

Annual report

2010/11



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

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DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

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ANNUAL REPORT

2010/11

Ms Tina Joemat-Pettersson

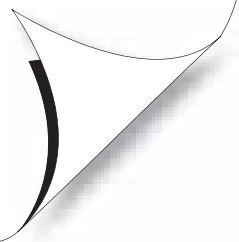
Minister of Agriculture, Forestry and Fisheries

I have the honour of submitting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2010 to 31 March 2011.

A handwritten signature in black ink, appearing to read 'Langa Zita'.

Mr Langa Zita

Director-General: Department of Agriculture, Forestry and Fisheries



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Acronyms

ABET	Adult Basic Education and Training	EME	exempted macro enterprises
AGIS	Agricultural Geo-referenced Information System	EMMF	Environmental Management and Monitoring Framework
AIDS	Acquired immune deficiency syndrome	EPA	Economic Partnership Agreement
AgriBEE	Agricultural Black Economic Empowerment	EPMDS	Employee Performance Management and Development System
AgriSETA	Agricultural Sector Education and Training Authority	EPWP	Expanded Public Works Programme
ARC	Agricultural Research Council	EU	European Union
ASRDC/STC	Joint Agriculture and Sustainable Rural Development and Science and Technology Committee (DEXCO subcommittee)	FALA	Financial Assistance and Land Administration
ATI	Agricultural Training Institute	FAO	Food and Agriculture Organization
AU	African Union	FFMC	Forestry Functional Management Committee
BBBEE	Broad-Based Black Economic Empowerment	FIETA	Forest Industries Education and Training Authority
BCOCC	Border Control Coordinating Committee	FIFO	first-in-first-out
BEE	Black Economic Empowerment	FPA	Fire Protection Association
BRICS	Brazil, Russia, India, China and South Africa	FMD	foot-and-mouth disease
CAADP	Comprehensive African Agricultural Development Programme	FS	Food Security
CASP	Comprehensive Agricultural Support Programme	FSC	Forest Stewardship Council
CCARDESA	Coordination Centre for Research and Agricultural Development of Southern Africa	FVO	Food and Veterinary Office
CCAW	Coordinating Committee on Agricultural Water	GAAP	Generally Accepted Accounting Practice
CEO	Chief Executive Officer	GADI	Grootfontein Agricultural Development Institute
CFO	Chief Financial Officer	GCIS	Government Communication and Information System
COMESA	Common Market for Eastern and Southern Africa	GDP	gross domestic product
COMPAS	Computerised Plantation Analysis System	GEPF	Government Employees Pension Fund
COP	Conference of Parties	GGP	gross geographic product
CPUE	catch per unit effort	GHG	greenhouse gases
CRDP	Comprehensive Rural Development Programme	GMO	genetically modified organism
CV	curriculum vitae	GOPC	Governance and Operational Policy Committee
DAFF	Department of Agriculture, Forestry and Fisheries	GPSCBC	General Public Service Commission Bargaining Council
DBSA	Development Bank of Southern Africa	HDI	historically disadvantaged individual
DDG	Deputy Director-General	HFPP	Household Food Production Programme
DEA	Department of Environmental Affairs	HIV	human immunodeficiency virus
DEAT	Department of Environmental Affairs and Tourism (former)	HR	Human Resources
DEXCO	Departmental Executive Committee	HRM	Human Resources Management
DG	Director-General	IBSA	India, Brazil and South Africa
DIRCO	Department of International Relations and Cooperation	ICT	information and communication technology
DoCGTA	Department of Cooperative Governance and Traditional Affairs	IDC	Industrial Development Corporation
DoJCD	Department of Justice and Constitutional Development	IFAD	International Fund for Agricultural Development
DORA	Division of Revenue Act	IFSS	Integrated Fisheries Security Strategy
DPSA	Department of Public Service and Administration	IGDP	Integrated Growth and Development Plan
DPW	Department of Public Works	IPAP	Industrial Policy Action Plan
dti	Department of Trade and Industry	IPC	Integrated Food Insecurity Phase Classification
DWA	Department of Water Affairs	IT	information technology
DWAF	Department of Water Affairs and Forestry (former)	ITCA	Intergovernmental Technical Committee for Agriculture
EAC	East African Cooperation	ITEC	Intergovernmental Trade and Economic Committee
ECF	European Commission Fund	JAWG	Joint Agricultural Working Group
		JMC	Joint Management Committee
		JWG	Joint Working Group
		KBerP	KnowledgeBank
		LCMS	liquid chromatography mass spectrophotometer

LED	local economic development	RSA	Republic of South Africa
LOGIS	Logistical Information System	SA	South Africa
Mafisa	Micro-agricultural Financial Institutions of South Africa	SANCO	South African National Civic Organisation
MCS	Monitoring, Control and Surveillance	SADC	Southern African Development Community
M&E	Monitoring and Evaluation	SAFCOL	South African Forestry Company Limited
MER	Monitoring Evaluation and Reporting	SANAP	South African National Antarctic Programme
mt	metric tons	SANDF	South African National Defence Force
MTEF	Medium Term Expenditure Framework	SANParks	South African National Parks
MLRA	Marine Living Resources Act	SAPS	South African Police Service
MLRF	Marine Living Resources Fund	SARS	South African Revenue Service
MTSF	Medium Term Strategic Framework	Sasco	South African Students Congress
MoA	Memorandum of Agreement	SCOA	Standard Chart of Accounts
MoU	Memorandum of Understanding	SCOPA	Standing Committee on Public Accounts
MPSA	Minister of Public Service and Administration	SDIP	Service Delivery Improvement Plan
NAC	National Agro-meteorological Committee	SETA	Sector Education and Training Authority
NAMC	National Agricultural Marketing Council	SLA	Service Level Agreement
NCOP	National Council of Provinces	SMME	small, medium and micro enterprises
NCS	National Certification Standard	SMS	Senior Management Service
Nedlac	National Economic Development and Labour Council	SOP	standard operating procedure
NEF	National Empowerment Fund	SPS	sanitary and phytosanitary
NFA	National Forests Act	S&T	subsistence and travel
NGP	New Growth Path	TFR	Transnet Freight Rail
NRF	National Revenue Fund	ToR	Terms of Reference
NSFAS	National Student Financial Aid Scheme	UN	United Nations
NSP/M&E	National Strategic Plan/Monitoring and Evaluation	UNFCCC	United Nations Framework Convention on Climate Change
NTB	non-tariff barrier	USA	United States of America
NVAC	National Vulnerability Assessment Committee	WCRL	West Coast rock lobster
NVFFA	National Veld and Forest Fire Act	WEF	World Economic Forum
OBP	Onderstepoort Biological Products	WFP	World Food Programme
OIE	International Office of Epizootics	WTO	World Trade Organization
OECD	Organisation for Economic Cooperation and Development	Directorates of the department	
OHS	occupational health and safety	D: AES	Directorate: Agricultural Engineering Services
OSD	Occupation Specific Dispensation	D: APIS	Directorate: Agriculture Product Inspection Services
PA	Performance Agreement	D: AS	Directorate: Agricultural Statistics
PALAMA	Public Administration, Leadership and Management Academy	D: ED	Directorate: Employee Development
PDA	Provincial Department of Agriculture	D: ES	Directorate: Education, Training and Extension Services
PDI	previously disadvantaged individual	D: ETES	Directorate: Financial Administration
PFMA	Public Finance Management Act	D: FA	Directorate: Food Safety and Quality Assurance
POE	Portfolio of Evidence	D: FSQA	Grootfontein Agricultural Development Institute
PPECB	Perishable Products Export Control Board	D: GADI	Directorate: Genetic Resources
PRA	pest risk analysis	D: GR	Directorate: Human Resources Management
PRC	People's Republic of China	D: HRM	Directorate: Marketing
PSR	Public Service Regulations	D: M	Directorate: Plant Health
PTO	permission to occupy	D: PH	Directorate: Plant Protection
Q1	Quarter 1	D: PP	Directorate: Production Resource Economics
Q2	Quarter 2	D: PRE	Directorate: Supply Chain Management
Q3	Quarter 3	D: SCM	Directorate: Security Services
Q4	Quarter 4	D: SS	Directorate: Veterinary Services
RAMP	Repairs and Maintenance Project	D: VS	Directorate: Water Use and Irrigation Development
RDP	Reconstruction and Development Programme	D: WUID	
R&D	Research and Development		



1

General information



Foreword by the Minister

During 2010/11, rapidly rising global food prices posed a threat to the food security of poor households throughout the world and increasing poverty was experienced, including in South Africa. The alleviation of poverty remains a challenge and government's role as an agent to create conditions conducive for employment will be accelerated through broader government programmes, developed to accelerate job creation, stimulate economic growth and contribute towards rural development.

Through the New Growth Path (NGP) we will address large-scale employment creation; provide support by means of a policy package to drive competitiveness; and intensify key actions aimed at sustainable development. The department will also focus on manufacturing as a long-term growth strategy with clear sectoral plans and targets through the Industrial Policy Action Plan (IPAP) to create jobs in both the agricultural value chain and the services sector. We will further contribute towards economic growth and employment creation through the Comprehensive Rural Development Programme (CRDP) and the envisaged Integrated Growth and Development Plan (IGDP) for agriculture, forestry and fisheries.



Ms Tina Joemat-Pettersson

FOOD SECURITY

One of the most effective ways of alleviating poverty and lessening the effects of high food prices is by increasing the productive capacity of some of the poorest parts of the country. Our policies are aimed at strengthening the participation of rural women, people with disabilities and smallholder farmers. To improve access to markets, a "Zero Hunger Plan" was developed during 2010/11, based on best practices from Brazil, to purchase food from smallholder producers and making it available to the most needy at subsidised rates, utilising government's procurement systems.

While we did not experience food shortages in South Africa during 2010, food is, unfortunately, unaffordable to the majority of households earning low wages and spending a substantial part of their income on food. Even though food prices globally remained high during 2010, there was less pressure in South Africa because our maize prices were lower during the previous year.

The maize surplus of the 2009/10 production season, which was the result of good harvests, could be to our advantage, because less maize was planted in 2010/11 than during the previous season. The main reason for this decrease was that the lower maize prices could have a negative impact on farmers' profitability. Other factors, such as access to credit, as well as rainfall, could also have influenced the decision by farmers to plant smaller areas. However, longer-term solutions for exporting surplus maize will still be explored.

SECTOR SECURITY

Criminality in our sector is a threat to food security, economic growth and stability—not only on farms, but also in the forestry and fisheries industries. Farm attacks and murders, illegal evictions and exploitation of vulnerable workers are the ills of our society that have to be corrected which require unified action to curb these incidents. Government is considering ways to respond to farm attacks through the Security Cluster.

While poaching is a major concern in the fishing industry, the invasion of forest land and the ensuing hostilities coupled with the theft of timber and non-timber forest products continue to plague the forestry subsector. We are working on a concerted effort to address and curb these criminal activities in both the fisheries and forestry subsectors.

LABOUR RELATIONS

The transformation of the sector remained central to our mandate during the period under review. In cooperation with the Departments of Labour and Rural Development and Land Reform, as well as organised agriculture, we held a national Summit on Vulnerable Workers in July 2010, following extensive provincial consultations with stakeholders. We obtained a better understanding of the conditions under which this important segment in the production of food, fibre

and timber work and live. We will continue through dialogue to implement resolutions, address the living and working conditions of farm, forestry and fishery workers, as well as other matters affecting health and land tenure issues.

TRANSFORMATION CHARTERS

Since 1994, there has not been significant transformation in the agricultural, forestry and fisheries sectors. This may be attributed to a number of factors, including slow growth, as well as a lack of institutional mechanisms and capacity to support the transformation agenda.

However, good progress was made with the Forestry Charter Council. The Forestry Sector Charter was gazetted in terms of section 9 of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003). The Agricultural Sector Charter was refined and will be gazetted shortly, while the Fisheries Sector Charter is in the process of being developed and will be implemented in the medium term.

ANIMAL DISEASES

The outbreak of animal diseases, such as foot-and-mouth disease (FMD) in northern KwaZulu-Natal and avian influenza in the Western Cape, resulted in intensive investigations and surveillance in both areas. Both outbreaks were contained and animals were vaccinated for FMD. As a precautionary measure, we introduced a self-imposed ban on the export of animal products and live animals. This process will enable the country to approach the International Office of Epizootics (OIE) with regard to the unbanning—as soon as we have successfully dealt with the problem.

Following the outbreak of African horse sickness in the Western Cape, an immediate ban was placed on the movement of animals and voluntary vaccination of animals is being encouraged.

CLIMATE CHANGE

As a signatory to the international protocols and agreements on global climate change and natural resources protection, such as the Kyoto Protocol and the Copenhagen Convention on Biological Diversity, South Africa is fully committed to making a contribution with regard to climate change.

To promote the greening of our country, we encouraged citizens to plant trees during the annual Arbor City Awards, as well as during Arbor Week, which was celebrated in September 2010.

MARKET ACCESS AND INTERNATIONAL TRADE

As a new member to the Brazil, Russia, India, China and South Africa (BRICS) group, we became a partner in this powerful group of emerging economies. This will open up new markets for South African exports and we will have the strategic advantage of access to the massive and growing domestic markets of our BRICS partners.

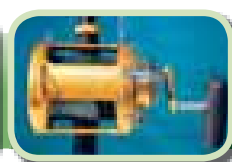
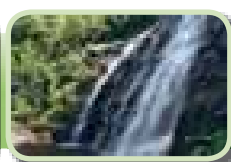
Market globalisation continues to shape the development of industry sectors worldwide. The BRICS countries, while increasing their prominence in the global arena, are facing common challenges. Collective multilateral trade engagement in terms of World Trade Organization (WTO) negotiations, resulted in the majority of the proposals by, and positions of the G20 (group of developing countries) being incorporated into draft agricultural modalities currently under negotiation.

The huge farmer subsidy systems in Europe and North America created an unbalanced trade environment. However, as part of the BRICS group, South Africa can now add its voice to the urgent call for a fair international trade system that would be to the advantage of South African farmers.

Cooperation with African countries remained part of our agenda and quite a number of bilateral agreements were concluded through active participation in the promotion of trade and investment. We also focused on improving access to markets on the African continent, as well as on promoting trade—not only with African countries, but also with the rest of the world.

FORESTRY SECTOR

The forestry sector is uniquely placed to create sustainable jobs in the most rural areas of our country and, by so doing, contributes towards prosperity and quality of life. Identified afforestation projects, as well as opportunities in the processing and manufacturing sector, have huge potential in the field of job creation.



Although small growers in the forestry sector are increasing in number and becoming an alternative source in producing fibre for the forestry industry, ownership remains skewed, with the majority of plantations owned by only a few multinational corporations. Although there is a rapid development in terms of black ownership and management in the form of out-grower timber schemes, the percentage of plantation land owned by independent small and medium growers is one of the lowest in the world. However, some large companies have now established projects to support small growers. As a means to address this skewed participation, the Department of Agriculture, Forestry and Fisheries (DAFF) restored ownership in the form of forestry lease rentals when handing over the funds to the community of Mthatha in the Eastern Cape, early during 2011.

