payment made to NAMC for Agriculture Information Management System (AIMS) to be implemented
Actual outputs achieved	<ul style="list-style-type: none"> • 177 subsistence farmers supported • 216 smallholder farmers supported • 15 black commercial farmers supported • 1 052 youth, 571 women and 2 farmers with disabilities supported through CASP • 1 782 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 49 beneficiaries of CASP accessing markets • 290 jobs created • 5 extension officers upgrading qualifications at various institutions • R2 999 million transferred as per agreement with DAFF for AIMS
Amount per amended DORA (R'000)	R174 289
Amount transferred (R'000)	R174 289
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R171 367
Reasons for the funds unspent by the entity	Payment of R2 345 million did not go through at the end of the financial year due to system failure. A roll-over request has been made
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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
Expected outputs of the grant	<ul style="list-style-type: none"> • 17 subsistence farmers supported • 142 smallholder farmers supported • 10 black commercial farmers supported • 20% youth, 40% women supported through CASP • On and off - farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods or opportunities along the value chain 150 beneficiaries of CASP accessing markets • 119 jobs created 53 extension personnel maintained in the system • Extension officers upgrading qualifications at various institutions • Payment made to NAMC for AIMS to be implemented
Actual outputs achieved	<ul style="list-style-type: none"> • 122 Farmers supported per category (7 subsistence, 106 smallholder and 9 black commercial farmers) • Youth, women and farmers with disabilities supported through CASP • 9 on and off - farm infrastructure provided and repaired • 3 906 ha of land under agricultural production (crop and livestock) • 679 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 839 beneficiaries of CASP accessing markets • 73 jobs created • 9 extension personnel recruited and maintained in the system • 7 extension officers upgrading qualifications at various institutions. • R9 million paid for implementation of AIMS
Amount per amended DORA (R'000)	R85 079
Amount transferred (R'000)	R85 079
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R84 091
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 1 645 subsistence farmers supported • 5 024 smallholder farmers supported • 141 black commercial farmers supported • 20% Youth, 40% women supported through CASP • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • 5 100 beneficiaries of CASP accessing markets • 472 jobs created • 310 extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions

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

Actual outputs achieved	<ul style="list-style-type: none"> • 2 211 subsistence farmers supported • 5 030 smallholder farmers supported • 91 black commercial farmers supported • 1 420 youth, 4 399 women and 32 farmers with disabilities supported through CASP • 5 121 beneficiaries of CASP accessing markets • On and off - farm infrastructure provided and repaired • 13252 Land under agricultural production (crop and livestock) • 4 tons/ha yields per unit area in maize production and 1,5 tons/ha in dry beans production • 650 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 5 121 beneficiaries of CASP accessing markets • 3 071 jobs created • 30 extension personnel recruited and maintained in the system
Amount per amended DORA (R'000)	R222 155
Amount transferred (R'000)	R222 155
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R222 155
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Limpopo: Department of Agriculture

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 1 498 smallholder farmers supported • 94 black commercial farmers supported • 20% youth, 40% women supported through CASP • 73 On and off-farm infrastructure provided and repaired • 1 610 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 1 000 beneficiaries of CASP accessing markets • 2 787 jobs created • 16 extension personnel recruited and maintained in the system
Actual outputs achieved	<ul style="list-style-type: none"> • 475 farmers supported per category (subsistence, smallholder and black commercial farmers) • 281 youth, women and farmers with disabilities supported through CASP • 56 on and off - farm infrastructure provided and repaired • 18 808,714 ha Land under agricultural production (crop and livestock) • 1 029 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 454 beneficiaries of CASP accessing markets • 1 423 jobs created • 143 extension personnel recruited and maintained in the system
Amount per amended DORA (R'000)	R260 576
Amount transferred (R'000)	R260 576
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R247 894
Reasons for the funds unspent by the entity	Failure to implement some projects due to land disputes, water quality not compliant to production specification and non-response to bids

Limpopo: Department of Agriculture	
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Mpumalanga: Department of Agriculture, Rural Development and Land Administration

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 2 055 smallholder farmers supported • 20% youth, 40% women supported through CASP • On and off - farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • 1 500 beneficiaries of CASP accessing markets • 1 063 jobs created • 28 extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions • Payment made to NAMC for AIMS to be implemented
Actual outputs achieved	<ul style="list-style-type: none"> • 2 055 smallholder farmers supported • 20% youth, 35% women and 0,2% farmers with disabilities supported through CASP • On and off -farm infrastructure provided and repaired • 85 ha irrigation system developed • 17 pumps refurbished and replaced • 7 stock and irrigation dams being established, multiyear project • 2 irrigation dams completed • 1,1 km of access road completed • 10 boreholes drilled and equipped, 7 drilled at equipping stage and 4 drilled and dry. • 2 poultry structures 85% complete • 1 aquatic structure initiated, multiyear project • 1 orchard infrastructure established • 1 bridge completed 38,38 km of fencing completed • 1 processing facility completed • Land under agricultural production (crop and livestock) • Yields per unit area 863 beneficiaries of CASP accessing market • 8 759 beneficiaries of CASP trained on farming methods or opportunities along the value chain 337 farmers mentored • 365 jobs created • 28 extension personnel recruited and maintained in the system
Amount per amended DORA (R'000)	R172 414
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 703 subsistence farmers supported • 2 350 smallholder farmers supported • 137 black commercial farmers supported • 20% youth, 40% women supported through CASP • On and off-farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • 2 000 beneficiaries of CASP accessing markets • 1 273 jobs created • 7 extension personnel recruited and maintained in the system • Extension officers upgrading qualifications at various institutions • Payment made to NAMC for AIMS to be implemented

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

Actual outputs achieved	<ul style="list-style-type: none"> • Farmer supported per category (subsistence, smallholder and black commercial farmers) • 534 subsistence • 2 203 smallholder • 209 commercial • Youth, women and farmers with disabilities supported through CASP • 996 Youth • 1 657 women • 3 farmers with disabilities • On and off-farm provided and repaired • 89 km inner fencing and 153 km border fencing • 29 stock handling facility • 28 boreholes drilled • Infrastructure provided and repaired • Land under agricultural production (crop and livestock) • Crop 308 • Oats 1 ton/ha • Yields per unit area • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • Courses in small stock production, veld management, crop production & financial management, etc. 1 200 • Farmers days 650 • Demonstration tours to experimental farms 75 • Mentorship 93 • Beneficiaries of CASP accessing markets • 1 884 female • 418 male • 133 jobs created • Extension personnel recruited and maintained in the system • Salary payment of 46 extension officials • No new officials appointed • Extension officers upgrading qualifications at various institutions. • 5 officials obtained Advanced Diplomas in Agricultural Extension • 1 official obtained a BTech in Project Management
Amount per amended DORA (R'000)	R128 364
Amount transferred (R'000)	R128 364
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R117 763
Reasons for the funds unspent by the entity	Projects that are ongoing and where service providers have not submitted the claim forms before end of the financial year
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

North West: Department of Agriculture and Rural Development

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 1 223 subsistence farmers supported • 1 792 smallholder farmers supported • On and off-farm infrastructure provided and repaired <ul style="list-style-type: none"> ○ 32 sitting and drilling boreholes ○ 11 irrigation facilities ○ 213 kilometers of fencing ○ 13 handling facilities ○ 1 nursery facility and 84 vegetable facilities ○ 8 hydroponics facilities ○ 5 piggery structures ○ 16 stock water source establishment and reticulation

North West: Department of Agriculture and Rural Development

(cont.)	<ul style="list-style-type: none"> ○ 16 stock dams ○ 2 goat housing facilities ○ 8 beef facilities ○ 5 storages facilities ○ 10 pack/processing facilities ○ 1 feedlot structure • Hectares of rehabilitated and expanded irrigation schemes <ul style="list-style-type: none"> ○ Disaneng Irrigation Infrastructure Development <ol style="list-style-type: none"> 1. Installation of steel mainline pipe 2. Electricity supply and connection 3. 5 km fencing • Beneficiaries of CASP trained on farming methods or opportunities along the value chain <ul style="list-style-type: none"> ○ 510 for training ○ 3 mentorship • 15 beneficiaries of CASP accessing markets • 1 320 jobs created • 122 extension practitioners skilled
Actual outputs achieved	<ul style="list-style-type: none"> • 1 057 subsistence farmers supported • 1 637 smallholder farmers supported • On and off-farm infrastructure provided and repaired <ul style="list-style-type: none"> ○ 36 sitting and drilling boreholes ○ 8 irrigation facilities ○ 181 km of fencing ○ 14 handling facilities ○ 1 nursery facility and 9 vegetable facilities ○ 7 hydroponics facilities ○ 5 piggery structures ○ 16 stock water source establishment and reticulation ○ 16 stock dams ○ 2 goat housing facilities ○ 7 poultry structures ○ 8 beef facilities ○ 2 storages facilities ○ 6 pack/processing facilities ○ 1 feedlot structure • Hectares of rehabilitated and expanded irrigation schemes <ul style="list-style-type: none"> ○ Disaneng Irrigation Infrastructure Development <ol style="list-style-type: none"> 1. Installation of steel mainline pipe from dam to the project to produce on 40 ha 2. The electricity account has been sorted out for 100kVA • Construction of 5-km fencing work in progress • 188 jobs created • 39 extension personnel recruited and maintained in the system • 80 extension practitioners skilled
Amount per amended DORA	R171 258
Amount transferred (R'000)	R171 258
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R169 740
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Western Cape: Department of Agriculture

Purpose of the grant	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports
Expected outputs of the grant	<ul style="list-style-type: none"> • 53 smallholder farmers supported • 33 black commercial farmers supported • 20% youth, 40% women supported through CASP • On and off-farm infrastructure provided and repaired • Beneficiaries of CASP trained on farming methods or opportunities along the value chain • 86 beneficiaries of CASP accessing markets • 1 775 jobs created • Extension officers upgrading qualifications at various institutions • AIMS to be implemented
Actual outputs achieved	<ul style="list-style-type: none"> • 56 smallholder farmers supported • 39 black commercial farmers supported • 2 080 subsistence, 1 841 smallholder and 379 black commercial Farmers received advisory services from extension practitioners • 7% youth, 29% women and 0,1% farmers with disabilities supported through CASP • On and off-farm infrastructure provided and repaired <ul style="list-style-type: none"> ○ 1 storeroom completed ○ 5 in-field irrigation systems ○ 14 stock watering ○ 2 hydroponic structures completed ○ 1 wine processing and bottling facility ○ 11 forklift truck and tractors ○ 2 boreholes and systems ○ 4 pipelines, pumps and connections ○ 607 km of fencing ○ 11 dams and boreholes ○ 7 delivery vehicles • Land under agricultural production (crop and livestock) • Yields per unit area • 1 778 beneficiaries of CASP trained on farming methods or opportunities along the value chain • 528 beneficiaries of CASP accessing markets • 1 712 jobs were created • 15 extension personnel recruited and maintained in the system • 14 extension officers upgrading qualifications at various institutions
Amount per amended DORA (R'000)	R164 199
Amount transferred (R'000)	R164 199
Reasons if amount as per DORA not transferred	R164 150
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per 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	<ul style="list-style-type: none"> • 50 433 ha of land under agricultural production • 5 to 7 tons/ha of maize • 1 673 Jobs created • 5 603 subsistence farmers supported • 121 smallholder farmers supported
Actual outputs achieved	<ul style="list-style-type: none"> • 45 438 ha of land under agricultural production (crop and livestock) • 4 tons/ha yields of maize achieved • 5 657 subsistence farmers supported
Amount per amended DORA (R'000)	R63 876
Amount transferred (R'000)	R63 876
Amount spent by the department (R'000)	R63 580
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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	<ul style="list-style-type: none"> • 1 210 ha provided with production inputs and 722 ha planted • 3 to 4 tons/ha yields per unit area • 424 Jobs created • 10 506 subsistence farmers supported • 30 smallholder farmers supported • 25 black commercial farmers supported
Actual outputs achieved	<ul style="list-style-type: none"> • 8 348 ha of land under agricultural production (crop and livestock) • Yields per unit area • 195 Jobs created • 8 965 subsistence farmers supported. • 67 smallholder farmers supported • 4 black commercial supported • 122 158 beneficiaries supported
Amount per amended DORA (R'000)	R59 447
Amount transferred (R'000)	R59 447
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R59 447
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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	<ul style="list-style-type: none"> • 2 660 ha of land under agricultural production • 3 to 4 tons/ha Yields per unit area • 38 Jobs created • 43 subsistence farmers supported • 246 smallholder farmers supported • 25 black commercial farmers supported

Gauteng: Department of Agriculture and Rural Development	
Actual outputs achieved	<ul style="list-style-type: none"> • 3 906 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 37 jobs created • 21 subsistence farmers supported • 123 smallholder farmers supported • 13 black commercial farmers supported
Amount per amended DORA (R'000)	R26 061
Amount transferred (R'000)	R26 061
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R25 870
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> • 6 480 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 470 jobs created • 6 728 subsistence farmers supported • 4 316 smallholder farmers supported • 220 black commercial farmers supported • Rehabilitate Makhathini Irrigation Scheme by installing 250 ha of sub-surface drainage pipes and repairing main canal
Actual outputs achieved	<ul style="list-style-type: none"> • 13 252 ha of land under agricultural production • Land under agricultural production (crop and livestock) • 4 tons/ha Yields per unit area in maize production • 3 050 jobs created • 6 918 subsistence farmers supported • 4 506 smallholder farmers supported • 224 black commercial farmers supported
Amount per amended DORA (R'000)	R63 876
Amount transferred (R'000)	R63 876
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R63 876
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Limpopo: Department of Agriculture	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> • 44 919 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 1 8648 jobs created • 2 1520 subsistence farmers supported • 6 637 smallholder farmers supported • 123 black commercial farmers supported
Actual outputs achieved	<ul style="list-style-type: none"> • 15 231 ha of land under agricultural production (crop and livestock) • 1,5 tons/ha yields per unit area • 6 825 jobs created • 3 204 subsistence farmers supported. • 2 909 smallholder farmers supported • 13 black commercial farmers supported • 16 328 beneficiaries supported including drought relief beneficiaries
Amount per amended DORA (R'000)	R63 876
Amount transferred (R'000)	R63 876

Limpopo: Department of Agriculture	
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R58 656
Reasons for the funds unspent by the entity	Failure to implement some projects due to land disputes, water quality not compliant to production specification and non response to bids
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Mpumalanga: Department of Agriculture, Rural Development and Land Administration	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> • 17 223 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 1 600 jobs created • 40 000 subsistence farmers supported • 19 500 smallholder farmers supported
Actual outputs achieved	<ul style="list-style-type: none"> • 20 525,73 ha of land under agricultural production (crop) • 2 to 3 tons/ha achieved • 550 jobs created • 15 382 subsistence farmers supported • 5 889 smallholder farmers supported • 1 500 food gardens were established
Amount per amended DORA (R'0000)	R49 136
Amount transferred (R'000)	R49 136
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R49 136
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Northern Cape: Department of Agriculture, Land Reform and Rural Development	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> • 767 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 646 jobs created • 383 smallholder farmers supported • 112 black commercial farmers supported • Rehabilitate Vaalharts Irrigation Scheme by constructing two concrete reservoirs, subsurface drainage system and communal discharge line
Actual outputs achieved	<ul style="list-style-type: none"> • Land under agricultural production (crop and livestock) <ul style="list-style-type: none"> ○ 989,63 ha crop ○ 73 500 ha grazing • Yields per hectares of land planted <ul style="list-style-type: none"> ○ 11 ton/ha of maize ○ 10 ton/ha of wheat ○ 2 ton/ha of dry beans ○ 3 to 5 ton/ha of raisins ○ 30 ton/ha of wine grapes • 538 jobs created • Hectares of rehabilitated irrigation schemes. <ul style="list-style-type: none"> ○ 3 384 m of subsurface drainage was installed to drain 25ha ○ 2 675 m of main communal line was installed ○ 2 irrigation dams were built to cover 50 ha
Amount per amended DORA (R'000)	R55 050
Amount transferred (R'000)	R55 050

Northern Cape: Department of Agriculture, Land Reform and Rural Development	
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R50 583
Reasons for the funds unspent by the entity	Projects delayed due to conflicts by beneficiaries in Riem Vas Maak and delays in EIA permit processing.
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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	<ul style="list-style-type: none"> • 24 299 ha of land under agricultural production <ul style="list-style-type: none"> ○ 136 hectares horticultural production to be planted ○ 12 750 hectares of grain production to be planted ○ 1 sheep project ○ 3 poultry projects ○ 3 piggery projects ○ 10 read meat production • 3 to 4 tons/ha yields per unit area • 314 jobs created • 89 subsistence farmers supported • 221 smallholder farmers supported
Actual outputs achieved	<ul style="list-style-type: none"> • Land under agricultural production <ul style="list-style-type: none"> ○ 101,8 hectares horticultural production planted ○ 15 288 hectares of grain production planted ○ 1 sheep project ○ 3 poultry projects ○ 3 piggery projects ○ 10 read meat production • 3 to 4 tons/ha yields per unit area achieved • 89 jobs created • 196 subsistence farmers supported • 931 smallholder farmers supported
Amount per amended DORA (R'000)	R59 448
Amount transferred (R'000)	R59 448
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R59 248
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Western Cape: Department of Agriculture	
Purpose of the grant	To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
Expected outputs of the grant	<ul style="list-style-type: none"> • 3 446 ha of land under agricultural production • 3 to 4 tons/ha yields per unit area • 188 jobs created • 35 smallholder farmers supported • 10 black commercial farmers supported • Revitalise Ebenheiser Irrigation Scheme by constructing a balancing dam benefiting 153 plots

Western Cape: Department of Agriculture	
Actual outputs achieved	<ul style="list-style-type: none"> • 705 ha of land under agricultural production (crops) • Yields per unit area • 2 175 jobs created • Beneficiaries/farmers supported by the grant per category <ul style="list-style-type: none"> ○ 2 080 subsistence farmers supported ○ 100 smallholder farmers supported ○ 6 black commercial farmers supported
Amount per amended DORA (R'000)	R50 593
Amount transferred (R'000)	R50 593
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R50 593
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

CONDITIONAL GRANT 3: LANDCARE

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	<ul style="list-style-type: none"> • 236 people with improved capacity and skill levels benefiting from capacity building initiatives • 17 awareness campaigns conducted • 1 450 people more aware of sustainable use of natural resources • 8 Land Care committees/Land Care groups established
	<ul style="list-style-type: none"> • 1 107 ha of land where weeds and invader plants are under control • 67 km of fence erected • 307,73 green jobs created expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 268 people with improved capacity and skill levels benefiting from capacity building initiatives • 17 awareness campaigns conducted • 1361 people more aware of sustainable use of natural resources • 8 LandCare committees/LandCare groups established • 1 065 ha of land where weeds and invader are under control • 58 km of fence erected • 264,96 green jobs created expressed as FTEs
Amount per amended DORA (R'000)	R10 632
Amount transferred (R'000)	R10 632
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R10 621
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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

Free State: Department of Agriculture and Rural Development

Expected outputs of the grant	<ul style="list-style-type: none"> • 960 ha of rangeland protected and rehabilitated • 410 ha of land protected and rehabilitated • 1 200 Junior LandCare participants involved in the programme • 17 awareness campaigns conducted • 1 345 more people more aware of sustainable use of natural resources • 500 ha of land where weeds and invader plants are under control • 3 km of fence erected • 35 green jobs created expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 2 423 ha of rangeland protected and rehabilitated • 436 ha of land protected and rehabilitated • 1 276 Junior Care participants involved in the programme • 19 awareness campaigns conducted • 1 463 people more aware of sustainable use of natural resources • 1 063 ha of land where weeds and invader plants are under control • 3 km of fence erected • 100,51 green jobs created and 62.81 expressed as FTEs
Amount per amended DORA (R'000)	R5 506
Amount transferred (R'000)	R5 506
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R5 506
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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
Expected outputs of the grant	<ul style="list-style-type: none"> • 5 ha of land protected and rehabilitated • 1 220 Junior Care participants involved in the programme • 120 ha of land where water resources protected and rehabilitated • 12 people with improved capacity and skill levels benefiting from capacity building initiatives • 120 ha of land where weeds and invader plants are under control • 58,54 green jobs created and 81,5 expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 7 ha of land protected and rehabilitated • 920 Junior Care participants involved in the programme • 52 people with improved capacity and skill levels benefiting from capacity building initiatives • 185 ha of land where weeds and invader plants are under control • 42,87 green jobs created and expressed as FTEs
Amount per amended DORA (R'000)	R4 802
Amount transferred (R'000)	R4 802
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R4 802
Reasons for the funds unspent by the entity	There was a saving because the CA tender amount came in at a lesser amount
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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

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

Expected outputs of the grant	<ul style="list-style-type: none"> • 90 hectares of land protected and rehabilitated • 1 600 Junior LandCare participants involved in the programme • 539 ha of land where water resources are protected and rehabilitated • 10 awareness campaigns conducted • 50 people with improved capacity and skills levels benefiting from capacity building initiatives • 4 LandCare committees/LandCare groups established • 2 481,50 hectares of land where weeds and invader plants are under control • 17,17 km of fence erected • 245 green jobs created and expressed as Full Time Equivalents (FTEs)
Actual outputs achieved	<ul style="list-style-type: none"> • 90 ha of land protected and rehabilitated • 2 504 Junior LandCare participants involved in the programme • 539 ha of land where water resources are protected and rehabilitated • 10 awareness campaigns conducted • 2 444,67 Hectares of land where weeds and invader plants are under control • 17,25 km of fence erected for soil protection and rehabilitated • 247,91 green jobs created expressed as FTEs
Amount per amended DORA (R'000)	R10 632
Amount transferred (R'000)	R10 632
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R10 632
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Limpopo: Department of Agriculture

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 80 Junior LandCare participants involved in the programme • 21 people with improved capacity and skill levels benefiting from capacity building initiatives • 86 awareness campaigns conducted • 1 952 people more aware of sustainable use of natural resources • 1 856 ha of land where weeds and invader plants are under control • 33 km of fence erected • 80,39 green jobs created and expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 82 junior care participants involved in the programme • 9 people with improved capacity and skill levels benefiting from capacity building initiatives • 76 awareness campaigns conducted • 2 917 people more aware of sustainable use of natural resources • 244 ha of land where weeds and invader plants are under control • 28 km of fence erected • 80,68 green jobs created expressed as FTEs.
Amount per amended DORA (R'000)	R10 438
Amount transferred (R'000)	R10 438
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R10 429
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Mpumalanga: Department of Agriculture, Rural Development and Land Administration

Purpose of the grant	To 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
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Mpumalanga: Department of Agriculture, Rural Development and Land Administration	
Expected outputs of the grant	<ul style="list-style-type: none"> • 4 293 ha of rangeland protected and rehabilitated • 500 ha of land protected and rehabilitated • 650 Junior Care participants involved in the programme. • 613 people with improved capacity and skill levels benefiting from capacity building initiatives • 70 awareness campaigns conducted • 2 080 people more aware of sustainable use of natural resources • 10 Land Care committees/Land Care groups established • 350 ha of land where weeds and invader plants are under control • 50 km of fence erected • 124,56 green jobs created expressed FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 2 653,8 ha of rangeland protected and rehabilitated • 821 ha of land protected and rehabilitated • 619 people with improved capacity and skill levels benefiting from capacity building initiatives • 40 awareness campaigns conducted • 5 LandCare committees/LandCare groups established • 1 621 people more aware of sustainable use of natural resources • 366 ha of land where weeds and invader plants are under control • 64 km of fence erected • 68,27 green jobs created expressed as FTEs
Amount per amended DORA (R'000)	R6 208
Amount transferred (R'000)	R6 208
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R6 203
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Northern Cape: Department of Agriculture, Land Reform and Rural Development	
Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 3 000 ha of rangeland protected and rehabilitated • 200 ha of soil land protected and rehabilitated • 20 Junior Care participants involved in the programme • 9 ha of water resources protected and rehabilitated • 2 capacity building initiatives conducted for Junior Care • 74 capacity building initiatives conducted for Land Carers
	<ul style="list-style-type: none"> • 3 awareness campaigns conducted and attended by Land Carers • 250 ha of land where weeds and invader plants are under control • 9 kms of fence erected • 203 green jobs created and 179,42 expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 3 250 ha of rangeland protected and rehabilitated • 200 ha of soil land protected and rehabilitated • 51 Junior Care participants involved in the programme • 14 ha of water resources protected and rehabilitated • 24 capacity building initiatives conducted for Land Carers • 2 awareness campaigns conducted and attended by Land Carers • 250 ha of land where weeds and invader plants are under control • 14 km of fence erected • 103 green jobs created and 26,27 expressed as FTEs
Amount per amended DORA (R'000)	R9 320
Amount transferred (R'000)	R9 320
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R9 033
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

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

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 120 JuniorCare participants involved in the programme • 132 people with improved capacity and skill levels benefiting from capacity building initiatives. • 9 awareness campaigns conducted • 4 417 ha of land where weeds and invader plants are under control • 110,13 green jobs created expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 139 JuniorCare participants involved in the programme • 374 people with improved capacity and skill levels benefiting from capacity building initiatives. • 3 people more aware of sustainable use of natural resources • 4 324,37 ha of land where weeds and invader plants are under control • 316,37 green jobs created expressed as FTEs
Amount per amended DORA (R'000)	R7 621
Amount transferred (R'000)	R7 621
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R7 565
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

Western Cape: Department of Agriculture

Purpose of the grant	To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> • 17 150 JuniorCare participants involved in the programme • 20 ha ha of land where water resources are protected and rehabilitated • 15 523 people with improved capacity and skill levels benefiting from capacity building initiatives • 87 awareness campaigns conducted • 62 capacity building initiatives conducted for Land Carers • 13 LandCare committees/LandCare groups established • 890 ha of land where weeds and invader plants are under control • 10 km of fence erected • 100 green jobs created and expressed as FTEs
Actual outputs achieved	<ul style="list-style-type: none"> • 19 622 JuniorCare participants involved in the programme • 16 ha hectares of land where water resources are protected and rehabilitated • 17 663 people with improved capacity and skill levels benefiting from capacity building initiatives. • 86 awareness campaigns conducted. • 17 472 people more aware of sustainable use of natural resources. • 13 Land Care committees/Land Care groups established • 1 154,41 ha of land where weeds and invader plants are under control • 48 km of fence erected • 40,50 green jobs created expressed as FTEs
Amount per amended DORA (R'000)	R4 106
Amount transferred (R'000)	R4 106
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department (R'000)	R4 106
Reasons for the funds unspent by the entity	N/A
Monitoring mechanism by the transferring department	Project verification visits and reports per quarter

10 DONOR FUNDS

10.1 Donor funds received

The table below details the donor fund received for the period 1 April 2016 to 31 March 2017

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 In situ 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, and 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 2016/17, the following was achieved: Conducted a study to identify useful traits adapted to extreme climate conditions in priority CWR in situ population in South Africa; Hosted a National Stakeholders workshop for the preparation of the National Strategic Action Plan on Crop Wild Relatives; Hosted a final conference attended by all project partners; Produced a fact sheet for South Africa of the project; Developed the exemplar National Strategic Action Plans for the conservation and use of CWR
Amount received (R'000)	Balance 2015/16: R334 2016/17: R175 Total available for spending in 2016/17: R509
Amount spent by the department (R'000)	R509
Funds unspent (R'000)	Closing balance for 2016/17: Zero
Monitoring mechanism by the donor	Two technical reports and a financial report were submitted to the donor. The interim report was submitted for the period 1 January to 30 June 2016 in August 2016 and the final narrative report for the period 1 January to 31 December 2016 was submitted in March 2017. A financial report for 2016 was submitted in March 2017. All the reports were submitted on a template provided by the donor

Name of donor	The Australian Centre for International Agricultural Research (ACIR)
Period of the commitment	2016/17-2017/18
Period of the commitment	2014/15-2017/18
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
Actual outputs achieved	<ul style="list-style-type: none"> In 2016/17, the following was achieved: The project employed two fulltime people: Ms N.L. Mlambo & Mr P Majane and one person on contract: Mr Y. Mahlathi Eastern Cape (Woolworths-Cradock Abattoir Value Chain) small-scale and emerging sector within a radius of 250 km are in partnership with Cradock abattoirs that supplies Woolworths with free range beef and biltong—through its factory in Port Elizabeth. Due to the drought across much of South Africa in 2015 and 2016 that delayed the start of the project, the market specifications were only initially tested with the Woolworths-Cradock Abattoir value chain in June 2016 (to evaluate whether the project is targeting the right type of cattle for their specifications). Loin samples from five each of commercial, communal and black emerging farmers from the Eastern Cape region were slaughtered and sampled at Cradock. Aged samples (28 days) were tested for tenderness (shear force), colour and drip loss and samples from communal and emerging farmers compared favourably with commercial samples

Name of donor	The Australian Centre for International Agricultural Research (ACIR)
	<ul style="list-style-type: none"> • Woolworths-Cavalier Abattoir Value Chain: Limpopo, Gauteng, Mpumalanga, Free State and North West are in partnership with Cavalier Foods (Abattoir) that supplies free range beef to Woolworths and meat to Pick n Pay stores • The project involves a network of ARC & provincial scientists, extension officers, farmers, DRDLR-Agriparks, University of Fort Hare, North West and New England academics, abattoir and retailer staff to facilitate the meeting of the specifications of the markets. • Dr Palmer travelled to Armidale, Australia in September 2017 and interacted with several researchers involved in the project from UNE. One of the major outcomes has been the analysis of the household livestock data using the Frontiers Econometric package. • Dr N.B Nengovhela was offered a John Dillion Fellowship for new leadership in Agricultural Research Management and was on training from 12 February until the 24 March 2017. • Two full-time students (1 PhD. and 1 MSc.) from Rhodes University are working on this project. A scholarship was offered to Mr L. Myeki to use project data for a PhD. at the University of New England, Armidale, Australia • 103 provincial (FS, MP, LP and GP) and ARC staff were trained on Free Range Beef Production. • Two training workshops focussing specifically on using the Impact Tool in impact assessment studies have been delivered to NAMC staff, with more than 20 people participating in the workshops. • 2 x 2-day Research Management to achieve outcomes training courses have been developed and delivered for South African partner organisations with 50 participants being trained. • The project is about enterprise development among small and emerging cattle farmers and is in the process of designing tools and systems to facilitate access to all forms of capital including knowledge and psychological. A survey to help profile behaviour change in favour of required technologies to achieve retailer's specifications among the farmers is complete and data is being collected. A team with complementary skills is in place to finalise the tool. Smallholder poultry farmers are included in this part of the study. • Value Adding Information Management System (VAIMS) is used to analyse smallholder cattle production value chain performance. Preliminary analysis has been done around the EC- Cradock value chain from 120 surveys has been conducted along the chain: farm to fork • Regression equations for the different frame sizes (small, medium, large), physiological stages (lactating cow, pregnant cow, dry cow, replacement heifer, weaner calf, breeding bull, etc.) and at different body weights. Completed for lactating cows, bulls, heifers, steers and weaner calves. That for pregnant cow, dry cow and replacement heifer was developed through interpolation. A short paper was presented at the Congress of the South African Society for Animal Science and a scientific article published (see list below) • The Agricultural Research Council (ARC) partnered with Cooperative Resource International (CRI) to assist with oestrous synchronisation and artificial insemination of heifers for the Ikhephu Cooperative beneficiaries at Elliot, Eastern Cape. Ikhephu Secondary Cooperative is situated at Elliot, Eastern Cape. It mainly focuses on livestock production and running a feedlot. Cooperative Resource International partnered with the ACIAR project to offer technical support for the implementation of artificial insemination technology for the farmers. A total of 147 heifers were artificially inseminated, 8 people were trained on assisted reproduction • Publications from the project • Peer-reviewed project publications: <ol style="list-style-type: none"> 1. Tawanda Marandure, Cletos Mapiye, Godswill Makombe, Baldwin Nengovhela, Phillip Strydom, Voster Muchenje & Kennedy Dzama (2016) Determinants and opportunities for commercial marketing of beef cattle raised on communally owned natural pastures in South Africa, African Journal of Range & Forage Science, 33:3, 199-206, DOI: 10.2989/10220119.2016.1235617 2. Tawanda Marandure, Cletos Mapiye, Godswill Makombe, Baldwin Nengovhela, Phillip Strydom, Voster Muchenje & Kennedy Dzama (2016) Beef traders' and consumers' perceptions on the development of a natural pasture-fed beef brand by smallholder cattle producers in South Africa, African Journal of Range & Forage Science, 33:3, 207-214, DOI: 10.2989/10220119.2016.1235616
Amount received (R'000)	Balance 2015/16: Zero 2016/17: R4 933 Total available for spending in 2016/17: R4 933
Amount spent by the department (R'000)	R4 681
Funds unspent (R'000)	Closing balance for 2016/17: R252

Infrastructure projects	2016/2017			2015/2016		
	Final appropriation	Actual expenditure	Over/underexpenditure	Final appropriation	Actual expenditure	Over/underexpenditure
	R'000	R'000	R'000	R'000	R'000	R'000
New and replacement assets	19 373	19 269	104	9 037	8 961	76
<i>Existing infrastructure assets</i>						
Upgrades and additions	56 142	32 177	23 965	33 192	31 240	1 952
Rehabilitation, renovations and refurbishments	218	217	1			
Maintenance and repairs	8 447	5 781	2 666	23 395	22 125	1 270
<i>Infrastructure transfer</i>						
Current		140	-140	58 601	58 601	0
Capital	17 064	17 064	0	284 605	284 605	0
Total	468 108	468 090	18	465 907	465 890	17

11. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan infrastructure projects completed during the period under review

- Upgrading of electrical power substations at the Stellenbosch Plant Quarantine Station (WCS 51208). Close out reports were received by DAFF on 18/03/2016.
- Alteration to the existing entrance/exit to the Stellenbosch Plant Quarantine Station (WCS 05129): A new project for this is in the process of being registered.

Infrastructure projects currently in progress:

- **Maize Board:** Repairs and Maintenance (WCS 0442079)
- A new Project Manager has been appointed and is busy establishing what still needs to be done.
- **Construction of Sniffer dog facility (WCS 051626):**
- DPW in process of establishing which department will be allocated land in Goodwood which is suitable for this project.
- **Sterkspruit:** Request for site clearance and acquisition of land for construction of Seed Banks (WCS 52458):
- Municipality has not approved site and report on suggestions for alternative site from Project Manager are still awaited.
- **Construction of seed banks in Sterkspruit (WCS 051639):**
- See comments for project (WCS 52458) above - new site to be identified.
- **Mutale:** Site clearance for construction of seed banks (WCS 052459):
Department of Rural Development approved land division, however the Town Planning Consultant in process of obtaining approval from local authority as well.
- **Construction of seed banks in Mutale (WCS 051592):**
- Site clearance still awaited—see WCS 051639 above.
- **Upington: Upgrade of offices; store room; workshop and construction of waste containment dam (WCS 051539)**
- Environmental Impact Assessment still awaited. Waste containment dam no longer needed.
- **Refurbishment and extension of the Skukuza Veterinary Building (WCS 052069):**
- Items on snag list have been attended to. Contractor busy with finalising outstanding electrical issues.
- **Replacement of the roof waterproofing structure at Sefala building (WCS 052387):**
- Project ± 60% completed. Contractor in process of replacing roof on 7th floor.
- **Construction of Durban Quarantine Station (WCS 045521):** Project was placed in Status 4C and no progress has been made. High level discussions have not yet taken place.
- **Revamping of the parking area in Harvest House (WCS 052143):**
- Overall progress at ± 60%. Paving has been completed. Carports and lighting still to be done.
- **Upgrading and maintenance of building and laboratories:** Repairs to glasshouses and plant tunnels -Stellenbosch Plant Quarantine Station (WCS 052777):
- Tender submitted to Regional Bid Committee to invite new tenders. Only point scoring tenderer risk to DPW and DAFF.

- **Repairs and Maintenance at Kempton Park Animal Quarantine Station (WCS 053727):**
- New procurement instruction to be issued by DPW.
- Various minor capital projects along the coastline (WCS 052552):
- Appointment of contractor has been approved – documents from contractor awaited in order to hand over site.
- **Milnerton Quarantine Station—Cape Town:** Upgrading and capital works (WCS 052552): The project for the upgrading of the student centre (WCS 05368) has been incorporated into this project. Procurement Instruction not issued yet.
- **Repairs and Installation at Roodeplaats Resources Centre (WCS 052805)**
- No progress made with project. Mechanical Sketch Plan meeting to take place on 11/04/2017.
- Repairs and maintenance of facilities—Buffelspoort (WCS 052059):
- Service had been linked to planned maintenance budget.
- **Middelburg (EC)—Grootfontein Agricultural Development Institute (GADI) Upgrading of Infrastructure WCS 053304)**
- Site to be handed over on 31/07/2017. Leaks on pipes repaired but Digester still to be replaced.
- **Request to conduct a site audit of the areas which require ramp facilities for officials with disability at head office buildings in DAFF (WCS 52356):**
- DPW advised that this is an unfunded DPW funded project where a procurement instruction was issued—no progress at this stage due to project being unfunded.

Projects awaiting WCS numbers:

- New project for alterations to the entrance/exit to the Stellenbosch Plant Health Quarantine Station;
- Rehabilitation of two farm dams at Stellenbosch Plant Quarantine Station;
- External repairs and renovations of the fruit laboratory and Analytical Services building at Stellenbosch Plant Quarantine Station;
- New security fence around blocks A and B at Stellenbosch Plant Quarantine Station;
- Upgrade of the electrical reticulation blocks A and B at Stellenbosch Plant Quarantine Station;
- Construction of new classroom building at Grootfontein Agricultural Development Institute;
- Repairs and renovations of offices at old SABS building in Bloemfontein.

PART C

GOVERNANCE



12. INTRODUCTION

DAFF 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 lack of capacity was identified in specific units, new posts were created to improve service delivery. In areas where weaknesses were identified during the period under review, these will be addressed in the 2017/18 financial year.

13. RISK MANAGEMENT

Risk Management Strategy and Risk Management Policy

DAFF has an approved Risk Management Strategy and Risk Management Policy, which are uploaded on the intranet for easy access by all employees, while other means of communication such as posters and brochures are used to disseminate the information contained in these documents to departmental stakeholders.

The aforementioned 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 departmental Risk Management Implementation Plan and progress is reported on a quarterly basis to the Risk Management Committee and Audit 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 least annually at strategic and operational level. In certain instances, the risks are assessed on a continuous basis as this enables the department to proactively respond to threats that might affect the achievement of its strategic objectives.

Risk Management Committee

The department has an effective Risk Management Committee (RMC), which consists of only two external members. However, the capacity of the said committee has since been enhanced by the appointment of a third external member, which will be effective from the 1st of April 2017. The RMC is governed by the approved Risk Management Charter, which is reviewed annually. The fact that all the members of the committee are not attached to the organisation has enhanced the objectivity, independence and accountability of the risk management process. The committee held their quarterly meetings in order to oversee whether the department had identified, assessed and managed all the risks that it was confronted with. The table below illustrates the Risk Management Committee meetings that were held during 2016/17 financial year:

Names	Date	Quarter
Ms Fhulufelo Tshikudo (CRMA)	09 June 2016	1 st Quarter
	18 August 2016	2 nd Quarter
Dr Dwight Triegaardt	16 November 2016	3 rd Quarter
	12 May 2017	4 th Quarter

Audit Committee

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 the management of the department. The executive management team always ensures that the recommendations made by the Audit Committee are properly implemented.

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 approved during the first quarter (Q1) of the 2016/17 financial year by the Acting Director-General. In addition to the strategy, a Whistle-Blowing Procedure document which provides

guidance on how allegations of fraud and corruption should be reported by DAFF employees and external stakeholders was reviewed. The following progress was made in the implementation of the Fraud Prevention Plan:

- Four workshops regarding fraud and corruption during the 2016/17 financial year were held;
- The Directorate: Labour Relations instituted disciplinary action against employees who committed misconduct;
- The Directorate: Risk Management and Investigations has developed a case register to record all the fraud and corruption cases reported;
- The Branch: Corporate Services ensures that all SMS members declare their financial interests annually;
- International Fraud Awareness Week (13 to 19 November 2016), was commemorated by hosting a seminar in order to create awareness around fraud and corruption. The Accounting Officer and DAFF management made a pledge to fight fraud and corruption.

Mechanisms in place to report fraud and corruption

DAFF has an approved Whistle Blowing Policy which has been uploaded on the internet for easy access by employees and external stakeholders. A Whistle-Blowing Procedure and Flow Chart highlighting the process that employees can follow to report fraud and corruption has been developed. The Whistle Blowing Policy gives assurance to officials that they will not suffer any occupational detriment for making disclosures in good faith in terms of the Protected Disclosure Act.

During 2016/17 plans were developed to communicate the policy to officials to eliminate fear of victimisation by the employer.

How cases are reported and action taken

Cases are received from members of the public, suppliers, whistle blowers, employees and are referred to the DAFF by National Anti-Corruption Hotline. The cases are then analysed with the view of determining if the matter should be investigated internally or externally.

Where investigations uncover evidence of fraud and corruption, DAFF will institute disciplinary action if the perpetrator is an employee. DAFF has an obligation to report the matter to SAPS if the value of loss or damages exceeds R100 000 in compliance with Section 34 of the Prevention and Combating of Corruption Activities Act. Civil proceedings will be instituted to recover the loss suffered by the department.

15. MINIMISING CONFLICT OF INTEREST

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

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

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

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

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

16. CODE OF CONDUCT

The department ensures compliance with 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 (OHS) 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 (COIDA) 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 resulting in relatively poor organisational performance and service delivery, legal implications in non-compliance to the OHS Act, as well as high maintenance costs.

18. PORTFOLIO COMMITTEES

The following table contains the dates and topics for meetings with the Portfolio Committee (PC). The issue of capacity in the Parliamentary Office in Cape Town, as well as the department's ability to ensure effective oversight and follow-up on parliamentary matters has been identified as a weakness and will be addressed in 2017/18.

Item	Date	Agenda items
1	05 April 2016	Briefing by the Financial Fiscal Commission (FFC) and committee support officials on the strategic plans and 2016/17 Annual Performance Plans of DAFF and its entities
2	07 April 2016	Briefing on the strategic plans, 2016/17 APPs and budgets by: DAFF and the Internal Audit Committee Marine Living Resources Fund (MLRF) NAMC
3	08 April 2016	Briefing on strategic plans, 2016/17 APPs and budgets by OBP and ARC
4	12 April 2016	Briefing on strategic plans, 2016/17 APPs and budgets by: Perishable Products Export Control Board (PPECB) South African Veterinary Council (SAVC)
5	14 April 2016	Briefing by the DAFF on the International Union for the Protection of New Varieties of Plants (UPOV) (1978 and 1991)
6	15 April 2016	Consideration of the Draft Committee Report on the Strategic Plans and 2016/17 APPs of DAFF and its entities
7	9 April 2016	Further deliberations on the Plant Improvement and Plant Breeders' Rights Bills
8	26 April 2016	Deliberations and finalisation of the Plant Improvement and Plant Breeders' Rights Bills
9	03 May 2016	Deliberation and finalisation of the Plant Improvement and Plant Breeders' Rights Bills Briefing by ITAC on tariff applications that have been submitted by GrainSA and SAPA
10	10 May 2016	Briefing by the parliamentary legal team on the Plant Health (Phytosanitary) Bill of 2015
11	17 May 2016	Briefing by DAFF on the Plant Health (Phytosanitary) Bill of 2015 Consideration and adoption of all outstanding minutes and reports
12	24 May 2016	Deliberations on the Plant Health (Phytosanitary) Bill of 2015
13	Tue, 16 Aug 2016	Further deliberations on the Plant Improvement and Plant Breeders' Rights Bills [B8 and 11—2015]
14	Tue, 23 Aug 2016	Formal deliberation of the Plant Improvement and Plant Breeders' Rights Bills [B8 & 11—2015] (Clause by clause).
15	Fri, 26 Aug 2016	Briefing by ITAC on tariff applications that have been submitted by GrainSA and SAPA
16	Tue, 30 Aug 2016	Finalisation of the Plant Improvement and Plant Breeders' Rights Bills [B8 & 11—2015]
17	Fri, 02 Sept 2016	Joint meeting (Portfolio Committee on Agriculture, Forestry and Fisheries, Health, Rural Development and Land Reform, Select Committee on Land and Mineral Resources) to consider and adopt the report and minutes of the workshop on Food Security and Food Safety dated 02 and 03 February 2016
18	Tue, 06 Sept 2016	Briefing by DAFF on the 2016/17 First Quarter Performance and Expenditure Report
19	Tue, 13 Sept 2016	Briefing by the parliamentary legal team on the Plant Health (Phytosanitary) Bill 2016, Liquor Products Amendment Bill 2016 and National Forestry Amendment Bill 2016

Item	Date	Agenda items
20	19 to 23 Sept 2016	Joint oversight visit with Portfolio Committee on Rural Development and Land Reform, PC on Women in the Presidency and Multi-Party Women's Caucus to Mpumalanga Province
21	Tue, 11 Oct 2016	Finalisation of the Plant Improvement and Plant Breeders' Rights Bills Briefing by DPME on the 2015/16 Annual reports of DAFF and its entities in preparation for BRRR process. Consideration of the Draft Fourth Term Committee Programme, adoption of outstanding minutes and consideration of the request from the Minister of Agriculture, Forestry and Fisheries to nominate suitable candidates to serve on the ARC
22	Thu, 13 Oct 2016	Briefing by the Auditor-General of South Africa (AGSA) and FFC on the 2015/16 Annual reports of DAFF and its entities in preparation for BRRR process
23	18 October 2016	Briefing on the 2015/16 Annual reports by DAFF, Marine Living Resources Fund (MLRF) and Progress report by DAFF on the deregistration of Ncera Farms (Pty) Ltd. Briefing on the 2015/16 Annual reports by OBP, NAMC and SAVC
24	20 October 2016	Briefing on the 2015/16 Annual reports by the ARC and PPECB
25	25 October 2016	Briefing by DAFF on all the outstanding reports
26	01 November 2016	Finalisation of the Plant Improvement and Plant Breeders' Rights Bills
27	02 November 2016	Finalisation of the Plant Improvement Bill
28	08 November 2016	Briefing by DAFF on the 2016/17 Second Quarter Performance and Expenditure Report
29	15 November 2016	Briefing by DAFF on the state of South Africa's fisheries resources
30	25 November 2016	Briefing by the small-scale fisheries representatives on their readiness to participate in the small-scale fishing sector, including challenges and proposals
31	29 November 2016	Briefing by parliamentary officials on the Liquor Products Amendment Bill 2016 Briefing by parliamentary officials on the National Forests Amendment Bill 2016
32	02 December 2016	Oversight visit to the OBP and ARC
33	05 to 09 December 2016	Oversight visit to provinces
33	05 to 09 December 2016	Oversight visit to provinces
34	31 January 2017	Response by DAFF on small-scale fisheries representatives on the state of readiness to participate in the implementation of the Small-scale Fisheries Policy and all other outstanding responses and reports from the Branch: Fisheries
		Re sponse by the DAFF on the BRRR and other outstanding issues Response by the DAFF on hemp
35	21 February 2017	Briefing by the DAFF on the Liquor Products Amendment Bill, the National Forests Amendment Bill and the National Veld and Forest Fore Amendment Bill
36	28 February 2017	Further briefing by DAFF on the National Veld and Forest Fire Amendment Bill
37	7 March 2018	Briefing by DAFF on the Third Quarter Performance 16/17 Expenditure Report
39	27 to 31 March 2017	Joint oversight visit to Mpumalanga

19. SELECT COMMITTEE ON LAND AND MINERAL RESOURCES

Select Committee activities for 2016/17

Item	Date	Agenda items
1	12 April 2016	<ul style="list-style-type: none"> Briefing by the Department of Agriculture, Forestry and Fisheries on its revised five-year Strategic Plan Briefing by the Department of Agriculture, Forestry and Fisheries on the Performing Animals Protection Amendment Bill B9B–2015 and possible finalisation and adoption by the committee
2	10 May 2016	<ul style="list-style-type: none"> Continuation of deliberations on the Performing Animals Protection Amendment Bill B9B–2015 and possible finalisation and adoption by the committee
3	07 June 2016	<ul style="list-style-type: none"> Briefing by the DAFF and Rural Development and Land Reform about the interaction between municipal planning (LED and IDP) and the agricultural projects of the DAFF and DRDLR—what is the state on integration and co-operation, particularly with regard to market access and business development support?
4	23 August 2016	<ul style="list-style-type: none"> Consideration of the President's reservations on the Performing Animals Protection Bill [B9B–2015] Further deliberations on the Plant Improvement and Plant Breeders' Bills [B8 & 11-2015] Tabling of the request by the Minister of Agriculture, Forestry and Fisheries to nominate candidates to serve on the ARC Briefing by DAFF—about fishing industry challenges and priorities—funding flagships and the development of legislation
5	25 August 2016	<ul style="list-style-type: none"> Committee deliberations, with the finalisation and reporting on the Performing Animals Protection Amendment Bill [B9B–2015] returned to Parliament by the Office of the President of the Republic of South Africa
6	30 August–11 September 2016	Joint oversight visit of the Select Committee on Land and Mineral Resources and the Select Committee on Communications and Public Enterprises. Oversight visit to Richards Bay and Isimangaliso Wetland Park
7	30 August 2016	Finalisation of the Plant Improvement and Plant Breeders' Rights Bill [B8 & 11 2015]
8	02 September 2016	Joint meeting (Portfolio Committee on Agriculture, Forestry and Fisheries, Health, Rural Development and Land Reform, Select Committee on Land and Mineral Resources) to consider and adopt the report and minutes of the workshop on Food Security and Food Safety dated 02 and 03 Sept. 2016
9	6 September 2016	Briefing by DAFF on the 2016/17 First Quarter Performance and Expenditure Report
10	13 September 2016	Briefing by the parliamentary legal team on the Plant Health (Phytosanitary) Bill 2016, Liquor Products Amendment Bill 2016 and National Forestry Amendment Bill 2016
11	20 September 2016	DAFF briefed the Select Committee on Land and Mineral Resources about fishing industry challenges and priorities—funding flagships and the development of legislation
12	01 November 2016	DAFF briefed the Select Committee on Land and Mineral Resources on the impact of the current drought, a breakdown of the department's intervention strategies to assist to present and a projection of immediate needs in 2017
13	24 January 2017	Briefing by the DAFF on the: <ul style="list-style-type: none"> Plant Improvement Bill [B 8B– 2015] Sec 76 Plant Breeders' Rights Bill [B 11B– 2015] Sec 76

9. SCOPA RESOLUTIONS

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

10. PRIOR MODIFICATIONS TO AUDIT REPORT

There have been no modifications to the Audit Report.

11. INTERNAL CONTROL UNIT

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

Based on the reports finalised and issued, the control environment can generally be regarded as adequate. However, there are areas where controls are not considered effective, mainly owing 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 and tested the effectiveness of internal controls. Discrepancies were identified, noted and brought to the attention of management with recommendations to enhance the effectiveness of such controls. The Internal Audit unit also undertook independent follow-up tests on the Auditor-General's findings to assess whether corrective actions had been implemented.

The department has an Audit Steering Committee in place that:

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

20. INTERNAL AUDIT AND AUDIT COMMITTEES

Key activities and objectives of the Internal Audit Unit

The DAFF's Chief Directorate: Internal Audit obtains its mandate from the Public Finance Management Act No.1 of 1999 (PFMA) as amended and the Treasury Regulations as amended. The Internal Audit unit operates in alignment with the approved Internal Audit Charter which defines the purpose, authority and responsibility of the unit. The unit also conducts its operations in accordance with the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The Internal Audit unit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the department. It also assists an organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Internal Audit unit through its Chief Director: Internal Audit reports functionally to the Audit Committee and administratively to the Director-General (Accounting Officer).

The following are the key activities and objectives of the Internal Audit unit during the 2016/17 financial year:

- Assisting the Accounting Officer in maintaining an efficient and effective system of internal controls by assessing and evaluating the adequacy and effectiveness of control processes within the department;
- Determining whether the department's objectives will be achieved economically, efficiently and effectively by evaluating and assessing operations, processes, procedures and activities;
- Making appropriate recommendations for improving the governance and risk management processes in achieving the department's objectives;
- Assessing and evaluating the departmental performance information.

The International Standards for the Professional Practice of Internal Auditing Standard 1312 requires that internal and external assessments be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The external assessor must conclude as to conformance with the Code of Ethics and the standards; the external assessment may also include operational or strategic comments. During the year under review, an external Quality Assurance Review was done and the chief directorate achieved the highest rating of "General Compliance".

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

Summary of audit work done

The unit, as per requirements of the Institute of Internal Auditors' Standards and Treasury Regulations, developed a three-year Rolling Strategic Plan inclusive of a one-year Operational Audit Plan in consultation with management, which was approved by the Audit Committee. The Internal Audit unit provided the Audit Committee with progress reports on the execution of the approved annual plan on a quarterly basis. The annual plan made provision for 31 risk-based, governance, regularity and compliance audits. At the end of the 2016/17 financial year a total of 26 audits were completed, one (1) draft report was issued and four (4) audits were at a 'work in progress' phase.

The reviews conducted by the internal audit reflected that there were some instances whereby the systems of internal controls were partially adequate or ineffective. Control weaknesses were identified, recommendations made on weaknesses identified and management committed itself to implement action plans agreed to.

Key activities and objectives of the Audit Committee

The Audit Committee obtains its mandate from the PFMA No.1 of 1999 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 ToR, which among other matters, deal with membership, authority and responsibilities. The Audit Committee assists the Accounting Officer in the effective execution of his responsibilities with the ultimate aim being the achievement of the department's objectives.

The department has a fully functional Audit Committee, which operates in accordance with the requirements of the PFMA and Treasury regulations. The Audit Committee comprises of highly qualified members appointed from outside the public service. In addition, the committee also 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 Accounting Officer/Acting Accounting Officer and executive management were 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 identified. The results of the assessment conducted during the period under review reflect that performance of the committee is satisfactory and it is adding value to the department.

Audit Committee members and attendance

The Audit Committee consists of five external members and has had all its vacancies filled since February 2017. The contracts of the Chairperson (Mr Wakaba) and Mr Russouw expired on 30 November 2016, both were re-appointed for a second term. The contract of Mr Maliehe also expired on 30 November 2016, however he could not be re-appointed as he had already served two terms. Three (3) new Audit Committee members were appointed and were inducted by the department during February 2017. The committee has to meet at least four times a year in accordance with its approved Terms of Reference. During the period under review, six meetings were held as follows: 14 April 2016; 26 May 2016; 28 July 2016; 13 September 2016; 30 November 2016 and 02 March 2017.

Details of the Audit Committee members who served during the 2016/17 financial year are as follows:

Name	Qualifications	Internal or external	Date appointed	Date resigned/ contract expired	Number of meetings attended
Mr Ayanda Wakaba— Chairperson	B.Compt Honours MBA	External	01 December 2013	30 November 2016 Currently appointed for a second term	6

Name	Qualifications	Internal or external	Date appointed	Date resigned/ contract expired	Number of meetings attended
Mr Molemo Maliehe	B.Comm PDBA Dipl. Computer Audit	External	01 December 2013	30 November 2016	5
Mr Nico Russouw	CA (SA)	External	01 December 2013	30 November 2016 Currently appointed for a second term	6
Ms Crystal Abdoll	CA (SA) CIA B. Compt Honours B.Comm	External	01 February 2017	N/A	1
Ms Masaccha Mbonambi	B. ACC B.Com Honours Cert: Board Governance Cert: Enterprise-wide Risk Management	External	01 February 2017	N/A	1
Ms Thobeka Njozela	CIA B.Compt Honours	External	01 February 2017	N/A	1

21. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2017.

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 also reports that it has adopted appropriate formal Terms of Reference as outlined in its Audit Committee Charter and met its responsibilities as stipulated in the charter.

The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, and has discharged its responsibilities with these Terms of Reference during the reporting period.

Internal Audit

The committee approved the Internal Audit Charter and the three-year Rolling Strategic Plan inclusive of a one-year Operational Audit Plan. The Internal Audit unit reported on a quarterly basis on the progress regarding the execution of the approved annual plan and functioning of the unit in terms of its Internal Audit Charter. During its scheduled meetings and when the need arises, the committee holds closed meetings with the Internal Audit unit or the Auditor-General.

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

Summary of audit work done

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

1. Annual Report—2015/16
2. Knowledge Bank—Q4 of 2016/17
3. Fruitless, wasteful and irregular expenditure
4. Annual Financial Statements—2015/16
5. Human Resources —leave
6. Mafisa

7. Human Resources—overtime
8. Revenue collection—forestry
9. Governance
10. ICT—follow up audit
11. Performance Information-knowledge Bank Q1 (System)
12. Performance Information—Q1 prelim results
13. Strategic Plan Review
14. MPAT

In-year management and monthly/quarterly report

The department is reporting monthly and quarterly to Treasury as is required by the PFMA. The quality of management and quarterly reports submitted to 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 we noted that while most matters were adequately resolved, some matters remained unresolved. Management has recommitted to clear the outstanding matters. Unresolved matters include:

- The need for implementation of robust systems to enable effective evidence-backed reporting on performance information;
- Improvement in ICT governance and administration.

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

Conclusion

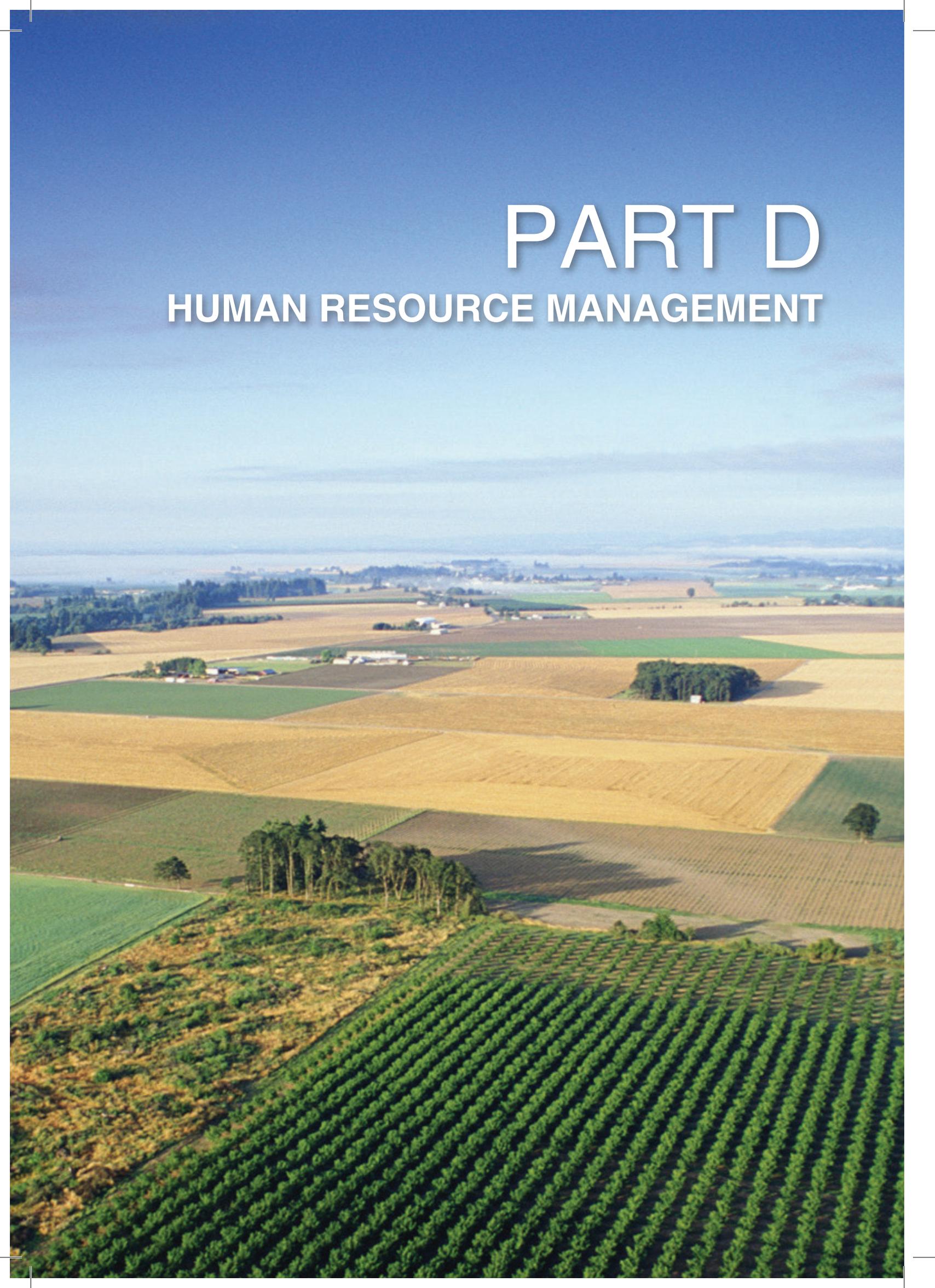
We extend our appreciation to the Executive Authority, the Director-General and management team, as well as the employees of the department for their efforts, dedication and support to the work of the Audit Committee during the period under review.



Mr A.P. Wakaba
Chairperson of the Audit Committee
Department of Agriculture, Forestry and Fisheries

PART D

HUMAN RESOURCE MANAGEMENT



22. LEGISLATION THAT GOVERNS HUMAN RESOURCE MANAGEMENT

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

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

23. INTRODUCTION

Overview

The Chief Directorate: Human Resources Management and Development hereby presents its Annual Report 2016/2017 as prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4), showcasing all the efforts embarked upon to give effect to rendering sound and strategic Human Resource Management and Development services across the department.

The efforts alluded to are more specifically in reference to the highlights against set targets, challenges as well as interventions undertaken to address such challenges towards ensuring strategic value-add and impact on the department's mandate.

As at 31 March 2017 the post establishment of the department totalled 6 152 posts with 5 442 positions filled and 710 positions vacant. During the period under review, the vacancy rate of the department increased from 10% in 2015/2016 to 11,5% at the end of the 2016/2017 financial year. The Organisation Development Committee (ODC) continues to monitor the management of vacancies in the department on a monthly basis, with a view to downscale the vacancy rate. Part of this process led to an exercise to identify a strategic framework, with clear interventions for consideration by the Departmental Executive Committee. This project is still underway.

The staff turnover rate decreased by 1,1% from 6,8% during the 2015/2016 financial year to 5,7% during the 2016/17 financial year. The staff turnover still remains within the generally acceptable norm of 15% in the Public Service. A total of 189 new staff members joined the department (appointments and transfers), including seven (7) members of the Senior Management Service (SMS).

A total of 99 employees were promoted to vacant positions in the department, which includes nine (9) employees that were promoted to vacant SMS positions. A total of 319 employees, which includes eight (8) members of the Senior Management Service (SMS), 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 3 to 5 (mostly retirements).

The number of posts that were subjected to job evaluation was 125, which resulted in the upgrading of the salary levels of 18 posts and the downgrading of the salary levels of only 15 posts.

13.1 Human resource priorities

The departmental 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, is in place and monitored through the Human Resources KPIs and reported on in the HR Plan Implementation Report on a quarterly basis to track progress against set priorities.

Upon assessment of the HR Plan, the Human Resource Planning Task Team concluded that the department does not meet the conditions for adjustment, hence, the HR Plan priorities will remain the same until the MTEF HR Plan 2015/16—2017/18 comes to an end on 31 March 2018. This decision was taken with the view of revising the key activities of the HR Plan priorities in order to achieve them fully.

To this effect, key performance indicators within the Human Resources and Development arena were developed for each HR priority as identified for the current MTEF HR Plan as follows:

- Repositioning of HR as a strategic partner to enable DAFF to achieve its strategic objectives;

- Employment of the youth in the AFF sectors;
- Transformation of the workforce;
- Review of the departmental organisational structure to facilitate integration and eliminate duplication of functions;
- Management of the challenges of an ageing and ailing workforce and employment.

The promulgation of the new Public Service Regulations that came into effect on 1 August 2016 required that the HR policies, practices, processes and delegations be reviewed. To this end, the HR delegations, including a total of nine (9) policies were reviewed during the period under review and submitted for consideration by management, recognised labour unions and the Executive Authority.

Strides to orientate the departmental stakeholders and role players, i.e. management, employees and labour unions on the developments brought upon by the advent of the new Public Service Regulations have been imperative in ensuring adherence to relevant legislative prescripts, policies and processes towards ensuring good governance, compliance and avert any risks that might be related to non-compliance hitherto.

13.2 Organisational development

While the recommendations of the reviewed departmental organisational structure is still under consideration by the new Director-General, the Job Evaluation and Organisational Design projects were conducted successfully during the period under review to ensure proper organisational alignment and optimal use of human resources, especially under stringent compensation of employees' budget. The department's Organisational Development unit spearheaded the facilitation and coordination of the development of a generic functional structure for agriculture and rural development with Provincial Departments of Agriculture (PDAs). The DPSA has requested that the DAFF lead this process.

The job evaluation coordination process with the Provincial Departments of Agriculture for the 12 identified posts in the Agriculture Training Institutes was finalised and the results were submitted to MINTECH for endorsement.

13.3 Recruitment

During the period under review, 16 SMS members were appointed and/or promoted to the SMS cadre. Two (2) returning agricultural attachés on Deputy Director-General and Chief Director levels were placed in the vacant posts of Deputy Director-General: Forestry and Natural Resources Management and Chief Director: International Trade, respectively, on the post establishment of the department.

In respect to tracking the post establishment of the department in various units, Senior Managers were engaged and given the opportunity to verify the information on their respective post establishments in order for HR to update any possible amendments timeously on the PERSAL system.

Budget cuts on the compensation of employees continued to impact negatively on the filling of vacant posts in the department. The implications were experienced in the delays in filling of vacancies, abolishment of several posts and therefore setting the vacancy rate of the department at 11,5% as at 31 March 2017.