FISHERIES SECTOR

South Africa's fisheries sector is well established and comprises two components, namely wild capture fisheries and aquaculture, which is under-developed. Both these components require specific research and management interventions. Promoting aquaculture will relieve the pressure on the wild fish stock and create an opportunity to meet the growing demand for fish. It will also create new economic opportunities in the fishing industry. The main challenge facing us is to create a balance between optimising the social and economic potential of the sector, while protecting the integrity of the country's marine and coastal system.

The department has been working with the fishing industry to facilitate a new export documentation system for fish exports to the European Union (EU), in the face of non-tariff barriers that are continually raised by European countries. The department also made inputs at the WTO with regard to the global issue of fisheries subsidies.

I would like to express my gratitude to my Deputy Minister, Dr Pieter Mulder, for his interventions to support the integration of the agricultural, forestry and fisheries subsectors. I would also like to convey my sincere thanks to the chairpersons and members of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries in the National Assembly and the National Council of Provinces for their knowledge and oversight. I would like to extend my appreciation to all stakeholders in the agricultural, forestry and fisheries sectors, organised agriculture, as well as our partners for their commitment and dedication towards the sector. Lastly, I would like to thank the department, provincial departments and state-owned entities for their contribution in meeting the objectives for the sector. We are committed to attaining a socially transformed and equitable sector and, at the same time, increasing production and competitiveness in order to ensure profitability, while ensuring the sustainable use of our country's natural resources.



Ms Tina Joemat-Pettersson
MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

Statement by the Deputy Minister

The question that confronts all of us—on a global scale—is how do we raise agricultural production without vastly increasing the problems of air pollution, ecological disturbances, soil erosion, the pollution of streams and waterways, and destroying what is left of the world's natural habitat. I believe that increasing food production sustainably is the central, over-riding, and defining issue of agriculture today.

The reliability of irrigation water supplies, and the ratio of water consumption to requirements, is expected to worsen in Sub-Saharan Africa owing to climate change. Without climate change, calorie availability is expected to increase in Sub-Saharan Africa between 2010 and 2050. However, with climate change it is predicted that food availability in the region will average 500 calories less per person in 2050, a 21% decline.

According to a report by the International Food Policy Research Institute it is predicted that 25 million more children will be malnourished in 2050 because of the effects of climate change.

Untimely droughts, floods and severe cold have already had a huge socio-economic impact on South Africa and especially on agriculturalists and the rural community. Furthermore, the outbreaks of animal diseases and pests require the strengthening of our early-warning systems and adaptation and mitigation strategies. Taking advantage of the benefits of technology, which will enable us to plan well ahead, we can plan around this new weather phenomenon. Research and the development of new technology are crucial in order to increase our productivity and ensure food security while facing climate change, population growth and urbanisation.

It is of utmost importance that all stakeholders now come to the realisation that land does not automatically bring about wealth. Agriculture is a complicated discipline and without the necessary technology and knowledge, farmers will fail.

The agriculture, forestry and fisheries sectors face many challenges, but I believe that we can be successful if we build strong productive partnerships between the department, state-owned entities, the relevant organisations and the private sector. It is of key importance that we base our decisions and policy-making on facts and do so in the best interest of South Africa.

I thank the Minister, the department, organised agriculture and the industry for their cooperation. We do not have any other option but to make agriculture, forestry and fisheries succeed.

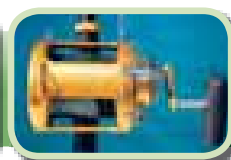
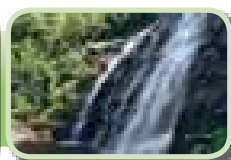


Dr Pieter Mulder

A handwritten signature in dark ink, appearing to read 'P. W. G. Mulder'.

Dr Pieter Mulder

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



Overview by the Director-General

During the 2010/11 financial year, the department's main focus was on restructuring in order to incorporate the forestry and fisheries functions that had been added with the appointment of the new term of government and the new administration on 10 May 2009. Our aim was to create a new macro structure that would ensure maximum performance on the deliverables in terms of the Medium Term Strategic Framework (MTSF) priorities, to address government's broad national challenges. Twelve key outcomes were identified by government to be implemented through intergovernmental co-operation over the next four to five years. The DAFF will contribute directly to three of the 12 outcomes in achieving related outputs over the Medium Term Expenditure Framework (MTEF) period. These three outcomes are:

Outcome 4: Decent employment through inclusive economic growth

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

Outcome 10: Protect and enhance our environmental assets and natural resources.

Government clusters identified and developed key policies, including the NGP, IPAP and the CRDP. The envisaged IGDP for agriculture, forestry and fisheries will also contribute in addressing these national challenges.



Mr Langa Zita

Even though the restructuring process was still in progress during 2010/11, the DAFF was guided at all times by the *Strategic plan for the Department of Agriculture, Forestry and Fisheries 2010/11*, as approved by Parliament in March 2010. As a department we continued working towards clear, measurable targets and objectives, assessing our performance on a quarterly basis to ensure that departmental programmes and service delivery were in line with the deliverables for the 2010/11 financial year.

During this period, the department focused on accelerating delivery with regard to food security, rural development, employment creation and skills development. All these required growth in the agricultural, forestry and fisheries sectors in ways that would:

- ✧ Reduce the cost of basic foodstuffs and, consequently, the cost of living
- ✧ Increase the number of participants in the agricultural, forestry and fisheries sectors, through support for smallholders and processors
- ✧ Improve the income and conditions of farm workers, including housing and access to other services, such as education, health and social security
- ✧ Enhance exports
- ✧ Ensure sustainability, especially by the more efficient use of water and electricity, as well as the preservation of natural resources.

FOOD SECURITY

Following the commemoration of World Food Day 2010 in October 2010, and in response to food security challenges facing South Africa, a "Zero Hunger Strategy" was developed, articulating a new approach to food security that would also improve access to markets. A Food Security Policy was also drafted and both the strategy and the policy will be subjected to a consultation process.

More funds were allocated towards research and technology development in 2010/11, in order to achieve increased household food production. By means of new methodologies, improved genes for plants and livestock could be developed, to improve the quality of indigenous food and address high input and production costs, with the objective of reducing the cost of the final product.

JOB CREATION

Job creation was prioritised as one of government's main focal areas, in order to meet the challenges that would be facing the country over the next four years. In terms of the NGP, the agricultural sector was identified as one of the key

sectors in which there was significant potential to create jobs—not only in the primary agricultural sector, but in the agriculture value chain as a whole.

A noticeable achievement towards the NGP constituted the creation of at least 5 400 jobs during the 2010/11 financial year, as a result of support interventions through the Comprehensive Agricultural Support Programme (CASP). The remaining target of 45 000 smallholder farmers will be phased out over a three-year period up to 2013/14, so as to cover smallholders in agriculture, forestry and fisheries in collaboration with the provinces.

BIOSECURITY AND DISASTER MANAGEMENT (ANIMAL AND PLANT DISEASES)

During 2010, an increased number of tourists were expected to attend major South African sporting events, such as the 2010 FIFA World Cup. As part of our preparations, the DAFF strengthened disease surveillance systems and improved control measures at all ports of entry, in the interest of public health. Sanitary and phytosanitary regulations and control measures were also improved, so as to ensure food safety and limit the possible entry and spreading of animal and plant diseases and pests.

As a result of an outbreak of Rift Valley fever in Namibia, trade restrictions were placed on the importation of venison, beef, mutton and goat meat for personal use, but these were lifted in June 2010 with regard to specific products coming from non-restricted areas. These were precautionary measures that had been put in place to ensure the safety of animal products for human consumption.

In January 2011, an outbreak of Rift Valley fever was reported near Mossel Bay in the Western Cape. Farmers were strongly advised to vaccinate their animals and to be on the lookout for signs of the disease.

The outbreak of FMD in northern KwaZulu-Natal in February 2011 had a negative effect on South Africa's export status with regard to all cloven-hoofed animals and their products. Control measures included roadblocks to control the movement of animals, as well as a vaccination programme. Although a feedlot in Gauteng was placed under quarantine as a precautionary measure while investigations were being conducted, no trace of FMD was found. We managed to control the situation successfully and our strategy included, *inter alia*, reducing the area affected by the outbreak.

An African horse sickness outbreak was reported in the surveillance zone of the Western Cape towards the end of February 2011. An immediate ban was placed on the movement of equidae and voluntary vaccination was encouraged.

Due to an outbreak of avian influenza in the Western Cape, affected farms were placed under quarantine and investigations are underway in accordance with international protocol requirements. The export of poultry meat, including ostrich meat, was suspended. Exports of ostrich meat in particular, will be traced back and recalled to the beginning of February 2011.

EXTENSION AND ADVISORY SERVICES

In terms of extension and advisory services to farmers, the Extension and Advisory Services Revitalisation Programme was implemented over the past three years. A total of 1 000 extension and advisory officers were recruited to improve the extension-to-farmer ratios. In addition, 1 149 extension officers were trained so as to upgrade their qualifications, while 5 110 received technical, generic and information and communication technology (ICT) short-term skills training.

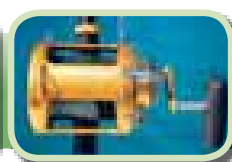
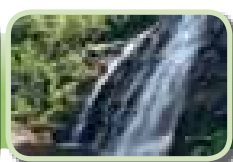
A comprehensive audit of the 12 colleges of agriculture was completed, in order to assess and transform these colleges into national Agricultural Training Institutes (ATIs). Infrastructure will be improved and laboratories will be revitalised to meet the standards required for these institutes. The institutes will further benefit from our partnership with the Royal Government of the Netherlands by increasing their capacity and strategically positioning them as centres of excellence for the training of smallholder producers. Technical assistance from the Federal Republic of Germany, towards the development of a national strategy, will be incorporated into the curricula.

RISK MANAGEMENT

Extreme weather conditions and climate change had a negative impact on agricultural production and the livelihood of communities during 2010/11. Disaster risk management therefore remains a high priority area for the agricultural and forestry sectors, due to limited resources. National Agro-meteorological Committee advisories were issued on a monthly basis, containing information on weather conditions and proposed strategies to assist farmers in managing climatic risks.

FORESTRY AND NATURAL RESOURCES MANAGEMENT

Addressing our responsibility as a global player, we are committed to making a contribution with regard to the issue of climate change, utilising our policy on the responsible use of natural resources. Forestry is one of the country's potential



growth sectors and contributes towards sustainable rural development and the management of our natural resources. Because of an increase in the demand for forest production, the DAFF focused on renewed growth, as well as on transformation and sustainability of the sector throughout the value chain.

Even though the area under plantations has decreased over the past few years, the volume of production increased from 18 641 228 m³ in 1997 to 20 100 000 m³ in 2008. Due to the fact that South Africa is approaching the limits of increased productivity from a declining resource, government prioritised the expansion of the plantation area. Areas in the Eastern Cape, Limpopo, Mpumalanga and KwaZulu-Natal were identified for afforestation projects, with the aim of expanding our timber resources.

Devastating veld and forest fires occurred during 2010/11. The fires raged over 867 000 ha of productive land, destroying 447 000 ha in the Free State. A total of 4 581 fires were reported and regrettably 13 people lost their lives, while 14 suffered serious injuries. These fires had a particularly negative effect on rural economies and endangered indigenous flora and fauna, while affecting the quality of the soil. The enforcement of relevant legislation, such as the National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998) and the Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983), will therefore be stepped up in order to ensure the protection and conservation of our natural resources.

FISHERIES

Illegal, unregulated and unreported fishing is a global phenomenon, which also affects South Africa. To improve the income and sustainable livelihood of small-scale fishers, we reopened abalone fisheries on a trial basis during July 2010. With the support of communities and law enforcement agencies, a large number of arrests for abalone poaching were made and an abalone syndicate was infiltrated by the South African Revenue Service (SARS) and the South African Police Service (SAPS). An anti-poaching project was launched in the Western Cape, funded through the Working for Fisheries Programme, which has resulted in the deployment of 60 military veterans in the Overberg region to assist with the curbing of illegal activities.

The DAFF developed a Small-scale Fisheries Policy, which was gazetted for public comment in 2010/11. This policy will soon be finalised for implementation and will support investment in small-scale fishing communities, to enable them to take responsibility for the sustainable management of fisheries resources.

INTERNATIONAL TRADE

We will continue to strengthen trade relations with countries on the African continent through the implementation of the Comprehensive African Agricultural Development Programme (CAADP). Within the Southern African Development Community (SADC), South Africa provided technical assistance to member countries, so as to improve standards applicable to the importation of fresh commodities, in accordance with WTO regulations. Good progress was made with the harmonising of sanitary and phytosanitary standards within the region. However, some countries still need time to establish the required infrastructure for the efficient implementation of standards.

Since South Africa has become a full member of the BRICS group, new markets and trade opportunities have been created for South African commodities. This will strengthen technical cooperation issues and these new opportunities will be explored to diversify our export products, as well as international trade.

On this note, I would firstly like to express my gratitude to the Minister, the Deputy Minister and the chairpersons of parliamentary committees for their political leadership, expertise and guidance. Secondly, I wish to extend my appreciation to the leadership of state-owned enterprises, the agribusiness community, farmers' organisations, as well as stakeholders in the agricultural, forestry and fisheries sectors for their continued support. Finally, I would like to thank the management team and staff members in the department for their efforts and hard work in pursuit of our objectives to serve the South African public.



Mr Langa Zita
DIRECTOR-GENERAL: AGRICULTURE, FORESTRY AND FISHERIES

Economic overview

AGRICULTURAL SECTOR

This report provides an overview of the major macroeconomic trends in the agricultural sector for the period 1 January to 31 December 2010. Aggregates are compared with the period 1 January to 31 December 2009.

Gross farming income

Gross farming income refers to the part of agricultural production that is marketed, together with the part that is produced for own consumption, and both valued at basic prices.

Gross income for 2010 from all agricultural products amounted to R129 071 million, which is 0,4% lower than the income realised during 2009. This decrease is the result of a drop in income from field crops, and despite increases in income from both animal and horticultural products.

Income from field crops decreased by R4 551 million or 14,1%, amounting to R27 617 million. Income from sunflower seed, maize and wheat dropped by 36,7%, 18,1% and 1,0% respectively, while income from tobacco increased by 44,5%.

Income from horticultural products rose by R1 504 million or 4,4%, amounting to R35 449 million. Farmers' gross income from citrus and subtropical fruit showed an increase of 40,4% and 1,8% respectively. Income from viticulture; deciduous and other fruit; and vegetables decreased by 4,8%, 2,1% and 1,1% respectively.

Income from animal products showed an increase of R2 564 million or 4,1% from R62 957 million to R65 521 million. This was mainly the result of an increase in income from cattle and calves slaughtered (17,6%), as well as sheep slaughtered (10,9%).

Expenditure on intermediate production inputs

Expenditure on intermediate production inputs refers to the value of the goods and services that were purchased to be consumed as inputs during the production process.

During the period under review, expenditure on intermediate goods and services increased by 8,5%, from R69 165 million in 2009 to R75 015 million in 2010.

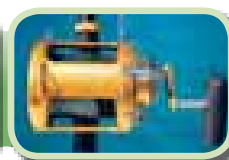
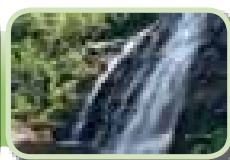
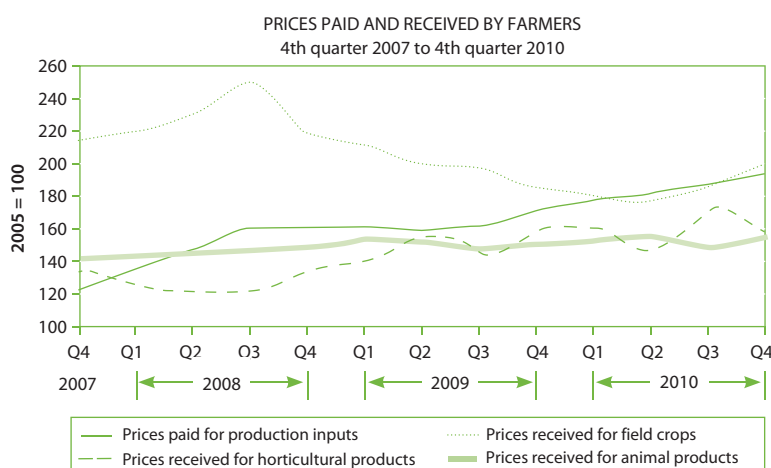
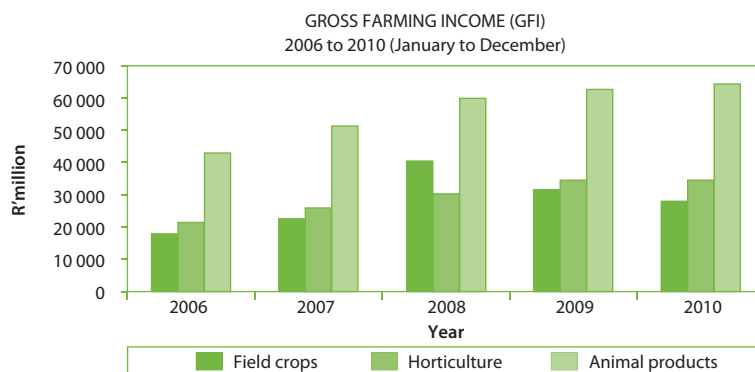
Expenditure on farm feeds remained the biggest expenditure item, accounting for 22,9% of total expenditure, followed by 14,6% for fuel, 12,6% for farm services, 10,6% for maintenance and repairs of machinery and implements, and 7,9% for dips and sprays.

Large increases occurred in expenditure on packing materials (21,0%), dips and sprays (20,4%), farm services (18,4%), seed and plants (18,0%), and maintenance and repairs of machinery and implements (16,9%).

Prices received and prices paid by farmers, as well as terms of trade

On average, prices received by farmers for their products decreased by 1,7%.

The weighted average price of field crops decreased by 6,2%, which was mainly due to decreases in the prices of summer grains, dry beans and hay, which declined



by 18,6%, 8,9% and 1,4% respectively. Prices of sugar cane, tobacco, oil seeds and winter grains increased by 15,1%, 10,9%, 3,6% and 2,7% respectively.

Prices of horticultural products increased by 1,0%. Prices of fruit and viticultural products increased by 11,0% and 5,8% respectively, while prices of vegetables decreased by 10,0%.

The weighted average price of animal production decreased by 0,2%. Prices of poultry and dairy products decreased by 4,1% and 1,5% respectively. Prices of pastoral products and slaughtered stock increased by 21,6% and 4,1% respectively.

The prices paid for farming requisites, including machinery and implements; material for fixed improvements; and for intermediate goods rose by 11,9%, compared to 8,2% for the previous year. Prices paid for tractors, seeds, trucks and feeds showed increases of 20,8%, 19,1%, 18,7% and 16,2% respectively.

The increase in prices received, compared to the increase in prices paid by farmers, resulted in a weakening of the domestic terms of trade by 12,0%.

Net farming income, cashflow and farming debt

A decrease of 0,4% in gross farming income, as opposed to an increase of 8,5% in expenditure on intermediate production inputs, resulted in a decrease of 15,4% in farming profit to R34 233 million, which weakened the cashflow of farmers by 16,5%. Payments on interest increased by 1,5%. Rent payments and labour remuneration rose by 4,3% and 4,0% respectively.

The total farming debt at the end of December 2010 was estimated at R57 069 million, compared to R52 000 million at the end of 2009—an increase of 9,8%.

Summary

In general, the economic situation of the agricultural sector weakened during 2010. The gross income of farmers for the period 1 January to 31 December 2010 decreased slightly by 0,4%, compared to the previous 12 months. This decrease was the result of a decrease of 14,1% in income from field crops—especially sunflower seed and maize. The lower income could be attributed to both lower production levels of winter grains and the lower prices that farmers received for some of their products.

Farming expenses during 2010 were lower than during the previous 12 months ending 31 December 2009. This is owing to the fact that the prices of some of the important production inputs, such as fertilisers and building material, showed a decrease.

The net farming income and cashflow of farmers declined and their debt rose, compared to the previous year.

FORESTRY SECTOR

The forest resources base, i.e. natural (indigenous) forests, commercial plantations and woodlands, are spread over some of the poorest areas in South Africa and therefore play a significant role in terms of poverty eradication through job creation, as well as by supplying for basic needs and acting as a safety net.

In terms of land use, the area under forestry constitutes about 1,275 million ha or approximately 1,0% of the total RSA land area of 122,3 million ha. The forestry sector (forestry and forest products) contributes approximately 1,2% to the gross domestic product (GDP). The exportation of forest products increased from R9,5 billion in 2001 to R12,5 billion in 2009. In comparison, the fruit export industry grew from R4,6 billion in 2001 to R13,6 billion in 2009.

The forestry sector employed approximately 201 025 people in 2009. The forestry subsector provided approximately 77 000 direct jobs and 30 000 indirect jobs. The pulp and paper subsector provided approximately 13 000 direct and 11 000 indirect employment opportunities. Some 20 000 workers were employed in sawmilling and 20 000 indirect jobs were created, while 6 000 direct and 3 000 indirect jobs were created in the timber board industry and 2 200 direct and 2 000 indirect jobs in the mining timber subsectors. A further 11 000 workers were employed in miscellaneous jobs in the forestry sector.

In 2009, the total investment in the forestry (trees) industry increased to R24,8 billion. This investment comprised 58,6% in trees; 19,4% in land; 13% in roads; 6,2% in fixed assets; and 2,8% in moveable assets. Concerning the investment in the forest products subsector by type of processing plant for 2009, the total book value of investments amounted to R15,7 billion. This investment comprised 82,8% in pulp and board plants; 11,8% in sawmills and veneer plants; 1,0% in pole plants; 0,2% in mining timber and 4,2% in other plants.

Challenges facing the forestry sector are the following:

- ✧ Forest fires, pests and diseases
- ✧ The regulatory environment, including the impact of administered prices
- ✧ Limited forestry research and development
- ✧ The skills shortage in forestry
- ✧ A lack of funding to invest in forestry
- ✧ A shortage of softwood sawn timber and hardwood pulpwood
- ✧ Forest degradation.

Opportunities for action in the forestry sector are:

- ✧ Implementation of the Forestry Small, Medium and Micro-Enterprises (SMME) Strategy
- ✧ Establishing extension support to small forestry growers and entrepreneurs
- ✧ Reducing the regulatory burden on small businesses
- ✧ Exploring a new mandate/role for the South African Forestry Company Limited (SAFCOL)
- ✧ Streamlining processes for afforestation in the country
- ✧ The expansion of forestry plantations in KwaZulu-Natal and the Eastern Cape
- ✧ Implementation of the Forestry Afforestation Strategy
- ✧ The planting of at least 10 000 ha per annum for the next 10 years, in line with the Forestry Black Economic Empowerment (BEE) Charter
- ✧ The integration of forestry into Municipal Integrated Development Plans
- ✧ The implementation of a Forestry Livelihood Strategy, which includes the planting of one million trees per annum
- ✧ The greening and maintenance of open spaces.

FISHERIES SECTOR

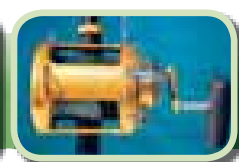
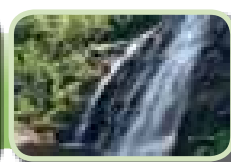
The total catches and the free-on-board value of the fishing industry for 2009 were approximately 650 000 tons and R6,1 billion respectively. This was approximately R0,3 billion more than during 2008, as catches in certain sectors were higher, while prices in general increased marginally. However, the global economic crisis had a negative impact on both demand and prices, mainly in the export markets. The catches usually vary between 600 000 and 800 000 tons per annum.

In terms of the monetary value of production, the fishing industry is dominated by the demersal and pelagic fisheries, which contribute approximately 70% of the total value of the industry. In terms of GDP, the industry's total output typically represents less than 0,5%. There is also not much scope for the industry to increase its contribution, as the value of production is restricted by the size of the natural resources and threatened by declining fish stocks in specific fisheries.

At local level (in the Western Cape), the contribution of the industry to the economy is more important and it contributes approximately 2,1% to the Western Cape gross geographic product (GGP). Fish products constitute the third most important export product in the Western Cape after fruit and liquor. There are also certain local communities that are heavily involved in fishing and they have few alternative sources of employment. Furthermore, the profitability of the fishing industry is largely determined by factors beyond its immediate control. These factors are international prices, exchange rates, fuel prices, quota allocations and the actual biomass of fish. As a result, a profitable rights holder could turn less profitable in a short space of time, should the situation change with regard to any one (or more) of these factors.

In its totality, the fishing industry is a significant employer of mainly unskilled and semi-skilled labour (mainly in the Western Cape). It is estimated that the direct employment in the industry constitutes approximately 27 000 jobs (16 000 in the primary sector and 11 000 in the secondary and tertiary sectors), while an additional 81 000 people are indirectly employed in industries that are at least partially dependent on the fishing industry. Unlike most other industries, growth is not dependent on labour and capital inputs alone. The binding constraint is the stock of fish available, as well as the annual harvest that it could sustain.

South Africa is a net exporter of fish and fish products. In some cases, like rock lobster, squid, tuna and demersal longline, almost the entire production is exported, and the country is exporting approximately 52% of the total demersal trawl



catches (economically the largest fishery). The products are mainly destined for Spain, Japan, Italy and the United States of America.

At the moment, there are 2 601 rights holders utilising 1 780 vessels in 21 different fisheries. During 2002, there were 1 868 vessels in the industry, which means that there has been a reduction of approximately 4% in the number of fishing vessels over the past seven years. This is in line with the international trend to decrease the number of fishing vessels as much as possible, in order to reduce the pressure on resources.

Currently, there are between 500 000 and 900 000 people who participate in one or other form of recreational fishing in South Africa. The majority of these are users coming from middle to poorer backgrounds, who are mostly involved in surf/shore angling. The formal participants are mainly involved in deep-sea angling and they come from relatively more affluent backgrounds. These people are not allowed to sell their fish, but they still make a significant economic and socio-economic impact, as they spend millions of rand on equipment, boats, food, accommodation and travel and, in the process, also sustain job opportunities in the relevant sectors (tourism, retail, etc.).

The current marine aquaculture industry concentrates mainly on three species, namely abalone, oysters and mussels. In addition, the sector grows seaweed mainly as food for abalone farming, while prawns have not been cultivated since 2004. The aquaculture of marine finfish, at best, is only on the brink of starting commercial production.

The production of marine aquaculture decreased by 11,0% to 1 794 tons in 2009, in comparison with 2008. The production of abalone showed the biggest decrease of 17,7%, followed by mussels, which declined by 7,4%. Oysters declined by 4,9%. The production of finfish showed the biggest increase of 88% to 22,75 tons, and prawns increased by 56,6%. Seaweed production showed an improvement of 4% to 1 900 tons over the past year.

The production of abalone is the largest subsector in the industry, with an annual production of approximately 1 000 tons, representing a value of about R250 million. Farmed aquaculture increased from approximately 200 tons in 2000. Mussel production totals approximately 700 tons, with a value of between R5 million and R7 million, while oyster production totals approximately 200 tons, with a value of R8 million. The total number of people employed in this sector at present is less than 1 000.

The marine aquaculture sector contributes approximately 4% to the value of production in the fishing industry. This is very low in terms of the international standards, but the sector is still in a developing phase. It must furthermore also be pointed out that the rugged South African coastline and the lack of sheltered bays are not ideal for aquaculture activities.

Challenges facing fisheries are as follows:

- ✘ The value of production is restricted by the size of the natural resources and threatened by declining fish stocks in specific fisheries. The profitability of the fishing industry is largely determined by factors such as international prices, exchange rates, fuel prices, quota allocations and the actual biomass of fish present
- ✘ Growth in the sector is not only dependent on labour and capital inputs, but is also determined by the available stock of fish
- ✘ In addition to administering fishing rights in the 21 commercial fishing sectors, the focus is on the further development of the subsistence sectors and on finalising the performance evaluation of rights holders in the commercial fishing sectors. Furthermore, attempts are currently being made to improve the consultation process with, and the administration of the recreational sector
- ✘ To control illegal fishing in the abalone sector and ensuring that specific fish species, which are already over-exploited, recover to their former pristine levels.

Opportunities for action in the fisheries sector are:

- ✘ Rehabilitation programmes, such as the rebuilding of depleted fish stocks, which contribute to job creation and a sustainable livelihood for people
- ✘ Investing in sustainable management and the efficient use of marine living resources, which could make a significant contribution to job creation, while improving the environment
- ✘ The allocation of additional fishing rights in specific fishing sectors, which could contribute to job creation and a sustainable livelihood for people
- ✘ Infrastructure development and investment in the 12 fishing harbours, which could contribute to improved socio-economic activities and increased tourism opportunities
- ✘ Increasing the use of anchovy catches for human consumption, as this will increase the number of job opportunities in the sector, while having a positive effect on food security.

The Ministry

The purpose of the Office of the Minister and Deputy Minister is to provide leadership and determine national policy in terms of all matters related to agriculture, forestry and fisheries.