13.4 Performance management

The department has experienced strides in the improvement of compliance to the Performance Management and Development System (PMDS). During the period under review, the rate of submission of performance agreements, work plans and bi-annual performance reviews stood at an aggregate of 94%. This speaks to improved alignment between the individual performance agreements and departmental performance plans (Strategic Plan, Annual Performance Plans and Operational Plans). The outcomes of the 2015/16 performance cycle, and appeals of the 2015/2016 and 2016/2017 respectively, were approved by the Director-General and successfully implemented.

13.5 Employee health and wellness

The Employee Health and Wellness and HIV/AIDS and OHS Plans were well executed, with the following key services provided to employees across the department (e.g. EAP referrals, providing OHS services at various offices and key events such as the Food Security Focus Week at Hartswater, Food and Nutrition Security Indaba at Kopanong Hotel in Benoni and Operation Phakisa at ARC in Roodeplaat. Sexual Reproductive Health Awareness Day and Wellness Clinics, with the following topics were addressed: Sexually Transmitted Infections including HIV and AIDS, condom demonstration, ill

effects of tobacco use, financial wellness, customary marriages and health screening tests (blood pressure, blood glucose, cholesterol, BMI, TB screening and HCT).

With respect to the Employee Health and Wellness audit conducted by the DPSA in the department in September 2016, the findings indicated that the department was on the right track in implementing all four (4) EHW policies in line with the EHW Strategic Framework for the Public Service and that the EHW programmes are reflected in the Departmental Strategic Plan, which is an indication of commitment to the programme at strategic level. However, a number of challenges were also identified such as inadequate EHW and OHS Practitioners (human resources), that the SHERG and Health and Productivity policies were still in draft, Standard Operating Procedures for COIDA, IOD PILIR and contractors, etc. As such, a number of recommendations which were put forward in the Audit Report have been welcomed and will inform the 2017/2018 EHW programme to ensure that appropriate interventions are developed and implemented accordingly.

Over the years, the department has been rendering Employee Health and Wellness services to employees and their immediate family members through its limited internal Employee Assistance Programme Practitioners. Gaining access to these services in regional offices outside main offices such as the Head Office, Cape Town and surrounding areas was acknowledged as problematic. Turnaround times continued to be compromised while having adverse implications on the affected employees.

Against this backdrop, the department embarked on the process of outsourcing Employee Assistance and Wellness programmes and the successful bidder was appointed to render such services to employees and their immediate family members. The Memorandum of Understanding (MOU) was finalised in the last quarter of the 2016/2017 financial year and came into effect on 01 April 2017. As such, this intervention goes a long way in addressing human resource inadequacies identified internally as well as by the DPSA EHW Audit Report.

Furthermore, the department has succeeded in finalising all stockpile cases related to the Policy and Procedure on Incapacity Leave and Ill Health Retirement (PILIR) and submitted a report to this effect to the DPSA timeously.

13.6 Employee development

In order to maintain a pool of skilled professionals and upskilling of employees, DAFF has in 2016/17 awarded 141 bursaries to deserving employees to further their studies in careers in agriculture, forestry and fisheries.

To ensure that employees integrate properly and have a better understanding and functioning of the Public Service, the Compulsory Induction Programme continued, with a total of number or 703 of employees trained during the period under review.

The 18,1 Learnership was implemented at GADI wherein 12 learners were enrolled in Animal Production NQF Level 5. By the end of the 2016/2017 year, a total number of 836 employees had attended skills programmes training and 606 attended short courses. The quarterly training and expenditure reports were developed, approved and submitted to the relevant SETA.

The programmes enlisted above are part of the critical skills development interventions that give effect to the department's HRD Strategy and Workplace Skills Plan; which are also monitored quarterly and due reports being submitted to the PSETA.

13.7 Human resource planning

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

SMS MEMBER'S EE PROFILE

Status	Male	Female	Disabled
Target	50%	50%	2%
Current	52%	48%	1,6%
Total gender profile in the department			
Target	48%	52%	2%
Current	54%	46%	1%

The above table depicts a significant milestone in drawing towards the 50/50 representation target as set by Cabinet for employees at SMS levels in the Public Service. Therefore, DAFF is regarded as miles ahead of the pack in comparison. However, it's important to note that the department is still trailing behind its target of 2% in respect to the representation of people with disabilities; hence more work is still yet to be done in this regard.

Further to driving transformation imperatives within the department, various awareness sessions (e.g. Disability awareness and disclosure, HIV-AIDS awareness, financial-wellness, gender-based violence awareness, motivational speaking, etc.) were successfully facilitated in various provinces in commemoration of the "16-Days of Activism against Women and Child Abuse" under the Theme: "Achieving 17 Goals for the Future We Want".

It is also important to highlight that the department was nominated and successfully won the Government Department category in the Standard Bank Top Women Awards in August 2016; showcasing its commitment as an employer of choice in driving diversity and transformation imperatives. This is a milestone worth acknowledging.

13.8 Human resource policies

In order to improve support to managers with HR tools, systems and processes on people management, the following HR policies were reviewed as a result of the promulgation of the new Public Service Regulations, 2016 and are at various consultation levels:

- Employee Performance Management and Development Policy
- Retention Policy is awaiting response from the DPSA on the interpretation of Regulation 44
- Remunerative work outside the department
- Policy on Management of Leave
- Sessional Assistance Policy
- Dress code Policy
- Wellness Policy
- Policy on Remunerative Work
- Policy on the Appointment of an Employee on an Acting Capacity Internally.

13.9 Labour relations

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

The Departmental Bargaining Chamber (DBC) engaged on various issues of mutual interest and resolutions were achieved through collective bargaining processes. In addition, the DBC conducted joint inspections in loco visits and the report of the visits was presented to the Mandating Committee. On issues falling outside the jurisdiction of the DBC, the Ministerial Task Team was established in order to jointly make recommendations to the Minister as social partners.

Misconducted cases handled from: 1 april 2016—31 march 2017

Total	Finalised	Pending	Finalised within 100 Days
47	25	22	6

The target to finalise cases within 100 days was not met as a result of the fact that in the vast majority of cases employees charged with misconduct were represented by union representatives who were not available to immediately proceed with cases and requested postponements. Employer representatives therefore can only proceed with cases as and when all the relevant parties are available. The availability of departmental and outside witnesses must also be taken into account.

Furthermore, the capacity of the Labour Relations unit impacts on its ability to adhere to turnaround times in the resolution of grievances and disciplinary processes.

24. HUMAN RESOURCE OVERSIGHT STATISTICS

14.1 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
- Amount spent on salaries, overtime
- Homeowner's allowances
- Medical aid.

Table 3.1.1: Personnel expenditure by programme for the period 1 April 2016 to 31 March 2017

Medical Aid.

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 per-personnel cost per employee (R'000)
1. Administration	828 485	409 539	1 705	15,058	49,4	58
2. Agricultural Production, Health and Food Safety	1 927 031	537 318	1 421	3,880	27,9	76
3. Food Security and Agrarian Reform	1 879 016	157 284	24 147	2,015	8,4	32
4. Economic Development, Trade and Marketing	310 464	106 359	605	49	34,3	22
5. Forestry	1 077 741	516 278	1 170	10,386	47,9	73
6. Fisheries	468 090	226 135	–	–	48,3	16
Total	6 490 827	1 953 013	29 048	31 388	30,1	10 937

Table 3.1.2: Personnel costs by salary band for the period 1 April 2016 to 31 March 2017

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)
Lower skilled (levels 1–2)	85 558	4,4	1 387	157 082
Skilled (levels 3–5)	373 049	19,1	1 199	187 604
Highly skilled production (levels 6–8)	597 188	30,6	1 637	352 790
Highly skilled supervision (levels 9–12)	612 328	31,4	1 111	577 958
Senior management (levels 13–16)	146 853	7,5	106	1 084 417
Contract (levels 1–2)	25 885	1,3	286	93 512

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)
Contract (levels 3–5)	5 455	0,3	17	322 255
Contract (levels 6–8)	2 962	0,2	5	371 927
Contract (levels 9–12)	86 688	4,4	148	604 575
Contract (levels 13–16)	16 458	0,8	6	–
Periodical remuneration	589	0,0	33	73 946
Total	1,953,013	0,3	5 935	331,761

Table 3.1.3: Salaries, overtime, homeowners' allowance and medical aid by programme for the period 1 April 2016 to 31 March 2017

Programme	Salaries		Overtime		Homeowners' 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	353 563	86,3	3,236	0,8	12,309	30,0	19 334	4,7
2. Agricultural Production, Health and Food Safety	470 089	87,5	4,224	0,8	17,199	3,2	24 527	4,6
3. Food Security and Agrarian Reform	138 413	88,0	1,166	0,8	5,129	3,3	7 009	4,5
4. Trade Promotions and Market Access	93 477	87,9	–	0,0	2,065	1,9	3 808	3,6
5. Forestry	443 050	85,5	4,793	0,9	29,432	5,7	26 595	5,2
6. Fisheries	197 841	87,4	21,726	9,8	4,909	2,2	10 002	4,4
Total	1 696 223	86,9	35,165	1,8	71,043	3,6	91 275	4,7

Table 3.1.4: Salaries, overtime, homeowner's allowance and medical aid by salary band for the period 1 April 2016 to 31 March 2017

Salary bands	Salaries		Overtime		Home-owners' 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)	86 906	78,2	474	0,6	8 218	9,6	7 114	8,3
Skilled (levels 3–5)	292 257	199,0	5 722	3,9	27 170	18,5	25 508	17,4
Highly skilled production (levels 6–8)	487 505	81,6	22 149	3,8	21 267	3,6	36 317	6,1
Highly skilled supervision (levels 9–12)	550 457	89,9	4 447	0,7	11 425	1,9	20 136	3,3
Senior management (levels 13–16)	143 057	–	252	–	2 759	–	2 106	–
Contract (level 1–2)	29 637	114,5	613	2,4	–	0,0	–	0,0
Contract (level 3–5)	5 084	93,2	1 068	19,6	–	0,0	6	0,1
Contract (level 6–8)	3 162	106,7	171	5,8	–	0,0	–	0,0
Contract (level 9–12)	100 733	116,2	–	0,0	112	0,1	62	0,1
Contract (level 13–16)	16 750	101,8	–	0,0	93	0,6	28	0,2

14.2 Employment and vacancies

The tables in this section summarise the position with regard to employment and vacancies. They summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff members 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 on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
1 Administration	1 149	1 026	10,7	8
2 Agricultural Production, Health and Food Safety	1 428	1 311	8,2	174
3 Food Security and Agrarian Reform	429	368	14,2	255
4 Trade Promotions and Market Access	162	149	8,0	4
5 Forestry	2 421	2 105	13,1	–
6 Fisheries	563	483	14,2	21
Total	*6 152	*5 442	11,5	462

* Number of posts excludes the Minister and Deputy Minister

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017

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)	1 562	1 387	11,2	286
Skilled (levels 3–5)	1 382	1 199	13,2	17
Highly skilled production (levels 6–8)	1 802	1 637	9,2	5
Highly skilled supervision (levels 9–12)	1 279	1 111	13,1	148
Senior management (levels 13–16)	125	106	15,2	6
Total	*6 150	*5 440	11,5	462

* Number of posts excludes the Minister and Deputy Minister

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Administrative related	164	138	15,9	4
Agricultural, animal, oceanography, forestry and other science(s)	307	273	11,1	3
Agriculture related	394	347	11,9	-
Aircraft pilot and related associate professional	1	1	-	-
All artisans in the building, metal, machinery, etc.	32	27	15,6	-
Appraisers, valuers and related professionals	25	23	8,0	4
Auxiliary and related workers	110	102	7,3	-
Biochemistry, pharmacology, zoology and life science technicians	35	34	2,9	-
Building and other property caretakers	58	54	6,9	-
Bus and heavy vehicle drivers	17	13	23,5	-
Chemists	2	2	-	-
Cleaners in offices, workshops, hospitals, etc.	100	90	10,0	1
Client information clerks (switchboard, reception and information clerks)	12	12	-	-
Communication and information related	12	10	16,7	-
Computer system designers and analysts	10	10	-	-
Economists	82	72	12,2	1

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Engineers and related professionals	12	3	75,0	5
Farmhands and workers	223	196	12,1	1
Farming forestry advisors and farm managers	102	85	16,7	–
Finance and economics related	28	24	14,3	–
Financial and related professionals	36	30	16,7	–
Financial clerks and credit controllers	134	124	7,5	–
Fishing mate/master	11	10	9,1	–
Food services aids and waiters	30	27	10,0	–
Forestry labourers	1 049	910	13,3	–
Head of department/chief executive officer	1	1	–	–
Health sciences related	5	4	20,0	–
Horticulturists, foresters, agricultural and forestry technicians	423	385	9,0	–
Household and laundry workers	15	13	13,3	–
Human Resources and Organisational development and related professionals	45	40	11,1	–
Human Resources clerks	96	88	8,3	–
Human Resources related	21	20	4,8	–
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	86	78	9,3	–
Light vehicle drivers	12	9	25,0	–
Logistical support personnel	37	34	8,1	–
Material-recording and transport clerks	114	104	8,8	–
Mechanical engineering technicians	4	2	50,0	–
Messengers, porters and deliverers	81	72	11,1	–
Meteorologist	1	1	–	–

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate %	Number of employees additional to the establishment
Motor vehicle drivers	42	38	9,5	–
Motorised farm and forestry plant operators	75	66	12,0	–
Natural sciences related	13	11	15,4	–
Nature conservation and oceanographically related technicians	67	52	22,4	–
Other administrative and related clerks and organisers	460	419	8,9	19
Other administrative policy and related officers	137	122	10,9	1
Other information technology personnel	60	51	15,0	–
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	204	9,7	–
Risk management and security services	7	7	–	–
Road trade workers	6	5	16,7	1
Safety, health and quality inspectors	32	28	12,5	–
Secretaries and other keyboard operating clerks	126	118	6,3	1
Security officers	400	352	12,0	–
Senior managers	124	105	15,3	5
Ship's deck officers and pilots	30	25	16,7	–
Social sciences related	1	1	–	–
Statisticians and related professionals	21	18	14,3	–
Trade workers	289	270	6,6	37
Trainees	–	–	–	246
Veterinarians	37	28	24,3	133
Veterinary assistants	5	4	20,0	–
Water plant and related operators	8	7	12,5	–
Total	*6 152	*5 442	11,5	462

* Number of posts includes the Minister and Deputy Minister

14.3 Filling of SMS posts

The tables in this section provide information on employment and vacancies as these relates 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 timeframes and disciplinary steps taken.

Table 3.3.1 SMS posts information as on 31 March 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	8	7,5	–	–
Salary level 14	29	21	19,8	8	42,1
Salary level 13	87	76	71,7	11	57,9
Total	125	106	100,0	19	100,0

Table 3.3.2 SMS posts information as at 30 September 2016

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	8	7,8	–	–
Salary level 14	29	22	21,1	7	33,3
Salary level 13	87	73	70,1	14	66,7
Total	125	104	100,0	21	100,0

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2016 to 31 March 2017

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	-	-	1
Salary level 15	-	1	-
Salary level 14	3	-	2
Salary level 13	5	1	3
Total	8	2	6

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

Reasons for vacancies not advertised within six months:
<ul style="list-style-type: none"> The department is currently in the process of prioritising the filling of the vacancies owing to the reduction in the budget allocations
Reasons for vacancies not filled within twelve months:
<ul style="list-style-type: none"> 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 the budget allocations.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2016 to 31 March 2017

N/A.

14.4 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 2016 to 31 March 2017

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	1 562	4	0,3	–	–	–	–
Skilled (levels 3–5)	1 382	15	1,1	3	2,4	3	2,4
Highly skilled production (levels 6–8)	1 802	74	4,1	14	11,2	6	4,8
Highly skilled supervision (levels 9–12)	1 279	31	2,4	1	0,8	6	4,8
Senior Management Service Band A	87	–	–	–	–	–	–
Senior Management Service Band B	29	1	3,4	–	–	–	–
Senior Management Service Band C	8	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
TOTAL	*6 150	125	11,3	18	14,4	15	12,0

* Number of posts excludes the Minister and Deputy Minister

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

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2016 to 31 March 2017

Beneficiaries	African	Asian	Coloured	White	Total
Female	12	–	5	3	20
Male	18	–	6	–	24
Total	30	–	11	3	44
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 2016 to 31 March 2017

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/ transfer
Administrative related	1	9	12	Retention
Administrative related	1	9	11	Retention
Administrative related	3	11	12	Retention
Administrative related	1	11	13	Retention
Administrative related	1	11	14	Retention
Administrative related	1	12	13	Retention
Administrative related	1	12	14	Retention
Agricultural animal, oceanography, forestry and other sciences	1	8	9	Retention
Agricultural animal, oceanography, forestry and other sciences	1	8	10	Retention
Agricultural animal, oceanography, forestry and other sciences	3	9	10	Grade progression
Agricultural animal, oceanography, forestry and other sciences	1	10	11	Retention
Agricultural animal, oceanography, forestry and other sciences	2	11	12	Grade progression
Agriculture related	2	9	10	Grade progression
Agriculture related	1	11	13	Retention
Agriculture related	1	12	13	Retention
Aircraft pilots and related associate professionals	1	11	12	Grade progression
All artisans in the building, metal, machinery, etc.	1	5	6	Grade progression
All artisans in the building, metal, machinery, etc.	4	6	7	Grade progression
All artisans in the building, metal, machinery, etc.	5	7	8	Grade progression
Appraisers—valuers and related professionals	1	9	10	Retention
Appraisers—valuers and related professionals	1	11	12	Job evaluation/ transfer
Appraisers—valuers and related professionals	1	12	13	Foreign representation
Appraisers—valuers and related professionals	6	12	14	Foreign representation
Appraisers—valuers and related professionals	2	12	15	Foreign representation
Auxiliary and related workers	3	4	5	Grade progression

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Auxiliary and related workers	5	5	6	Grade progression
Auxiliary and related workers	1	5	7	Retention
Auxiliary and related workers	12	6	7	Grade progression
Auxiliary and related workers	1	6	8	Retention
Building and other property caretakers	33	2	3	Grade progression
Bus and heavy vehicle drivers	9	4	5	Grade progression
Cleaners in offices, workshops, hospitals, etc.	23	2	3	Grade progression
Cleaners in offices, workshops, hospitals, etc.	1	2	4	Job evaluation/ transfer
Cleaners in offices, workshops, hospitals, etc.	1	4	5	Grade progression
Client information clerks (switchboard, reception and information clerks)	1	6	7	Grade progression
Communication and information related	1	9	14	Retention
Economists	1	9	10	Grade progression
Economists	1	10	11	Job evaluation/ Transfer
Farmhands and labourers	1	2	5	Out of adjustment
Farmhands and labourers	78	2	3	Grade progression
Farmhands and labourers	1	4	5	Grade progression
Farming forestry advisors and farm managers	1	4	5	Grade progression
Farming forestry advisors and farm managers	8	8	9	Occupation adjustment
Farming forestry advisors and farm managers	1	9	10	Grade progression
Finance and economics related	1	9	10	Job evaluation/ Transfer
Financial and related professionals	1	7	8	Grade progression
Financial clerks and credit controllers	2	5	6	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	7	2	3	Grade progression
Forestry labourers	610	2	3	Grade progression
Forestry labourers	3	2	4	Job evaluation/ transfer
Forestry labourers	1	2	5	Job evaluation/ transfer
Forestry labourers	1	2	7	Grade progression
Forestry labourers	32	4	5	Grade progression
Forestry labourers	3	5	6	Grade progression
Forestry labourers	1	6	7	Grade progression
Health science related	1	11	12	Retention

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Horticulturists, foresters, agricultural and forestry technicians	1	8	9	Grade progression
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	11	6	7	Grade progression
Human resources clerks	2	7	8	Grade progression
Human resources related	2	9	10	Retention
Librarians and related professionals	1	8	10	Retention
Library mail and related clerks	1	5	11	Retention
Library mail and related clerks	6	5	6	Grade progression
Library mail and related clerks	13	6	7	Grade progression
Library mail and related clerks	1	7	8	Grade progression
Library mail and related clerks	1	8	11	Retention
Logistical support personnel	1	7	8	Grade progression
Logistical support personnel	1	8	9	Retention
Material-recording and transport clerks	1	4	5	Retention
Material-recording and transport clerks	4	5	6	Grade progression
Material-recording and transport clerks	1	5	7	Grade progression
Material-recording and transport clerks	21	6	7	Grade progression
Material-recording and transport clerks	2	7	8	Grade progression
Mechanical engineering technicians	1	10	11	Grade progression OSD
Messengers, porters and deliverers	28	2	3	Grade progression
Messengers, porters and deliverers	1	5	7	Retention
Motor vehicle drivers	2	2	3	Grade progression
Motor vehicle drivers	4	3	4	Job evaluation/ transfer
Motor vehicle drivers	1	4	5	Grade progression
Motorised farm and forestry plant operators	3	3	4	Job evaluation/ transfer
Motorised farm and forestry plant operators	1	3	5	Grade progression
Motorised farm and forestry plant operators	3	4	5	Grade progression
Other administrative policy and related officers	2	7	8	Grade progression
Other administrative policy and related officers	1	7	11	Retention

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Other administrative policy and related officers	1	8	9	Retention
Other administrative policy and related officers	1	8	10	Retention
Other administrative and related clerks and organisers	16	5	6	Grade progression
Other administrative and related clerks and organisers	1	5	7	Grade progression
Other administrative and related clerks and organisers	1	5	8	Job evaluation/ transfer
Other administrative and related clerks and organisers	71	6	7	Grade progression
Other administrative and related clerks and organisers	7	7	8	Grade progression
Other information technology personnel	2	8	10	Grade progression
Other information technology personnel	1	11	12	Grade progression
Regulatory inspectors	1	7	8	Grade progression
Secretaries and other keyboard operating clerks	3	5	8	Retention
Secretaries and other keyboard operating clerks	4	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	2	3	4	Grade progression
Security officers	3	5	6	Grade progression
Security officers	9	6	7	Grade progression
Senior managers	6	13	14	Retention
Senior managers	1	14	15	Retention
Trade labourers	58	2	3	Grade progression
Trade labourers	1	3	4	Grade progression
Trade labourers	1	5	6	Grade progression
Veterinarians	4	11	12	Grade progression
Veterinarians	1	11	13	Retention
Water plant and related operators	1	2	3	Grade progression
Water plant and related operators	4	4	5	Grade progression
Total number of employees whose salaries exceeded the level determined by job evaluation				1 246
% of total employed				2%

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 2016 to 31 March 2017

Beneficiaries	African	Asian	Coloured	White	Total
Female	590	1	12	73	676
Male	496	1	23	37	557
Total	1 086	2	35	110	1 233
Employees with a disability	5	–	1	7	13

14.5 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 2016 to 31 March 2017.

Salary band	Number of employees at beginning of period April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	1 476	9	12	8
Skilled (levels 3–5)	1 264	7	185	4,6
Highly skilled production (levels 6–8)	1 642	6	68	1
Highly skilled supervision (levels 9–12)	1 097	0	46	2
Senior Management Service Band A	72		3	2
Senior Management Service Band B	20		4	0,0
Senior Management Service Band C	8		1	2,5
Senior Management Service Band D	–		–	
Total	*5 579	89	319	7

* Number of posts excludes the Minister and Deputy Minister

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Number of employees at beginning of period 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administrative related	135	10	8	5,9
Agricultural, animal, oceanography, forestry and other sciences	261	18	9	3,4
Agriculture related	353	8	15	4,2
Aircraft pilot and related associate professional	1	–	–	–
All artisans in building, metal, machinery, etc.	29	–	2	6,9
Appraisers, valuers and related professionals	25	–	1	4,0
Auxiliary and related workers	105	1	4	3,8

Critical occupation	Number of employees at beginning of period 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Biochemistry, pharmacology, zoology and life science technicians	34	1	–	–
Building and other property caretakers	54	3	5	9,3
Bus and heavy vehicle drivers	17	–	5	29,4
Chemists	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	91	3	3	3,3
Client information clerks	9	5	2	22,2
Communication and information related	10	-	-	-
Computer system designers and analysts	10	-	-	-
Computer system designers and analysts	10	–	–	–
Economists	67	7	2	3,0
Engineers and related professionals	3	–	–	–
Farmhands and labourers	212	3	9	4,2
Farming, forestry advisors and farm managers	89	3	2	2,4
Finance and economics related	24	–	1	4,2
Financial and related professionals	27	4	–	–
Financial clerks and credit controllers	128	5	6	4,7
Fishing mate/master	11	–	1	9,1
Food services aids and waiters	30	1	9	10,0
Forestry labourers	978	17	88	9,0
Geologists, geophysicists, hydrologists and related professionals	–	–	–	–
Head of Department/ Chief Executive Officer	–	1	–	–
Health sciences related	3	1	–	–

Critical occupation	Number of employees at beginning of period 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Horticulturists, foresters, agricultural and forestry technicians	382	19	12	3,1
Household and laundry workers	12	1	–	–
Human Resources and Organisational Development and related professionals	37	4	8	8,1
Human Resources clerks	86	9	5	5,8
Human Resources related	19	2	–	–
Information Technology related	1	–	–	–
Language practitioners, interpreters and other communicators	24	1	2	8,3
Legal related	4	–	1	25,0
Librarians and related professionals	3	–	1	33,3
Library, mail and related clerks	82	4	6	7,3
Natural sciences related	5	1	–	–
Nature conservation and oceanography related technicians	55	–	1	1,8
Other administrative and related clerks and organisers	424	14	18	4,2
Other administrative policy and related officers	120	2	7	5,8
Other information technology personnel	45	9	2	4,4
Photographic, lithographic and related workers	–	–	–	–
Printing and related machine operators	9	2	4	44,4
Printing planners and production controllers	1	–	–	–

Critical occupation	Number of employees at beginning of period 1 April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Regulatory inspectors	208	4	7	3,4
Risk Management and security services	5	2	–	–
Road trade workers	6	–	1	16,7
Safety health and quality inspectors	30		3	10,0
Secretaries and other keyboard operating clerks	122	1	2	1,6
Security officers	375	7	29	7,7
Senior managers	100	6	8	8,0
Ship's deck officers and pilots	26	–	1	3,8
Social sciences related	1	–	–	–
Statisticians and related professionals	19	–	1	5,3
Trade labourers	287	-	13	4,5
Veterinarians	30	2	4	13,3
Veterinary assistants	4	–	–	–
Water plant and related operators	7	–	–	–
Total	*5 581	189	319	5,7

* Number of posts includes 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 2016 to 31 March 2017

Termination type	Number	% of total resignations
Death	32	10,0
Resignation	77	24,1
Expiry of contract	–	–
Dismissal operational changes	–	–
Dismissal misconduct	6	1,9
Dismissal inefficiency	–	–
Discharged because of ill health	2	0,6
Retirement	167	52,4

Termination type	Number	% of total resignations
Transfer to other Public Service departments	35	11,0
Other	–	–
Total	319	100
Total number of employees who left as a % of total employment		5,9%

Table 3.5.4 Promotions by critical occupation for the period 1 April 2016 to 31 March 2017

Occupation	Employees 1 April 2016	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	135	11	8,1	107	79,3
Agricultural, animal, oceanography, forestry and other sciences	261	7	2,7	135	51,7
Agriculture related	353	8	2,3	293	83,0
Aircraft pilot and related associate professional	1	–	–	1	100,0
All artisans in building, metal, machinery, etc.	29	–	–	17	58,6
Appraisers, valuers and related professionals	25	–	–	13	52,0
Auxiliary and related workers	105	1	1,0	99	94,3
Biochemistry, pharmacology, zoology and life science technicians	34	–	–	21	61,8
Building and other property caretakers	54	1	1,9	50	92,6
Bus and heavy vehicle drivers	17	–	–	15	88,2
Chemists	2	–	–	1	50,0
Cleaners in offices, workshops, hospitals, etc.	91	–	–	83	91,2
Client information clerks (switchboard, reception and information clerks)	9	–	–	7	77,8
Communication and information related	10	–	–	8	80,0
Computer system designers and analysts	10	–	–	5	50,0
Economists	67	2	3,0	38	56,7
Engineers and related professionals	3	–	–	3	100,0
Farmhands and workers	212	–	–	124	58,5
Farming, forestry advisors and farm managers	83	5	6,0	41	49,4
Finance and economics related	24	2	8,3	19	79,2
Financial and related professionals	27	2	7,4	21	77,8

Occupation	Employees 1 April 2016	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
Financial clerks and credit controllers	128	1	0,8	119	93,0
Fishing mate/master	11	–	–	–	–
Food services aids and waiters	30	–	–	24	80,0
Forestry workers	978	1	0,1	930	95,1
Head of Department/chief Executive Officer	–	–	–	–	–
Health sciences related	3	–	–	2	66,7
Horticulturists, foresters, agricultural and forestry technicians	382	5	1,3	277	72,5
Household and laundry workers	12	–	–	12	100,0
Human Resources, Organisation Development and related professionals	37	1	2,7	25	67,6
Human Resources clerks	86	1	1,2	71	82,6
Human Resources related	19	–	–	12	63,2
Information Technology related	1	–	–	–	–
Language practitioners, interpreters and other communicators	24	–	–	16	66,7
Legal related	4	–	–	2	50,0
Librarians and related professionals	3	–	–	2	66,7
Library, mail and related clerks	82	3	3,7	58	70,7
Light vehicle drivers	10	–	–	6	60,0
Logistical support personnel	33	–	–	29	87,9
Material-recording and transport clerks	110	1	1,0	82	74,5
Mechanical engineers	2	–	–	1	50,0
Messengers, porters and deliverers	75	–	–	58	77,3
Meteorologist	1	–	–	1	100,0
Motor vehicle drivers	42	–	–	31	73,8
Motorised farm and forestry plant operators	72	–	–	46	63,9
Natural sciences related	5	5	100,0	3	60,0
Nature conservation and oceanography related technicians	55	–	–	49	8,1

Occupation	Employees 1 April 2016	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
Other administrative and related clerks and organisers	424	10	2,4	337	79,5
Other administrative policy and related officers	120	10	8,3	90	75,0
Other information technology personnel	45	2	4,4	24	53,3
Photographic, lithographic and related workers	–	–	–	–	–
Printing and related machine operators	9	–	–	6	66,7
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	208	5	2,4	163	78,4
Risk Management and security services	5	–	–	5	100,0
Road trade workers	6	–	–	–	–
Safety, health and quality inspectors	30	–	–	18	60,0
Secretaries and other keyboard operating clerks	122	2	1,6	103	84,4
Security officers	375	2	0,5	337	89,9
Senior managers	100	9	9,0	–	–
Ship's deck officers and pilots	26	–	–	–	–
Social sciences related	1	–	–	–	–
Statisticians and related professionals	19	2	10,5	17	89,5

Occupation	Employees 1 April 2016	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Trade workers	287	–	–	165	57,5
Veterinarians	30	–	–	22	73,3
Veterinary assistants	4	–	–	4	100,0
Water plant and related operators	7	–	–	2	28,6
Total	*5 581	99	1,8	4 252	76,2

* Number of posts includes the Minister and Deputy Minister

Table 3.5.5: Promotions by salary band for the period 1 April 2016 to 31 March 2017

Occupation	Employees 1 April 2016	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
Lower skilled (levels 1–2)	1 476	–	–	1 173	79,5
Skilled (levels 3–5)	1 264	10	0,8	1 012	80,1
Highly skilled production (levels 6–8)	1 642	42	2,6	1 307	79,6
Highly skilled supervision (levels 9–12)	1 097	38	3,5	760	69,3
Senior Management (levels 13–16)	100	9	9,0	–	–
Total	*5 579	99	1,8	4 252	76,2

3.6 Employment equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	46	7	–	3	38	5	2	6	107
Professionals	400	25	10	96	331	23	11	72	968
Technicians and associate professionals	485	119	7	84	457	48	10	52	1 262
Clerks	242	32	2	12	462	60	7	114	931
Service and sales workers	252	6	1	13	82	2	–	1	357

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Craft and related trade workers	19	5	–	8	–	–	–	–	32
Plant, machine operators and assemblers	129	14	–	2	8	–	–	–	153
Elementary occupations	844	56	–	4	697	28	–	1	1 630
Total	2 417	264	20	222	2 075	166	30	246	*5 440

* Number of employees excludes 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 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management (levels 15–16)	6	–	–	–	2	–	–	1	9
Senior management (level 13–14)	39	6	–	4	33	4	3	8	97
Professionally qualified and experienced specialists and mid-management (levels 9–12)	456	32	12	112	370	46	12	81	1 111
Skilled technical and academically qualified workers, junior management, supervisors, foremen (levels 6–8)	540	127	8	93	659	59	12	139	1 637
Semi-skilled and discretionary decision making (levels 3–5)	697	71	–	13	353	46	3	16	1 199
Unskilled and defined decision making (levels 1–2)	679	28	–	–	658	21	–	1	1 387
Total	2 417	264	20	222	2 075	166	30	246	*5 440

* Number of employees excludes the Minister and Deputy Minister

Table 3.6.3 Recruitment for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	3	–	–	–	2	–	1	–	6
Professionally qualified and experienced specialists and mid-management	16	–	1	3	18	–	1	1	40
Skilled technical and academically qualified workers, junior management, supervisors, foremen	38	–	–	–	28	–	–	–	66
Semi-skilled and discretionary decision making	15	3	–	–	27	2	–	–	47
Unskilled and defined decision making	13	2	–	–	14	–	–	–	29
Total	86	5	1	3	89	2	2	1	189
Employees with disabilities	–	–	–	–	–	–	–	–	–

Table 3.6.4 Promotions for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	–	–	–	–	–	–
Senior management	1	–	–	–	6	1	–	–	8
Professionally qualified and experienced specialists and mid-management	19	–	1	–	14	3	–	1	38
Skilled technical and academically qualified workers, junior management, supervisors, foremen	20	–	1	–	18	1	–	2	42
Semi-skilled and discretionary decision making	4	2	–	–	4	2	–	–	10
Unskilled and defined decision making	–	–	–	–	–	–	–	–	–
Total	44	2	2	–	42	5	–	3	98
Employees with disabilities	–	–	–	–	–	–	–	–	–

Table 3.6.5 Terminations for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	4	–	–	2	1	–	–	–	7
Professionally qualified and experienced specialists and mid-management	17	–	1	7	14	1	–	6	46
Skilled technical and academically qualified workers, junior management, supervisors, foremen	17	4	1	2	33	2	–	8	67
Semi-skilled and discretionary decision making	102	9	–	–	70	2	–	1	184
Unskilled and defined decision making	7	1	–	–	4	–	–	–	12
Total	148	14	2	11	122	5	–	15	317
Employees with disabilities	1	1	–	–	–	–	–	–	2

Table 3.6.6 Disciplinary action for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	24	–	2	–	6	1	–	–	33

Table 3.6.7 Skills development for the period 1 April 2016 to 31 March 2017

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	11	1	–	2	9	5	4	6	38
Professionals	193	42	3	25	225	25	5	28	546
Technicians and associate professionals	269	45	1	14	217	17	–	20	583
Clerks	116	53	2	15	301	15	2	25	529
Service and sales workers	19	5	–	2	16	2	–	3	47
Craft and related trade workers	8	4	–	5	14	3	4	5	43
Plant, machine operators and assemblers	20	11	–	8	13	10	3	19	84
Elementary occupations	606	42	–	–	468	12	–	–	1 128
Total	1 242	203	6	71	1 263	89	–	103	2 998
Employees with disabilities	3	–	–	–	3	–	–	–	6

14.7 Signing of performance agreements by SMS members

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

Table 3.7.1: Signing of performance agreements by SMS members as 31 May 2016

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	0	0	0
Salary level 15	8	8	7	88
Salary level 14	29	23	22	96
Salary level 13	84	68	65	96
Total	114	99	94	95

Table 3.7.2 Reasons for not having concluded performance agreements for all SMS members as on 31 March 2017

Newly appointed SMS members have three months from the day of appointment to sign and submit the performance agreements.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 March 2017

Audi alteram partem letters were issued to the SMS members and their supervisors who did not finalise and submit the performance agreements by 31 May 2016.