This is done by means of the following:

- ✧ Issuing policy directives, i.e. cabinet memoranda, draft legislation, regulations, policy discussion documents, meetings and public statements
- ✧ Providing leadership and motivation for management, staff and partners in agriculture, forestry and fisheries
- ✧ Executing constitutional and legislative mandates

PUBLIC ENTITIES REPORTING TO THE MINISTER

The following public entities report directly to the Minister:

- ✧ Agricultural Research Council (ARC)
- ✧ Marine Living Resources Fund (MLRF)
- ✧ National Agricultural Marketing Council (NAMC)
- ✧ Ncera Farms (Pty) Ltd
- ✧ Onderstepoort Biological Products Ltd (OBP)
- ✧ Perishable Products Export Control Board (PPECB)

LEGISLATION TABLED IN PARLIAMENT

No legislation was tabled in Parliament during the 2010/11 financial year.

MINISTERIAL VISITS TO FOREIGN COUNTRIES

Minister

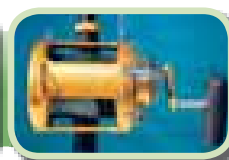
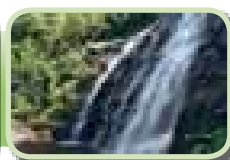
During the period under review, the Minister undertook nine official visits to the following countries:

Date	Country	Purpose
5–7 May 2010	Dar Es Salaam, Tanzania	Attending the World Economic Forum (WEF) meeting
1–6 June 2010	India	State visit to India
1–7 August 2010	Russia	Attending the 9 th session of the Intergovernmental Trade and Economic Committee (ITEC)
14–27 August 2010	People's Republic of China (PRC)	Attending the 6 th Sanitary and Phytosanitary (SPS) Technical Working Group during the presidential state visit
16–21 October 2010	Cairo, Egypt	State visit
4–5 November 2010	Windhoek, Namibia	Attending the SADC meeting
24–26 November 2010	Nairobi, Kenya	State visit
28 January to 2 February 2011	Rome, Italy	Attending a meeting of the International Fund for Agricultural Development (IFAD) and the Food and Agriculture Organization (FAO)
27–31 March 2011	United States of America (USA)	State visit

Deputy Minister

The Deputy Minister undertook one official visit during 2010/11:

Date	Country	Purpose
28–29 October 2010	Lilongwe, Malawi	Attending the African Union (AU) Conference of Ministers of Agriculture



Entities reporting to the Minister

The following entities are reporting directly to the Minister:

Agricultural Research Council

The Agricultural Research Council (ARC) was established in terms of section 2 of the Agricultural Research Act, 1990 (Act No. 86 of 1990), and its functions are as follows:

- ✧ It establishes and controls facilities in the fields of research and development (R&D) and the transfer of technology, as the Council may determine from time to time.
- ✧ It promotes cooperation between the Republic of South Africa (RSA) and other countries with regard to research, development and the transfer of technology to other countries.

Accountability arrangements

In terms of section 22(3) of the Act, the Council must furnish the Minister with an annual report on its activities at the end of every financial year.

Marine Living Resources Fund

The Marine Living Resources Fund (MLRF) was established in terms of section 10 of the Marine Living Resources Act (MLRA), 1998 (Act No. 18 of 1998). The MLRF is the main source of funding for the operational activities of the department's Fisheries Branch.

Accountability arrangements

In terms of section 10(3) of the MLRA, the Director-General administers the MLRF in consultation with the Minister. The MLRF is a schedule 3A Public Entity, as specified under the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999).

National Agricultural Marketing Council

The National Agricultural Marketing Council (NAMC) was established in terms of section 3 of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996) and its functions are as follows:

- ✧ The Council prepares and submits statutory measures and changes to statutory measures to the Minister for consideration.
- ✧ It monitors the application of statutory measures, reports on these measures to the Minister and evaluates and reviews them at least every two years.

Accountability arrangements

In terms of section 8(A)(4)(c) of the Act, the accounting officer must furnish the Minister with a year-end financial statement within four months after the end of every financial year.

Ncera Farms (Pty) Ltd

Ncera Farms is a public company, listed under Schedule 3B of the PFMA, with the department as the sole shareholder. Ncera Farms is situated at Kidd's Beach near East London in the Eastern Cape, on state-owned land, totalling approximately 3 102 ha.

The primary function of Ncera Farms is to assist small and emerging farmers by providing a variety of services, such as advice, extension services, training and information on ploughing methods.

Accountability arrangements

The company's Board of Directors is accountable to the department and reports to the Minister of Agriculture, Forestry and Fisheries in her capacity as executive authority. In terms of the PFMA, annual reports and financial statements are submitted annually within six months of the end of the financial year.

Onderstepoort Biological Products Ltd

Onderstepoort Biological Products Ltd (OBP) was established in terms of section 2 of the Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999). OBP manufactures and distributes vaccines and other biological products pertaining to animals.

Accountability arrangements

In terms of section 55 of the PFMA, OBP, as a national government business enterprise, is entitled to submit its audited financial statements and its annual report to the Minister within five months of the end of every financial year.

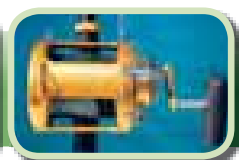
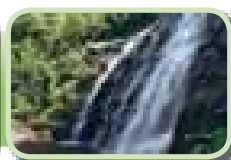
Perishable Products Export Control Board

The Perishable Products Export Control Board (PPECB) was established in terms of section 2 of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983), and its functions are the following:

- ✧ It controls the export shipments of perishable products from the RSA, as well as the order of shipment of these products at all ports.
- ✧ It makes recommendations pertaining to the handling of perishable products when these are moved to and from railway trucks and to other vehicles, as well as to cold stores.
- ✧ It promotes uniform freight rates for the export of perishable products, with due allowance for specific perishable products, port of export and means of conveyance.

Accountability arrangements

In terms of section 16 of the Act, the Board must furnish the Minister, and all registered exporters, with a report on its activities within six months of the end of every financial year.



Vision, mission and values

VISION

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

MISSION

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

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

STRATEGIC GOALS AND OBJECTIVES

In support of the department's mission, six strategic goals and a number of strategic objectives were identified to support each goal. These are:

SG 1: Increased profitable production of food, fibre and timber products by all categories of producers (subsistence, smallholder and commercial)

Strategic objectives

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

SG 2: Sustained management of natural resources

Strategic objectives

- SO 1: Promote environmentally sustainable production systems.
- SO 2: Ensure the sustainable management and efficient use of natural resources.
- SO 3: Ensure protection of indigenous genetic resources.
- SO 4: Increase contribution to green jobs to improve livelihoods.

SG 3: Effective national regulatory services and risk management systems

Strategic objectives

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

SG 4: A transformed and united sector

Strategic objectives

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

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

Strategic objectives

- SO 1: Increase growth, income and sustainable job opportunities in the value chain.
- SO 2: Increase the level of public and private investment in the sector.
- SO 3: Increase domestic and international market access for South African and African agricultural, forestry and fisheries products.
- SO 4: Increase production of feedstock to support the manufacturing sector.
- SO 5: Promote the use of feedstock by-products for renewable energies.

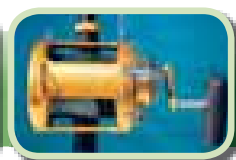
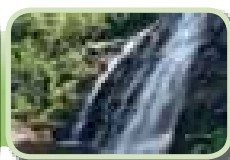
SG 6: Effective and efficient governance

Strategic objectives

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

VALUES

- Drive** Driven to deliver excellent service
- Attitude** Being an ambitious, passionate, reliable and dedicated workforce
- Fairness** Acting with objectivity, empathy, integrity and transparency
- Focus** Focussing on people, economic and rural development



Organisational structure



Chief Financial Officer

Deputy Director-General:
Corporate and Financial Services

Deputy Director-General:
Operational Management

Deputy Director-General:
Production and Resources Management

Deputy Director-General:
Trade and Economic Development

Deputy Director-General:
Sector Services and Partnerships

Deputy Director-General:
Food Safety and Bio-Security

Deputy Director-General:
Forestry and Natural Resources Management

Deputy Director-General:
Fisheries

Chief Programmes Officer

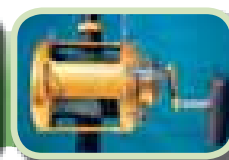
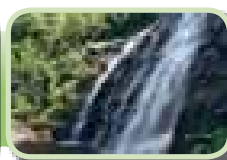
Legislative mandate

The legal mandate of the DAFF covers the agricultural, forestry and fisheries value chains – from inputs, production and value-adding to retailing. It is derived from section 27(1) (b) of the Constitution of South Africa. The department is primarily responsible for Acts related to agriculture, forestry and fisheries. The following Acts reflect the department's overarching mandate:

Performing Animals Protection Act, 1935 (Act No. 24 of 1935)
Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)
Animal Protection Act, 1962 (Act No. 71 of 1962)
Fencing Act, 1963 (Act No. 31 of 1963)
Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)
Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)
Plant Improvement Act, 1976 (Act No. 53 of 1976)
Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982)
Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)
Agricultural Pests Act, 1983 (Act No. 36 of 1983)
Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983)
Sea Fisheries Act, 1988 (Act No. 12 of 1988)
Animal Improvement Act, 1988 (Act No. 62 of 1988)
Liquor Products Act, 1989 (Act No. 60 of 1989)
Agricultural Research Act, 1990 (Act No. 86 of 1990)
Animal Diseases Act, 1984 (Act No. 35 of 1984)
Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)
Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)
Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)
Marine Living Resources Act, 1998 (Act No. 18 of 1998)
Agricultural Laws Rationalisation Act, 1998 (Act No. 72 of 1998)
National Forests Act, 1998 (Act No. 84 of 1998)
National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)
Meat Safety Act, 2000 (Act No. 40 of 2000)
Animal Identification Act, 2002 (Act No. 6 of 2002)
Animal Health Act, 2002 (Act No. 7 of 2002)
KwaZulu Cane Growers' Association Repeal Act, 2002 (Act No. 24 of 2002)

Non-entity-specific legislation

Public Service Act, 1994 (Act No. 103 of 1994)
Labour Relations Act, 1995 (Act No. 66 of 1995)
Development Facilitation Act, 1995 (Act No. 67 of 1995)
Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
Employment Equity Act, 1998 (Act No. 55 of 1998)
Public Finance Management Act, 1999 (Act No. 1 of 1999) (amended by Act No. 29 of 1999)
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)
Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
Public Audit Act, 2004 (Act No. 25 of 2004)
Division of Revenue Act, 2010 (Act No. 1 of 2010)





2 Performance



Overall performance

VOTED FUNDS

Appropriation	Main appropriation	Adjusted appropriation	Actual amount	Under-spending
	R'000	R'000	R'000	R'000
Estimates of National Expenditure	3 657 984	3 953 854	3 850 664	103 190
Responsible Minister	Minister of Agriculture, Forestry and Fisheries			
Administering department	Department of Agriculture, Forestry and Fisheries			
Accounting Officer	Director-General of Agriculture, Forestry and Fisheries			

AIM OF VOTE

The aim of the department is to lead, support and promote agricultural, forestry and fisheries resources management through policies, strategies and programmes aimed at enhancing sustainable use, as well as to achieve economic growth, job creation, food security, rural development and transformation.

SUMMARY OF PROGRAMMES

Programme 1: Administration provides the department with the necessary human resources capacity, the facilities and the information and communication technology (ICT) hardware to ensure the efficient and effective execution of the mandate and the overall administration of the department, stakeholder relations, intergovernmental relations, communication and legal services.

Programme 2: Policy, Planning, Monitoring and Evaluation coordinates policy development, research and technology development, as well as monitoring and evaluation. Furthermore, it renders guidance for the strategic, programme and project planning processes and conducts statistical and economic analyses to ensure a greater impact of the departmental policies and programmes.

Programme 3: Economic Development, Trade and Marketing increases the sector's overall contribution to national GDP growth through the creation of viable and sustainable cooperatives and rural enterprises, value-added products and an increase in exports. The implementation of international relations and trade strategies will be closely connected to marketing, in order to access foreign markets.

Programme 4: Food Security and Agrarian Reform develops and facilitates the implementation of appropriate agrarian reform policies and targeted programmes, aimed at enhancing the contribution of subsistence and smallholder producers to food security through education and training; the provision of national extension and advisory services; and the promotion of transformation imperatives in the agricultural, forestry and fisheries sectors.

Programme 5: Agriculture Production, Health and Food Safety identifies opportunities and develops strategies, in order to optimise agricultural productivity and profitability within the agricultural sector. The programme also manages the risks associated with animal diseases, plant pests, genetically modified organisms and the registration of products used in the agricultural field.

Programme 6: Forestry and Natural Resources Management ensures the sustainable management and use of natural resources underpinning the agricultural, forestry and fisheries sectors. The programme provides policy advice and coordinates the implementation of programmes aimed at ensuring that forestry production is undertaken sustainably, within the capacity of the landscape and climate. This includes encouraging landowners and managers to maintain and improve the natural resources base on which agricultural production relies, namely soil, vegetation, water and the atmosphere.

Programme 7: Fisheries Management contributes to maintaining and restoring the productive capacity and biodiversity of the marine environment; ensuring the protection of human health; as well as promoting the conservation and sustainable use of marine living resources. It further aims to ensure that the degradation of the marine environment as a result of land-based activities is prevented by facilitating the realisation of the duty on the part of the DAFF to preserve and protect the marine environment through the application of the respective policies, priorities and resources.

KEY STRATEGIC OBJECTIVE ACHIEVEMENTS

Highlights of the department's achievements during 2010/11, in relation to key measurable objectives, include the following:

Programme	Highlights of achievements
1. Administration	Fourteen Human Resources Management (HRM) policies were submitted to the Governance and Operational Policy Committee (GOPC) during the period under review. This constitutes almost 90% of the set target. Micro-agricultural Financial Institutions of South Africa (Mafisa) retailing institutions, disbursed loans to 3 910 clients across the country for various agriculture-related enterprises. This constituted 150% of the set target (2 600) for the period under review and pertains only to loans. The target for the CASP was exceeded by 194% from the 10% set target of 2 600 farmers. A total of 3 473 subsistence farmers were supported through the Ilima/Letsema projects. Altogether 100% of the fisheries server migration project was completed, as well as Phases 1 and 2 of the forestry user migration project. A total of 78% of performance agreements for Senior Management Service (SMS) members was submitted by the end of the fourth quarter.
2. Policy, Planning, Monitoring and Evaluation	The Monitoring and Evaluation Reporting (MER) Framework was approved by the Departmental Executive Committee (DEXCO), published and made available on the departmental intranet. The Strategic Operational Plan Framework was also approved by DEXCO, published and made available on the departmental intranet. The <i>Strategic plan for the Department of Agriculture, Forestry and Fisheries 2011/12 to 2014/15</i> was tabled in Parliament. The Service Delivery Improvement Plan (SDIP) for the DAFF was completed and published as Annexure 2 in the Strategic plan.
3. Economic Development, Trade and Marketing	Memoranda of Understanding (MoUs) and agreements with Zimbabwe, Swaziland and Uganda were finalised. The programme also participated in bilateral meetings with Namibia, Lesotho, Mozambique, Algeria and China. Based on preliminary data for the 2010 calendar year, 43% of agricultural exports were exported to markets other than the EU and the SADC. Again based on preliminary data for the 2010 calendar year, 57% of agricultural exports went to the EU and the SADC—the two biggest destinations for South African agricultural exports. A feasibility report on the establishment of fresh produce collation and storage facilities, for the attention of the Industrial Development Corporation (IDC), the Land Bank, the Department of Trade and Industry (dti) and the European Commission Fund (ECF) with a view to possible funding, was completed during the period under review. Approximately 241 sustainable rural cooperatives (agriculture, forestry and fisheries) were established.
4. Food Security and Agrarian Reform	The Grootfontein Agricultural Development Institute (GADI) research report and the <i>Grootfontein Agricultural Journal</i> were published. Service Level Agreements (SLAs) on targeted and priority research projects were signed with the ARC for implementation during the 2011/12 financial year. The draft Zero Hunger Strategy and Implementation Plan were completed. A draft Food Security Policy was also completed. A total of 14 proposals on Telefood Programmes, in partnership with the FAO, were approved and implemented. The National Delivery Forum for Vulnerable Workers on farms and in forestry and fisheries was established after the Terms of Reference (ToR) for its establishment had been adopted. The DAFF Partnership Model (Sustainable Farming Model) pilot project, which is run in conjunction with Grain SA, Agri SA, NWK Ltd and VKB Ltd, brought assistance to 15 grain farmers in the North West and Free State provinces. These farmers each received support to the value of R50 000 in grants from the DAFF to grow bitter sorghum, maize, sunflower and beans. The market for these grains was secured through Grain SA and the NWK Ltd. A total of 650 ha were planted with grains. Owing to effective coordination of training, a total of 31 474 members of communities, including smallholder farmers, the youth and women, were trained.



Programme	Highlights of achievements
5. Agriculture Production, Health and Food Safety	Two feedlot facilities were established in cooperation with the Limpopo and Eastern Cape departments of agriculture. At Blouberg in Limpopo, local municipality facilities were completed and weaners would be procured during the first quarter of 2011. In the Eastern Cape Province, the feedlot facility is already in use with cattle of all sizes being supplied for the market. The training of 16 animal surveyors for the Comprehensive Breed Survey in the Free State was completed. The survey of 1 437 farmers in all districts in the sample frame was also completed in the Free State. Regulations for plums and prunes, as well as nectarines and peaches, were submitted to the WTO for notification. Regulations relating to the ban of the use of chlorpyrifos were gazetted on 14 May 2010. Research solutions on wheat production and cultivar evaluation were completed and included clear recommendations on the appropriate cultivars to be used in the northern and southern productions areas.
6. Forestry and Natural Resources Management	A total of 12 213 green jobs were created through the Forestry Livelihoods Strategy and the LandCare Programme. A total of 1 000 ha were afforested in the Eastern Cape and 1 962 ha in KwaZulu-Natal. During 2010/11, altogether 25 fire protection associations (FPAs) were registered. A total of 571 commercial farmers, 2 024 smallholders and 2 134 subsistence farmers adopted land-use best practices during the period under review. A vulnerability assessment was conducted and three vulnerable areas were identified in the south-western parts of the Free State. Weather and climate capacity-building workshops were conducted for officials in the North West and Limpopo provinces. Short courses on Agrometeorology were also presented at the University of the Free State from 14 to 18 March and 28 March to 1 April 2011.
7. Fisheries Management	The Transfer of Rights Policy and the Small-scale Fisheries Policy were gazetted. The Policy on the Transfer of Commercial Fishing Rights was published and gazetted. The programme continued with the granting of interim relief measures pertaining to exemptions/permits. The Integrated Fisheries Security Strategy (IFSS) is in draft format and is being distributed to stakeholders for further inputs. A total of 20% of cases and tip-offs were investigated in accordance with services standards, and 11 cases were registered. Altogether 12 849 units of abalone were seized, as well as 19 units of West Coast rock lobster (WCRL). The Hake Recovery Strategy yielded good results and signs are evident that the stocks are in the process of being rebuilt, albeit at a slow pace. The programme uses the standardised catch per unit effort (CPUE) indices for each hake species, in order to determine whether the stocks are increasing or decreasing. Abalone diving surveys were completed in Zone B (20 transects). A preliminary joint survey was carried out in conjunction with industry stakeholders. The stock assessment report on Eastern Cape abalone was reviewed. The research project on spawning sea urchins was successful. Phase 1 of the scallops grow-out trials was completed. Negotiations were concluded with the Universities of Cape Town, Rhodes, KwaZulu-Natal, Stellenbosch and the Western Cape to enter into MoUs with the DAFF to undertake aquaculture research. Larval settlement studies and photo period studies, aimed at the enhancement of gonad development, were completed. Altogether 20% of the EU's Food and Veterinary Office (FVO) evaluation report recommendations regarding their requirements have been completed. Joint partnerships with law enforcement and conservation agencies, e.g. with the SAPS, the South African National Defence Force (SANDF), South African National Parks (SANParks), the SARS, KwaZulu-Natal/Ezemvelo Wildlife and Swellendam were established and have been maintained.

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

It has been a year since the amalgamation of the agriculture, forestry and fisheries functions and the establishment of a new structure. The department experienced a number of challenges with regard to performance, as new units were established and the placement process was delayed. It is clear from the reported information within programmes that these challenges had a big impact on the timeous finalisation/achievements of some of the planned deliverables. The new structure was approved late during Quarter 4 of the period under review and the placement of SMS members is still in progress.

The DAFF continued to assist farmers through CASP, Mafisa and the Ilima/Letsema projects. A total of 620 and 11 593 green jobs were created respectively through the Forestry Livelihoods Strategy and the LandCare Programme. Standard operating procedures (SOPs) were developed by the Chief Directorate: Monitoring, Control and Surveillance for the monitoring and inspection of the rock lobster, linefish and squid sectors.

A total of 241 cooperatives were supported with their registration processes and were duly registered. A total of 1 281 extension officers were enrolled with various universities and universities of technology for qualification upgrading. The Pesticides Policy was also approved by the Minister and has been gazetted. Regulations for wheat and potatoes were published in the *Government Gazette* of 12 November 2010.

The department also achieved a 100% user and server migration for forestry and fisheries.

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

The department was subjected to a major restructuring process during the period under review in order to integrate the previous Department of Agriculture, the forestry component from the former Department of Water Affairs and Forestry (DWAF) and the fisheries component from the former Department of Environmental Affairs and Tourism (DEAT). The Minister for Public Service and Administration concurred with the structure and the Minister of Agriculture, Forestry and Fisheries approved it for implementation on 1 April 2011.

In accordance with the Public Service Regulations 2001, Part III, paragraph A, the Minister shall, based on government's and the department's service delivery objectives and mandates, plan to execute functions with an efficient and effective internal organisation and well-developed human resources, within available funds.

In developing the proposed structure, the following activities were undertaken:

- ✧ A review of the strategy and mandate of the DAFF, as well as of the requirements of the service delivery model
- ✧ A review of legislation relating to each of the three areas to be integrated into the new department
- ✧ A review of the current structures relating to each of the three areas to be combined into the new department
- ✧ Engagement with stakeholders in respect of the design process and the content of the proposed structure
- ✧ A review of the structure in the context of good design principles, as defined by stakeholders such as the Department of Public Service and Administration (DPSA).

The design principles utilised during the integration process were drawn from good practices in the public service and incorporate:

- ✧ An alignment with departmental priorities and the department's mandate
- ✧ Appropriate spans of control
- ✧ Suitable levels of reporting
- ✧ The removal of silos
- ✧ Equal pay for work of equal value—with due consideration of a suitable balancing of functions across similar posts
- ✧ The grouping of homogeneous functions
- ✧ Alignment with compliance requirements
- ✧ Recognition that structures may change over time—with flexibility regarded as an important principle
- ✧ Alignment with the principles of *Batho Pele* and service delivery.

The new DAFF structure is based upon the design principles detailed above, and upon the requirement for ongoing service delivery in the context of a changing landscape. In terms of the design of the structure, the following should be noted:



- (a) The department is highly specialised and technically oriented, resulting in the reality that wide spans of control in technical units are sometimes unavoidable. Moreover, the broad functions of agriculture, forestry and fisheries are highly specialised and therefore full integration is not possible at this stage.
- (b) The principle of oversight and policy framework formulation at the centre, and delivery and roll-out of policy guidelines for line functions at regional level, was also taken into consideration.

With regard to support functions, capacity requirements are based upon increased needs resulting from the integration of the agriculture, forestry and fisheries functions. Factors, such as the increase in size, a change in mandate, and the increased complexity of the new department are viewed as justifying the division of Finance and Corporate Services, as well as the establishment of a branch in respect of both these areas.

During the period under review, two key SMS positions, which had been vacant, were filled, namely the Chief Financial Officer post and the Director-General (DG) post. Mr Langa Zita was appointed as DG.

During the period under review, the broad public service strike commenced on 29 July 2010 and ended on 6 September 2010. A total of 338 employees of the department participated in the industrial action during this period.

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The role of the department has been to facilitate the increased profitability of food production, as well as of processed fibre and timber by all categories of producers, namely subsistence and smallholder farmers and commercial entrepreneurs. The department is responsible for all state and privately owned natural resources and for the execution of effective regulatory services and the operation of risk management systems.

Economic performance of the sector

The DAFF facilitates the sector's increased contribution to economic growth and development and ensures the effective and efficient governance of the sector. In 2009, the sector contributed 2,3% to South Africa's GDP. This contribution has been declining annually, reflecting an economy that is increasingly dependent on manufacturing and services.

In total, the agricultural, forestry and fisheries sectors provide employment to approximately 660 000 workers. As a result of the sectors' reduced contribution to the GDP, as well as of the effects of the recent global economic downturn, 10 000 jobs were lost between the first and third quarters of 2010. The agricultural value chain is regarded as one of the country's priority sectors with regard to economic growth and employment creation. The potential to reverse the declining employment trends could be optimised through the implementation of agro-processing initiatives in terms of the IPAP, as well as plans to elevate agriculture to one of the priority sectors of the NGP.

Equity and transformation

Despite specific achievements over the past 15 years, satisfactory levels of transformation in terms of Broad-Based Black Economic Empowerment (BBBEE) and equity targets in relation to markets and information have not been achieved as yet. Good progress was made with the Forestry Charter Council and the Forestry Sector Charter was gazetted. The Agricultural Sector Charter was finalised but needs to be fast-tracked. The Fisheries Sector Charter is in the process of being drafted.

Competitiveness and profitability

The sector needs to contribute to economic growth and competitiveness, while addressing equity and transformation, decent job creation, as well as national food security and sustainability. Constraining factors are the slow progress made in increasing production efficiency, poor innovation systems and the high cost of conducting business. Other contributing factors are the slow rate at which new markets are opening up and the relatively slow exploitation of value-adding opportunities, as well as the effects of globalisation and free trade on South Africa's competitiveness in global markets.

Environmental sustainability

Agricultural practices impact directly on biodiversity and the productivity of the land and indirectly on downstream water quality and water flow, as well as on the health of aquatic ecosystems. Plantation forestry displaces indigenous vegetation, such as grasslands, which has an impact on stream flows. This, in turn, has an impact on biodiversity and other production systems, such as the spreading of invasive species. Fish stocks were exploited beyond sustainable levels and some resources were completely depleted or are no longer commercially viable.

Legislative changes

The legal mandate of the department covers the agricultural, forestry and fisheries value chains, from inputs, production and value-adding to retailing. No amendments were made to legislation during the 2010/11 financial year.

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

Collection of departmental revenue

The department's collected revenue exceeds the estimated amount, mainly owing to an increase in the sales of goods and services. Revenue derived from the sale of goods and services includes statutory services, such as the registering of fertilisers and plant breeders registrations, as well as the sale of farm feeds, stock, poles, softwood saw timber, wood products and agricultural remedies. Financial transactions in assets and liabilities includes an amount of R2,745 million, which is a refund of unspent conditional grants received from the provincial departments. This is R93,55 million less than the amount refunded during the 2009/10 financial year.

Detail of departmental receipts	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Target	2010/11 Actual	% deviation from target
	R'000	R'000	R'000	R'000	R'000	
<i>Non-taxable revenue</i>						
Sales of goods and services other than capital assets	104 432	103 778	108 887	88 853	127 001	42,93
Sales by market establishment	790	1 430	2 843	1 397	2 864	105,01
Administrative fees	61 495	55 498	75 143	57 277	88 226	54,03
Sales of goods and services	41 943	46 844	30 897	30 179	35 883	18,90
Sales of scrap, waste and other used current goods	204	6	4	5	28	460,00
Transfers received	26	29	9	8	9	12,50
Other governmental units	26	29	9	8	9	12,50
Fines, penalties and forfeits	92	10	53	27	43	59,25
Interest, dividends and rent on land	1 963	18 960	12 519	12 224	8 130	(33,49)
Interest	1 243	18 594	11 758	11 550	7 240	(37,31)
Rent on land	720	366	761	674	890	32,04
Sales of capital assets (capital revenue)	9 957	500	1 605	462	513	11,03
Other capital assets	9 957	500	1 605	462	513	11,03
Financial transactions (recovery of loans and advances)	4 666	140 000	127 461	17 764	21 265	19,70
Total departmental receipts	121 136	263 277	250 534	119 343	156 961	31,52

Departmental expenditure

The financial year closed with a surplus of R103,2 million, which accounts for 2,6% of the total appropriated funds, amounting to R3,9 billion. Savings were recorded under the following cost centres: Compensation of employees: R925 000; goods and services: R38,9 million; transfer payments: R53,2 million; and capital expenditure: R10,0 million. The department put forward a submission to the National Treasury, requesting that an amount of R75,9 million be rolled over to the 2011/12 financial year in respect of the Lesotho border fence of R2,9 million that had not been completed on time; Division of Revenue Act (DORA), 2010 (Act No. 1 of 2010) transfer payments in respect of Ilima/Letsema projects (R7,5 million); DORA transfer payments in respect of CASP (R33,7 million), which had been withheld due to the poor performance of certain provinces; property management: lease payments for office accommodation that had not been ready for occupation before the financial year-end (R12,3 million); and the Farmer Register Project, which had not been completed (R19,5 million).