14.8 Performance rewards

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

Table 3.8.1 Performance rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race, gender and disability	Beneficiary profile		Cost		
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	533	2 417	22.1	8 725	R 16 278
Female	534	2 075	25.9	8 852	R 16 484
Asian					
Male	7	20	35.0	177	R 25 286
Female	9	30	30.0	191	R 21 222
Coloured					
Male	58	264	22.0	810	R 13 966
Female	43	166	26.0	754	R 17 535
White					
Male	85	222	38.3	2 682	R 31 553
Female	127	246	51.6	3 021	R 23 602
Employees with disabilities	15	55	27.3	355	R 23 667
Total	1 410	*5 495	26.1	25 567	R 18 005

* Number of employees excludes the Minister and Deputy Minister

Table 3.8.2: Performance rewards by salary band for personnel below Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary profile		Cost			
	Number of beneficiaries	Number of employees	% of total with-in salary bands	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1–2)	124	1 387	8,9	777	R6 266	0,9
Skilled (levels 3–5)	335	1 199	27,9	2 864	R8 549	0,7
Highly skilled production (levels 6–8)	554	1 637	33,8	9 500	R17 148	1,5
Highly skilled supervision (levels 9–12)	392	1 111	35,3	12 186	R31 087	1,9
Total	1 405	5 334	26,3	25 327	R18 026	1,2

Table 3.8.3: Performance rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary profile		Cost		
	Number of beneficiaries	Number of employees	% of total with-in occupation	Total cost (R'000)	Average cost per employee
Administrative related	96	138	69,6	2 789	R28 459
Agricultural animal, oceanography, forestry and other sciences	78	273	28,6	2 563	R32 115
Agriculture related	64	347	18,4	1 849	R28 890
Aircraft pilot and related associate professionals	–	1	–	–	–
All artisans in building, metal, machinery, etc.	8	27	29,6	141	R17 625
Appraisers, valuers and related professionals	9	23	39,1	232	R25 777
Auxiliary and related workers	38	102	37,3	545	R14 342
Biochemistry, pharmacology, zoology and life science technicians	9	34	26,5	171	R19 000
Building and other property caretakers	11	54	20,4	77	R7 100
Bus and heavy vehicle drivers	1	13	7,7	8	R8 000
Chemists	1	2	50,0	29	R29 000
Cleaners in offices, workshops, hospitals, etc.	43	90	47,8	288	R6 697
Client information clerks (switchboard, reception and information clerks)	5	12	41,7	63	R12 600
Communication and information related	8	10	80,0	287	R30 500
Computer system designers and analysts	8	10	80,0	262	R32 750
Economists	24	72	33,3	714	R29 750
Engineers and related professional	2	3	66,7	73	R36 500
Farmhands and workers	33	196	16,8	226	R6 666
Farming, forestry advisors and farm managers	17	85	20,0	336	R19 764
Finance and economics related	14	24	58,3	456	R26 823

Critical occupation	Beneficiary profile		Cost		
	Number of beneficiaries	Number of employees	% of total with-in occupation	Total cost (R'000)	Average cost per employee
Financial and related professionals	15	30	50,0	271	R18 066
Financial clerks and credit controllers	32	124	25,8	450	R14 062
Fishing mate /masters	–	10	–	–	–
Food services aids and waiters	12	27	44,4	96	R8 000
Forestry workers	97	910	10,7	667	R6 895
Head of Department/Chief Executive Officer	–	1	–	–	–
Health sciences related	2	4	50,0	98	R24 500
Horticulturists, foresters, agricultural and forestry technicians	28	385	7,3	663	R23 678
Household and laundry workers	1	13	7,7	8	R8 000
Human Resources and Organisational Development and related professionals	25	40	62,5	704	R28 160
Human Resources clerks	35	88	39,8	557	R15 914
Human Resources related	13	20	65,0	481	R37 000
Information Technology related	–	1	–	–	–
Language practitioners, interpreters and other communicators	17	23	73,9	373	R20 722
Legal related	1	3	33,3	33	R33 000
Librarians and related professionals	2	3	66,7	56	R28 000
Library, mail and related clerks	15	78	19,2	235	R15 666
Light vehicle drivers	3	9	33,3	23	R7 666
Logistical support personnel	17	34	50,0	352	R20 705
Material-recording and transport clerks	20	104	19,2	233	R11 650
Mechanical engineering technicians	–	2	–	–	–
Messengers, porters and deliverers	41	72	56,9	398	R9 255
Meteorologist	–	1	–	–	–
Motor vehicle drivers	10	38	26,3	82	R8 200
Motorised farm and forestry plant operators	11	66	16,7	93	R8 454
Natural science related	2	11	18,2	27	R13 500
Nature conservation and oceanography related technicians	8	52	15,4	198	R24 750
Other administrative and related clerks and organisers	135	419	32,2	1 707	R12 459
Other administrative policy and related officers	72	122	59,0	1 352	R18 901
Other information technology personnel	23	51	45,1	590	R23 600
Photographic, lithographic and related	–	–	–	–	–
Printing and related machine operators	4	7	57,1	29	R7 250
Printing planners and production controllers	–	1	–	–	–
Quantity surveyors and related professionals	–	3	–	–	–

Critical occupation	Beneficiary profile		Cost		
	Number of beneficiaries	Number of employees	% of total with-in occupation	Total cost (R'000)	Average cost per employee
Regulatory inspectors	55	204	27,0	943	R16 839
Risk Management and security services	4	7	57,1	102	R25 500
Road trade workers	2	5	40,0	15	R7 500
Safety health and quality inspectors	4	28	14,3	85	R21 250
Secretaries and other keyboard operating clerks	85	118	72,0	1 619	R18 835
Security officers	42	352	11,9	393	R9 139
Senior managers	3	105	2,9	124	R41 333
Ship's deck officers and pilots	1	25	4,0	10	R10 000
Social sciences related	1	1	100,0	23	R23 000
Statisticians and related professionals	14	18	77,8	461	R32 928
Trade workers	77	270	28,5	533	R6 922
Veterinarians	11	28	39,3	368	R33 454
Veterinary assistants	0	4	0,0	–	–
Water plant and related operators	1	7	14,3	8	R8 000
Total	1 410	*5 440	26,1	25 567	R13 434

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

Table 3.8.4 Performance related rewards (cash bonus) by salary band for Senior Management Services for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total with-in salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	5	76	6,6	240	48 000	0,1
Band B	–	21	–	–	–	–
Band C	–	8	–	–	–	–
Band D	–	1	–	–	–	–
Total	5	106	4,7	240	48 000	0,1

14.9 Foreign workers

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

Table 3.9.1 Foreign workers by salary band for the period 1 April 2016 and 31 March 2017

Salary band	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	–	–	–	–	–	–
Skilled (level 3–5)	1	11,1	1	9,1	–	–
Highly skilled production (level 6-8)	–	–	–	–	–	–
Highly skilled supervision (level 9-12)	7	77,8	9	81,8	2	100,0
Senior management (levels 13-16)	1	11,1	1	9,1	–	–
Total	9	100,0	11	100,0	2	100,0

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2016 and 31 March 2017

Major occupation	1 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% change
Administrative related	1	11,1	1	9,1	–	–
Agricultural animal, oceanography, forestry and other sciences	4	44,5	5	45,4	1	50,0
Other administrative and related clerks and organisers	1	11,1	1	9,1	–	–
Veterinarians	2	22,2	3	27,3	1	50,0
Senior Managers	1	11,1	1	9,1	–	–
Total	9	100,0	11	100,0	2	100,0

14.10 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 2016 to 31 December 2016

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)	3 827	85,8	523	11,8	7	1 789
Skilled (levels 3–5)	13 261	89,7	1 408	31,7	9	8 427
Highly skilled production (levels 6–8)	12 848	79,4	1 489	33,6	9	15 576
Highly skilled supervision (levels 9–12)	6 716	78,4	925	20,8	7	14 425
Senior management (levels 13–16)	640	82,8	91	2,1	7	2 597
Total	37 292	83,3	4 436	100,0	8	42 814

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2016 to 31 December 2016

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)	7	100,0	1	3,4	7	3
Skilled (levels 3–5)	536	100,0	9	31,0	60	336
Highly skilled production (levels 6–8)	838	100,0	14	48,3	60	965
Highly skilled supervision (levels 9–12)	440	100,0	5	17,3	88	859
Senior management (levels 13–16)	–	–	–	–	–	–
Total	1 821	100,0	29	100,0	63	2 163

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

Table 3.10.3 Annual leave for the period 1 January 2016 to 31 December 2016

Salary band	Total days taken	Number of employees using annual leave	Average per employee
Lower skilled (levels 1–2)	13 835	960	14
Skilled (levels 3–5)	49 176	2 225	22
Highly skilled production (levels 6–8)	39 689	1 885	21
Highly skilled supervision (levels 9–12)	28 150	1 324	21
Senior management (levels 13–16)	2 838	140	20
Total	133 688	6 534	21

Table 3.10.4 Capped leave for the period 1 January 2016 to 31 December 2016

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)	38,3	6	6,4	26,0
Skilled (levels 3–5)	540,3	101	5,4	87,5
Highly skilled production (levels 6–8)	174,3	30	5,8	66,8
Highly skilled supervision (levels 9–12)	229	38	6,0	58,2
Senior management (levels 13–16)	7	4	1,8	36,5
Total	988,9	179	5,5	76,4

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

Table 3.10.5 Leave payouts for the period 1 April 2016 to 31 March 2017

Reason	Total amount (R'000)	Number of employees	Average per employee (R)
Leave payout for 2016/17 owing to non-utilisation of leave for the previous cycle	324	7	46 286
Capped leave payouts on termination of service for 2016/17	16 246	440	36 922
Current leave payout on termination of service for 2016/17	776	118	6 574
Total	17 346	565	30 701

14.11 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)	<ul style="list-style-type: none"> Preventative strategies through awareness campaigns, health related education
Migrant workers (Border posts and fence, quarantine stations and camps) projects (Infrastructure Support, WUID)	<ul style="list-style-type: none"> HIV counselling and testing, general screening tests
Shift workers	<ul style="list-style-type: none"> Provision of protective clothing and equipment
General workers (when coming into contact with body fluids)	<ul style="list-style-type: none"> Treatment through referrals
First aiders	<ul style="list-style-type: none"> Care and support through home visits, Employee Assistance Programme
	<ul style="list-style-type: none"> Risk assessments

Table 3.11.2 Details of health promotion and HIV/Aids programmes

Questions	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position	√		Ms Lexcy Manamela, Director: Employee Development and Performance Management
2. Does the department have a designated unit or have you designated specific staff members to promote the health and 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	√		2 to 3 employees are designated per event Total budget: R19 800

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 Nutrition and lifestyle disease management HIV and AIDS management Physical fitness Vaccination HIV counselling and testing Screening tests Condom accessibility Facilitation of ARV treatment through a local clinic Intranet messages 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	√		Chairperson : Ms Sarah Melane Committee 1: Technical—Tau Nyaku Committee 2: Administration—Lexcy Manamela Committee 3: Stellenbosch—Ms Deveroux Martin Committee 4: GADI—Mr Tino Hersemen Committee 5: Forestry Management (KZN)—Mr Kim Weir Committee 6: Forestry Management (EC)—Ms Gwendoline Sgwabe Committee 7: Forestry Management (Mpu/Limp)—Mr Andrew Tshivhase Committee 8: Forestry Management (Other Regions) Committee 9: Inspection Services—Ernest Phoku Committee 10: Infrastructure Support— Mr J. du Plessis Committee 11: Animal Health—Mr Mpho Maja Committee 12: Fisheries West Coast Region—Mr S. Pheela
5. Has the department reviewed its employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		HIV and AIDS and TB Policy, Occupational Health and Safety Policy, Employee Assistance Programme
6. Has the department introduced measures to protect HIV positive employees or those perceived to be HIV positive from discrimination? If so, list the key elements of these measures.	√		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

Questions	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		<ul style="list-style-type: none"> Increased uptake of HCT 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 through a evaluation questionnaire

14.12 Labour relations

Table 3.12.1 Collective agreements for the period 1 April 2016 to 31 March 2017

Subject matter	Date
Resettlement Policy	15 August 2016

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

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 to 31 March 2017

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	3	18,8
Verbal warning	–	–
Written warning	–	–
Final written warning	5	31,3
Suspended without pay	2	12,5
Fine	–	–
Demotion	1	6,2
Dismissal	–	–
Not guilty	1	6,2
Resignation owing to misconduct	–	–
Case withdrawn	4	25,0
Total	16	100,0

Table 3.12.3 Types of misconduct addressed and disciplinary hearings for the period 1 April 2016 to 31 March 2017

Type of misconduct	Number	% of total
Misuse of government vehicle	2	6,1
Abscondment	1	3,0
Theft/fraud	3	9,1
Absent without authorisation	13	39,4
Alcohol abuse	4	12,2
Assault/threats to assault	3	9,0
Prejudicing the administration of the department	3	9,0

Type of misconduct	Number	% of total
Insubordination	2	6,1
Performing remunerative employment without prior permission	2	6,1
Total	33	100,0
Case withdrawn	4	25,0
Total	16	100,0

Grievances	Number	% of total
Number of grievances resolved	46	59,0
*Number of grievances not resolved	32	41,0
Total number of grievances lodged	78	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 2016 to 31 March 2017

Disputes	Number	% of total
Number of disputes upheld	–	–
Number of disputes dismissed	6	31,6
Still pending	13	68,4
Total number of disputes lodged	19	100,0

Table 3.12.6 Strike action for the period 1 April 2016 to 31 March 2017

Strike actions
None.

14.13 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 2016 to 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period				Total
			Learnerships	Skills programmes and other short courses	Other forms of training ABET	Internal bursaries	
Legislators, senior officials and managers	Female	41	–	24	–	–	24
	Male	56	–	12	–	2	14
Professionals	Female	438	–	272	–	11	283
	Male	511	–	243	–	20	263
Technicians and associate professionals	Female	557	–	249	–	5	254
	Male	693	–	321	–	8	329
Clerks	Female	654	–	326	–	17	343
	Male	294	–	172	–	14	186
Service and sales workers	Female	91	–	40	6	1	47
	Male	289	–	26	–	–	26

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period				
			Learnerships	Skills programmes and other short courses	Other forms of training ABET	Internal bursaries	Total
Craft and related trade workers	Female	–	–	–	–	–	–
	Male	36	–	14	2	1	17
Plant and machine operators and assemblers	Female	7	–	45	–	–	45
	Male	163	–	39	–	–	39
Elementary occupations	Female	778	–	478	–	2	480
	Male	969	–	535	110	3	648
Gender subtotals	Female	2 568	–	1 434	6	36	1 476
	Male	3 011	–	1 362	112	48	1 522
Total		5 579	–	2 796	118	84	2 998

* Number of employees excludes the Minister and Deputy Minister

Table 3.13.2 Training provided for the period 1 April 2016 to 31 March 2017

Occupational category	Gender	Number of employees as at 1 April 2016	Training needs identified at start of the reporting period				
			Learnerships	Skills Programmes and other short courses	Other forms of training		Total
					Bursaries	ABET	
Legislators, senior officials and managers	Female	41	–	20	–	–	20
	Male	56	–	32	1	–	33
Professionals	Female	438	–	237	9	–	246
	Male	511	–	238	3	–	241
Technicians and associate professionals	Female	557	–	138	9	–	147
	Male	693	–	163	2	–	165
Clerks	Female	654	–	252	8	–	260
	Male	294	–	163	8	–	171
Service and sales workers	Female	91	–	71	1	–	72
	Male	289	–	63	1	–	64
Craft and related trades workers	Female	–	–	–	–	–	–
	Male	36	–	62	–	–	62
Plant and machine operators and assemblers	Female	7	–	3	–	–	3
	Male	163	–	12	–	–	12
Elementary occupations	Female	778	4	105	–	–	109
	Male	969	8	123	2	–	133
Gender subtotals	Female	2 568	4	826	27	–	857
	Male	3 011	8	856	17	–	881
Total		5 579	12	1 682	44	–	1 738

* Number of employees excludes the Minister and Deputy Minister

14.14 Injury on duty

The following tables provide basic information on injuries on duty.

Table 3.14.1 Injury on duty for the period 1 April 2016 to 31 March 2017

Nature of injury on duty	Number	% of total
Required basic medical attention only	25	100,0
Temporary total disablement	–	–
Permanent disablement	–	–
Fatal	–	–
Total	25	100,0

14.15 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
1. Quantec Research (International Trade Database)—D: Marketing	1	365	R 55 974,0
2. Freshmark System (Dissemination of data)—D: Marketing	1	365	R 142 832,88
3. Flash Media group (Dissemination of data) —D: Marketing	1	365	R 168 000,00
4. PPECB (SA GAP Certification programme) —D: Marketing	1	365	R 500 000,00
5. Freshmark System (Data)—D: SEA	1	365	R 51 840,00
6. HIS Markit (Data)—D: SEA	1	365	R 51 279,48
7. Configuration of 2016/17 knowledge bank—D: OP	1	15	R 162 792,00
8. Review of Commodity Clearance applications—D: GR	36	22	R 180 972,00
9. Review of Trial release applications—D: GR	24	11	R 90 930,00
10. Review of Contained use applications—D: GR	8	3	R 22 090,00
11. Review of Facility Registration applications—D: GR	2	1	R 18 880,00
12. Legal service provider to assist DAFF during consultation workshops (Preservation and Development of Agricultural Land Framework)—D: LUSM	3	61	R 384 000,00
13. Audit Committee—Branch: Fisheries	5	4	R 379 020,74
14. Big Business Innovation (Pty) Ltd—Branch: Fisheries	4	210	R 1 601 083,26

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
14	89	2 307	R 3 809 694,36

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

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
1. Quantec Research (International Trade Database)—D: Marketing	–	–	–
2. Fresh Mark System (Dissemination of data)—D: Marketing	–	–	–
3. Flash Media Group (Dissemination of data)—D: Marketing	–	–	–
4. PPECB (SA GAP Certification programme)—D: Marketing	–	–	–
5. Fresh Mark System (Data)—D: SEA	–	–	–
6. HIS Markit (Data)—D: SEA	–	–	–
7. Configuration of 2016/17 Knowledge Bank—D: OP	–	–	–
8. Review of Commodity Clearance applications—D: GR	–	–	–
9. Review of Trial release applications—D: GR	–	–	–
10. Review of Contained use applications—D: GR	–	–	–
11. Review of Facility Registration applications—D: GR	–	–	–
12. Legal service provider to assist DAFF during consultation workshops (Preservation and Development of Agricultural Land Framework)—D: LUSM	100	100	3
13. Audit committee—Branch: Fisheries	60%	60%	3
14. Big Business Innovation (Pty) Ltd—Branch: Fisheries	-	-	-

Table 3.15.3 Report on consultant appointments using donor funds

No consultants were appointed using donor funds.

14.16 Severance packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2016 to 31 March 2017

No employees were granted severance packages for the period 1 April 2016 to 31 March 2017.

PART E

FINANCIAL STATEMENTS



Department of Agriculture, Forestry and Fisheries

Annual Financial Statements for the year ended 31 March 2017

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Report of the Auditor-General to Parliament on vote no. 24: 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 165 to 270, which comprise the appropriation statement, the statement of financial position as at 31 March 2017, and 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 2017, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA).

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's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the Independent Regulatory Board for Auditors' *Code of professional conduct for registered auditors* (IRBA code) and other independence requirements applicable to performing my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board for Accountants' Code (IESBA code).
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 37 to the financial statements, the corresponding figures for 31 March 2016 have been restated as a result of an error in the financial statements of the Department at, and for the year ended, 31 March 2017.

Accruals and payables not recognised

8. As disclosed in note 27 to the financial statements, payables, which exceed the payment term of 30 days as required in Treasury Regulation 8.2.3 amount to R165 million. This amount, in turn, exceeds the voted funds to be surrendered of R24 million as per the statement of financial performance by R141 million. The amount of R141 million would therefore have constituted unauthorised expenditure had the amounts due been paid in a timely manner.

Responsibilities of accounting officer for the financial statements

9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA and the DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

- In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless there is an intention either to liquidate the department or to cease operations, or there is no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

- 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

Report on the audit of the annual performance report

Introduction and scope

- 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.
- 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 and included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information relating to future periods that may be included as part of the reported performance information. Accordingly my findings do not extend to these matters.
- 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 2017:

Programmes	Pages in the annual performance report
Programme 2: Agricultural production, health and food safety	45–52
Programme 3: Food security and agrarian reform	52–58
Programme 4: Trade Promotion and Market Access	58–69
Programme 5: Forestry and Natural Resources Management	69–74

- 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.

17. The material findings in respect of the usefulness of the selected programme are as follows:

Programme 4: Trade promotion and market access

Various indicators

18. The targets for these indicators 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.

Indicators	Planned target
AgriBEE Enforcement Regulation developed and implemented	AgriBEE Enforcement Regulation developed
Agriculture Forestry and Fisheries Trade Competitiveness Development Plan Implemented	Market opportunity profile report
	Implement trade agreements and participate in trade negotiations
	Implement capacity building programme on market research
	Provide market intelligence

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

- Programme 2: Agricultural production, health and food
- Programme 3: Food security and agrarian reform
- Programme 5: Forestry and Natural Resources Management:

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 28 to 80; for information on the achievement of planned targets for the year and explanations provided for the /under overachievement of a number of targets.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information of programme 3: Food Security, Agrarian Reform and Programme 4: Trade Promotion and Market Access. As management subsequently corrected only some of the misstatements, I raise material findings on the usefulness of the reported performance information of Programme 4: Trade Promotion and Market Access.

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 in respect of the compliance criteria for the applicable subject matters 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 commitments, accruals and payables identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Transfer of funds

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

Other information

27. The department's accounting officer is responsible for the other information. The other information comprises the information included in the annual report which includes the executive authority report, accounting officer report and the audit committee report. The other information does not include the financial statements, the auditor's report thereon and those selected programmes presented in the annual performance report that have been specifically reported on in the auditor's report.
28. 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.
29. 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. If, based on the work I have performed, on the other information obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

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

Leadership

31. Management did not adequately oversee performance planning and compliance with the FMPPI to ensure that performance targets were specific in clearly identifying the nature and required level of performance.
32. The department's monitoring controls were not always effective to ensure the complete recording of commitments and accruals, which resulted in the financial statements being subjected to material corrections.
33. Action plans for the implementation of audit recommendations was not adequately monitored, resulting in a recurrence of material audit findings.

Financial and performance management

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

Other reports

35. I draw attention to the following matter commissioned by the executive authority that have or could potentially have an impact on the matters reported on the department's financial, performance and compliance related matters. The matter does not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Precautionary suspension

36. Subsequent to year end, the department's accounting officer was placed under precautionary suspension following allegations of maladministration within the department. At the date of this report the investigation process was still on-going.

Auditor-General

Pretoria
31 July 2017



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR’S RESPONSIBILITY FOR THE AUDIT

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

In addition to my responsibility for the audit of the financial statements as described in the 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 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 the auditor’s report. However, future events or conditions may cause a department to cease to continue 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.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

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.

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 2017

Appropriation per programme	2016/17							2015/16	
	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	781 358	–	62 213	843 571	828 485	15 086	98,2	788 853	785 802
2. Agricultural Production, Health and Food Safety	1 944 610	–	(17 344)	1 927 266	1 927 031	235	100,0	2 143 284	2 143 017
3. Food Security and Agrarian Reform	1 888 697	–	(7 499)	1 881 198	1 879 016	2 182	99,9	1 910 535	1 906 795
4. Trade Promotion and Market Access	303 996	–	6 704	310 700	310 464	236	99,9	237 327	236 758
5. Forestry and Natural Resources Management	1 137 706	–	(53 584)	1 084 122	1 077 741	6 381	99,4	862 844	862 280
6. Fisheries	458 598	–	9 510	468 108	468 090	18	100,0	465 907	465 890
Total	6 514 965	–	–	6 514 965	6 490 827	24 138	99,6	6 408 750	6 400 542
Reconciliation with statement of financial performance									
Add:									
Departmental receipts				202 706				212 414	
Aid assistance				5 108				764	
Actual amounts per statement of financial performance (total revenue)				6 722 779				6 621 928	
Add:									
Aid assistance					5 190				430
Actual amounts per statement of financial performance (total expenditure)					6 496 017				6 400 972

Appropriation per economic classification	2016/17							2015/16	
	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	2 837 633	(20 207)	(1 511)	2 815 915	2 817 435	(1 520)	100,1	2 478 416	2 475 871
Compensation of employees	1 992 599	(8 267)	–	1 984 332	1 938 317	46 015	97,7	1 745 188	1 761 116
Salaries and wages	1 704 428	4 232	21 243	1 729 903	1 684 023	45 880	97,3	1 506 884	1 522 939
Social contributions	288 171	(12 499)	(21 243)	254 429	254 294	135	99,9	238 304	238 177
Goods and services	843 966	(11 218)	(1 483)	831 265	878 803	(47 538)	105,7	733 228	714 755
Administrative fees	7 153	3 804	(1 316)	9 641	9 576	65	99,3	10 677	10 647
Advertising	9 807	(2 583)	299	7 523	7 514	9	99,9	8 108	8 104
Minor assets	9 552	(4 644)	(1 130)	3 778	3 697	81	97,9	7 586	7 178
Audit costs: External	12 044	1 012	(2 910)	10 146	10 146	–	100,0	10 816	10 816
Bursaries: Employees	4 884	(1 806)	(401)	2 677	2 671	6	99,8	2 424	2 417
Catering: Departmental activities	942	107	(212)	837	837	–	100,0	740	740
Communication	23 531	74	6 264	29 869	29 846	23	99,9	29 141	29 115
Computer services	22 099	679	1 730	24 508	28 869	(4 361)	117,8	11 536	11 530
Consultants: Business and advisory services	12 547	2 033	381	14 961	22 974	(8 013)	153,6	23 048	22 985
Infrastructure and planning services	11 455	(8 335)	(1 051)	2 069	2 069	–	100,0	3 709	3 708
Laboratory services	2 756	(2 519)	(30)	207	206	1	99,5	219	219
Legal services	3 770	1 022	586	5 378	6 139	(761)	114,2	5 336	5 334
Contractors	27 415	(5 192)	(8 486)	13 737	15 459	(1 722)	112,5	9 623	9 505
Agency and support/outsourced services	32 193	(899)	(8 293)	23 001	22 995	6	100,0	24 639	24 636
Entertainment	370	(52)	(26)	292	287	5	98,3	310	306
Fleet services	15 931	2 771	(1 230)	17 472	17 575	(103)	100,6	21 952	21 936
Inventory: Clothing material and supplies	891	2 992	(785)	3 098	3 095	3	99,9	824	823
Inventory: Farming supplies	231 046	(2 536)	(3 069)	225 441	219 753	5 688	97,5	17 963	17 959
Inventory: Food and food supplies	1 530	65	(155)	1 440	1 437	3	99,8	1 133	1 132
Inventory: Fuel, oil and gas	826	120	267	1 213	1 211	2	99,8	953	952
Inventory: Materials and supplies	254	27	(70)	211	210	1	99,5	923	922

Appropriation per economic classification	2016/17							2015/16	
	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: Medical supplies	1 352	(1 003)	(260)	89	89	–	100,0	31	31
Inventory: Medicine	2 053	(610)	(136)	1 307	1 307	–	100,0	50	49
Inventory: Other supplies	612	456	(349)	719	719	–	100,0	1 125	1 123
Consumable supplies	25 022	(12 045)	(4 964)	8 013	7 989	24	99,7	20 863	20 814
Consumable: Stationery, printing and office supplies	16 779	(5 501)	(2 356)	8 922	8 901	21	99,8	8 857	8 826
Operating leases	51 038	(2 217)	43 197	92 018	108 384	(16 366)	117,8	90 476	90 460
Property payments	145 766	6 118	(9 449)	142 435	145 341	(2 906)	102,0	156 960	155 660
Transport provided: Departmental activity	8	(8)	–	–	–	–	–	–	–
Travel and subsistence	113 078	17 782	(14 691)	116 169	120 095	(3 926)	103,4	148 225	131 940
Training and development	25 994	(4 096)	7 160	29 058	29 048	10	100,0	27 079	27 065
Operating payments	19 924	(528)	(1 846)	17 550	17 475	75	99,6	18 494	18 420
Venues and facilities	10 458	4 418	2 610	17 486	32 889	(15 403)	188,1	69 398	69 393
Rental and hiring	886	(124)	(762)	–	–	–	–	10	10
Interest and rent on land	1 068	(722)	(28)	318	315	3	99,1	–	–
Interest	56	(8)	(28)	20	17	3	85,0	–	–
Rent on land	1 012	(714)	–	298	298	–	100,0	–	–
Transfers and subsidies	3 510 179	8 343	571	3 519 093	3 518 631	462	100,0	3 705 768	3 704 829
Provinces and municipalities	2 203 685	76	89	2 203 850	2 203 728	122	100,0	2 172 845	2 172 723
Provinces	2 202 452	–	–	2 202 452	2 202 452	–	100,0	2 171 450	2 171 450
Provincial Revenue Funds	2 202 452	–	–	2 202 452	2 202 452	–	100,0	2 171 450	2 171 450
Municipalities	1 233	76	89	1 398	1 276	122	91,3	1 395	1 273
Municipal bank accounts	1 233	76	89	1 398	1 276	122	91,3	1 395	1 273
Departmental agencies and accounts	1 129 082	–	–	1 129 082	1 129 077	5	100,0	1 139 916	1 139 915
Departmental agencies and accounts	1 129 082	–	–	1 129 082	1 129 077	5	100,0	1 139 916	1 139 915
Higher education institutions	8 529	–	–	8 529	8 529	–	100,0	3 312	3 307

Appropriation per economic classification	2016/17							2015/16	
	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	42 445	–	–	42 445	42 306	139	99,7	32 379	31 911
Public corporations and private enterprises	98 334	–	180	98 514	98 506	8	100,0	314 808	314 800
Public corporations	98 333	–	–	98 333	98 333	–	100,0	314 714	314 714
Other transfers to public corporations	98 333	–	–	98 333	98 333	–	100,0	314 714	314 714
Private enterprises	1	–	180	181	173	8	95,6	94	86
Other transfers to private enterprises	1	–	180	181	173	8	95,6	94	86
Non-profit institutions	18 484	–	–	18 484	18 482	2	100,0	25 886	25 590
Households	9 620	8 267	302	18 189	18 003	186	99,0	16 622	16 583
Social benefits	8 120	8 267	(14)	16 373	16 302	71	99,6	14 165	14 131
Other transfers to households	1 500	–	316	1 816	1 701	115	93,7	2 457	2 452
Payments for capital assets	167 153	11 864	–	179 017	153 834	25 183	85,9	223 174	218 466
Buildings and other fixed structures	78 311	663	(3 241)	75 733	51 663	24 070	68,2	42 229	40 280
Buildings	34 880	6 059	(2 060)	38 879	15 638	23 241	40,2	7 784	5 972
Other fixed structures	43 431	(5 396)	(1 181)	36 854	36 025	829	97,8	34 445	34 308
Machinery and equipment	88 483	10 718	1 637	100 838	99 766	1 072	98,9	180 773	178 029
Transport equipment	47 870	3 600	5 423	56 893	56 879	14	100,0	122 106	121 992
Other machinery and equipment	40 613	7 118	(3 786)	43 945	42 887	1 058	97,6	58 667	56 037
Biological assets	100	123	–	223	184	39	82,5	–	–
Intangible assets	259	360	1 604	2 223	2 221	2	99,9	172	157
Payments for financial assets	–	–	940	940	927	13	98,6	1 392	1 376
Total	6 514 965	–	–	6 514 965	6 490 827	24 138	99,6	6 408 750	6 400 542

Programme 1: Administration

Subprogramme	2016/17							2015/16	
	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	39 530	937	(1)	40 466	40 451	15	100,0	39 614	39 601
1.2 Departmental Management	27 682	–	9 028	36 710	32 811	3 899	89,4	19 231	19 212
1.3 Financial Administration	187 740	(1 492)	(8 362)	177 886	177 841	45	100,0	163 124	163 075
1.4 Internal Audit	8 498	–	(1 439)	7 059	7 051	8	99,9	4 957	4 953
1.5 Corporate Services	173 149	55	16 261	189 465	187 782	1 683	99,1	162 965	162 885
1.6 Stakeholders Relations, Communication and Legal Services	75 595	–	17 018	92 613	92 593	20	100,0	117 565	117 535
1.7 Policy Planning, Monitoring and Evaluation	81 699	500	(3 630)	78 569	78 531	38	100,0	79 559	79 522
1.8 Office Accommodation	187 465	–	33 338	220 803	211 425	9 378	95,8	201 838	199 019
Total for subprogrammes	781 358	–	62 213	843 571	828 485	15 086	98,2	788 853	785 802

Economic classification	2016/17							2015/16	
	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	719 461	(2 354)	65 914	783 021	791 101	(8 080)	101,0	744 302	743 125
Compensation of employees	427 362	(1 378)	25 112	451 096	409 639	41 457	90,8	380 553	380 503
Salaries and wages	363 149	4 942	26 912	395 003	353 563	41 440	89,5	328 756	328 733
Social contributions	64 213	(6 320)	(1 800)	56 093	56 076	17	100,0	51 797	51 770
Goods and services	292 085	(976)	40 802	331 911	381 449	(49 538)	114,9	363 749	362 622
Administrative fees	3 305	2 653	(570)	5 388	5 380	8	99,9	5 532	5 528
Advertising	5 296	(1 736)	252	3 812	3 810	2	99,9	1 858	1 858
Minor assets	1 556	(917)	(338)	301	291	10	96,7	771	750
Audit costs: External	12 044	1 012	(2 910)	10 146	10 146	–	100,0	9 942	9 942
Bursaries: Employees	1 975	(600)	(224)	1 151	1 149	2	99,8	1 056	1 053
Catering: Departmental activities	352	138	(43)	447	446	1	99,8	302	302
Communication	9 992	(304)	7 894	17 582	17 580	2	100,0	16 612	16 609
Computer services	18 206	(303)	3 088	20 991	25 354	(4 363)	120,8	9 822	9 818
Consultants: Business and advisory services	4 328	(102)	2 834	7 060	14 107	(7 047)	199,8	6 479	6 478
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	446	105	401	952	951	1	99,9	501	501
Contractors	3 070	(95)	(2 375)	600	2 352	(1 752)	392,0	623	612
Agency and support/outsourced services	4 761	(1 659)	(156)	2 946	2 944	2	99,9	2 720	2 719
Entertainment	246	(62)	(10)	174	173	1	99,4	186	184
Fleet services	2 521	327	311	3 159	3 155	4	99,9	3 640	3 638
Inventory: Clothing material and supplies	26	(14)	(1)	11	11	–	100,0	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	2	2
Inventory: Materials and supplies	–	1	–	1	1	–	100,0	10	10

Economic classification	2016/17							2015/16	
	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: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	3 189	(729)	(1 153)	1 307	1 301	6	99,5	2 395	2 389
Consumable: Stationery, printing and office supplies	5 473	(406)	(1 096)	3 971	3 966	5	99,9	3 474	3 467
Operating leases	46 415	(113)	36 218	82 520	98 896	(16 376)	119,8	84 314	84 312
Property payments	113 465	(838)	2 247	114 874	116 628	(1 754)	101,5	118 066	117 046
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	40 693	3 271	(2 442)	41 522	44 414	(2 892)	107,0	39 244	39 222
Training and development	2 679	203	(1 175)	1 707	1 705	2	99,9	2 546	2 542
Operating payments	4 034	(1 171)	(334)	2 529	2 520	9	99,6	2 329	2 318
Venues and facilities	8 003	373	384	8 760	24 169	(15 409)	275,9	51 315	51 312
Rental and hiring	10	(10)	–	–	–	–	–	10	10
Interest and rent on land	14	–	–	14	13	1	92,9	–	–
Interest	14	–	–	14	13	1	92,9	–	–
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	18 766	1 379	167	20 312	20 279	33	99,8	24 229	24 210
Provinces and municipalities	48	1	10	59	50	9	84,7	54	48
Provinces	–	–	–	–	–	–	–	–	–
Provincial Revenue Funds	–	–	–	–	–	–	–	–	–
Municipalities	48	1	10	59	50	9	84,7	54	48
Municipal bank accounts	48	1	10	59	50	9	84,7	54	48
Departmental agencies and accounts	17 362	–	–	17 362	17 358	4	100,0	22 601	22 600
Departmental agencies and accounts	17 362	–	–	17 362	17 358	4	100,0	22 601	22 600
Higher education institutions	–	–	–	–	–	–	–	–	–

Economic classification	2016/17							2015/16	
	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	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	12	12	9	3	75,0	65	62
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	12	12	9	3	75,0	65	62
Other transfers to private enterprises	–	–	12	12	9	3	75,0	65	62
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	1 356	1 378	145	2 879	2 862	17	99,4	1 509	1 500
Social benefits	1 356	1 378	–	2 734	2 724	10	99,6	1 349	1 342
Other transfers to households	–	–	145	145	138	7	95,2	160	158
Payments for capital assets	43 131	975	(3 921)	40 185	17 056	23 129	42,4	19 996	18 145
Buildings and other fixed structures	34 384	345	(5 857)	28 872	5 768	23 104	20,0	7 784	5 972
Buildings	34 384	345	(5 857)	28 872	5 768	23 104	20,0	7 784	5 972
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	8 562	288	332	9 182	9 158	24	99,7	12 196	12 157
Transport equipment	24	(1)	–	23	23	–	100,0	222	222
Other machinery and equipment	8 538	289	332	9 159	9 135	24	99,7	11 974	11 935
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	185	342	1 604	2 131	2 130	1	100,0	16	16
Payments for financial assets	–	–	53	53	49	4	92,5	326	322
Total	781 358	–	62 213	843 571	828 485	15 086	98,2	788 853	785 802

1.1 Ministry

Economic classification	2016/17							2015/16	
	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	39 219	871	63	40 153	40 145	8	100,0	39 223	39 215
Compensation of employees	22 407	(60)	(1 465)	20 882	20 879	3	100,0	20 230	20 226
Goods and services	16 812	931	1 528	19 271	19 266	5	100,0	18 993	18 989
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	11	61	19	91	87	4	95,6	15	13
Provinces and municipalities	11	1	(1)	11	10	1	90,9	10	9
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	1	1	–	1	–	5	4
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	60	19	79	77	2	97,5	–	–
Payments for capital assets	300	5	(84)	221	219	2	99,1	375	373
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	300	5	(84)	221	219	2	99,1	375	373
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	1	1	–	1	–	1	–
Total	39 530	937	(1)	40 466	40 451	15	100,0	39 614	39 601

1.2 Departmental Management

Economic classification	2016/17							2015/16	
	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	27 150	(36)	9 146	36 260	32 364	3 896	89,3	18 636	18 622
Compensation of employees	19 549	(36)	4 436	23 949	13 017	10 932	54,4	12 680	12 677
Goods and services	7 601	–	4 710	12 311	19 347	(7 036)	157,2	5 956	5 945
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	2	36	4	42	41	1	97,6	112	110
Provinces and municipalities	2	–	1	3	3	–	100,0	2	1
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	27	27
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	36	3	39	38	1	97,4	83	82
Payments for capital assets	530	–	(122)	408	406	2	99,5	468	465
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	530	–	(122)	408	406	2	99,5	468	465
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	15	15
Total	27 682	–	9 028	36 710	32 811	3 899	89,4	19 231	19 212

1.3 Financial Administration

Economic classification	2016/17							2015/16	
	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	185 748	(2 086)	(8 110)	175 552	175 523	29	100,0	161 254	161 219
Compensation of employees	141 288	(518)	3 131	143 901	141 811	2 090	98,5	131 149	131 140
Goods and services	44 446	(1 568)	(11 241)	31 637	33 699	(2 062)	106,5	30 105	30 079
Interest and rent on land	14	–	–	14	13	1	92,9	–	–
Transfers and subsidies	585	518	9	1 112	1 102	10	99,1	515	507
Provinces and municipalities	32	–	6	38	34	4	89,5	37	35
Departmental agencies and accounts	28	–	–	28	24	4	85,7	24	23
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	20	19
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	525	518	3	1 046	1 044	2	99,8	434	430
Payments for capital assets	1 407	76	(298)	1 185	1 180	5	99,6	1 103	1 098
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 407	76	(298)	1 185	1 180	5	99,6	1 103	1 098
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	37	37	36	1	97,3	252	251
Total	187 740	(1 492)	(8 362)	177 886	177 841	45	100,0	163 124	163 075

1.4 Internal Audit

Economic classification	2016/17							2015/16	
	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	8 398	(345)	(1 037)	7 016	7 009	7	99,9	4 939	4 936
Compensation of employees	6 498	–	(558)	5 940	5 938	2	100,0	4 119	4 117
Goods and services	1 900	(345)	(479)	1 076	1 071	5	99,5	820	819
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	100	345	(402)	43	42	1	97,7	18	17
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	100	3	(60)	43	42	1	97,7	18	17
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	342	(342)	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	8 498	–	(1 439)	7 059	7 051	8	99,9	4 957	4 953

1.5 Corporate Services

Economic classification	2016/17							2015/16	
	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	166 619	(222)	12 884	179 281	177 614	1 667	99,1	151 841	151 783
Compensation of employees	129 646	(116)	5 306	134 836	124 199	10 637	92,1	112 489	112 476
Goods and services	36 973	(106)	7 578	44 445	53 415	(8 970)	120,2	39 352	39 307
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 870	116	28	2 014	2 007	7	99,7	2 320	2 316
Provinces and municipalities	–	–	4	4	2	2	50,0	3	2
Departmental agencies and accounts	1 637	–	–	1 637	1 637	–	100,0	1 736	1 736
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	4	4	4	–	100,0	12	11
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	233	116	20	369	364	5	98,6	569	567
Payments for capital assets	4 660	161	3 339	8 160	8 152	8	99,9	8 755	8 739
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	4 485	161	1 391	6 037	6 029	8	99,9	8 739	8 723
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	175	–	1 948	2 123	2 123	–	100,0	16	16
Payments for financial assets	–	–	10	10	9	1	90,0	49	47
Total	173 149	55	16 261	189 465	187 782	1 683	99,1	162 965	162 885

1.6 Stakeholder Relations, Communication and Legal Services

Economic classification	2016/17							2015/16	
	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	74 597	(85)	17 300	91 812	91 801	11	100,0	116 579	116 556
Compensation of employees	52 536	(39)	17 457	69 954	52 172	17 782	74,6	50 061	50 054
Goods and services	22 061	(46)	(157)	21 858	39 629	(17 771)	181,3	66 518	66 502
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	43	39	91	173	167	6	96,5	287	286
Provinces and municipalities	3	–	(1)	2	1	1	50,0	1	1
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	5	5	4	1	80,0	1	1
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	40	39	87	166	162	4	97,6	285	284
Payments for capital assets	955	46	(374)	627	624	3	99,5	699	693
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	945	46	(372)	619	617	2	99,7	699	693
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	10	–	(2)	8	7	1	87,5	–	–
Payments for financial assets	–	–	1	1	1	–	100,0	–	–
Total	75 595	–	17 018	92 613	92 593	20	100,0	117 565	117 535

1.7 Policy, Planning, Monitoring and Evaluation

Economic classification	2016/17							2015/16	
	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	64 709	(111)	(3 527)	61 071	61 042	29	100,0	57 785	57 756
Compensation of employees	55 438	(609)	(3 195)	51 634	51 623	11	100,0	49 825	49 813
Goods and services	9 271	498	(332)	9 437	9 419	18	99,8	7 960	7 943
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	16 255	609	16	16 880	16 875	5	100,0	20 980	20 978
Provinces and municipalities	–	–	1	1	–	1	–	1	–
Departmental agencies and accounts	15 697	–	–	15 697	15 697	–	100,0	20 841	20 841
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	2	2	1	1	50,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	558	609	13	1 180	1 177	3	99,7	138	137
Payments for capital assets	735	2	(123)	614	611	3	99,5	785	779
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	735	2	(123)	614	611	3	99,5	785	779
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	4	4	3	1	75,0	9	9
Total	81 699	500	(3 630)	78 569	78 531	38	100,0	79 559	79 522

1.8 Office Accommodation

Economic classification	2016/17							2015/16	
	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	153 021	(340)	39 195	191 876	205 603	(13 727)	107,2	194 045	193 038
Compensation of employees								–	–
Goods and services	153 021	(340)	39 195	191 876	205 603	(13 727)	107,2	194 045	193 038
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	34 444	340	(5 857)	28 927	5 822	23 105	20,1	7 793	5 981
Buildings and other fixed structures	34 384	345	(5 857)	28 872	5 768	23 104	20,0	7 784	5 972
Machinery and equipment	60	(5)	–	55	54	1	98,2	9	9
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	187 465	–	33 338	220 803	211 425	9 378	95,8	201 838	199 019

Programme 2: Agricultural Production, Health and Food Safety

Subprogramme	2016/17							2015/16	
	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	2 810	–	271	3 081	3 078	3	99,9	2 182	2 180
2.2 Inspection and Laboratory Services	332 858	–	(2 653)	330 205	330 063	142	100,0	322 640	322 468
2.3 Plant Production and Health	575 406	–	399	575 805	575 759	46	100,0	543 961	543 925
2.4 Animal Production and Health	220 547	–	(15 361)	205 186	205 142	44	100,0	470 568	470 511
2.5 Agricultural Research	812 989	–	–	812 989	812 989	–	100,0	803 933	803 933
Total for subprogrammes	1 944 610	–	(17 344)	1 927 266	1 927 031	235	100,0	2 143 284	2 143 017

Economic classification	2016/17							2015/16	
	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	614 089	(711)	(28 833)	584 545	584 353	192	100,0	509 227	509 016
Compensation of employees	563 941	(644)	(23 836)	539 461	537 318	2 143	99,6	436 904	444 404
Salaries and wages	489 108	6 746	(23 658)	472 196	470 089	2 107	99,6	374 862	382 399
Social contributions	74 833	(7 390)	(178)	67 265	67 229	36	99,9	62 042	62 005
Goods and services	50 148	(67)	(4 997)	45 084	47 035	(1 951)	104,3	72 323	64 612
Administrative fees	771	(127)	(33)	611	606	5	99,2	1 224	1 219
Advertising	394	9	(1)	402	401	1	99,8	1 099	1 099
Minor assets	133	(34)	–	99	94	5	94,9	1 176	1 162
Audit costs: External	–	–	–	–	–	–	–	68	68
Bursaries: Employees	832	(150)	(56)	626	624	2	99,7	608	608
Catering: Departmental activities	1	45	–	46	46	–	100,0	11	11
Communication	3 734	(81)	(68)	3 585	3 578	7	99,8	4 033	4 026
Computer services	464	(8)	–	456	456	–	100,0	228	228
Consultants: Business and advisory services	756	1 238	(419)	1 575	1 575	–	100,0	465	465
Infrastructure and planning services	125	(125)	–	–	–	–	–	337	337
Laboratory services	2 690	(2 594)	–	96	95	1	99,0	219	219
Legal services	1 729	(457)	176	1 448	2 210	(762)	152,6	3 322	3 322
Contractors	582	661	(100)	1 143	1 132	11	99,0	1 251	1 239
Agency and support/ outsourced services	69	5	–	74	74	–	100,0	326	326
Entertainment	28	(3)	(1)	24	23	1	95,8	23	23
Fleet services	3 637	2 512	(142)	6 007	6 122	(115)	101,9	7 979	7 974
Inventory: Clothing material and supplies	123	172	–	295	294	1	99,7	786	786
Inventory: Farming supplies	164	(12)	(1)	151	150	1	99,3	440	439
Inventory: Food and food supplies	1	(1)	–	–	–	–	–	1	–
Inventory: Fuel, oil and gas	199	82	–	281	280	1	99,6	353	353
Inventory: Materials and supplies	8	(8)	–	–	–	–	–	1	–

Economic classification	2016/17							2015/16	
	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: Medical supplies	1 352	(1 004)	(260)	88	88	–	100,0	31	31
Inventory: Medicine	1 993	(656)	(170)	1 167	1 167	–	100,0	3	3
Inventory: Other supplies	551	(9)	–	542	541	1	99,8	1 123	1 122
Consumable supplies	1 212	(469)	(3)	740	735	5	99,3	3 246	3 234
Consumable: Stationery, printing and office supplies	3 744	(1 067)	(271)	2 406	2 401	5	99,8	2 307	2 299
Operating leases	128	(33)	–	95	93	2	97,9	200	198
Property payments	4 167	(43)	(1 222)	2 902	4 087	(1 185)	140,8	3 283	3 267
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	14 596	2 553	(1 849)	15 300	15 265	35	99,8	33 141	25 543
Training and development	1 516	(29)	(64)	1 423	1 421	2	99,9	1 018	1 016
Operating payments	4 156	(455)	(601)	3 100	3 076	24	99,2	3 817	3 791
Venues and facilities	268	46	88	402	401	1	99,8	204	204
Rental and hiring	25	(25)	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Interest	–	–	–	–	–	–	–	–	–
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 317 323	653	215	1 318 191	1 318 178	13	100,0	1 551 315	1 551 296
Provinces and municipalities	491 399	9	145	491 553	491 548	5	100,0	466 895	466 889
Provinces	491 363	–	–	491 363	491 363	–	100,0	466 713	466 713
Provincial Revenue Funds	491 363	–	–	491 363	491 363	–	100,0	466 713	466 713
Municipalities	36	9	145	190	185	5	97,4	182	176
Municipal bank accounts	36	9	145	190	185	5	97,4	182	176
Departmental agencies and accounts	813 189	–	–	813 189	813 189	–	100,0	804 133	804 133
Departmental agencies and accounts	813 189	–	–	813 189	813 189	–	100,0	804 133	804 133
Higher education institutions	–	–	–	–	–	–	–	–	–

Economic classification	2016/17							2015/16	
	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	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	28	28	27	1	96,4	268 408	268 407
Public corporations	–	–	–	–	–	–	–	268 400	268 400
Other transfers to public corporations	–	–	–	–	–	–	–	268 400	268 400
Private enterprises	–	–	28	28	27	1	96,4	8	7
Other transfers to private enterprises	–	–	28	28	27	1	96,4	8	7
Non-profit institutions	12 100	–	–	12 100	12 100	–	100,0	10 000	10 000
Households	635	644	42	1 321	1 314	7	99,5	1 879	1 867
Social benefits	635	644	–	1 279	1 273	6	99,5	1 830	1 818
Other transfers to households	–	–	42	42	41	1	97,6	49	49
Payments for capital assets	13 198	58	11 182	24 438	24 411	27	99,9	82 388	82 355
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	13 198	58	11 182	24 438	24 411	27	99,9	82 388	82 355
Transport equipment	10 271	(22)	7 062	17 311	17 310	1	100,0	67 788	67 787
Other machinery and equipment	2 927	80	4 120	7 127	7 101	26	99,6	14 600	14 568
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	92	92	89	3	96,7	354	350
Total	1 944 610	–	(17 344)	1 927 266	1 927 031	235	100,0	2 143 284	2 143 017

2.1 Management

Economic classification	2016/17							2015/16	
	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	2 785	–	276	3 061	3 059	2	99,9	2 164	2 162
Compensation of employees	2 253	–	69	2 322	2 321	1	100,0	1 530	1 529
Goods and services	532	–	207	739	738	1	99,9	634	633
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	25	–	(5)	20	19	1	95,0	18	18
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	25	–	(5)	20	19	1	95,0	18	18
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	2 810	–	271	3 081	3 078	3	99,9	2 182	2 180

2.2 Inspection and Laboratory Services

Economic classification	2016/17							2015/16	
	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	330 437	(332)	(2 167)	327 938	327 817	121	100,0	318 931	318 793
Compensation of employees	304 376	(313)	(297)	303 766	301 647	2 119	99,3	273 429	280 952
Goods and services	26 061	(19)	(1 870)	24 172	26 170	(1 998)	108,3	45 502	37 841
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	431	322	121	874	868	6	99,3	753	742
Provinces and municipalities	24	9	80	113	110	3	97,3	119	116
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	24	24	23	1	95,8	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	407	313	17	737	735	2	99,7	634	626
Payments for capital assets	1 990	10	(672)	1 328	1 314	14	98,9	2 661	2 640
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 990	10	(672)	1 328	1 314	14	98,9	2 661	2 640
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	65	65	64	1	98,5	295	293
Total	332 858	–	(2 653)	330 205	330 063	142	100,0	322 640	322 468

2.3 Plant Production and Health

Economic classification	2016/17							2015/16	
	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	71 641	(63)	457	72 035	71 997	38	99,9	66 597	66 568
Compensation of employees	65 271	(15)	1 333	66 589	66 576	13	100,0	60 327	60 317
Goods and services	6 370	(48)	(876)	5 446	5 421	25	99,5	6 270	6 251
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	503 471	15	12	503 498	503 495	3	100,0	476 758	476 755
Provinces and municipalities	491 371	–	1	491 372	491 371	1	100,0	466 728	466 726
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	4	4	4	–	100,0	3	3
Non-profit institutions	12 100	–	–	12 100	12 100	–	100,0	10 000	10 000
Households	–	15	7	22	20	2	90,9	27	26
Payments for capital assets	294	48	(70)	272	267	5	98,2	584	580
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	294	48	(70)	272	267	5	98,2	584	580
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	22	22
Total	575 406	–	399	575 805	575 759	46	100,0	543 961	543 925

2.4 Animal Production and Health

Economic classification	2016/17							2015/16	
	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	209 226	(316)	(27 399)	181 511	181 480	31	100,0	121 535	121 493
Compensation of employees	192 041	(316)	(24 941)	166 784	166 774	10	100,0	101 618	101 606
Goods and services	17 185	–	(2 458)	14 727	14 706	21	99,9	19 917	19 887
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	432	316	82	830	826	4	99,5	269 871	269 866
Provinces and municipalities	4	–	64	68	67	1	98,5	48	47
Departmental agencies and accounts	200	–	–	200	200	–	100,0	200	200
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	268 405	268 404
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	228	316	18	562	559	3	99,5	1 218	1 215
Payments for capital assets	10 889	–	11 929	22 818	22 811	7	100,0	79 125	79 117
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	10 889	–	11 929	22 818	22 811	7	100,0	79 125	79 117
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	27	27	25	2	92,6	37	35
Total	220 547	–	(15 361)	205 186	205 142	44	100,0	470 568	470 511

2.5 Agricultural Research

Economic classification	2016/17							2015/16	
	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	812 989	-	-	812 989	812 989	-	100,0	803 933	803 933
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	812 989	-	-	812 989	812 989	-	100,0	803 933	803 933
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	812 989	-	-	812 989	812 989	-	100,0	803 933	803 933

Programme 3: Food Security and Agrarian Reform

Subprogramme	2016/17							2015/16	
	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	2 871	300	1 489	4 660	4 657	3	99,9	4 035	4 031
3.2 Food Security	1 269 334	(300)	(17 989)	1 251 045	1 250 173	872	99,9	1 270 943	1 270 761
3.3 Sector Capacity Development	247 194	–	1 496	248 690	247 390	1 300	99,5	263 740	260 194
3.4 National Extension Support Services	369 298	–	7 505	376 803	376 796	7	100,0	371 817	371 809
Total for subprogrammes	1 888 697	–	(7 499)	1 881 198	1 879 016	2 182	99,9	1 910 535	1 906 795

Economic classification	2016/17							2015/16	
	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	231 209	(9 226)	(9 434)	212 549	212 469	80	100,0	229 367	228 522
Compensation of employees	152 653	(566)	(7 207)	144 880	142 588	2 292	98,4	131 165	131 149
Salaries and wages	131 794	(164)	(3 141)	128 489	126 204	2 285	98,2	115 788	115 780
Social contributions	20 859	(402)	(4 066)	16 391	16 384	7	100,0	15 377	15 369
Goods and services	78 556	(8 662)	(2 227)	67 667	69 880	(2 213)	103,3	98 202	97 373
Administrative fees	516	483	(163)	836	834	2	99,8	1 010	999
Advertising	1 279	149	170	1 598	1 596	2	99,9	1 254	1 254
Minor assets	5 554	(1 832)	(751)	2 971	2 919	52	98,2	4 887	4 531
Audit costs: External	–	–	–	–	–	–	–	806	806
Bursaries: Employees	574	(411)	4	167	166	1	99,4	267	266
Catering: Departmental activities	3	6	(1)	8	9	(1)	112,5	12	12
Communication	2 121	537	(845)	1 813	1 813	–	100,0	1 975	1 973
Computer services	1 133	(312)	217	1 038	1 038	–	100,0	1 267	1 266
Consultants: Business and advisory services	669	830	(454)	1 045	2 011	(966)	192,4	7 458	7 397
Infrastructure and planning services	–	–	–	–	–	–	–	154	154
Laboratory services	66	(36)	(30)	–	–	–	–	–	–
Legal services	4	–	–	4	4	–	100,0	6	5
Contractors	3 516	(1 665)	(112)	1 739	1 733	6	99,7	1 669	1 584
Agency and support/outsourced services	2 881	(1 692)	(156)	1 033	1 032	1	99,9	2 232	2 232
Entertainment	26	(1)	(2)	23	23	–	100,0	25	25
Fleet services	1 521	14	264	1 799	1 798	1	99,9	2 009	2 006
Inventory: Clothing material and supplies	28	(1)	108	135	134	1	99,3	23	23
Inventory: Farming supplies	1 412	117	377	1 906	1 906	–	100,0	1 333	1 333
Inventory: Food and food supplies	1 309	100	(155)	1 254	1 251	3	99,8	698	698
Inventory: Fuel, oil and gas	239	(72)	(8)	159	159	–	100,0	37	36
Inventory: Materials and supplies	130	71	(58)	143	142	1	99,3	402	402

Economic classification	2016/17							2015/16	
	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: Medical supplies	–	1	–	1	1	–	100,0	–	–
Inventory: Medicine	60	46	34	140	140	–	100,0	47	46
Inventory: Other supplies	56	465	(345)	176	177	(1)	100,6	2	1
Consumable supplies	5 749	(2 281)	(1 395)	2 073	2 068	5	99,8	4 205	4 189
Consumable: Stationery, printing and office supplies	2 593	(1 599)	(309)	685	682	3	99,6	818	812
Operating leases	51	–	(51)	–	–	–	–	–	–
Property payments	5 919	1 105	(2 472)	4 552	4 542	10	99,8	22 012	21 763
Transport provided: Departmental activity	–	–	–	–	–	–	–	–	–
Travel and subsistence	17 282	1 551	(4 311)	14 522	15 865	(1 343)	109,2	18 783	18 759
Training and development	18 417	(3 113)	8 844	24 148	24 147	1	100,0	22 023	22 021
Operating payments	3 812	(1 649)	(529)	1 634	1 627	7	99,6	1 593	1 587
Venues and facilities	1 636	527	(98)	2 065	2 063	2	99,9	1 195	1 193
Rental and hiring	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	2	–	2	1	1	50,0	–	–
Interest	–	2	–	2	1	1	50,0	–	–
Rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 600 105	594	51	1 600 750	1 600 627	123	100,0	1 607 775	1 607 667
Provinces and municipalities	1 565 339	28	9	1 565 376	1 565 373	3	100,0	1 581 448	1 581 446
Provinces	1 565 090	–	–	1 565 090	1 565 090	–	100,0	1 581 125	1 581 125
Provincial Revenue Funds	1 565 090	–	–	1 565 090	1 565 090	–	100,0	1 581 125	1 581 125
Municipalities	249	28	9	286	283	3	99,0	323	321
Municipal bank accounts	249	28	9	286	283	3	99,0	323	321
Departmental agencies and accounts	19 462	–	–	19 462	19 462	–	100,0	15 095	15 095
Departmental agencies and accounts	19 462	–	–	19 462	19 462	–	100,0	15 095	15 095
Higher education institutions	5 820	–	–	5 820	5 820	–	100,0	750	745

Economic classification	2016/17							2015/16	
	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	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	5 936	–	15	5 951	5 950	1	100,0	5 633	5 631
Public corporations	5 935	–	–	5 935	5 935	–	100,0	5 622	5 622
Other transfers to public corporations	5 935	–	–	5 935	5 935	–	100,0	5 622	5 622
Private enterprises	1	–	15	16	15	1	93,8	11	9
Other transfers to private enterprises	1	–	15	16	15	1	93,8	11	9
Non-profit institutions	1 500	–	–	1 500	1 498	2	99,9	2 000	1 905
Households	2 048	566	27	2 641	2 524	117	95,6	2 849	2 845
Social benefits	548	566	–	1 114	1 099	15	98,7	905	902
Other transfers to households	1 500	–	27	1 527	1 425	102	93,3	1 944	1 943
Payments for capital assets	57 383	8 632	1 493	67 508	65 532	1 976	97,1	73 130	70 345
Buildings and other fixed structures	35 407	6 227	2 616	44 250	43 285	965	97,8	34 445	34 308
Buildings	386	5 824	3 797	10 007	9 870	137	98,6	–	–
Other fixed structures	35 021	403	(1 181)	34 243	33 415	828	97,6	34 445	34 308
Machinery and equipment	21 962	2 164	(1 123)	23 003	22 032	971	95,8	38 529	35 896
Transport equipment	1 318	–	(423)	895	894	1	99,9	11 165	11 059
Other machinery and equipment	20 644	2 164	(700)	22 108	21 138	970	95,6	27 364	24 837
Biological assets	–	223	–	223	184	39	82,5	–	–
Intangible assets	14	18	–	32	31	1	96,9	156	141
Payments for financial assets	–	–	391	391	388	3	99,2	263	261
Total	1 888 697	–	(7 499)	1 881 198	1 879 016	2 182	99,9	1 910 535	1 906 795

3.1 Management

Economic classification	2016/17							2015/16	
	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	2 871	300	1 489	4 660	4 657	3	99,9	3 987	3 984
Compensation of employees	2 657	–	1 364	4 021	4 020	1	100,0	2 957	2 956
Goods and services	214	300	125	639	637	2	99,7	1 030	1 028
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	–	–	–	–	–	–	–	48	47
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	48	47
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	2 871	300	1 489	4 660	4 657	3	99,9	4 035	4 031

3.2 Food Security

Economic classification	2016/17							2015/16	
	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	77 234	(563)	(16 987)	59 684	59 662	22	100,0	60 074	59 973
Compensation of employees	61 028	(252)	(13 117)	47 659	46 186	1 473	96,9	42 897	42 889
Goods and services	16 206	(311)	(3 870)	12 025	13 476	(1 451)	112,1	17 177	17 084
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	1 155 197	252	34	1 155 483	1 155 465	18	100,0	1 174 892	1 174 883
Provinces and municipalities	1 148 328	–	(2)	1 148 326	1 148 324	2	100,0	1 168 013	1 168 012
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	820	–	–	820	820	–	100,0	750	745
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	5 935	–	9	5 944	5 944	–	100,0	5 622	5 622
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	114	252	27	393	377	16	95,9	507	504
Payments for capital assets	36 903	11	(1 399)	35 515	34 684	831	97,7	35 963	35 892
Buildings and other fixed structures	35 021	403	(1 181)	34 243	33 415	828	97,6	34 350	34 284
Machinery and equipment	1 882	(410)	(218)	1 254	1 251	3	99,8	1 613	1 608
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	18	–	18	18	–	100,0	–	–
Payments for financial assets	–	–	363	363	362	1	99,7	14	13
Total	1 269 334	(300)	(17 989)	1 251 045	1 250 173	872	99,9	1 270 943	1 270 761