Programme	Voted for 2010/11	Roll-overs and adjustments	Virements	Total voted	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
1. Administration	413 747	24 163	39 081	476 991	455 492	21 499



Programme	Voted for 2010/11	Roll-overs and adjustments	Virements	Total voted	Actual expenditure	Variance
	R'000	R'000	R'000	R'000	R'000	R'000
2. Production and Resources Management	449 668	(3 441)	(4 068)	442 159	426 186	15 973
3. Agriculture Support Services	1 731 128	44 513	(30 750)	1 744 891	7 710 902	33 989
4. Trade and Agricultural Development	80 749	17 494	(1 114)	97 129	76 538	20 591
5. Food Safety and Bio-security	358 822	6 510	(1 757)	363 575	362 583	992
6. Forestry	501 452	61 003	(37 004)	525 451	515 329	10 122
7. Fisheries	122 418	145 628	35 612	303 658	303 634	24
Total	3 657 984	295 870	–	3 953 854	3 850 664	103 190

Transfer payments

The tables below indicate the amounts that were transferred to the provinces as conditional grants in terms of the DORA, and include CASP, LandCare, Ilima/Letsema projects and agricultural disasters.

CASP makes provision for agricultural support to targeted beneficiaries of the Land and Agrarian Reform Programme, including the Extension Recovery Programme, as well as colleges of agriculture. LandCare, on the other hand, addresses the degradation problems suffered by natural agricultural resources, as well as the socio-economic status and food security of rural communities. The Ilima/Letsema projects are aimed at increasing food production.

The funds transferred to the provinces were deposited into the primary banking account of each province in accordance with the provisions of the DORA and the approved payment schedules. The Act contains frameworks that prescribe monitoring and reporting procedures, including quarterly reports and visits to monitor performance and provide support.

Transfers to provinces (conditional grants)

Province	Amount transferred	Estimated expenditure
	R'000	R'000
Eastern Cape	167 721	189 307
Free State	98 554	93 666
Gauteng	53 502	38 004
KwaZulu-Natal	174 525	185 614
Limpopo	172 743	172 734
Mpumalanga	106 851	106 815
Northern Cape	94 270	89 599
North West	117 209	124 697
Western Cape	140 334	93 744
Total	1 125 709	1 094 180

Transfers to local government

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Transfers to various local governments in respect of vehicle licences	401	401

Transfers to public entities

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Agricultural Sector Education and Training Authority	1 144	1 144
Agricultural Research Council	622 266	622 266
National Agricultural Marketing Council	31 194	31 194
National Student Financial Aid Scheme	9 624	9 624
Perishable Products Export Control Board	600	600
Ncera Farms (Pty) Ltd	2 790	2 790
Marine Living Resources Fund	128 100	128 100
Claims against the state	3 895	3 895
Total	799 613	799 613

AGRICULTURAL SECTOR EDUCATION AND TRAINING AUTHORITY

The DAFF contributes 1% of its personnel budget to the AgriSETA in respect of training.

AGRICULTURAL RESEARCH COUNCIL

The ARC is a national public entity, listed under schedule 3A of the PFMA and was established in terms of the Agricultural Research Act, 1990 (Act No. 86 of 1990). The ARC is the principal agricultural research institution in South Africa and renders services to the department on request.

NATIONAL AGRICULTURAL MARKETING COUNCIL

The NAMC is a national public entity, listed under schedule 3A of the PFMA and was established in terms of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996). The NAMC provides the Minister with strategic advice on agricultural marketing issues; it undertakes investigations into agricultural marketing and marketing policy; and does annual reviews of all statutory levies collected by the various industries in accordance with the Act.

NATIONAL STUDENT FINANCIAL AID SCHEME

The National Student Financial Aid Scheme (NSFAS) was established with the primary aim of managing the department's external bursary scheme for students of agriculture.

PERISHABLE PRODUCTS EXPORT CONTROL BOARD

The PPECB is a national public entity listed under schedule 3A of the PFMA and was established in terms of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983). The Board controls the export of all perishable products from South Africa and also operates as an assignee for the department in terms of the requirements of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990).

NCERA FARMS (PTY) LTD

Ncera Farms is a public company under schedule 3B of the PFMA with the department as the sole shareholder. It provides extension services, training and other agricultural support services to settled farmers and neighbouring communities in the East London area to enable them to become self-sufficient.

MARINE LIVING RESOURCES FUND

The Marine Living Resources Fund (MLRF) is a national public entity and is listed in Schedule 3: Part A.

The MLRF was established in terms of the Marine Living Resources Act, 1998 (Act No. 18 of 1998). The MLRF is the main source of funding for marine fisheries and coastal management, which constitutes a branch of the DAFF. The mandate and core business of the MLRF is to manage the development and sustainable use of South Africa's marine and coastal resources, as well as to protect the integrity and quality of marine and coastal ecosystems.

Transfers to foreign governments and international organisations

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Foreign rates and taxes—office accommodation	138	138
<i>Membership fees</i>		
International Cotton Advisory Council	143	143
Consultative Group on International Agricultural Research	3 632	3 632
Food and Agriculture Organization of the United Nations	23 583	23 583
International Dairy Federation	50	50
International Grains Council	126	126
International Seed Testing Association	43	43
Office International des Epizooties	814	814
Office International de la Vigne et du Vin	455	455
Organisation for Economic Cooperation and Development	261	261
International Union for the Protection of New Varieties of Plants	383	383
Total	29 628	29 628



Transfers to non-profit institutions

Name of institution	Amount transferred R'000	Estimated expenditure R'000
Forest Sector Charter Council	1 653	1 653
Sterile Insect Technique	6 596	6 596
Total	8 249	8 249

Transfers to households

Purpose	Amount transferred R'000	Estimated expenditure R'000
Social benefits	9 684	9 684
Combating of classical swine fever	8 509	8 509
Claims against the state	552	552
Bursaries (non-employees)	1 202	1 202
Total	19 947	19 947

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT

Capital investment

During the period under review, the proposed construction of a new animal quarantine station in Durban could not proceed, due to the fact that the site clearance had not been finalised. The reason for this was that the Department of Environmental Affairs (DEA) had advised that additional studies, as required by new legislation for the release of the construction site for the development of the quarantine station, had to be conducted first.

Maintenance

The Repairs and Maintenance Project (RAMP) commenced at one of the office buildings at the departmental headquarters in Pretoria. However, normal day-to-day building maintenance is being managed upon request in terms of the Department of Public Works (DPW) delegations, while Supply Chain Management prescripts are being adhered to in this regard.

Asset management

Additional office space was procured through the DPW, with a view to accommodate, among others, the Forestry Branch closer to the Pretoria headquarters.

The consolidation of office accommodation per province and per town, through the DPW as the custodian of immovable assets within government, is still ongoing in order to reduce the number of external offices. A User Asset Management Plan, as required by the Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) was submitted to the DPW, addressing office accommodation matters in terms of the departmental Strategic plan.

The asset holding of the department changed during the period under review, as moveable capital assets to the value of R16,144 million and minor assets to the value of R674 000, were disposed of. A total of 14 789 minor and major moveable assets to the value of R3 743 572,81 were transferred from the Department of Water Affairs (DWA) to the DAFF.

The department conducted stock taking of all assets and the departmental asset register was maintained on a continuous basis via the Logistical Information System (LOGIS).

The department currently has 10 072 major moveable assets, of which 94,5% are in a good condition, 3,5% in a fair condition and 2% in a bad condition.

Programme performance

PROGRAMME 1: ADMINISTRATION

Purpose

The programme provides the department with the necessary human resources capacity, the facilities and ICT hardware to ensure the efficient and effective execution of the mandate of the DAFF. The programme is also responsible for the overall administration, stakeholder relations, intergovernmental relations, communication and legal services of the DAFF.

It comprises the programmes Corporate Services, Chief Financial Officer (CFO), and Stakeholder Relations and Legal Services.

Service delivery objectives and indicators

Subprogramme: Human Resources Development and Management

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 3: Provide effective audit, investigative and legal, human resources and financial risk management.	Alignment of policies and practices with operational objectives	100% alignment with new legislation and directives	A total of 14 HRM polices went to the GOPC for the period under review. This is almost 90% of the set target.	A decision was taken by the GOPC that it was impossible for all policies to be approved during the period under review, as there would be delays in other protocols during the processes.
	Percentage reduction in vacancy rate	16% vacancy rate	The vacancy rate at the end of the fourth quarter was 11%.	This was due to the amalgamation process of the agriculture, forestry and fisheries components as the post establishment could only be determined after the approval of the new structure.
	Percentage of quality performance agreements for Senior Management Services (SMS) members submitted	70% of performance agreements to be submitted	78% of performance agreements was submitted up to the end of the fourth quarter.	Some of the posts were unfunded.
	Percentage of employees trained and developed against specified standards or trained in new competencies	50% of targeted staff trained and developed	The following percentages of targeted staff were trained and developed during the period under review: Q1 = 23% Q2 = 74% Q3 = 65% Q4 = 52%	Owing to the prompt response by SMS members the set target was exceeded by 8%. The aim is to achieve 100%. A decline is always experienced during the first and the last quarter, due to logistics. Many withdraw because of unavailability of funds.



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 3 (continued)	Percentage reduction in disease burden/incapacity (HIV/AIDS)	40% implementation and measurement [National Strategic Plan/ Monitoring & Evaluation (NSP/ M&E) and cost model]	During the period under review a total of 27 employees took part in the human immunodeficiency virus (HIV) counselling and testing campaign. Thirty per cent tested positive. Further services <i>via</i> local clinics were recommended. A total of 26 employees took part in other screening tests. The number of targeted offices for the quarter was achieved by 80%. Fifteen per cent of cases from the Forestry and Fisheries branches were attended to and individual case assessments were done. A total of 17 employees were attended to. Only two presented with chronic illnesses. Only one employee presented with a chronic communicable illness. Services were rendered at 100%. During Q4 a total of 25,9% of the DAFF employees received services as per strategy implementation.	
	Occupational health and safety (OHS) risk assessment conducted in high-risk areas	25% risk assessment conducted	The following percentages of risk assessment were conducted: Q1 = 5% Q2 = 3% Q3 = 8% Q4 = 15%	

Subprogramme: Chief Information Officer

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 5: Provide leadership and manage communication and information.	Availability of ICT infrastructure	Identify, collect and audit the documents of all three entities.	Fisheries user migration: 100% complete. Server migration: 100% complete. Forestry user migration: 100% for Phases 1 and 2. Phase 3 is due to be implemented during the 2011/12 financial year. Planning started for Phase 3 in the Eastern Cape and KwaZulu-Natal plantations.	
	Migration and integration of ICT system processes and technology	Identify, collect and audit the policies and procedures of all three entities.	Internet, e-mail and telephone policies were presented to the GOPC in March 2011. Other information technology-related policies, identified by the Office of the Auditor-General: 100% complete.	

Subprogramme/programme: Financial Management

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 4: Improve departmental service excellence through the implementation of quality standards, the Batho Pele principles and the general legislative mandate.	Compliance with legislation, prescripts, procedures and guidelines	Unqualified audit report	The audit matrix was updated, including the final reports from all parties concerned. Shortcomings were addressed or, alternatively, processes were implemented to ensure that these shortcomings, as per audit matrix, would be addressed during the 2011/12 financial year. • A total of 54 employees from Financial Management attended a three-day training session on the Standard Chart of Accounts (SCOA) allocation by the Public Administration, Leadership and Management Academy (PALAMA). • Forestry regional staff, who process subsistence and travel (S&T) and creditor payments, attended a five-day training course on financial policies and procedures. • Training and assistance were provided to the Limpopo forestry offices in respect of revenue related matters. • Financial inspectors were trained to perform inspections at the various points of revenue collection. This function will also ensure that the standards of the Forestry Branch are aligned with those of the DAFF. • The safety web system was rolled out to Limpopo and KwaZulu-Natal to expedite the registration of entity details. • During Q4, the Interim Financial Statements, as on 31 December 2010, were submitted to National Treasury and the Auditor-General. • During Q4, the preparations for the 2010/11 Annual Financial Statements commenced. In order to ensure reliable information for reporting on commitments and accruals, circulars were issued to all DAFF officials responsible for reporting of accruals in the Interim Financial Statements and Annual Financial Statements.	



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 4 (continued)			• Stock-taking of assets in the forestry regions were finalised and a reconciliation report was submitted to the former DWAF for confirmation of the transfer of assets. The final transfer letter from the DWA, in terms of section 42 of the PFMA is being awaited. • Approval was obtained from National Treasury for the 2011/12 forestry tariffs. • A losses monitoring committee was established, and a workshop held to ensure adequate control and processes to safeguard and protect all assets from theft. • An invoice register and invoice box were implemented to avoid late payments. • The departmental procurement database was implemented at GADI and Stellenbosch to ensure rotation of suppliers. • A circular was sent to all DAFF officials to outline the reporting process on non-performance by suppliers. • Financial policies of the DAFF were aligned for implementation on 1 April 2011.	

Subprogramme: Development Finance

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of previously disadvantaged individuals (PDIs).	Number of smallholder and subsistence farmers having access to financial services	10%	<i>Mafisa</i> Accredited retailing institutions disbursed loans to 3 910 clients across the country for various agricultural-related enterprises. This number constitutes 150% of the set target (2 600) for the period under review and pertains only to loans. The above figures exclude the March 2011 statistics, as institutions are yet to submit information for March 2011. <i>CASP</i> 5 063 + 1 086 (escalated through Ilima/Letsema funding) = 6 149 smallholder farmers, were supported through CASP funding from Q1 to Q3. The programme exceeded its target by 194% from the 10% target of 2 600 farmers.	These actual targets exclude Q4 of 2010/11, as performance information for both CASP and Mafisa are reported in terms of a calendar year, and not in terms of government's financial year.

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 1 (continued)			<i>Ilima/Letsema</i> A total of 3 473 subsistence farmers were supported through Ilima/Letsema projects. The programme exceeded the target by 134% from the 10% target of 2 600 farmers.	
SG 6: Effective and efficient governance				
SO 3: Provide effective audit, investigative and legal, human resources and financial risk management.	Functional management systems	Development of the system	The implementation, with regard to new development finance, is still in progress.	This was due to a value chain model that was initiated by the department (after the amalgamation of the three entities) to incorporate all financial programmes into one system—hence the delay in the development process.

Subprogramme: Legal Services

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 4: Improve departmental service excellence through implementation of quality standards, the Batho Pele principles and the general legislative mandate.	Information received from the internal client/legislative programme	As per legislative programme	The status is that some bills were referred to the State Law Advisor for reconsideration and others were returned with comments from the Advisor regarding line functions: • Plant Breeders’ Rights Amendment Bill • Pounds Bill • Proposed amendments to the Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982) • Agricultural Produce Agents Amendment Bill • Marketing of Agricultural Products Amendment Bill • Fertiliser and Feeds Bill	
	Minimised legal risk	As per legislative programme	During the period under review, 54 legal opinions, 75 new matters for debtor collections and 62 new contracts were dealt with.	
	Minimised queries	As per legislative programme	Civil matters (including appeals and claims against the DAFF): There are 57 existing cases and 7 new matters. A total of 20 cases (roll-overs) for loss of government property still exist.	