3.3 Sector Capacity Development

Economic classification	2016/17							2015/16	
	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	128 055	(8 963)	(1 470)	117 622	117 573	49	100,0	137 517	136 782
Compensation of employees	81 272	(314)	4 163	85 121	84 306	815	99,0	77 868	77 862
Goods and services	46 783	(8 651)	(5 633)	32 499	33 266	(767)	102,4	59 649	58 920
Interest and rent on land	–	2	–	2	1	1	50,0	–	–
Transfers and subsidies	98 759	342	17	99 118	99 013	105	99,9	89 010	88 911
Provinces and municipalities	70 862	28	11	70 901	70 900	1	100,0	69 562	69 561
Departmental agencies and accounts	19 462	–	–	19 462	19 462	–	100,0	15 095	15 095
Higher education institutions	5 000	–	–	5 000	5 000	–	100,0	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	1	–	6	7	6	1	85,7	11	9
Non-profit institutions	1 500	–	–	1 500	1 498	2	99,9	2 000	1 905
Households	1 934	314	–	2 248	2 147	101	95,5	2 342	2 341
Payments for capital assets	20 380	8 621	2 922	31 923	30 778	1 145	96,4	36 964	34 253
Buildings and other fixed structures	386	5 824	3 797	10 007	9 870	137	98,6	95	24
Machinery and equipment	19 980	2 574	(875)	21 679	20 711	968	95,5	36 713	34 088
Biological assets	–	223	–	223	184	39	82,5	–	–
Intangible assets	14	–	–	14	13	1	92,9	156	141
Payments for financial assets	–	–	27	27	26	1	96,3	249	248
Total	247 194	–	1 496	248 690	247 390	1 300	99,5	263 740	260 194

3.4 National Extension Support Services

Economic classification	2016/17							2015/16	
	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	23 049	–	7 534	30 583	30 577	6	100,0	27 789	27 783
Compensation of employees	7 696	–	383	8 079	8 076	3	100,0	7 443	7 442
Goods and services	15 353	–	7 151	22 504	22 501	3	100,0	20 346	20 341
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	346 149	–	–	346 149	346 149	–	100,0	343 873	343 873
Provinces and municipalities	346 149	–	–	346 149	346 149	–	100,0	343 873	343 873
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	100	–	(30)	70	70	–	100,0	155	153
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	100	–	(30)	70	70	–	100,0	155	153
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	1	1	–	1	–	–	–
Total	369 298	–	7 505	376 803	376 796	7	100,0	371 817	371 809

Programme 4: Trade Promotion and Market Access

Subprogramme	2016/17							2015/16	
	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	5 099	(200)	(1 624)	3 275	3 271	4	99,9	3 145	3 142
4.2 International Relations and Trade	123 262	200	13 202	136 664	136 460	204	99,9	114 523	113 991
4.3 Cooperatives and Rural Enterprise Development	118 814	(50)	(3 948)	114 816	114 804	12	100,0	64 303	64 289
4.4 Agro-processing and Marketing	56 821	50	(926)	55 945	55 929	16	100,0	55 356	55 336
Total for subprogrammes	303 996	–	6 704	310 700	310 464	236	99,9	237 327	236 758

Economic classification	2016/17							2015/16	
	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	132 665	(18)	6 964	139 611	139 526	85	99,9	125 820	125 730
Compensation of employees	101 430	(18)	4 973	106 385	106 359	26	100,0	89 133	94 374
Salaries and wages	89 040	(1 927)	6 376	93 489	93 477	12	100,0	78 355	83 607
Social contributions	12 390	1 909	(1 403)	12 896	12 882	14	99,9	10 778	10 767
Goods and services	31 235	–	1 991	33 226	33 167	59	99,8	36 687	31 356
Administrative fees	1 088	132	(265)	955	952	3	99,7	663	661
Advertising	324	(6)	(66)	252	251	1	99,6	821	819
Minor assets	79	49	(80)	48	44	4	91,7	443	436
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	360	(2)	(48)	310	310	–	100,0	137	136
Catering: Departmental activities	414	(32)	(148)	234	234	–	100,0	278	278
Communication	1 333	369	(332)	1 370	1 368	2	99,9	1 021	1 018
Computer services	92	13	(13)	92	91	1	98,9	167	166
Consultants: Business and advisory services	69	(50)	(10)	9	9	–	100,0	532	532
Infrastructure and planning services	7 301	(6 301)	(1 000)	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	40	1	(1)	40	40	–	100,0	–	–
Contractors	65	24	6	95	90	5	94,7	54	52
Agency and support/outsourced services	916	(56)	(120)	740	740	–	100,0	1 660	1 659
Entertainment	40	14	(7)	47	45	2	95,7	55	53
Fleet services	191	81	(72)	200	198	2	99,0	177	176
Inventory: Clothing material and supplies	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	147	(147)	–	–	–	–	–	–	–
Inventory: Materials and supplies	5	3	(7)	1	1	–	100,0	–	–

Economic classification	2016/17							2015/16	
	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: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	71	3	(23)	51	50	1	98,0	77	75
Consumable: Stationery, printing and office supplies	1 010	(87)	(339)	584	580	4	99,3	623	619
Operating leases	1 912	367	6 978	9 257	9 250	7	99,9	5 962	5 950
Property payments	-	24	4	28	26	2	92,9	72	68
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	11 521	2 726	(3 194)	11 053	11 038	15	99,9	16 650	11 371
Training and development	764	(95)	(63)	606	605	1	99,8	372	371
Operating payments	3 007	2 935	779	6 721	6 713	8	99,9	6 822	6 815
Venues and facilities	486	35	12	533	532	1	99,8	101	101
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	170 461	18	3	170 482	170 338	144	99,9	110 881	110 409
Provinces and municipalities	10	-	(8)	2	2	-	100,0	4	3
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Municipalities	10	-	(8)	2	2	-	100,0	4	3
Municipal bank accounts	10	-	(8)	2	2	-	100,0	4	3
Departmental agencies and accounts	35 310	-	-	35 310	35 309	1	100,0	36 460	36 460
Departmental agencies and accounts	35 310	-	-	35 310	35 309	1	100,0	36 460	36 460
Higher education institutions	100	-	-	100	100	-	100,0	100	100

Economic classification	2016/17							2015/16	
	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	42 445	–	–	42 445	42 306	139	99,7	32 379	31 911
Public corporations and private enterprises	92 398	–	1	92 399	92 398	1	100,0	40 694	40 693
Public corporations	92 398	–	–	92 398	92 398	–	100,0	40 692	40 692
Other transfers to public corporations	92 398	–	–	92 398	92 398	–	100,0	40 692	40 692
Private enterprises	–	–	1	1	–	1	–	2	1
Other transfers to private enterprises	–	–	1	1	–	1	–	2	1
Non-profit institutions	–	–	–	–	–	–	–	986	986
Households	198	18	10	226	223	3	98,7	258	256
Social benefits	198	18	–	216	215	1	99,5	258	256
Other transfers to households	–	–	10	10	8	2	80,0	–	–
Payments for capital assets	870	–	(278)	592	586	6	99,0	617	610
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	870	–	(278)	592	586	6	99,0	617	610
Transport equipment	243	–	(243)	–	–	–	–	–	–
Other machinery and equipment	627	–	(35)	592	586	6	99,0	617	610
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	15	15	14	1	93,3	9	9
Total	303 996	–	6 704	310 700	310 464	236	99,9	237 327	236 758

4.1 Management

Economic classification	2016/17							2015/16	
	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	5 099	(218)	(1 630)	3 251	3 248	3	99,9	3 144	3 141
Compensation of employees	2 409	(18)	(123)	2 268	2 267	1	100,0	2 252	2 251
Goods and services	2 690	(200)	(1 507)	983	981	2	99,8	892	890
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	18	6	24	23	1	95,8	1	1
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	1	1
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	18	6	24	23	1	95,8	–	–
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	5 099	(200)	(1 624)	3 275	3 271	4	99,9	3 145	3 142

4.2 International Relations and Trade

Economic classification	2016/17							2015/16	
	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	79 995	200	13 324	93 519	93 459	60	99,9	81 662	81 603
Compensation of employees	60 956	–	7 935	68 891	68 874	17	100,0	55 612	60 863
Goods and services	19 039	200	5 389	24 628	24 585	43	99,8	26 050	20 740
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	42 699	–	–	42 699	42 560	139	99,7	32 525	32 056
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	100	–	–	100	100	–	100,0	100	100
Foreign governments and international organisations	42 445	–	–	42 445	42 306	139	99,7	32 379	31 911
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	154	–	–	154	154	–	100,0	46	45
Payments for capital assets	568	–	(137)	431	427	4	99,1	327	323
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	568	–	(137)	431	427	4	99,1	327	323
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	15	15	14	1	93,3	9	9
Total	123 262	200	13 202	136 664	136 460	204	99,9	114 523	113 991

4.3 Cooperatives and Rural Enterprise Development

Economic classification	2016/17							2015/16	
	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	25 894	(50)	(3 870)	21 974	21 967	7	100,0	21 514	21 504
Compensation of employees	21 089	–	(2 509)	18 580	18 577	3	100,0	17 137	17 134
Goods and services	4 805	(50)	(1 361)	3 394	3 390	4	99,9	4 377	4 370
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	92 757	–	(7)	92 750	92 747	3	100,0	42 655	42 653
Provinces and municipalities	10	–	(8)	2	2	–	100,0	4	3
Departmental agencies and accounts	305	–	–	305	304	1	99,7	1 825	1 825
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	92 398	–	1	92 399	92 398	1	100,0	40 693	40 692
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	44	–	–	44	43	1	97,7	133	133
Payments for capital assets	163	–	(71)	92	90	2	97,8	134	132
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	163	–	(71)	92	90	2	97,8	134	132
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	118 814	(50)	(3 948)	114 816	114 804	12	100,0	64 303	64 289

4.4 Agro-processing and Marketing

Economic classification	2016/17							2015/16	
	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	21 677	50	(860)	20 867	20 852	15	99,9	19 500	19 482
Compensation of employees	16 976	–	(330)	16 646	16 641	5	100,0	14 132	14 126
Goods and services	4 701	50	(530)	4 221	4 211	10	99,8	5 368	5 356
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	35 005	–	4	35 009	35 008	1	100,0	35 700	35 699
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	35 005	–	–	35 005	35 005	–	100,0	34 635	34 635
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	986	986
Households	–	–	4	4	3	1	75,0	79	78
Payments for capital assets	139	–	(70)	69	69	–	100,0	156	155
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	139	–	(70)	69	69	–	100,0	156	155
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	56 821	50	(926)	55 945	55 929	16	100,0	55 356	55 336

Programme 5: Forestry and National Resources Management

Subprogramme	2016/17							2015/16	
	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	4 104	1 007	(324)	4 787	4 782	5	99,9	25 440	25 435
5.2 Forestry Operations	464 109	(1 107)	(24 001)	439 001	438 833	168	100,0	440 312	440 188
5.3 Forestry Oversight and Regulation	56 101	600	(3 652)	53 049	52 911	138	99,7	53 268	52 944
5.4 Natural Resources Management	613 392	(500)	(25 607)	587 285	581 215	6 070	99,0	343 824	343 713
Total for subprogrammes	1 137 706	-	(53 584)	1 084 122	1 077 741	6 381	99,4	862 844	862 280

Economic classification	2016/17							2015/16	
	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	923 477	(7 847)	(45 591)	870 039	863 851	6 188	99,3	662 672	662 464
Compensation of employees	530 481	(5 610)	(8 511)	516 360	516 278	82	100,0	500 405	503 672
Salaries and wages	450 656	(5 314)	(2 262)	443 080	443 049	31	100,0	428 788	432 092
Social contributions	79 825	(296)	(6 249)	73 280	73 229	51	99,9	71 617	71 580
Goods and services	391 942	(1 513)	(37 052)	353 377	347 272	6 105	98,3	162 267	158 792
Administrative fees	1 473	663	(285)	1 851	1 804	47	97,5	2 248	2 240
Advertising	2 514	(999)	(56)	1 459	1 456	3	99,8	3 076	3 074
Minor assets	2 230	(1 910)	39	359	349	10	97,2	309	299
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	1 143	(643)	(77)	423	442	1	99,8	356	354
Catering: Departmental activities	172	(50)	(20)	102	102	–	100,0	137	137
Communication	6 351	(447)	(385)	5 519	5 507	12	99,8	5 500	5 489
Computer services	2 204	1 289	(1 562)	1 931	1 930	1	99,9	52	52
Consultants: Business and advisory services	6 725	117	(1 570)	5 272	5 272	–	100,0	8 114	8 113
Infrastructure and planning services	4 029	(1 909)	(51)	2 069	2 069	–	100,0	3 218	3 217
Laboratory services	–	111	–	111	111	–	100,0	–	–
Legal services	1 551	1 373	10	2 934	2 934	–	100,0	1 507	1 506
Contractors	20 182	(4 117)	(5 905)	10 160	10 152	8	99,9	6 026	6 018
Agency and support/outsourced services	23 566	2 503	(7 861)	18 208	18 205	3	100,0	17 701	17 700
Entertainment	30	–	(6)	24	23	1	95,8	21	21
Fleet services	8 061	(163)	(1 591)	6 307	6 302	5	99,9	8 147	8 142
Inventory: Clothing material and supplies	714	2 835	(892)	2 657	2 656	1	100,0	15	14
Inventory: Farming supplies	229 470	(2 641)	(3 445)	223 384	217 697	5 687	97,5	16 190	16 187
Inventory: Food and food supplies	220	(34)	–	186	186	–	100,0	434	434
Inventory: Fuel, oil and gas	241	257	275	773	772	1	99,9	561	561
Inventory: Materials and supplies	111	(40)	(5)	66	66	–	100,0	510	510

Economic classification	2016/17							2015/16	
	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: Medical supplies	–	–	–	–	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	5	–	(4)	1	1	–	100,0	–	–
Consumable supplies	14 801	(8 569)	(2 390)	3 842	3 835	7	99,8	10 940	10 927
Consumable: Stationery, printing and office supplies	3 959	(2 342)	(341)	1 276	1 272	4	99,7	1 635	1 629
Operating leases	2 532	(2 438)	52	146	145	1	99,3	–	–
Property payments	22 215	5 870	(8 006)	20 079	20 058	21	99,9	13 527	13 516
Transport provided: Departmental activity	8	(8)	–	–	–	–	–	–	–
Travel and subsistence	28 986	7 681	(2 895)	33 772	33 513	259	99,2	40 407	37 045
Training and development	2 618	(1 062)	(382)	1 174	1 170	4	99,7	1 120	1 115
Operating payments	4 915	(188)	(1 161)	3 566	3 539	27	99,2	3 933	3 909
Venues and facilities	65	3 437	2 224	5 726	5 724	2	100,0	16 583	16 583
Rental and hiring	851	(89)	(762)	–	–	–	–	–	–
Interest and rent on land	1 054	(724)	(28)	302	301	1	99,7	–	–
Interest	42	(10)	(28)	4	3	1	75,0	–	–
Rent on land	1 012	(714)	–	298	298	–	100,0	–	–
Transfers and subsidies	161 658	5 648	135	167 441	167 295	146	99,9	152 736	152 417
Provinces and municipalities	146 889	38	(67)	146 860	146 755	105	99,9	124 444	124 337
Provinces	145 999	–	–	145 999	145 999	–	100,0	123 612	123 612
Provincial Revenue Funds	145 999	–	–	145 999	145 999	–	100,0	123 612	123 612
Municipalities	890	38	(67)	861	756	105	87,8	832	725
Municipal bank accounts	890	38	(67)	861	756	105	87,8	832	725
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	3 004	3 004
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	3 004	3 004
Higher education institutions	2 609	–	–	2 609	2 609	–	100,0	2 462	2 462

Economic classification	2016/17							2015/16	
	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	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	124	124	122	2	98,4	8	7
Public corporations	–	–	–	–	–	–	–	–	–
Other transfers to public corporations	–	–	–	–	–	–	–	–	–
Private enterprises	–	–	124	124	122	2	98,4	8	7
Other transfers to private enterprises	–	–	124	124	122	2	98,4	8	7
Non-profit institutions	4 884	–	–	4 884	4 884	–	100,0	12 900	12 699
Households	5 276	5 610	78	10 964	10 925	39	99,6	9 918	9 908
Social benefits	5 276	5 610	(14)	10 872	10 836	36	99,7	9 617	9 609
Other transfers to households	–	–	92	92	89	3	96,7	301	299
Payments for capital assets	52 571	2 199	(8 476)	46 294	46 249	45	99,9	47 043	47 011
Buildings and other fixed structures	8 520	(5 909)	–	2 611	2 610	1	100,0	–	–
Buildings	110	(110)	–	–	–	–	–	–	–
Other fixed structures	8 410	(5 799)	–	2 611	2 610	1	100,0	–	–
Machinery and equipment	43 891	8 208	(8 476)	43 623	43 579	44	99,9	47 043	47 011
Transport equipment	36 014	3 623	(9 73)	38 664	38 652	12	100,0	42 931	42 924
Other machinery and equipment	7 877	4 585	(7 503)	4 959	4 927	32	99,4	4 112	4 087
Biological assets	100	(100)	–	–	–	–	–	–	–
Intangible assets	60	–	–	60	60	–	100,0	–	–
Payments for financial assets	–	–	348	348	346	2	99,4	393	388
Total	1 137 706	–	(53 584)	1 084 122	1 077 741	6 381	99,4	862 844	862 280

5.1 Management

Economic classification	2016/17							2015/16	
	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	4 065	963	(327)	4 701	4 698	3	99,9	25 386	25 382
Compensation of employees	2 366	(34)	4	2 336	2 335	1	100,0	3 021	3 020
Goods and services	1 699	997	(331)	2 365	2 363	2	99,9	22 365	22 362
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	34	13	47	46	1	97,9	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	13	13	13	–	100,0	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	34	–	34	33	1	97,1	–	–
Payments for capital assets	39	10	(10)	39	38	1	97,4	54	53
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	39	10	(10)	39	38	1	97,4	54	53
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	4 104	1 007	(324)	4 787	4 782	5	99,9	25 440	25 435

5.2 Forestry Operations

Economic classification	2016/17							2015/16	
	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	418 784	(7 618)	(22 781)	388 385	388 255	130	100,0	382 000	381 902
Compensation of employees	334 723	(4 550)	(6 176)	323 997	323 954	43	100,0	317 249	319 838
Goods and services	83 007	(2 344)	(16 577)	64 086	64 000	86	99,9	64 751	62 064
Interest and rent on land	1 054	(724)	(28)	302	301	1	99,7	–	–
Transfers and subsidies	5 069	4 551	54	9 674	9 663	11	99,9	16 745	16 734
Provinces and municipalities	272	1	(92)	181	178	3	98,3	150	145
Departmental agencies and accounts	–	–	–	–	–	–	–	4	4
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	101	101	99	2	98,0	2	2
Non-profit institutions	–	–	–	–	–	–	–	8 081	8 081
Households	4 797	4 550	45	9 392	9 386	6	99,9	8 508	8 502
Payments for capital assets	40 256	1 960	(1 319)	40 897	40 872	25	99,9	41 542	41 529
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	40 256	1 960	(1 319)	40 897	40 872	25	99,9	41 542	41 529
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	45	45	43	2	95,6	25	23
Total	464 109	(1 107)	(24 001)	439 001	438 833	168	100,0	440 312	440 188

5.3 Forestry Oversight and Regulation

Economic classification	2016/17							2015/16	
	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	47 605	526	(3 462)	44 669	44 636	33	99,9	45 221	45 201
Compensation of employees	32 257	(38)	2	32 221	32 208	13	100,0	28 831	28 824
Goods and services	15 348	564	(3 464)	12 448	12 428	20	99,8	16 390	16 377
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	8 106	38	8	8 152	8 050	102	98,7	7 886	7 584
Provinces and municipalities	600	–	–	600	500	100	83,3	600	500
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	2 609	–	–	2 609	2 609	–	100,0	2 462	2 462
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	3	3	3	–	100,0	5	4
Non-profit institutions	4 884	–	–	4 884	4 884	–	100,0	4 819	4 618
Households	13	38	5	56	54	2	96,4	–	–
Payments for capital assets	390	36	(198)	228	225	3	98,7	154	153
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	330	36	(198)	168	165	3	98,2	154	153
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	60	–	–	60	60	–	100,0	–	–
Payments for financial assets	–	–	–	–	–	–	–	7	6
Total	56 101	600	(3 652)	53 049	52 911	138	99,7	53 268	52 944

5.4 Natural Resources Management

Economic classification	2016/17							2015/16	
	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	453 023	(1 718)	(19 021)	432 284	426 262	6 022	98,6	210 065	209 979
Compensation of employees	161 135	(988)	(2 341)	157 806	157 781	25	100,0	151 304	151 990
Goods and services	291 888	(730)	(16 680)	274 478	268 481	5 997	97,8	58 761	57 989
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	148 483	1 025	60	149 568	149 536	32	100,0	128 105	128 099
Provinces and municipalities	146 017	37	25	146 079	146 077	2	100,0	123 694	123 692
Departmental agencies and accounts	2 000	–	–	2 000	2 000	–	100,0	3 000	3 000
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	7	7	7	–	100,0	1	1
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	466	988	28	1 482	1 452	30	98,0	1 410	1 406
Payments for capital assets	11 886	193	(6 949)	5 130	5 114	16	99,7	5 293	5 276
Buildings and other fixed structures	8 520	(5 909)	–	2 611	2 610	1	100,0	–	–
Machinery and equipment	3 266	6 202	(6 949)	2 519	2 504	15	99,4	5 293	5 276
Biological assets	100	(100)	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	303	303	303	–	100,0	361	359
Total	613 392	(500)	(25 607)	587 285	581 215	6 070	99,0	343 824	343 713

Programme 6: Fisheries

Subprogramme	2016/17							2015/16	
	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	3 028	–	(218)	2 810	2 809	1	100,0	2 148	2 147
6.2 Aquaculture	37 803	–	2 895	40 698	40 693	5	100,0	33 803	33 800
6.3 Monitoring Control and Surveillance	84 940	–	8 324	93 264	93 259	5	100,0	87 174	87 169
6.4 Marine Resources Management	22 285	–	(889)	21 396	21 393	3	100,0	20 345	20 341
6.5 Fisheries Research and Development	68 783	–	(602)	68 181	68 177	4	100,0	63 814	63 810
6.6 Marine Living Resources Fund	241 759	–	–	241 759	241 759	–	100,0	258 623	258 623
Total for subprogrammes	458 598	–	9 510	468 108	468 090	18	100,0	465 907	465 890

Economic classification	2016/17							2015/16	
	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	216 732	(51)	9 469	226 150	226 135	15	100,0	207 028	207 014
Compensation of employees	216 732	(51)	9 469	226 150	226 135	15	100,0	207 028	207 014
Salaries and wages	180 681	(51)	17 016	197 646	197 641	5	100,0	180 335	180 328
Social contributions	36 051	–	(7 547)	28 504	28 494	10	100,0	26 693	26 686
Goods and services	–	–	–	–	–	–	–	–	–
Administrative fees	–	–	–	–	–	–	–	–	–
Advertising	–	–	–	–	–	–	–	–	–
Minor assets	–	–	–	–	–	–	–	–	–
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	–	–	–	–	–	–	–	–	–
Communication	–	–	–	–	–	–	–	–	–
Computer services	–	–	–	–	–	–	–	–	–
Consultants: Business and advisory services	–	–	–	–	–	–	–	–	–
Infrastructure and planning services	–	–	–	–	–	–	–	–	–
Laboratory services	–	–	–	–	–	–	–	–	–
Legal services	–	–	–	–	–	–	–	–	–
Contractors	–	–	–	–	–	–	–	–	–
Agency and support/outsourced services	–	–	–	–	–	–	–	–	–
Entertainment	–	–	–	–	–	–	–	–	–
Fleet services	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and supplies	–	–	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	–	–	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	–	–	–	–	–	–	–

Economic classification	2016/17							2015/16	
	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: 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	241 866	51	-	241 917	241 914	3	100,0	258 832	258 830
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	241 759	-	-	241 759	241 759	-	100,0	258 623	258 623
Departmental agencies and accounts	241 759	-	-	241 759	241 759	-	100,0	258 623	258 623
Higher education institutions	-	-	-	-	-	-	-	-	-

Economic classification	2016/17							2015/16	
	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	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	107	51	-	158	155	3	98,1	209	207
Social benefits	107	51	-	158	155	3	98,1	206	204
Other transfers to households	-	-	-	-	-	-	-	3	3
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	41	-	100,0	47	46
Total	458 598	-	9 510	468 108	468 090	18	100,0	465 907	465 890

6.1 Management

Economic classification	2016/17							2015/16	
	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	3 028	–	(218)	2 810	2 809	1	100,0	2 148	2 147
Compensation of employees	3 028	–	(218)	2 810	2 809	1	100,0	2 148	2 147
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	3 028	–	(218)	2 810	2 809	1	100,0	2 148	2 147

6.2 Aquaculture

Economic classification	2016/17							2015/16	
	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	37 743	(1)	2 854	40 596	40 592	4	100,0	33 666	33 663
Compensation of employees	37 743	(1)	2 854	40 596	40 592	4	100,0	33 666	33 663
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	60	1	–	61	60	1	98,4	137	137
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	60	1	–	61	60	1	98,4	137	137
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	41	41	41	–	100,0	–	–
Total	37 803	–	2 895	40 698	40 693	5	100,0	33 803	33 800

6.3 Monitoring Control and Surveillance

Economic classification	2016/17							2015/16	
	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	84 904	(50)	8 324	93 178	93 175	3	100,0	87 091	87 087
Compensation of employees	84 904	(50)	8 324	93 178	93 175	3	100,0	87 091	87 087
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	36	50	–	86	84	2	97,7	36	36
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	50	–	86	84	2	97,7	36	36
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	47	46
Total	84 940	–	8 324	93 264	93 259	5	100,0	87 174	87 169

6.4 Marine Resources Management

Economic classification	2016/17							2015/16	
	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	22 285	–	(889)	21 396	21 393	3	100,0	20 322	20 319
Compensation of employees	22 285	–	(889)	21 396	21 393	3	100,0	20 322	20 319
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–	23	22
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	–	–	–	–	–	–	–	23	22
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	22 285	–	(889)	21 396	21 393	3	100,0	20 345	20 341

6.5 Fisheries Research and Development

Economic classification	2016/17							2015/16	
	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	68 772	–	(602)	68 170	68 166	4	100,0	63 801	63 798
Compensation of employees	68 772	–	(602)	68 170	68 166	4	100,0	63 801	63 798
Goods and services	–	–	–	–	–	–	–	–	–
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies	11	–	–	11	11	–	100,0	13	12
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	11	–	–	11	11	–	100,0	13	12
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total	68 783	–	(602)	68 181	68 177	4	100,0	63 814	63 810

6.6 Marine Living Resources Fund

Economic classification	2016/17							2015/16	
	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	241 759	-	-	241 759	241 759	-	100,0	258 623	258 623
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	241 759	-	-	241 759	241 759	-	100,0	258 623	258 623
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	241 759	-	-	241 759	241 759	-	100,0	258 623	258 623

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2017

1. Details of transfers and subsidies as per appropriation act (after virement):

Details of these transactions can be viewed in the Note on Transfers and Subsidies and Annexure 1 (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 per programme can be viewed in the Note on Payments for Financial Assets to the Annual Financial Statements.

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

4.1 Per programme

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Administration	843 571	828 485	15 086	1,8
Agricultural Production, Health and Food Safety	1 927 266	1 927 031	235	0,0
Food Security and Agrarian Reform	1 881 198	1 879 016	2 182	0,0
Trade Promotion and Market Access	310 700	310 464	236	0,0
Forestry and Natural Resources Management	1 084 122	1 077 741	6 381	1,0
Fisheries	468 108	468 090	18	0,0
Total	6 514 965	6 490 827	24 138	0,0

Administration

The expenditure to the amount of R23,104 million for Capitals Works in respect of the Stellenbosch Plant Quarantine Station: Upgrading and maintenance of building and laboratories and other Capital Works Projects which did not realise due to the delays in the Department of Public Works processes. However, the overspending in Goods and Services due to Operation Phakisa, Ministerial Stakeholder Engagements and Property Management resulted in variance of R15,086 million.

Food Security and Agrarian Reform

Expenditure to the amount of R1,145 million in respect of Economic Competiveness and Support Package for provincial and rural agricultural colleges and Capital Projects not fully incurred.

Forestry and Natural Resources Management

Expenditure to the amount of R5,936 million in respect of CASP Indirect Grant: Fodder for animal feed was not fully incurred due to delay in distributing fodder to Northern Cape farmers following the late implementation of Supply Chain Management procedures by Northern Cape Province.

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	1 984 332	1 938 317	46 015	2,3
Goods and services	831 265	878 803	(47 538)	(5,7)
Interest and rent on land	318	315	3	0,9
Subtotal	2 815 915	2 817 435	(1 520)	(0,1)
Transfers and subsidies				
Provinces and municipalities	2 203 850	2 203 728	122	0,0
Departmental agencies and accounts	1 129 082	1 129 077	5	0,0
Higher education institutions	8 529	8 529	–	0,0
Public corporations and private enterprises	98 514	98 506	8	0,0
Foreign governments and international organisations	42 445	42 306	139	0,3
Non-profit institutions	18 484	18 482	2	0,0
Households	18 189	18 003	186	1,0
Subtotal	3 519 093	3 518 631	462	0,0
Payments for capital assets				
Buildings and other fixed structures	75 733	51 663	24 070	31,8
Machinery and equipment	100 838	99 766	1 072	1,1
Biological assets	223	184	39	17,5
Intangible assets	2 223	2 221	2	0,1
Subtotal	179 017	153 834	25 183	14,1
Payments for financial assets	940	927	13	1,4
Total	6 514 965	6 490 827	24 138	0,4

The saving in respect of compensation of employees was as a result of a delay in filling of vacant posts. The over expenditure in Goods and Services was due to payment for Operation Phakisa program which was not budgeted for, other shortfalls were for property payment of Fisheries offices and Ministerial stakeholder events not budgeted for. The underspending on capital assets was with respect to capital works for Stellenbosch Plant Quarantine Station and other capital work's projects which did not realise due to delays in the Department of Public Work's processes.

4.3 Per conditional grant

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Comprehensive Agricultural Support Programme (CASP)	1 641 824	1 641 824	–	0,0
Ilima/Letsema	491 363	491 363	–	0,0
Infrastructure Development and Poverty Relief (LandCare)	69 265	69 265	–	0,0
Total	2 202 452	2 202 452	–	0,0

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2017

	Note(s)	2016/17 R'000	2015/16 R'000
Revenue			
Annual appropriation	1	6 514 965	6 408 750
Departmental revenue	2	202 706	212 414
Aid assistance	3	5 108	764
Total revenue		6 722 779	6 621 928
Expenditure			
Current expenditure			
Compensation of employees	4	1 938 317	1 761 116
Goods and services	5	878 803	714 755
Interest and rent on land	6	315	–
Aid assistance	3	516	172
Total current expenditure		2 817 951	2 476 043
Transfers and subsidies			
Transfers and subsidies	8	3 518 631	3 704 829
Aid assistance	3	4 674	258
Total transfers and subsidies		3 523 305	3 705 087
Expenditure for capital assets			
Tangible assets	9	151 613	218 309
Intangible assets	9	2 221	157
Total expenditure for capital assets		153 834	218 466
Payments for financial assets	7	927	1 376
Total expenditure		6 496 017	6 400 972
Surplus for the year		226 762	220 956
Reconciliation of net surplus/(deficit) for the year			
Voted funds		24 138	8 208
Annual appropriation		24 138	8 208
Departmental revenue and NRF receipts	15	202 706	212 414
Aid assistance	3	(82)	334
Surplus for the year		226 762	220 956

STATEMENT OF FINANCIAL POSITION

as at 31 March 2017

	Note(s)	2016/17 R'000	2015/16 R'000
Assets			
Current assets			
		30 448	42 929
Cash and cash equivalents	10	27 228	39 950
Prepayments and advances	11	17	581
Receivables	12	3 203	2 398
Non-current assets			
		659 491	480 572
Investments	13	651 458	474 038
Receivables	12	8 033	6 534
Total assets		689 939	523 501
Liabilities			
Current liabilities			
		34 225	48 156
Voted funds to be surrendered to the Revenue Fund	14	24 138	8 208
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	15	8 261	33 218
Payables	16	1 574	6 396
Aid assistance unutilised	3	252	334
Non-current liabilities			
Payables	17	653 978	474 040
Total liabilities		688 203	522 196
Net assets		1 736	1 305
Represented by:			
Recoverable revenue		1 736	1 305
Total		1 736	1 305

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2017

	Note(s)	2016/17 R'000	2015/16 R'000
Recoverable revenue			
Opening balance		1 305	1 561
Transfers:		431	(256)
Irrecoverable amounts written off	7.1	(693)	(1 100)
Debts recovered (included in departmental receipts)		(3 157)	(2 178)
Debts raised		4 281	3 022
Closing balance		1 736	1 305
Total		1 736	1 305

CASH FLOW STATEMENT

for the year ended 31 March 2017

	Note(s)	2016/17 R'000	2015/16 R'000
Cash flows from operating activities			
Receipts		6 721 911	6 620 208
Annual appropriated funds received	1.1	6 514 965	6 408 750
Departmental revenue received	2	198 047	206 583
Interest received	2	3 791	4 111
Aid assistance received	3	5 108	764
Net (increase)/decrease in working capital		(6 562)	442
Surrendered to Revenue Fund		(235 871)	(251 181)
Surrendered to Reconstruction and Development Programme (RDP) Fund/donor		–	(94)
Current payments		(2 817 934)	(2 476 043)
Interest paid	6	(17)	–
Payments for financial assets		(927)	(1 376)
Transfers and subsidies paid		(3 523 305)	(3 705 087)
Net cash flow available from operating activities	18	137 295	186 869
Cash flows from investing activities			
Payments for capital assets	9	(153 834)	(218 466)
Proceeds from sale of capital assets	2	868	1 720
(Increase)/decrease in investments		(177 420)	(147 466)
Net cash flows from investing activities		(330 386)	(364 212)
Cash flows from financing activities			
Increase/(decrease) in net assets		431	(256)
Increase/(decrease) in non-current payables		179 938	147 465
Net cash flows from financing activities		180 369	147 209
Net increase/(decrease) in cash and cash equivalents		(12 722)	(30 134)
Cash and cash equivalents at beginning of period		39 950	70 084
Cash and cash equivalents at end of period	19	27 228	39 950

ACCOUNTING POLICIES

for the year ended 31 March 2017

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 present fairly 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 (R), which is also the functional currency of the department.

1.4 Rounding

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

1.5 Foreign currency translation

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

1.6 Comparative figures

1.6.1 *Prior period comparative information*

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

1.6.2 *Current year comparison with budget*

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

2. REVENUE

2.1 Appropriated funds

Appropriated funds comprise of departmental allocations, as well as direct charges against 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 is based on the calculation of impairments on financial instruments in accordance with Generally Accepted Accounting Practice (GAAP).

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

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

4.5 Transfers and subsidies

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

4.6 Unauthorised expenditure

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

- approved by Parliament with funding and the related funds are received; 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 Prepayments and advances

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

Prepayments and advances are initially and subsequently measured at cost.

5.3 Loans and receivables

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

Write offs are made according to the department's write off policy.

5.4 Investments

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

5.5 Inventory

At the date of acquisition, inventories are recorded at cost price in the 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 reliable, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

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

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

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 value. The standing value is the value of the standing, marketable timber that is present in a stand at the age when the value is computed. The standing value is determined with reference to the market volume, obtained from a growth model or yield table, which is applicable to a specific species, site and silvicultural regime. The department uses the Computerised Plantation Analysis System (COMPAS) for managing the growing stock data base.

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

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

5.6.5 *Heritage assets: Forestry*

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

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

6. LIABILITIES, PROVISIONS AND CONTINGENTS

6.1 Payables

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

6.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

6.3 Contingent assets

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

6.4 Commitments

Commitments are recorded at cost in the 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

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.

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 a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the NRF when recovered, or transferred to the statement of financial performance when written off.

9. RELATED PARTY TRANSACTIONS

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 2017

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:

	2016/17		2015/16	
	Final appropriation	Actual funds received	Final appropriation	Appropriation received
	R'000	R'000	R'000	R'000
Administration	843 571	843 571	788 853	788 853
Agricultural Production, Health and Food Safety	1 927 266	1 927 266	2 143 284	2 143 284
Food Security and Agrarian Reform	1 881 198	1 881 198	1 910 535	1 910 535
Trade Promotion and Market Access	310 700	310 700	237 327	237 327
Forestry and Natural Resources Management	1 084 122	1 084 122	862 844	862 844
Fisheries	468 108	468 108	465 907	465 907
Total	6 514 965	6 514 965	6 408 750	6 408 750

2. DEPARTMENTAL REVENUE

	Note(s)	2016/17 R'000	2015/16 R'000
Sales of goods and services other than capital assets	2.1	190 749	186 027
Fines, penalties and forfeits	2.2	45	270
Interest, dividends and rent on land	2.3	4 738	5 143
Sales of capital assets	2.4	868	1 720
Transactions in financial assets and liabilities	2.5	6 032	18 899
Transfer received	2.6	274	355
Departmental revenue collected		202 706	212 414

Transactions in financial assets and liabilities for 2016/17 do not include the refunds from unspent conditional grants and projects, received from provincial governments compared to R6,788 million that was include in 2015/16.

2.1 Sales of goods and services other than capital assets

	Note(s)	2016/17 R'000	2015/16 R'000
Sales of goods and services produced by the department		190 625	185 974
Sales by market establishment		2 279	2 347
Administrative fees		134 822	149 966
Other sales		53 524	33 661
Sales of scrap, waste and other used current goods		124	53
Total		190 749	186 027

2.2 Fines, penalties and forfeits

	Note(s)	2016/17 R'000	2015/16 R'000
Fines		26	2
Penalties		19	268
Total		45	270

2.3 Interest, dividends and rent on land

	Note(s)	2016/17 R'000	2015/16 R'000
Interest		3 791	4 111
Rent on land		947	1 032
Total		4 738	5 143

2.4 Sale of capital assets

	Note(s)	2016/17 R'000	2015/16 R'000
Tangible assets			
Machinery and equipment	33.2	868	1 720
Total		868	1 720

2.5 Transactions in financial assets and liabilities

	Note(s)	2016/17 R'000	2015/16 R'000
Receivables		4 297	3 955
Other receipts including recoverable revenue		1 735	14 944
Total		6 032	18 899

2.6 Transfers received

	Note(s)	2016/17 R'000	2015/16 R'000
Public corporations and private enterprises		274	355
Total		274	355

3. AID ASSISTANCE

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		334	94
Transferred from statement of financial performance		(82)	334
Paid during the year		–	(94)
Closing balance		252	334

Transferred from statement of financial performance:

Revenue R5,108 million

Expenditure R5,190 million

Balance R82 thousand

3.1 Analysis of balance by source

	Note(s)	2016/17 R'000	2015/16 R'000
Aid assistance from RDP	3	252	334
Closing balance		252	334

3.2 Analysis of balance

	Note(s)	2016/17 R'000	2015/16 R'000
Aid assistance unutilised	3	252	334
Closing balance		252	334
Aid assistance not requested/not received		2 070	2 022

A grant to the amount of R2,037 million was paid into the RDP fund by the Australian Centre for International Agricultural Research. The amount is to be utilised by DAFF for the "High quality markets and value chains for small scale and emerging beef cattle farmers in South Africa".

A grant to the amount of R33 thousand was paid into the RDP fund by the United States Agency for International Development. The amount is to be utilised by DAFF for the "Response of vegetation, soil, animal and water cycle to the different management regimes: Victoria Falls area, Zimbabwe"

Processes to request the funds from National Treasury were not finalised by 31 March 2017.

4. COMPENSATION OF EMPLOYEES

4.1 Salaries and wages

	Note(s)	2016/17 R'000	2015/16 R'000
Basic salary		1 326 219	1 198 822
Performance award		25 554	28 669
Service based		4 667	3 353
Compensative/circumstantial		22 775	15 432
Periodic payments		1	–
Other non-pensionable allowances		304 807	276 664
Total		1 684 023	1 522 940

4.2 Social contributions

	Note(s)	2016/17 R'000	2015/16 R'000
Employer contributions			
Pension		163 495	152 143
Medical		90 363	85 638
Bargaining council		419	395
Insurance		17	–
Total		254 294	238 176
Total compensation of employees			
		1 938 317	1 761 116
Average number of employees			
		5 512	5 687

The average number of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries. Compensation of employees – excludes R14,696 million disclosed as project costs (refer to note 9).

5. GOODS AND SERVICES

	Note(s)	2016/17 R'000	2015/16 R'000
Administrative fees		9 576	10 647
Advertising		7 514	8 104
Minor assets	5.1	3 697	7 178
Bursaries (employees)		2 671	2 417
Catering		837	740
Communication		29 846	29 115
Computer services	5.2	28 869	11 530
Consultants: Business and advisory services		22 974	22 985
Infrastructure and planning services		2 069	3 708
Laboratory services		206	219
Legal services		6 139	5 334
Contractors		15 459	9 505
Agency and support/outsourced services		22 995	24 636
Entertainment		287	306
Audit cost – external	5.3	10 146	10 816
Fleet services		17 575	21 936
Inventory	5.4	227 821	22 991
Consumables	5.5	16 890	29 640
Operating leases		108 384	90 460
Property payments	5.6	145 341	155 660
Rental and hiring		–	10
Travel and subsistence	5.7	120 095	131 940
Venues and facilities		32 889	69 393
Training and development		29 048	27 065
Other operating expenditure	5.8	17 475	18 420
Total		878 803	714 755

Goods and services – excludes R18,707 million disclosed as project costs (refer to note 9). DAFF is busy with a process to reclassify consumables and inventory items in terms of the Accounting Manual for Departments/Modified Cash Standards.

5.1 Minor assets

	Note(s)	2016/17 R'000	2015/16 R'000
Tangible assets	5	3 697	7 178
Machinery and equipment		3 692	7 166
Transport assets		5	12
Total		3 697	7 178

5.2 Computer services

	Note(s)	2016/17 R'000	2015/16 R'000
SITA computer services	5	18 956	3 187
External computer service providers		9 913	8 343
Total		28 869	11 530

5.3 Audit cost – external

	Note(s)	2016/17 R'000	2015/16 R'000
Regularity audits	5	10 146	10 816
Total		10 146	10 816

5.4 Inventory

	Note(s)	2016/17 R'000	2015/16 R'000
Clothing material and accessories	5	3 095	823
Farming supplies		219 753	17 959
Food and food supplies		1 437	1 132
Fuel, oil and gas		1 211	952
Materials and supplies		210	922
Medical supplies		89	49
Medicine		1 307	31
Other supplies	5.4.1	719	1 123
Total		227 821	22 991

5.4.1 Other supplies

	Note(s)	2016/17 R'000	2015/16 R'000
Ammunition and security supplies	5.4	7	–
Other		712	1 123
Total		719	1 123

Including in the item Farming supplies is an amount of R203,190 million that relates to the drought relief programme.

5.5 Consumables

	Note(s)	2016/17 R'000	2015/16 R'000
Consumable supplies	5	7 989	20 814
Uniform and clothing		2 013	5 808
Household supplies		2 103	1 425
IT consumables		77	1 012
Other consumables		3 796	12 569
Stationery, printing and office supplies		8 901	8 826
Total		16 890	29 640

Other consumables include gardening, farming supplies, fuel, materials and laboratory supplies.

5.6 Property payments

	Note(s)	2016/17 R'000	2015/16 R'000
Municipal services	5	35 643	25 649
Property management fees		76 142	87 859
Property maintenance and repairs		5 325	21 743
Other		28 231	20 409
Total		145 341	155 660

Other includes cleaning and security services.

5.7 Travel and subsistence

	Note(s)	2016/17 R'000	2015/16 R'000
Local	5	104 032	112 280
Foreign		16 063	19 660
Total		120 095	131 940

5.8 Other operating expenditure

	Note(s)	2016/17 R'000	2015/16 R'000
Professional bodies, membership and subscription fees		1 083	1 376
Resettlement costs		1 804	792
Other		14 588	16 252
Total		17 475	18 420

Other includes insurance for subsidised vehicles, school boarding/tuition cost, printing and publication services.

6. INTEREST AND RENT ON LAND

	Note(s)	2016/17 R'000	2015/16 R'000
Interest paid		17	–
Rent on land		298	–
Total		315	–

Interest paid on overdue accounts was reported in note 27.

7. PAYMENTS FOR FINANCIAL ASSETS

	Note(s)	2016/17 R'000	2015/16 R'000
Debts written off	7.1	927	1 376
Total		927	1 376

7.1 Debts written off

	Note(s)	2016/17 R'000	2015/16 R'000
Recoverable revenue written off	7		
Trade debt and farm rental debt			
Irrecoverable/uneconomical		234	276
Staff debt			
Recovery of debt would cause undue hardship		73	–
Irrecoverable/uneconomical		169	740
Claims settled or waived to the advantage of the state		5	–
Other debt			
Irrecoverable/uneconomical (student debt)		14	236
Irrecoverable/uneconomical (private claims)		432	124
Total debt written off		927	1 376

The amount of R234 thousand was not included in the amount reported on the Statement of Change in Net Assets. The irrecoverable amount of R234 thousand was reported in note 25.1 and 25.2.

8. TRANSFERS AND SUBSIDIES

	Note(s)	2016/17 R'000	2015/16 R'000
Provinces and municipalities	38, 39	2 203 728	2 172 723
Departmental agencies and accounts	Annex 1B	1 129 077	1 139 915
Higher education institutions	Annex 1C	8 529	3 307
Foreign governments and international organisations	Annex 1E	42 306	31 911
Public corporations and private enterprises	Annex 1D	98 506	314 800
Non-profit institutions	Annex 1F	18 482	25 590
Households	Annex 1G	18 003	16 583
Total		3 518 631	3 704 829
Unspent funds transferred to the above beneficiaries			
Provinces and municipalities		40 252	12 619
Total		40 252	12 619

The amount of R40,252 million represents funds transferred by DAFF to the provinces which were not spent by the provinces.

9. Expenditure for capital assets

	Note(s)	2016/17 R'000	2015/16 R'000
Tangible assets		151 613	218 309
Buildings and other fixed structures	35	51 663	40 280
Machinery and equipment	33	99 766	178 029
Biological assets	33	184	–
Intangible assets		2 221	157
Software	34	2 221	157
Total		153 834	218 466
The following amounts have been included as project costs in expenditure for capital assets			
Compensation of employees		14 696	15 378
Goods and services		18 707	18 806
Total		33 403	34 184

9.1 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

9.2 Analysis of funds utilised to acquire capital assets – 2015/16

	Voted funds R'000	Total R'000
Tangible assets	218 309	218 309
Buildings and other fixed structures	40 280	40 280
Machinery and equipment	178 029	178 029
Intangible assets	157	157
Software	157	157

Total	218 466	218 466
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9.3 Finance lease expenditure included in expenditure for capital assets

	Note(s)	2016/17 R'000	2015/16 R'000
Tangible assets		35 530	36 584
Machinery and equipment		35 530	36 584
Total		35 530	36 584

Machinery and equipment consist of:
 Finance leases for transport equipment: R29,066 million.
 Finance leases for other machinery (photo copier machines): R6,464 million.

10. CASH AND CASH EQUIVALENTS

	Note(s)	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General Account		27 149	39 976
Cash receipts		6	(69)
Cash on hand		73	43
Total		27 228	39 950

11. PREPAYMENTS AND ADVANCES

	Note(s)	2016/17 R'000	2015/16 R'000
Travel and subsistence		17	581
Total		17	581

The Department of Agriculture, Forestry and Fisheries is acting as an agent for the Department of Environmental Affairs. A separate fund was created to manage the funds (see note 36.2 – Department acting as the agent). An advance to the value of R23,581 million was paid to the Marine Living Resources Fund for the Operation: Phakisa Aquaculture.

12. RECEIVABLES

	Note(s)	2016/17			2015/16		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	1 597	–	1 597	849	–	849
Recoverable expenditure	12.2	315	188	503	370	–	370
Staff debt	12.3	121	9	130	159	21	180
Other debtors	12.4	1 170	7 836	9 006	1 020	6 513	7 533
Total		3 203	8 033	11 236	2 398	6 534	8 932

12.1 Claims recoverable

	Note(s)	2016/17 R'000	2015/16 R'000
National departments	12, Annex 4	1 597	849
Total		1 597	849

12.2 Recoverable expenditure (disallowance accounts)

	Note(s)	2016/17 R'000	2015/16 R'000
Disallowance: Dishonoured cheques	12	2	–
Disallowance: Miscellaneous		501	370
Total		503	370

12.3 Staff debt

	Note(s)	2016/17 R'000	2015/16 R'000
Salaries: Deduction disallowance account	12	10	26
Salaries: Tax debt		14	29
Salary: Reversal control		106	125
Total		130	180

12.4 Other debtors

	Note(s)	2016/17 R'000	2015/16 R'000
Debt account	12	9 006	7 533
Total		9 006	7 533

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

	Note(s)	2016/17 R'000	2015/16 R'000
Non-current			
Shares and other equity			
Ncera Farms (Pty) Ltd		1	1
Onderstepoort Biological Products Ltd		1	1
Abattoir Industry Fund		16 899	16 574
National Forestry Recreation and Access Trust		6 841	6 357
Forestry Lease Rental Trust Fund		627 716	451 105
Total non-current		651 458	474 038
Analysis of non-current investments			
Opening balance		474 038	326 572
Additions in cash		181 766	152 236
Disposals for cash		(1 828)	(4 770)
Non-cash movements		(2 518)	–
Closing balance		651 458	474 038

The Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust are managed separately from DAFF's voted funds. Refer also to note 17. The amount of R2,518 million was received in March 2017 but invested in April 2017.

14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		8 208	63 510
Transfer from statement of financial performance (as restated)		24 138	8 208
Paid during the year		(8 208)	(63 510)
Closing balance		24 138	8 208

15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		33 218	8 475
Transfer from statement of financial performance		202 706	212 414
Paid during the year		(227 663)	(187 671)
Closing balance		8 261	33 218

16. PAYABLES – CURRENT

	Note(s)	2016/17 R'000	2015/16 R'000
Advances received	16.1	86	2 094
Clearing accounts	16.2	558	1 000
Other payables	16.3	930	3 302
Total		1 574	6 396

For the 2016/17 financial year an advance of R23,294 million was received from the Department of Higher Education and Training for the Department of Agriculture, Forestry and Fisheries – National Skills Fund Capacity Building project. The balance of 2015/16 (R1,981 million) and the 2016/17 advance were paid to the supplier.

An advance was received from Department of Environmental Affairs for Operation Phakisa: Aquaculture. A separate fund was created to manage the advance. Subsequently the Department of Agriculture, Forestry and Fisheries paid the advance to the Marine Living Resources Fund for implementation of the programme.

The advances are thus not reflected in the above note. Refer also to Annexures 8A and 8B.

16.1 Advances received

	Note(s)	2016/17 R'000	2015/16 R'000
National departments	16	–	1 981
Other institutions		86	113
Total		86	2 094

16.2 Clearing accounts

	Note(s)	2016/17 R'000	2015/16 R'000
Salary: ACB recalls	16	3	–
Salary: Income tax		391	338
Salary: Pension fund		6	6
Salary: Bargaining Council		–	1
Salary: Reversal account		158	655
Total		558	1 000

16.3 Other payables

	Note(s)	2016/17 R'000	2015/16 R'000
Telephone control account	16	–	1 735
Disallowance miscellaneous		2	950
Sport fees		928	617
Total		930	3 302

Sport fees are money paid by the students for the different sport clubs in GADI.

17. PAYABLES – NON-CURRENT

	Note(s)				2016/17	2015/16
		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	327 403	31 844	294 731	653 978	474 040
Total		327 403	31 844	294 731	653 978	474 040

Other payables consist of the Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust Fund that are managed separately from DAFF's voted funds. Refer also to note 13.

17.1 Other payables

	Note(s)	2016/17 R'000	2015/16 R'000
Ncera Farms (Pty) Ltd	17	1	1
Onderstepoort Biological Products Ltd		1	1
Abattoir Industry Fund		16 899	16 574
National Forestry Recreation and Access Trust		6 841	6 356
Forestry Lease Rental Trust Fund		630 236	451 108
Total		653 978	474 040

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	Note(s)	2016/17 R'000	2015/16 R'000
Net surplus/(deficit) as per Statement of Financial Performance		226 762	220 956
Add back non cash/cash movements not deemed operating activities		(89 467)	(34 087)
(Increase)/decrease in receivables – current		(2 304)	(3 563)
(Increase)/decrease in prepayments and advances		564	751
Increase/(decrease) in payables – current		(4 822)	3 254
Proceeds from sale of capital assets		(868)	(1 720)
Expenditure on capital assets		153 834	218 466
Surrenders to Revenue Fund		(235 871)	(251 181)
Surrenders to RDP Fund/donor		–	(94)
Net cash flow generated by operating activities		137 295	186 869

19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES

	Note(s)	2016/17 R'000	2015/16 R'000
Consolidated Paymaster General account		27 149	39 976
Cash receipts		6	(69)
Cash on hand		73	43
Total		27 228	39 950

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

		Note(s)	2016/17 R'000	2015/16 R'000
Liable to	Nature			
Housing loan guarantees	Employees	Annex 3A	57	57
Claims against the department		Annex 3B	124 944	147 415
Other		Annex 3B	–	26 038
Total			125 001	173 510

The cases reported under Contingent Liabilities in Annexure 3A represent a housing loan guarantee that was issued to an employee still in the employment of DAFF. Any possible outflow of funds will firstly be recovered from the salary/service benefits of the employee before any debt is raised.

The cases reported under Contingent Liabilities in Annexure 3B represent legal cases instituted against DAFF which are in various stages of investigation/legal actions.

Other: The liability was cancelled, the camping allowance claimed was not in line with the definition of "camping allowance".

21. COMMITMENTS

	Note(s)	2016/17 R'000	2015/16 R'000
Current expenditure		302 003	180 996
Approved and contracted		157 776	173 000
Approved but not yet contracted		144 227	7 996
Capital expenditure		14 506	13 676
Approved and contracted		9 819	13 270
Approved but not yet contracted		4 687	406
Total commitments		316 509	194 672

The commitments amounting to R266,564 million is for longer than a year.

22. ACCRUALS AND PAYABLES NOT RECOGNISED

22.1 Accruals

	30 days	30+ days	2016/17 Total R'000	2015/16 Total R'000
Listed by economic classification				
Goods and services	25 283	13 359	38 642	43 135
Capital assets	1 925	1 052	2 977	7 210
Total	27 208	14 411	41 619	50 345
Listed by programme level				
Administration			27 063	21 852
Agricultural Production, Health and Food Safety			942	4 845
Food Security and Agrarian Reform			1 613	3 158
Trade Promotion and Market Access			3 830	15 158
Forestry and Natural Resources Management			8 171	5 332
Total			41 619	50 345

22.2 Payables not recognised

			2016/17	2015/16
	30 days	30+ days	Total R'000	Total R'000
Listed by economic classification				
Goods and services	32 672	146 148	178 820	140 406
Capital assets	1 741	4 602	6 343	16 616
Total	34 413	150 750	185 163	157 022

Listed by programme level				
Administration			75 744	63 330
Agricultural Production, Health and Food Safety			30 953	26 184
Food Security and Agrarian Reform			35 952	39 716
Trade Promotion and Market Access			16 001	5 455
Forestry and Natural Resources Management			26 513	22 303
Fisheries			–	34
Total			185 163	157 022

	Note(s)	2016/17 R'000	2015/16 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	Annex 5	77 075	36 041
Confirmed balances with other government entities	Annex 5	28 143	4 645
Total		105 218	40 686

23. EMPLOYEE BENEFITS

	Note(s)	2016/17 R'000	2015/16 R'000
Leave entitlement		81 230	71 007
Service bonus (thirteenth cheque)		51 953	49 209
Performance awards		30 122	26 427
Capped leave commitments		124 549	126 853
Other		4 086	4 515
Total		291 940	278 011

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 2016/17 budget for compensation of employees.

24. LEASE COMMITMENTS

24.1 Operating leases expenditure

	Land	Buildings and other fixed structures	Total
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
2015/16			
Not later than 1 year	1	206 536	206 537
Later than 1 year and not later than 5 years	3	409 872	409 875
Later than 5 years	43	5 947	5 990
Total lease commitments	47	622 355	622 402

The projected commitments for the month-to-month leases are included in the above figures. The projected monthly rental tariffs are based on the last rental tariffs claimed by National Department of Public Works (NDPW) in the March and April 2017 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 Alfred Harbour View 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.

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	Total
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
2015/16		
Not later than 1 year	7 092	7 092
Later than 1 year and not later than 5 years	3 548	3 548
Total lease commitments	10 640	10 640

The finance leases represent 206 photo copier machines and 25 departmental cellular devices.

25. ACCRUED DEPARTMENTAL REVENUE

	Note(s)	2016/17 R'000	2015/16 R'000
Sales of goods and services other than capital assets		19 917	8 417
Interest, dividends and rent on land		28 190	32 568
Transactions in financial assets and liabilities		31 443	37 247
Total		79 550	78 232

25.1 Analysis of accrued departmental revenue

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		78 232	86 836
Less: amounts received		(78 168)	(87 390)
Add: amounts recognised		79 720	79 062
Less: amounts written-off/reversed as irrecoverable		(234)	(276)
Closing balance		79 550	78 232

25.2 Accrued department revenue written off

	Note(s)	2016/17 R'000	2015/16 R'000
Nature of losses			
Irrecoverable/uneconomical (trade and farm rental debt)		234	276
Total		234	276

Agriculture Debt Account: Debt to the amount of R4,459 million was written-off during the year.

25.3 Impairment of accrued departmental revenue

	Note(s)	2016/17 R'000	2015/16 R'000
Estimate of impairment of accrued departmental revenue		40 148	43 082
Total		40 148	43 082

The impairment includes trade debt (R228 thousand) and the Agriculture Debt Account (R39,920 million).

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		899	2 761
Add: Irregular expenditure – relating to current year		2 806	829
Less: Prior year amounts condoned		(871)	(1 862)
Less: Current year amounts condoned		(2 044)	(829)
Closing balance		790	899
Analysis of awaiting condonation per age classification			
Current year		762	–
Prior years		28	899
Total		790	899

26.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/ criminal proceedings	2016/17 R'000
Lowveld Gateway Magazine	No action recommended	4
South African Poultry Association	Action against the officials	82
Ndlovu Fencing (Pty) Ltd	Action against the officials	4
Milla SA	Action against the officials	20
LEFPA NPC	Action against the officials	119
SC Multi Connexion Engineering	Action against the officials	246
The Institute of Internal Auditors SA	Action against the officials	19
ARC	Corrective measurements	641
Meltwater South Africa (Pty) Ltd	No action recommended	91
TNA Media	No action recommended	900
Ingwenyama Conference and Sport Resort	To be investigated	680
Total		2 806

The cases of irregular expenditure emanates from non-adherence to supply chain management procedures.

26.3 Details of irregular expenditure condoned

Incident	Disciplinary steps taken/ criminal proceedings	2016/17 R'000
Lowveld Gateway Magazine	Director-General	4
LEFPA NPC	Director-General	119
Ndlovu Fencing (Pty) Ltd	Director-General	4
Milla SA	Director-General	20
SC Multi Connexion Engineering	Director-General	246
The Institute of Internal Auditors SA	Director-General	19
ARC	Director-General	641
Meltwater South Africa (Pty) Ltd	Director-General	91
TNA Media	Director-General	900
Subtotal		2 044
Prior year:		
Various suppliers	Director-General	349
Fidelity Security	Director-General	509
Preview Caterers & Printing	Director-General	13
Subtotal		871
Total		2 915

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

	Note(s)	2016/17 R'000	2015/16 R'000
Opening balance		1	246
Fruitless and wasteful expenditure – relating to prior year		363	–
Fruitless and wasteful expenditure – relating to current year		17	1
Less: Amounts resolved		(2)	(246)
Closing balance		379	1

27.2 Analysis of awaiting resolution per economic classification

	Note(s)	2016/17 R'000	2015/16 R'000
Current		16	1
Capital		363	–
Total		379	1

27.3 Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/ criminal proceedings	2016/17 R'000
Interest paid on overdue accounts	No disciplinary steps	17
Total		17

Analysis of Fruitless expenditure relating to prior year:

Cancellation of a Department of Public Works project (upgrading of the reception areas) due to the retrofitting of Agriculture Place: R363 thousand.

27.4 Details of fruitless and wasteful expenditures under investigation (not included in the main note)

	2016/17 R'000
Incident	
No shows: Travelling arrangements made in advance	27
Total	27

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 (Pt) Ltd
		3B	Onderstepoort Biological Products
		3A	Marine Living Resources Fund

All departments and public entities in the National sphere of government are related parties.

29. KEY MANAGEMENT PERSONNEL

	No. of individuals	2016/17 R'000	2015/16 R'000
Political office bearers (provide detail below)	2	4 212	4 033
Officials:			
Level 15 to 16	23	29 897	28 562
Level 14 (incl. CFO if at a lower level)	53	48 113	46 399
Family members of key management personnel	3	1 797	1 075
Total		84 019	80 069

30. IMPAIRMENT (OTHER THAN RECEIVABLES, ACCRUED DEPARTMENTAL REVENUE, LOANS AND INVESTMENTS)

	Note(s)	2016/17 R'000	2015/16 R'000
Debtors (BAS debt)		69	25
Total		69	25

31. PROVISIONS

	Note(s)	2016/17 R'000	2015/16 R'000
Land rental to Tribal Authorities		2 236	–
Total		2 236	–

Reconciliation of movement in provisions – 2016/17

	Provision 1 R'000	Total provisions R'000
Opening balance	–	–
Increase in provision	2 236	–
Closing balance	2 236	–

Reconciliation of movement in provisions – 2015/16

	Provision 1 R'000	Total provisions R'000
Opening balance	26 038	26 038
Change in provision due to change in estimation of inputs	(26 038)	(26 038)
Closing balance	–	–

The provision represents rent of land (plantations) of which the agreements with the Tribal Authorities are not finalised.

32. NON-ADJUSTING EVENTS AFTER REPORTING DATE

The Ministry of DAFF announced on 12 July 2017 that the Director-General, Mr MM Mhlengana has been placed on precautionary suspension. Mr RM Ramasodi, Deputy Director-General: Agricultural Production, Health and Food Safety has been appointed as acting Director-General until further notice.

33. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
Heritage assets	190	–	–	–	190
Heritage assets	190	–	–	–	190
Machinery and equipment	429 375	2 871	66 499	38 388	460 357
Transport assets	149 999	1 679	27 315	9 370	169 623
Computer equipment	116 442	10	22 113	16 805	121 760
Furniture and office equipment	34 352	–	1 997	1 211	35 138
Other machinery and equipment	128 582	1 182	15 074	11 002	133 836
Biological assets	781 304	21 298	11 881	2 858	811 625
Biological assets	781 304	21 298	11 881	2 858	811 625
Capital work-in-progress	23 500	–	3 355	–	26 855
Total movable tangible capital assets	1 234 369	24 169	81 735	41 246	1 299 027

The opening balance of the Capital Work-in-progress represents Transport Assets – Centurion Bus Manufacturers.

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	36

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 2017

	Cash R'000	Non-cash R'000	(Capital work in progress costs and finance lease payments) R'000	Received current, not paid (paid current year, received prior year) R'000	Total R'000
Machinery and equipment	99 766	7 569	(38 884)	(1 952)	66 499
Transport assets	56 879	3 127	(32 420)	(271)	27 315
Computer equipment	20 734	2 753	–	(1 374)	22 113
Furniture and office equipment	1 731	93	–	173	1 997
Other machinery and equipment	20 422	1 596	(6 464)	(480)	15 074
Biological assets	184	11 697	–	–	11 881
Biological assets	184	11 697	–	–	11 881
Total additions to movable tangible capital assets	99 950	19 266	(38 884)	(1 952)	78 380

The capital work-in-progress comprises of the following:

- Transport assets: Phakisa vehicles leased and mobile clinics not finalised.
- Other machinery and equipment- photo copier machines leased.
- 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 2017

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash received actual R'000
Machinery and equipment	5 241	33 147	38 388	868
Transport assets	3 489	5 881	9 370	783
Computer equipment	790	16 015	16 805	9
Furniture and office equipment	374	837	1 211	3
Other machinery and equipment	588	10 414	11 002	73
Biological assets	–	2 858	2 858	–
Biological assets	–	2 858	2 858	–
Total disposal of movable tangible capital assets	5 241	36 005	41 246	868

The following amounts that are included in non-cash disposals, are assets in the process of being transferred or are already transferred to the provinces.

VPH (Primary Animal Health Care): R5 378 346.30

Sector Colleges: R16 034 050.01

DIRCO: R263 788.82

The biological non-cash disposals are due to decommissioning and volume removed due to clear-felling, etc.