Subprogramme: Stakeholder Relations and Communication

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 1: Establish and strengthen cooperative governance and functional relations with local and international stakeholders.	An increased percentage of engagements with all key stakeholders and partners (new)	Current number of stakeholder engagements	New stakeholders were acquired within the DAFF's new mandate. Statistics of stakeholders were consolidated in terms of the three core functions: <i>Agriculture</i> Approximately 125 stakeholders, located within three developmental categories, namely commercial, smallholder and subsistence were consolidated. This number reflects the 4% increase in the number of stakeholders. <i>Forestry</i> The number of stakeholders was consolidated and categorised as follows: Commercial 12, smallholder 1 200 and subsistence approximately 24 000. This number reflects the 3% increase in the number of stakeholders. <i>Fisheries</i> The number of stakeholders was consolidated and categorised as follows: Commercial 4 000, smallholder and subsistence 8 000 and non-consumptive/eco-tourism 300. This number reflects the 5% increase in the number of stakeholders. The combination of the statistics indicated above, constitutes a true reflection of the networks generated and engagements conducted during the sitting of the various stakeholder forums, i.e. the Chief Executive Officer (CEO) Forum.	
SO 5: Provide leadership and manage communication and information.	100% understanding of opportunities and support for the DAFF mandate	50% understanding of opportunities and support for the DAFF mandate	Information on the DAFF mandate was disseminated to departmental clients through media statements, external newsletters, advertisements, speeches at events, the DAFF website, Thusong Service Centres, the e-portal of the Government Communication and Information System (GCIS) and exhibitions. The Information Centre dealt with 2 506 enquiries and issued 53 379 copies of publications (of which 429 were sold) to internal and external clients. During the period under review, 36 media releases and invitations were issued; 11 issues of the external newsletter were published; and 16 campaigns/events were organised. All targets were met at the Information Centre.	The Mechanisation Programme launch, planned for KwaZulu-Natal during Q4, was postponed. Therefore, only 47% of the target of 50% understanding of opportunities and support for the DAFF mandate was met.

Service delivery achievements

The outputs of the programme, as specified in the *Strategic Plan 2010/11*, are reported on per quarter.

Quarter 1

During the period under review, R14,1 million in Mafisa loans were disbursed to 884 clients, for various enterprises and through seven accredited institutions.

Campaigns/events/exhibitions held during the quarter under review included the Minister's Budget Vote at Parliament, Cape Town; the National Council of Provinces (NCOP) Budget Vote at Parliament, Cape Town; the Mechanisation Programme launch at Marapyane Village, Mpumalanga; the Greening event at Fountains Valley, Gauteng; exhibitions at the Shanghai World Expo in Shanghai, China; and the 2010 FIFA World Cup media awareness campaign, which included advertisements in print, online and outdoor media.

Quarter 2

During the period under review 74% of the staff targeted underwent training and development. A total of R15 289 182 from Mafisa was disbursed to beneficiaries, of whom 410 were existing and 122 were new beneficiaries. A total of R474 million was disbursed to provincial departments, with R146 million spent as at the end of August 2010.

During the quarter under review the following campaigns/events were held: the Vulnerable Workers Summit in Stellenbosch, Western Cape; the Female Entrepreneur of the Year awards at Jeffreys Bay, Eastern Cape; exhibitions at the Shanghai World Expo in Shanghai, China; the National Arbor Week launch at Orange Farm, Vaal Triangle, Gauteng; and the Arbor City awards at Paarl, in the Western Cape.

Quarter 3

A total of 555 clients received Mafisa loans during this period. This constituted 21,3% of the annual target of 2 600. Dividing the annual target into quarters, the quarterly target became 650 and therefore quarter 3 achievements account for 85,4% of the set target.

A total of 1 404 smallholder farmers were supported through CASP funding. The programme only managed to reach 5,4% of the target of 10%. Some 2 366 subsistence farmers were supported via the Ilima/Letsema projects. The programme managed to contribute 9,1% to the target. Furthermore, 65% of targeted staff also underwent training and development.

The campaigns/events held during the quarter under review included the World Food Day Indaba, held at the Reserve Bank, Pretoria, Gauteng; the 2010 Forestry Indaba in White River, Mpumalanga; and the Financial Assistance and Land Administration (FALA) Day in the North West Province.

Quarter 4

Mafisa retailing institutions disbursed loans to 3 910 clients across the country for various agricultural-related enterprises. This number constitutes 150% of the set target (2 600) for the period under review and pertains only to loans. The CASP exceeded its 10% target of 2 600 farmers by 194%. A total of 3 473 subsistence farmers were supported through the Ilima/Letsema projects.

A total of 100% of the fisheries server migration was completed and Phases 1 and 2 for the forestry user migration were also completed. Some 78% of performance agreements were submitted up to the end of the fourth quarter.

The following campaigns/events were held during the quarter under review: the Restoration of Community Land Rights: Forestry lease rental hand-over ceremony at Mthatha, Eastern Cape; and the Masibambisane Rural Development Initiative Project (weeding event) held in KwaZulu-Natal in the Nkandla and Mlalazi communities.

PROGRAMME 2: POLICY, PLANNING, MONITORING AND EVALUATION

Purpose

The programme is responsible for the coordination of policy development, research and technology development, as well as monitoring and evaluation. Furthermore, it renders guidance to the strategic, programme and project planning processes and conducts statistical and economic analyses. This is to ensure a greater impact of the DAFF policies and programmes.



The programme comprises two subprogrammes, namely Monitoring and Evaluation; and Policy Development and Planning.

Service delivery objectives and indicators

Subprogramme: Monitoring and Evaluation

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.	Signed service delivery performance contracts	Service delivery forum established by July 2010	Delivery outcome agreements were signed by all participating Ministers. Service delivery forums were also established with participating departments, in relation to the reporting of presidential outcomes. The Department of Performance, Monitoring and Evaluation also conducts quarterly workshops, with the purpose of improving the quality of data that is implemented through delivery agreements.	This was due to awaiting approval of the new structure, which was approved late during the 2010/11 financial year. Approval of the structure and placements of SMS members to the new units The framework could not be presented at DEXCO, due to the fact that the departmental structure was not yet approved, while the framework was also based on the old structure. Therefore, the framework will be reviewed and aligned with the new structure, as some roles and responsibilities have changed.
	Approved Monitoring and Evaluation (M&E) systems/frameworks	Approved and aligned departmental M&E Framework	The MER Framework was approved by DEXCO and published. It is available on the intranet. The KnowledgeBank (KBerp) software model was developed, but remained non-functional.	
	Approved M&E plans	Annual M&E Plan	The M&E Plan template development was put on hold.	
	Performance reports	Quarterly and annual performance reports	Quarterly performance reports were consolidated, as well as the performance information for the annual report.	
	Assessed/reviewed delivery programmes (selected) Existing policies reviewed	An approved and aligned departmental M&E Framework	The Mafisa Framework was taken for consultation to the relevant stakeholders. It was presented at GOPC for recommendation to DEXCO for subsequent approval.	

Subprogramme: Policy Development and Planning

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 6: Effective and efficient governance				
SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.	Existing policies reviewed	Three policies were reviewed and approved.	This deliverable will be performed under the new unit, Policy Research Support.	Due to the late approval of the new structure and the placement of SMS members, this deliverable was not attained during the period under review.
	Aligned strategic and implementation plans	All strategic plans concluded by January 2010	The <i>Strategic plan for the Department of Agriculture, Forestry and Fisheries 2011/12 to 2014/15</i> was tabled in Parliament and published on the DAFF intranet and website.	
	Effective planning systems	Approved departmental planning framework	The strategic and operational planning guidelines for 2010/11 were finalised and printed. These are also available on the DAFF intranet. The SDIP for the DAFF was completed and published as an annexure to the DAFF strategic plan. The process of developing the DAFF/ PDA Planning Framework was suspended, pending the finalisation of the departmental restructuring process and the process of aligning government’s sustained agenda with the Outcomes Approach. The process will be continued during the new financial year.	
	Targeted research and technology development programmes to support production	Monitor and coordinate targeted technology utilisation in the sector.	This deliverable will be performed under the new unit, Policy Research Support.	

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported per quarter.

Quarter 1

During the period under review, the Quarter 1 organisational performance report was consolidated.

Quarter 2

The MER Framework was approved by DEXCO and was due to be published during the next quarter. This framework will guide the department with regard to M&E processes and reporting time frames.

Quarter 3

The Mafisa Framework was tabled at GOPC for recommendation and DEXCO approval.



Quarter 4

The MER Framework was published and is available on the DAFF intranet. The *Strategic plan for the Department of Agriculture, Forestry and Fisheries 2011/12 to 2014/15* was completed and tabled in Parliament. It was published on the DAFF intranet and website. The SDIP for the DAFF was completed and published as annexure 2 to the 2011/12–2014/15 DAFF strategic plan.

Challenges and responses to challenges

Subprogramme: Monitoring and Evaluation

Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SG 6: Effective and efficient governance				
SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.	Performance reports	Quarterly and annual performance reports	The programmes are not adhering to the reporting time frames.	The implementation of MER guidelines The Deputy Directors-General (DDGs) are to take responsibility in ensuring that subprogrammes do adhere to time frames.

Subprogramme: Policy Development and Planning

Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SG 6: Effective and efficient governance				
SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.	Existing policies to be reviewed	Three policies to be reviewed and approved	Policies were not reviewed.	The Policy Research Support Directorate will now perform this function.
	Effective planning systems	An approved departmental planning framework	The DAFF/PDA Planning Framework was not finalised.	The process will continue with a submission of the report to the Intergovernmental Technical Committee for Agriculture (ITCA) for input and comment.

PROGRAMME 3: ECONOMIC DEVELOPMENT, TRADE AND MARKETING

Purpose

The programme is of key importance in directing the DAFF's priority to increase the sector's overall contribution to national GDP growth through the creation of viable and sustainable cooperatives and rural enterprises, value-added products and an increase in exports. The implementation of international relations and trade strategies will be closely connected to marketing, in order to access foreign markets.

The programme comprises three subprogrammes, namely International Relations and Trade; Cooperatives and Rural Enterprise Development; and Agro-processing and Marketing. The Subprogramme: International Relations and Trade focuses on relations with SADC and Africa, on international trade, and on relations with the Americas, Australia, Europe and the Middle East, while Cooperatives and Rural Enterprise Development focuses on cooperative development, the development of rural enterprises and BBBEE charter compliance. Agro-processing and Marketing focuses on domestic marketing, international marketing and agro-processing.

Service delivery objectives and indicators

Subprogramme: Agro-processing and Marketing

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 5: Increased contribution of the sector to economic growth and development				
SO 2: Increase the level of public and private investment in the sector.	An increased share in agricultural, forestry and fisheries products, handled through additional investment in storage capacity	31,8 mt	Completed a feasibility report on the establishment of fresh produce collation and storage facilities for the IDC, the Land Bank, the dti and the ECF for possible funding. Responses are still being awaited.	No funds available to support the establishment of the storage infrastructure
	Increased share of agricultural and forestry products transported by rail	15,6 mt transported by rail.	Developed an agrologistics model aimed at facilitating the efficient transportation of agricultural and forestry products. The model is being presented to departmental committees for consideration.	No commitment from Transnet Freight Rail (TFR) to increase the agricultural and forestry share on the total freight moved by rail
SO 3: Increase domestic and international market access for South African and African agricultural, forestry and fisheries products.	Percentage increase of agricultural, forestry and fisheries products into new markets	37%	Based on preliminary data for the calendar year 2010, some 43% of agricultural exports was exported to markets other than the EU and the SADC. Concluded the amendments to the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), and made provision for a greater focus on marketing intelligence, in a quest to promote access to more markets. Concluded amendments to the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992), to make provision for broader regulation of agents and traders, facilitating the trade of agricultural products on behalf of farmers. Submitted a feasibility report on the establishment of fresh produce collating facilities to the IDC, the Land Bank, the dti and the ECF for EU funding, as well as to provincial development corporations for possible funding. Responses are still being awaited.	Final official data is not yet available. Exports are undertaken by private companies. Government can only establish an enabling environment for trade. Exports are based on a number of economic considerations. Exports are influenced by changes in exchange rates.
	Percentage share maintained in traditional markets for agricultural, forestry and fisheries products	To maintain an average in exports (65%)	Based on preliminary data for the calendar year 2010, some 57% of agricultural products was exported to the EU and the SADC—the two biggest destinations for South African agricultural exports.	Final official data is not available yet. Exports are undertaken by private companies. Government can only establish an enabling environment for trade. Exports are based on a number of economic considerations. Exports are influenced by changes in exchange rates.



Subprogramme: International Relations and Trade

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 5: Increased contribution of the sector to economic growth and development				
SO 3: Increase domestic and international market access for South African and African agricultural, forestry and fisheries products.	An increased share of African countries' agricultural, forestry and fisheries products in South Africa's import and export basket	Imports: 7% Exports: 35%	Based on preliminary data for the 2010 calendar year: Imports: 4% Exports: 29%	Final official data is not available yet. Exports are undertaken by private companies. Government can only establish an enabling environment for trade. Exports are based on a number of economic considerations. Exports are influenced by changes in exchange rates.
	Increased share of South African value-added agricultural, forestry and fisheries products in the total trade basket (both domestically and internationally)	52% of exported processed products	Based on preliminary data for the 2010 calendar year, exports of processed products constituted 52%.	Final official data is not available yet. Exports are undertaken by private companies. Government can only establish an enabling environment for trade. Exports are based on a number of economic considerations. Exports are influenced by changes in exchange rates.
SG 6: Effective and efficient governance				
SO 1: Establish and strengthen cooperative governance and functional relations with local and international stakeholders.	Improved participation of the DAFF in multilateral agencies	The DAFF participating in multilateral agencies [SADC, the AU, United Nations (UN) agencies, etc.]	Coordinated and accompanied the Minister to meetings with the FAO, the World Food Programme (WFP) and the IFAD. The WFP attaché in Rome participated in, and facilitated the following: the first session of the Executive Board; the DG's participation in the IFAD Governing Council; the FAO reform process, the sixth session of the Committee on SPS; the G77 and Africa Group meeting; as well as WTO meetings. The attaché in Geneva participated in the Doha Development Round of Negotiations in March, the SPS measures meeting from 30–31 March, and the trade policy review meeting in March. The attaché attended the following meetings in Brussels: the SPS meeting on new EU legislation on animal	

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 1 (continued)			by-products; a meeting with the DG of the South African National Civic Organisation (SANCO) as a courtesy gesture; and also discussed SA's unbanning of the importation of pork into the country. The attaché facilitated information received from the EU on the protection of agricultural products; and had a meeting with a BP representative to discuss the engagements with the EU on bio-energy. The attaché attended the following events in Paris: the Organisation for Economic Cooperation and Development's (OECD) 53rd session of the Joint Working Party on Agricultural Policies and Markets; the G20 meeting of deputies in preparation for the ministerial meeting in June 2011—in both Berlin and Paris; and the G20's development of a working group for food security experts. Facilitated and attended the India, Brazil and South Africa (IBSA) Joint Agricultural Working Group meeting (JAWG) (6–8 March 2011), and the BRICS preparatory meetings in both South Africa and the PRC (March). Facilitated requests, inputs and attendance of multilateral processing of the Coordination Centre for Research and Agricultural Development of Southern Africa (CCARDESA) Charter in preparation for signing (March) and submitted inputs for the Conference of Parties (COP) 17 to the Department of International Relations and Cooperation on 14 March. Further facilitated the attendance of the 6th session of the Commission on SPS (14–18 March); strengthening capacity on agricultural R&D (15–18 March); and SADC stakeholder workshop for agriculture R&D (23–24 March). Submitted a curriculum vitae (CV) for representation at the CCARDESA Board.	