33.3 Movement for 2015/16

Movement in tangible capital assets per asset register for the year ended 31 March 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Heritage assets	190	–	–	–	190
Heritage assets	190	–	–	–	190
Machinery and equipment	396 977	37	127 914	95 553	429 375
Transport assets	134 534	22	73 975	58 532	149 999
Computer equipment	105 170	94	20 012	8 834	116 442
Furniture and office equipment	32 934	(206)	3 661	2 037	34 352
Other machinery and equipment	124 339	127	30 266	26 150	128 582
Biological assets	547 210	–	236 110	2 016	781 304
Biological assets	547 210	–	236 110	2 016	781 304
Capital work-in-progress	–	–	23 500	–	23 500
Total movable tangible capital assets	944 377	37	387 524	97 569	1 234 369

33.3.1 Prior period error

	2015/16 R'000
Nature of prior period error	
Relating to prior years before 2015/16 [affecting the opening balance]	37
Data and price corrections	312
Data and price corrections	(275)
Relating to 2015/16	17
Data and price corrections	17
Total prior period errors	54

Majority of the errors are due to the Asset Register amendments on incorrect asset category corrections.

33.4 Minor assets

Movement in minor assets per the asset register for the year ended as at 31 March 2017

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	253	72 382	1 400	74 035
Value adjustments	–	64	74	138
Additions	315	4 460	866	5 641

Disposals	468	4 717	1 045	6 230
Total minor assets	100	72 189	1 295	73 584
Number of R1 minor assets	8	45 093	6	45 107
Number of minor assets at cost	100	51 902	948	52 950
Total number of minor assets	108	96 995	954	98 057

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	15	27

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 2016

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	262	70 405	1 389	72 056
Prior period errors	(9)	(40)	–	(49)
Additions	–	8 620	1 573	10 193
Disposals	–	6 603	1 562	8 165
Total minor assets	253	72 382	1 400	74 035
Number of R1 minor assets	8	45 500	6	45 514
Number of minor assets at cost	164	51 498	1 047	52 709
Total number minor assets	172	96 998	1 053	98 223

33.4.1 Prior period error

	Note(s)	2015/16 R'000
Nature of prior period error	32.4	
Relating to prior years before 2015/16 [affecting the opening balance]		(49)
Data and price corrections		4
Data and price corrections		(53)
Relating to 2015/16		(20)

Data and price corrections	(20)
Total prior period errors	(69)

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 2017

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	1 229	7 181	447	8 857
Total movable assets written off	1 229	7 181	447	8 857

Moveable assets written off for the year ended 31 March 2016

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	–	15 556	468	16 024
Total movable assets written off	–	15 556	468	16 024

33.6 S42 Movable capital assets

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
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

Major assets subjected to transfer in terms of S42 of the PFMA – 31 March 2016

Number of assets	1	2 336	–	2 337
Value of the assets (R'000)	141	72 606	–	72 747

Minor assets subjected to transfer in terms of S42 of the PFMA – 31 March 2016

Number of assets	–	3 409	–	3 409
Value of the assets (R'000)	–	3 901	–	3 901

34. INTANGIBLE CAPITAL ASSETS**Movement in intangible capital assets per asset register for the year ended 31 March 2017**

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Software	15 004	–	18 464	761	32 707
Capital work-in-progress	6 054	–	596	3 600	3 050
Total intangible capital assets	21 058	–	19 060	4 361	35 757

*The opening balance of the capital work-in-progress represents the self development system not finalised.
The disposals represent the three self development system finalised and recorded on the Fix Asset Register.*

34.1 Additions**Additions to intangible capital assets per asset register for the year ended 31 March 2017**

Cash	Non-Cash	Received current year, not paid (Paid current year, received prior year)	Total

	R'000	R'000	R'000	R'000
Software	2 221	16 029	214	18 464
Total additions to intangible capital assets	2 221	16 029	214	18 464

The cash amount represents the Checkpoint software procured by D: ICT SDO.
The non-cash amount represents software maintained on the Fixed Asset Register.

34.2 Disposals

Disposals of intangible capital assets per asset register for the year ended 31 March 2017

	Non-cash disposal R'000	Total disposals R'000
Software	761	761
Total disposals of intangible capital assets	761	761

The non-cash disposal represents the amount of the software licence no longer used in the department.

34.3 Movement for 2015/16

Movement in intangible capital assets per asset register for the year ended 31 March 2016

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
Software	12 888	1 967	290	141	15 004
Capital work-in-progress	–	–	6 054	–	6 054
Total intangible capital assets	12 888	1 967	6 344	141	21 058

34.3.1 Prior period error

	2015/16 R'000
Nature of prior period error	
Relating to prior years before 2015/16 [affecting the opening balance]	1 967
Data and price corrections	1 967
Relating to 2015/16	4

Data and price corrections	4
Total prior period errors	1 971

Majority of the prior period error is due to price corrections on existing software that was upgraded.

35. IMMOVABLE TANGIBLE CAPITAL ASSETS

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2017

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	803	24 098	22 245	2 656
Dwellings	803	1 091	–	1 894
Non-residential buildings	–	762	–	762
Other fixed structures	–	22 245	22 245	–
Capital work-in-progress	15 568	50 981	22 608	43 941
Total immovable tangible capital assets	16 371	75 079	44 853	46 597

35.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2017

	Cash R'000	Non-cash R'000	(Capital work in progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
Building and other fixed structures	51 663	921	(28 736)	250	24 098
Dwellings	215	876	–	–	1 091
Non-residential building	467	45	–	250	762
Other fixed structures	50 981	–	(28 736)	–	22 245
Total additions to immovable tangible capital assets	51 663	921	(28 736)	250	24 098

35.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2017

Non-cash disposal	Total disposals
----------------------	--------------------

	R'000	R'000
Buildings and other fixed structures	22 245	22 245
Other fixed structures	22 245	22 245
Total disposals of immovable tangible capital assets	22 245	22 245

The non-cash disposals represent the expense for the upgrading of the Lesotho border fence for Finshope for order AE910836 and the construction of windmills and reservoirs for Agricultural Sector Colleges and others.

35.3 Movement for 2015/16

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2016

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	1 183	34 600	34 980	803
Dwellings	1 183	–	380	803
Other fixed structures	–	34 600	34 600	–
Capital work-in-progress	58 467	40 280	83 179	15 568
Total immovable tangible capital assets	59 650	74 880	118 159	16 371

35.4 S42 Immovable assets

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

Assets subjected to transfer in terms of S42 of the PFMA – 2015/16

	Number of assets	Value of assets R'000
Buildings and other fixed structures	10	83 558

Dwellings	5	380
Other fixed structures	5	83 178
Total	10	83 558

36. PRINCIPAL-AGENT ARRANGEMENTS

36.1 Department acting as the principal

	2016/17 R'000	2015/16 R'000
Transfer payment to Land and Agriculture Development Bank of South Africa	38 232	36 762
Total	38 232	36 762

The Land and Agriculture Development Bank of South Africa act as the administrator and manager of the AgriBEE (Agricultural Broad Bases 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.

Also refer to Annexure 1D – Statement of Transfers/Subsidies to Public Corporation and private enterprises.

36.2 Department acting as the agent

36.2.1 Revenue received for agency activities

	2016/17 R'000	2015/16 R'000
(a) Department of Higher Education and Training (DHET) – National Skills Fund (NSF)	23 294	17 486
(b) Department of Environmental Affairs – Operation Phakisa: Aquaculture	13 700	18 200
Total	36 994	35 686

(a) The purpose of the funding is to implement skills development initiatives to optimise returns on the selected CASP projects for the period October 2014 to March 2017.

(b) The funding was received from DEA and paid to the MLRF for the Operation Phakisa: Aquaculture.

36.2.2 Reconciliation of funds and disbursements – 2016/17

Category of revenue or expenditure per arrangement	Total funds received R'000	Expenditure incurred against funds R'000
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Department of Higher Education and Training – National skills fund	23 294	25 276
Department of Environmental Affairs – Operation Phakisa: Aquaculture	13 700	7 721
Total	36 994	32 997

36.2.3 Reconciliation of carrying amount of receivables and payables – 2016/17

Payables		
Name of principal entity	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal
	R'000	R'000
Department of Higher Education and Training	25 276	25 276
Department of Environmental Affairs	7 721	7 721
Total	32 997	32 997

37. PRIOR PERIOD ERRORS

Correction of prior period errors

	2015/16
	R'000
Assets:	
Moveable tangible capital assets – note 33.3.1	54
Minor assets note 33.4.1	(69)
Immoveable tangible capital assets – note 34.3.1	1 971
Net effect	1 956
Other:	
Note 22.2 Payables (ARC)	14 754
Net effect	14 754

Movable tangible capital assets: The majority of the errors are due to the Asset Register amendments on incorrect asset category corrections.

Minor assets: The majority of the errors are due to the Asset Register amendments on incorrect asset category corrections.

Immoveable tangible capital assets: The majority of the prior period errors are due to price corrections on existing software that was upgraded.

Payables restated due to prior year ARC invoices.

38. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province/ grant	Grant allocation				Transfer			Spent			2015/16 Division of Revenue Act
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer by DAFF	Funds withheld	Re-allocations by National Treasury or national department	Amount received by provincial department	Amount spent by provincial department	% of available funds spent by department	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	
Summary by province											
Eastern Cape	337 998	–	–	337 998	337 998	–	–	337 998	337 691	100,0	314 071
Free State	239 242	–	–	239 242	239 242	–	–	239 242	236 320	99,0	237 181
Gauteng	115 942	–	–	115 942	115 942	–	–	115 942	114 763	99,0	110 682
Kwazulu-Natal	296 663	–	–	296 663	296 663	–	–	296 663	296 663	100,0	306 228
Limpopo	334 890	–	–	334 890	334 890	–	–	334 890	316 979	95,0	321 992
Mpumalanga	227 758	–	–	227 758	227 758	–	–	227 758	227 003	100,0	221 724
Northern Cape	192 734	–	–	192 734	192 734	–	–	192 734	177 379	92,0	212 258
North West	238 327	–	–	238 327	238 327	–	–	238 327	236 553	99,0	246 789
Western Cape	218 898	–	–	218 898	218 898	–	–	218 898	218 849	100,0	200 525
Subtotal	2 202 452	–	–	2 202 452	2 202 452	–	–	2 202 452	2 162 200	98,0	2 171 450
Summary by grant											
Comprehensive Agricultural Support Programme (CASP)	1 641 824	–	–	1 641 824	1 641 824	–	–	1 641 824	1 612 314	98,0	1 639 726
Ilima/Letsema	491 363	–	–	491 363	491 363	–	–	491 363	480 989	98,0	466 713
Infrastructure Development and Poverty Relief (Land-Care)	69 265	–	–	69 265	69 265	–	–	69 265	68 897	99,0	65 011
Subtotal	2 202 452	–	–	2 202 452	2 202 452	–	–	2 202 452	2 162 200	98	2 171 450
Comprehensive Agricultural Support Programme (CASP)											
Eastern Cape	263 490	–	–	263 490	263 490	–	–	263 490	263 490	100,0	254 399
Free State	174 289	–	–	174 289	174 289	–	–	174 289	171 367	98,0	170 916
Gauteng	85 079	–	–	85 079	85 079	–	–	85 079	84 091	99,0	82 331
Kwazulu-Natal	222 155	–	–	222 155	222 155	–	–	222 155	222 155	100,0	226 161
Limpopo	260 576	–	–	260 576	260 576	–	–	260 576	247 894	95,0	261 844
Mpumalanga	172 414	–	–	172 414	172 414	–	–	172 414	171 664	100,0	169 684
Northern Cape	128 364	–	–	128 364	128 364	–	–	128 364	117 763	92,0	135 509
North West	171 258	–	–	171 258	171 258	–	–	171 258	169 740	99,0	191 897
Western Cape	164 199	–	–	164 199	164 199	–	–	164 199	164 150	100,0	146 985
Subtotal	1 641 824	–	–	1 641 824	1 641 824	–	–	1 641 824	1 612 314	98,0	1 639 726
Ilima/Letsema											
Eastern Cape	63 876	–	–	63 876	63 876	–	–	63 876	63 580	100,0	49 672
Free State	59 447	–	–	59 447	59 447	–	–	59 447	59 447	100,0	60 990
Gauteng	26 061	–	–	26 061	26 061	–	–	26 061	25 870	99,0	23 750
Kwazulu-Natal	63 876	–	–	63 876	63 876	–	–	63 876	63 876	100,0	69 401
Limpopo	63 876	–	–	63 876	63 876	–	–	63 876	58 656	92,0	50 337
Mpumalanga	49 136	–	–	49 136	49 136	–	–	49 136	49 136	100,0	46 092
Northern Cape	55 050	–	–	55 050	55 050	–	–	55 050	50 583	92,0	69 458
North West	59 448	–	–	59 448	59 448	–	–	59 448	59 248	99,0	47 406
Western Cape	50 593	–	–	50 593	50 593	–	–	50 593	50 593	100,0	49 607
Subtotal	491 363	–	–	491 363	491 363	–	–	491 363	480 989	98,0	466 713

Name of province/ grant	Grant allocation				Transfer			Spent			2015/16 Division of Revenue Act
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer by DAFF	Funds withheld	Re-allocations by National Treasury or national department	Amount received by provincial department	Amount spent by provincial department	% of available funds spent by department	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	
Infrastructure development and poverty relief (LandCare)											
Eastern Cape	10 632	–	–	10 632	10 632	–	–	10 632	10 621	100,0	10 000
Free State	5 506	–	–	5 506	5 506	–	–	5 506	5 506	100,0	5 275
Gauteng	4 802	–	–	4 802	4 802	–	–	4 802	4 802	100,0	4 601
Kwazulu-Natal	10 632	–	–	10 632	10 632	–	–	10 632	10 632	100,0	10 666
Limpopo	10 438	–	–	10 438	10 438	–	–	10 438	10 429	100,0	9 811
Mpumalanga	6 208	–	–	6 208	6 208	–	–	6 208	6 203	100,0	5 948
Northern Cape	9 320	–	–	9 320	9 320	–	–	9 320	9 033	97,0	7 291
North West	7 621	–	–	7 621	7 621	–	–	7 621	7 565	99,0	7 486
Western Cape	4 106	–	–	4 106	4 106	–	–	4 106	4 106	100,0	3 933
Subtotal	69 265	–	–	69 265	69 265	–	–	69 265	68 897	99,0	65 011
Total	2 202 452	–	–	2 202 452	2 202 452	–	–	2 202 452	2 121 458	96,0	2 171 450

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

39. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

Name of municipality	Grant allocation				Transfer		
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or national department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Inxuba Yethemba	30	–	(20)	10	10	–	–
City of Tshwane	429	–	405	834	712	–	–
Makhado	70	–	(62)	8	8	–	–
Mbomela	40	–	6	46	46	–	–
Khara Hais	5	–	(5)	–	–	–	–
Mafikeng	2	–	(2)	–	–	–	–
Endumeni	–	–	250	250	250	–	–
Steve Tshwete	–	–	250	250	250	–	–
Total	576	–	822	1 398	1 276	–	–

National Departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, certify that all transfers in terms of this Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2017

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/ agency/ account	Transfer allocation				Transfer		2015/16
	Adjusted appropria- tion	Rollovers	Adjust- ments	Total avail- able	Actual transfer	% of avail- able funds transferred	Appropri- ation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Primary Agriculture Sector Education and Training Authority	1 175	–	–	1 175	1 175	100,0	937
Agricultural Research Council	812 989	–	–	812 989	812 989	100,0	803 933
FP&MSETA	462	–	–	462	462	100,0	429
Marine Living Resources Fund	241 759	–	–	241 759	241 759	100,0	258 623
National Agricultural Marketing Council	35 005	–	–	35 005	35 005	100,0	34 635
National Research Foundation	16 697	–	(1 000)	15 697	15 697	100,0	20 841
National Student Financial Aid Scheme	15 862	–	3 000	18 862	18 862	100,0	14 495
Perishable Products Export Control Board	600	–	–	600	600	100,0	600
Public Sector SETA	–	–	–	–	–	–	370
Small Enterprise Development Agency	1 825	–	(1 520)	305	304	100,0	1 825
Water Research Commission	3 000	–	(1 000)	2 000	2 000	100,0	3 000
South African Broadcasting Corporation (SABC)	28	–	(3)	25	24	96,0	28
ARC – National Emerging Beef Farmer award	100	–	–	100	100	100,0	100
ARC – National Beef Cattle Herd of the year award	100	–	–	100	100	100,0	100
Total	1 129 602	–	(523)	1 129 079	1 129 077		1 139 916

**ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

Name of higher education institution	Transfer allocation				Transfer			2015/16
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
North West University	100	–	–	100	100	–	–	100
University of Pretoria	2 609	–	–	2 609	2 609	–	–	2 462
University of Fort Hare	5 000	–	–	5 000	5 000	–	–	–
University of KwaZulu-Natal	820	–	–	820	820	–	–	750
Total	8 529	–	–	8 529	8 529	–	–	3 312

**ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

Name of public corporation/private enterprise	Transfer allocation				Expenditure				2015/16
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public Corporations									
Transfers	98 333	–	–	98 333	98 333	100,0	–	–	314 714
Forest Sector Charter Council	4 166	–	–	4 166	4 166	100,0	–	–	3 930
Land and Agri Bank of SA	88 232	–	–	88 232	88 232	100,0	–	–	36 762
Ncera Farms (Pty) Ltd	5 935	–	–	5 935	5 935	100,0	–	–	5 622
Onderstepoort Biological Products (Pty) Ltd	–	–	–	–	–	–	–	–	268 400
Subtotal	98 333	–	–	98 333	98 333	100,0	–	–	314 714
Private Enterprises									
Transfers	1	–	180	181	173	95,6	–	–	94
Red Meat Industry Forum	1	–	–	1	–	–	–	–	1
Claims against the state	–	–	180	180	173	96,1	–	–	93
Subtotal	1	–	180	181	173	95,6	–	–	94
Total	98 334	–	180	98 514	98 506	100,0	–	–	314 808

**ANNEXURE 1E
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

Foreign government/ international organisation	Transfer allocation				Expenditure		2015/16
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Foreign rates and taxes	257	–	203	460	457	99,0	366
Commonwealth Agricultural Bureau International	295	–	42	337	337	100,0	277
Consultative Group on International Agricultural Research	6 630	–	442	7 072	7 020	99,0	6 375
Food and Agriculture Organisation of the United Nations	23 467	–	6 673	30 140	30 140	100,0	21 082
International Cotton Advisory Council	281	–	108	389	374	96,0	301
International Commission of Agricultural Engineering	20	–	1	21	21	100,0	20
International Dairy Federation	50	–	–	50	50	100,0	50
International Grains Council	227	–	(15)	212	212	100,0	216
International Union of Forestry Research Organisations	9	–	2	11	10	91,0	11
International Seed Testing Association	150	–	(30)	120	120	100,0	160
Office International des Epizooties	1 424	–	243	1 667	1 616	97,0	1 624
Office International de la Vigne et du Vin	790	–	188	978	977	100,0	790
Organisation for Economic Cooperation and Development	181	–	13	194	183	94,0	430
International Union for the Protection of New Varieties of Plants	744	–	50	794	789	99,0	677
Total	34 525	–	7 920	42 445	42 306		32 379

**ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

Non-profit institutions	Transfer allocation				Expenditure		2015/16
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Deciduous Fruit Producers Trust	12 100	–	–	12 100	12 100	100,0	10 000
Forestry South Africa	4 648	–	–	4 648	4 684	101,0	4 419
Food and Trees for Africa	400	–	(200)	200	200	100,0	400
School Support: Agricultural students–tuition and book fees	2 200	–	(700)	1 500	1 498	100,0	2 000
LIMA Rural Development Foundation	–	–	–	–	–	–	8 081
Citrus Growers Association of South Africa	–	–	–	–	–	–	986
Total	19 348	–	(900)	18 448	18 482		25 886

**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	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Social benefits	4 720		11 653	16 373	16 303	100,0	14 165
Claims against the State	–		316	316	300	95,0	516
Bursaries (non–employees)	1 400		–	1 400	1 400	100,0	1 391
DAFF–Female Entrepreneur Awards	100		–	100	–	–	550
Total	6 220		11 969	18 189	18 003		16 622

ANNEXURE 1H STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2016/17	2015/16
		R'000	R'000
Received in cash			
<i>Current financial year 2016/17</i>			
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 & 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	–
<i>Previous financial year 2015/16</i>			
AU-IBAR/OIE	CVO's Meeting	–	42
Organisation for Animal Health (OIE)	OIE World Organisation for Animal Health	–	114
United States of America	To participate in the International training on pest risk	–	2
Cochran Fellowship	Cochran Fellowship Programme	–	85
AU-IBAR	Attend the reinforcing veterinary governance	–	22
USDA/USDA-APHIS	Emergency Poultry Disease Response Course	–	7
Nepad Planning and Coordination Agency (NPCA)	Inaugural Session on Pan-African Alliance	–	2
Food and Agriculture Organisation (FAO)	Participation in the Criteria and Indicators Workshop	–	4
Royal museum for Central Africa in Belgium (RMCA)	Training – Taxonomy and systematic of African Fruits files	–	2
AFF African Forest	Eleventh Session of the united Nations Forum on Forests	–	1
AU-IBAR (African Union-Inter African Bureau)	Stakeholders Meeting to validate the livestock	–	7
The Union for the Protection of New Varieties	To attend a training course on Contributing Data to the Pluto Database	–	24
World Trade Organisation	To attend the meeting of the World Trade Organisation	–	11
NFFIC (Netherland Organisation for International Cooperation)	To attend the refresher Course for Alumni on Innovative	–	1
COMESA	Training Workshop	–	9
SASVEPM	Symposium of the International Society for Veterinary Epidemiology and Preventive Medicine	–	18
SADC Secretariat	SADC Regional Awareness Creation Workshop	–	4
Subtotal		273	355
Received in kind			
<i>Current financial year 2016/17</i>			
Total SA, Old Mutual, Mondi, SAPPI, Omnia Fertilizer, Manstrat & 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	–

Name of organisation	Nature of gift, donation or sponsorship	2016/17	2015/16
		R'000	R'000
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 & 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 & 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 & 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	–
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 the 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 Fertilizer Association of SA (FERTSA)	Attendance symposium	3	–
New Zealand Development Scholarship - Africa	Support sustainable development countries	562	–
Woolworths (Pty) Ltd	Testing and monitoring of the 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	–

Name of organisation	Nature of gift, donation or sponsorship	2016/17	2015/16
		R'000	R'000
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	–
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	–
Previous financial year 2015/16			
Various	Promotional gifts		22
AU- IBAR/OIE	CVO'S Meetings	–	8
OIE	OIE World Organisation for Animal Health	–	72
SADC	To participate in the SADC Regional Workshop to review	–	9
United States of America	To participate in the International Training on pest risk	–	74
Cochran Fellowship	Cochran Fellowship Programme	–	29
AFF African Forest	Eleventh Session of the United Nations Forum on Forest	–	11
NUFFIC (Netherland Organisation for International	To attend NICHE-ZAF-041 (TACAT) Annually Reporting Meetings	–	28
GM Basics	Easynote me, touch (Pacard bell an ACER Brand)	–	5
United States of America	To participate in the international training on pest risk analysis	–	91
SAPPI	Forestry Indaba	–	28
SANSOR (South African National Council)	To attend the Seed Science Course	–	13
SAVC (South African)	Honorarium	–	49
Nepad Coordinating Agency and the World Bank	To attend the Workshop on Agriculture Public Expenditure	–	69

Name of organisation	Nature of gift, donation or sponsorship	2016/17	2015/16
		R'000	R'000
Various	46th Session of the UPOV	–	48
Bioversity International	The 2nd Steering Committee Meeting of the SADC Crop Wild Relatives	–	23
South African Food Lab	To attend the South African Food Lab Retreat	–	6
Institute for Poverty, Land and Agrarian Studies	Workshop	–	4
SANSOR (South African National Seed Organisation)	The development and implementation of a modern laboratory information	–	453
NUFFIC (Netherland Organisation for International Cooperation)	DAFF-TACATI Conference	–	1 500
Total SA	Abor Week, Arbor City Award and 4 million trees programmes	–	2 400
Total SA	Female Entrepreneur Awards for six categories	–	1 250
Old Mutual	Ministerial Special Award	–	100
Mondi	Ministerial Disabled Female Entrepreneur Award	–	50
Omnia Fertilizer	Sponsor fertilizer Female Farm Award	–	150
Mastrat	Sponsored eight tablets uploaded with Agrisuiteonline software	–	50
Various	Travel and subsistence for a site visits	–	5
Various	Africa Veterinary Technicians Associates meeting	–	65
Various	World Food Day Launch and Commemoration	–	3 705
AU-IBAR	To participate in a colloquium on codex	–	26
Telkom	To attend a conference the Telkom Business Digital Tour	–	53
IPM (Institute of People Management)	To attend the institute of People Management Conference	–	4
Sundays River Citrus Company	Site visit	–	1
SANSOR (South African National Seed Organisation)	To attend the 2015 International Seed Testing	–	42
NUFFIC (Netherland Organisation for International Cooperation)	Innovative approaches for safe food production in emerging economics	–	5
Various supplies	Upon Technical Working party for the Fruits crops in 2015	–	48
Pet Food Association	Pet Food Association Congress	–	14
South African Sugar	Meeting and field trip	–	2
Dutch Consortium (Centre for Development)	Assets	–	1 800
SARIA	SARIA workshop	–	79
Fruits SA	Support to Inspectors	–	90
Africa Solidarity Trust	Workshop	–	23
Africa Solidarity Trust	Workshop on fruit files	–	15
Bioversity International	Office equipment	–	27
Winter Cereal Trust	International Wheat Conference	–	20
SASVEPM	Symposium of the International Society for Veterinary Epidemiology	–	39
SADC Secretariat	SADC Regional Awareness Creation Workshop	–	17
FAO	Southern Africa's Multi-disciplinary team meeting	–	13
Merck Animal Health	Joint Industry and AU-IBAR Workshop	–	17
Bioversity International	Scientific Writing Workshop	–	14
ZZ2	Meeting	–	1
University of Witwatersrand	7th International Workshop	–	12
Potato Certificates	Meeting - Seed Potatoes	–	14
SADC	Harmonization of regulation of pesticides	–	21
European Union	Training on feed law	–	23
Nepad Coordinating Agency and the World Bank	2nd Permanent Secretaries Leadership Retreat Workshop	–	27
Subtotal		9 510	12 764
Total		9 783	13 119

**ANNEXURE 1I
STATEMENT OF AID ASSISTANCE RECEIVED**

Name of donor	Purpose	Opening balance	Revenue	Expenditure	Paid back on/by 31 March	Closing balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
Bioversity International	Conservation and use of crop wild relatives in 3 ACP countries	334	175	509	–	–
The Australian Centre for International Agricultural Research (ACIAR)	Small scale and emerging beef cattle farmers in SA	–	4 933	4 681	–	252
Total		334	5 108	5 190	–	252

**ANNEXURE 1J
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE**

Nature of gift, donation or sponsorship	2016/17 R'000	2015/16 R'000
Made in kind		
Arbor Week – the greening projects of the department in the disadvantaged sector of the population	983	1 317
Corporate gifts	–	6
Total	983	1 323

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
		2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	
						R'000		R'000		R'000		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	-	-	-	-	-	-	

ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2017 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2016	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2017	Guaranteed interest for year ended 31 March 2017	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 2017

Nature of Liability	Opening balance 1 April 2016	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2017
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims	147 415	1 733	24 204	–	124 944
Subtotal	147 415	1 733	24 204	–	124 944
Other					
Compensation – camping allowance	26 038	–	26 038	–	–
Subtotal	26 038	–	26 038	–	–
Total	173 453	1 733	50 242	–	124 944

Nature of Liabilities recoverable	Opening balance 1 April 2016	Details of liability and recoverability	Movement during year	Closing balance 31 March 2017
	R'000		R'000	R'000
Vehicle accidents – compensation	202	Claims: Motor vehicle accidents still under investigation	712	914
Compensation	4	Claims: Damage to private property	(4)	–
Compensation	–	Claim: Assets	9	9
Buffalo Conservation 97 (Pty) Ltd and Dr DI Ntshali	8 426	Prohibition of movement of animals	–	8 426
Cresta Meats (Pty) Ltd	9 766	Storage costs during the period of the attachment of the meat	(9 766)	–
Golden Star Agencies CC	158	Claim: Vehicle accident	(158)	–
Komape K	1 425	Breach of the employment agreement	(222)	1 203
Braam Modie and 16 others	13 642	Damage to their properties	(13 642)	–
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	–	Collision claim	10	10
Rembuluwani M	–	Civil claim – compensation	590	590
Camping allowance payable to officials from the Directorate: Animal Health	26 038	Compensation	(26 038)	–
Total	173 453		(48 509)	124 944

**ANNEXURE 4
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2016/17	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		
Government Entities								
Marine Living Resources Fund (DAFF)	–	131	836	718	836	849		
Department of Public Works	761	–	–	–	761	–	04/04/2017	761
Total	761	131	836	718	1 597	849		761

ANNEXURE 5 INTER-GOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000	31/03/2017 R'000	31/03/2016 R'000
National Departments						
Department of Environmental Affairs	–	212	–	–	–	212
Department of International Relations and Cooperation	17 179	4 164	–	–	17 179	4 164
Department of Justice	3 137	878	–	–	3 137	878
Department of Public Works	56 587	26 640	–	–	56 587	26 640
South African Police Services	172	31	–	–	172	31
Department of Labour	–	–	22	–	22	–
Provincial Departments						
<i>KwaZulu-Natal</i>						
Provincial Government	–	715	–	–	–	715
<i>Free State</i>						
Provincial Government	–	2 709	–	–	–	2 709
<i>Northern Cape</i>						
Provincial Government	–	50	–	–	–	50
<i>Eastern Cape</i>						
Provincial Government	–	642	–	–	–	642
Subtotal	77 075	36 041	22	–	77 097	36 041
Other government entity						
Telkom SA	1 967	1 838	–	–	1 967	1 838
SITA	704	1 698	–	–	704	1 698
Office of the Auditor-General	3 267	1 109	–	–	3 267	1 109
Eastern Cape Rural Development Agency	22 205	–	–	–	22 205	–
Subtotal	28 143	4 645	–	–	28 143	4 645
Total	105 218	40 686	–	–	105 240	40 686

ANNEXURE 6 INVENTORIES

Inventory	2016/17		2015/16	
	Quantity	R'000	Quantity	R'000
Opening balance	24 772	1 772	57 690	1 577
Add/(Less): Adjustments to prior year balance	40 972	1 405	(10 639)	(319)
Add: Additions/purchases - cash	1 770 643	228 259	710 702	26 159
(Less): Disposals	(16)	–	(270)	(17)
(Less): Issues	(1 738 666)	(227 643)	(730 165)	(30 628)
Add/(Less): Variance figure	(37 452)	(2 496)	(2 546)	5 000
Closing balance	60 253	1 297	24 772	1 772

ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

Movement in capital work-in-progress for the year ended 31 March 2017

	Opening balance R'000	Current year capital WIP R'000	Completed assets R'000	Closing balance 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
Software	6 054	596	(3 600)	3 050
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-development systems not finalised.

Project WCS51541 is cancelled due to retrofitting of Agriculture Place.

Age analysis on ongoing projects	Number of projects		2016/17
	Planned, construction not started	Planned, construction started	Total R'000
0 to 1 year	–	29 332	29 332
1 to 3 years	71	43 253	43 324
3 to 5 years	–	1 190	1 190
Total	71	73 775	73 846

Include discussion on projects longer than 5 years in capital-work-in progress.

Movement in capital work-in-progress for the year ended 31 March 2016

	Opening balance R'000	Current year capital WIP R'000	Completed assets R'000	Closing balance R'000
Machinery and equipment	–	23 500	–	23 500
Transport assets	–	23 500	–	23 500
Buildings and other fixed structures	58 467	40 280	(83 179)	15 568
Other fixed structures	58 467	40 280	(83 179)	15 568
Software	–	6 054	–	6 054
Software	–	6 054	–	6 054
Total	58 467	69 834	(83 179)	45 122

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

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
	-	-	-	-	-	-
Total	-	-	-	-	-	-

An advance to the value of R13,7 million was paid to the MLRF for Operation Phakisa: Aquaculture.

Expenses to the value of R7,721 million were received and set-off against the advance. On 31 March 2017 the value of the advance is R23,581 million.

ANNEXURE 8B INTER-ENTITY ADVANCES RECEIVED (NOTE 16 AND NOTE 17)

Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	R'000	R'000	R'000	R'000	R'000	R'000
National Departments						
Current						
Department of Higher Education and Training	-	-	-	1 981	-	1 981
Subtotal	-	-	-	1 981	-	1 981
Other institutions						
Current						
Citrus Growers' Association	86	68	-	-	86	68
African Agriculture Development	-	-	-	45	-	45
Subtotal	86	68	-	45	86	113
Total	86	68	-	2 026	86	2 094

For the 2016/17 financial year an advance of R23,294 million was received from the Department of Higher Education and Training for the DAFF-NSF Capacity Building Project. R25,276 million was paid to the supplier.

An advance of R13,7 million was received from Department of Environmental Affairs for Operation Phakisa: Aquaculture. An amount of R7,721 million was set off against the advance.