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 1 (continued)	New agreements signed and existing MoUs implemented	To facilitate the implementation of active and signed MoUs and resolutions	Facilitated a request for the negotiation of new agreements with Senegal, Mali, Russia, Turkey, Cuba, Argentina, the Philippines, Burundi, Ethiopia, Tanzania and Swaziland. An agreement with Uganda on agriculture was signed on 25 January 2011. A multi-lateral agreement on conservation and the management of pollinators for a sustainable agriculture project was signed by the Minister and forwarded to the FAO to be signed. In facilitating the implementation of the signed MoUs, communication/meetings/follow-ups took place: • Consultations with Botswana, Zambia and Namibia on a date for the Joint Management Committee (JMC) and the Joint Working Group (JWG) during March 2011. • Facilitated the establishment of a JMC with Kenya on 1 February • Attended the Aquaculture Demonstration Centre Project Steering Committee meeting on 24 March and the JMC meeting in India (4–7 March). In strengthening bilateral relations, the following meetings/forums/communication were attended to: • Interdepartmental meetings with Equatorial Guinea (24 February); Ghana (17 March); the Central African Republic (21 February); Uganda (13 and 18 January); Burundi (31 March); Southern African countries (11 January); Kenya (16–17 March 2011); United Kingdom (28 March 2011); Denmark (18 March); and Cuba (11 March). • Inputs were made to a country strategic paper by Flanders. • Coordinated ministerial visits— Minister to visit the USA from 28 March to 1 April and the Deputy Minister to visit Argentina.	

Subprogramme: Cooperatives and Rural Enterprise Development

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of PDIs.	Percentage increase of PDI shares in the sector	As per score-cards of the sector charters	About 62 agribusiness companies that applied for import and export permits, submitted their BEE scorecards. Of these about 20 were non-compliant and 4 were exempted macro enterprises (EMEs). In terms of the DAFF's contribution to skills development, about 181 facilitators completed their training on the SMME Excellence Model and about 152 farms or agribusinesses were assessed. However, about 46 learners have not yet submitted their portfolios of evidence (POEs).	Reliance on the dti IT Portal to report on the implementation of the scorecards in the agricultural sector, as well as the lack of an AgriBEE reporting system. The statistics on the dti IT Portal had not changed since March 2010.
	Number of sustainable rural cooperatives (agriculture, forestry and fisheries) established and supported as vehicles for local economic development (LED)	3	A total of 241 cooperatives were supported with the registration process and were duly registered.	
SG 5: Increased contribution of the sector to economic growth and development				
SO 2: Increase the level of public and private investment in the sector.	Number of BEE deals accessed	12	There was no disbursement with regard to the AgriBEE Equity Fund. However, the AgriBEE Fund Memorandum of Agreement (MoA) between the DAFF and the Land Bank was signed by both parties, and expectations are that the disbursement of the fund will resume in Q1 of the 2011/12 financial year. In addition, the component facilitated a BEE deal in the vineyard industry between historically disadvantaged entrepreneurs and the present white owner of a wine distillery [Northside Distributors (Pty) Ltd] in Ventersdorp, in the North West Province. The component submitted the business plan to the National Empowerment Fund (NEF) for funding, and will also submit it to the Land Bank for consideration under the AgriBEE Equity Fund.	Delays in the signing of the AgriBEE Fund MoA between the DAFF and the Land Bank



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 2 (continued)	Value of BEE deals accessed (R/c)	R48 610 000	There was no disbursement with regard to the AgriBEE Equity Fund. However, the AgriBEE Fund MoA between the DAFF and the Land Bank was signed by both parties and expectations are that the disbursement of the fund will resume in Q1 of the 2011/12 financial year. In addition, the component facilitated a BEE deal in the vineyard industry between historically disadvantaged entrepreneurs and the present white owner of a wine distillery [Northside Distributors (Pty) Ltd] in Ventersdorp, in the North West Province. The component submitted the business plan to the NEF for funding and will also submit it to the Land Bank for consideration under the AgriBEE Equity Fund.	Delays in the signing of the AgriBEE Fund MoA between the DAFF and the Land Bank

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported per quarter.

Quarter 1

MoUs and agreements were finalised with Zimbabwe, Swaziland and Uganda. The programme also participated in bi-lateral meetings with Namibia, Lesotho, Mozambique, Algeria and China. A total of 125 sustainable rural cooperatives (agriculture, forestry and fisheries) were established.

Quarter 2

During Quarter 2, the programme coordinated meetings with the dti, the departments of Transport, Public Enterprises, as well as with TFR to facilitate the provision of freight logistics to the agricultural sector. Amendments to the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996), to clarify the role of the department and the NAMC in the marketing of agricultural products, were finalised.

Amendments to the Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992), to make provision for the broader regulation of agents and traders facilitating the trading of agricultural products on behalf of farmers were also finalised. A feasibility report on the establishment of fresh produce collating facilities for the IDC, the Land Bank and the dti for EU funding, as well as for provincial development corporations was submitted with a view to possible funding.

Agreements with Congo Brazzaville and Egypt were concluded and were ready for signing. A total of 61 sustainable rural cooperatives (agriculture, forestry and fisheries) were established. The AgriBEE Charter Council met on 1 September 2010 and all council members agreed to the gazetting of the current section 12 as a section 9 sector code, in order to enforce compliance.

Quarter 3

During Quarter 3, meetings were attended within the SADC context at ministerial and higher level, where regional integration was one of the main topics. Work on the agreed concept of a Southern African Development Community, East African Cooperation and Common Market for Eastern and Southern Africa (SADC-EAC-COMESA) tripartite free trade area also started. Agreements were signed with Egypt (19 October 2010); RSA/Congo Brazzaville (28 October 2010); and Kenya (25 November 2010).

The AgriBEE Charter Council finalised the template for the development of the AgriBEE IT Portal and the Council agreed to appoint a service provider for the development of the portal. A total of 16 sustainable rural cooperatives (agriculture, forestry and fisheries) were established during Quarter 3.

Quarter 4

A feasibility report on the establishment of fresh produce collation and storage facilities for the IDC, the Land Bank, the dti and the ECF, with a view to possible funding was completed during the period under review. Furthermore, an agro-logistics model, aimed at facilitating the efficient transportation of forestry and agricultural products, was developed.

Based on preliminary data for the calendar year 2010, some 43% of agriculture exports was exported to markets other than the EU and SADC. Again based on preliminary data for the calendar year 2010, some 57% of agricultural exports was exported to the EU and the SADC—the two biggest destinations for South African agricultural exports.

The following is also based on preliminary data for the 2010 calendar year:

- ✧ Imports from African Countries: 4%
- ✧ Exports to African Countries: 29%
- ✧ Based on preliminary data for the 2010 calendar year, exports of processed products: 52%.

Approximately 62 agribusiness companies that applied for import and export permits submitted their BEE scorecards, and 20 of them were non-compliant, while four were EMEs. In terms of the DAFF's contribution to skills development, a total of 181 facilitators completed their training on the SMME Excellence Model and approximately 152 farms or agribusinesses were assessed.

A total of 39 sustainable rural cooperatives (agriculture, forestry and fisheries) were established during the period under review. The AgriBEE Fund MoA between the DAFF and the Land Bank was signed by both parties and expectations are that the disbursement of the fund will resume in Quarter 1 of the 2011/12 financial year. In addition, the directorate facilitated a BEE deal in the vineyard industry between historically disadvantaged entrepreneurs and the present white owner of a wine distillery [Northside Distributors (Pty) Ltd] in Ventersdorp, in the North West Province. The component submitted the business plan to the NEF for funding and will also submit it to the Land Bank for consideration under the AgriBEE Equity Fund.

Challenges and responses to challenges

Subprogramme: Agro-processing and Marketing

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 5: Increased contribution of the sector to economic growth and development				
SO 2: Increase the level of public and private investment in the sector.	An increased share of agricultural, forestry and fisheries products handled through additional investment in storage capacity	31,8 mt	There was limited public and private investment in storage facilities to support smallholder farmers who experienced limited or no access to storage infrastructure in the agricultural and forestry sectors. Sufficient funds were not available to establish the storage infrastructure.	Plans to increase storage capacity in the smallholder farmers category were developed mainly for fresh produce. Submitted requests to the Land Bank, the IDC, the Development Bank of Southern Africa (DBSA) and the ECF for possible financial support. No positive feedback has been received thus far.
	An increased share of agricultural, forestry and fisheries products processed through additional investment	37 mt	There was limited public and private investment in processing to support smallholder farmers who experienced limited or no access to processing facilities infrastructure in the agricultural and forestry sectors. Sufficient funds were not available to establish the processing infrastructure.	The agro-processing strategy under the IPAP II is in the process of being finalised, in order to address the challenges identified. Submitted requests to the Land Bank, the IDC, the DBSA and the ECF for possible financial support. No positive feedback has been received thus far.



Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SO 2 (continued)	An increased share of agricultural and forestry products transported by rail	15,6 mt transported by rail.	TFR does not regard agricultural and forestry freight profitable compared to minerals and coal, and agriculture and forestry's share of TFR freight business is very small.	Consultative meetings are ongoing with the CEO and TFR Senior Management to provide more freight capacity to agricultural products—particularly grains and timber. A plan of action is being implemented to increase agriculture and forestry freight capacity. The Directorate: Marketing is in continuous discussions with the departments of Transport and Public Enterprises, as well as with TFR to increase the amount of agricultural and forestry products transported by rail.
SO 3: Increase domestic and international market access for South African and African agricultural, forestry and fisheries products.	Percentage increase of agricultural, forestry and fisheries products into new markets Percentage shares in traditional markets maintained for agricultural, forestry and fisheries products	37% Maintain an average in exports (65%).	New markets are usually difficult to penetrate, due to a range of technical and non-tariff trade barriers, imposed onto the world trade arena, such as SPS requirements that may not be in line with international standards. Furthermore, South Africa is still trading with commodities that are normally in oversupply on world markets. Preliminary data from outside sources Official statistics are only available three months after the end of the financial year. Official statistics for calendar years Imports and exports are undertaken by the private sector, based on economic decisions. SPS measures influence trade. The rand exchange rate influences trade. Global markets are volatile and a shift in trading relations is likely to occur, arising from socio-political considerations. Preliminary data from outside sources Official statistics are only available three months after the end of the financial year.	A shift in focus from trading with commodities (primary products) to value-added products is being pursued as a strategy to penetrate new markets. The South African government has developed the capacity to negotiate market access with a number of countries around the globe, and this bodes well for achieving this output. As government is not the exporter, it can merely create an enabling environment for trade to take place. This includes different directorates within the DAFF. More emphasis will be placed on tightening trade diplomatic relations with current trading partners. As government is not the exporter, it can merely create an enabling environment for trade to take place. This includes different directorates within the DAFF.

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SO 3 (continued)			Official statistics for calendar years Imports and exports are undertaken by the private sector, based on economic decisions. SPS measures influence trade. The rand exchange rate influences trade.	

Subprogramme: International Relations and Trade

Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SG 5: Increased contribution of the sector to economic growth and development				
SO 3: Increase domestic and international market access for South African and African agricultural, forestry and fisheries products.	An increased share of African countries' agricultural, forestry and fisheries products in South Africa's import and export basket An increased share of South African value-added agricultural, forestry and fisheries products in the total trade basket (both domestically and internationally)	Imports: 7% Exports: 35% 52 % of export processed products	Intra-African trade is still heavily skewed in South Africa's favour, which is mainly due to the size and stage of development of the country's agro-, forestry and fisheries economy, compared to the rest of the continent. The problem lies with supply and the movement of products within the regions. A lack of investment and non-tariff barriers (NTBs) constitute the main obstacles to trade. NTBs can be addressed in the short to medium term. The availability of import and export information at the end of the year. Final figures are only available after six months. Preliminary data from outside sources Official statistics are only available three months after the end of the financial year. Official statistics for calendar years Import and exports are undertaken by the private sector, based on economic decisions. SPS measures influence trade. The rand exchange rate influences trade. Limited investment in processing technology, and infrastructure and skills development, has compromised the economy with regard to competing on value-added products. In addition, South Africa's export promotion drive is based on raw materials, rather than beneficiated products.	A long-term Intra-Africa Strategy will be developed and implemented to ensure that the South African value chains are linked with regional chains, as a basis for linking with regions within the continent or the continent as a whole. All the work pertaining to negotiations, both multilateral and bilateral, is undertaken with the objective of increasing trade. As government is not the exporter, it can merely create an enabling environment for trade to take place. This includes different directorates within the DAFF. IPAP II interventions in agro-processing will be used as a basis to increase South Africa's share of value-added agricultural, forestry and fisheries products in the total trade basket.



Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SO 3 (continued)			The availability of export information at the end of the year is only available after six months. Preliminary data from outside sources Official statistics are only available 3 months after the end of the financial year. Official statistics for calendar years Imports and exports are undertaken by the private sector, based on economic decisions. SPS measures influence trade. The rand exchange rate influences trade.	All the work pertaining to negotiations, both multilateral and bilateral, is undertaken with the objective of increasing trade. As government is not the exporter, it can merely create an enabling environment for trade to take place. This includes different directorates within the DAFF.
SG 6: Effective and efficient governance				
SO 1: Establish and strengthen cooperative governance and functional relations with local and international stakeholders.	New agreements signed and existing MoUs implemented	Facilitate the implementation of active and signed MoUs and resolutions.	The South African/Zimbabwean MoU finalised in 2009, is awaiting the date of signature from the Minister, which is tied to the conclusion of the Economic Partnership Agreement (EPA) negotiations, which has not been reached as yet. The South African/Namibian JMC is not operational yet, as it was postponed at the request of Namibia. The signing of the South African/Swaziland MoU has not taken place yet. South Africa/Burundi: there has been no response to enquiries from South Africa's counterparts in Burundi. South Africa/Ethiopia: the MoU draft was sent to Addis Ababa for legal processing in 2008. A response is still being awaited.	Awaiting the finalisation of the EPA A new date has been proposed and confirmation is being awaited. The Minister's availability has been secured for purposes of a signature. This is being followed up with the assistance of the Mission in Burundi. The DAFF office in Addis Ababa has been tasked with following up the matter.

Subprogramme: Cooperatives and Rural Enterprise Development

Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of PDIs.	Percentage increase of PDI shares in the sector	As per score-cards of the sector charters	The balance of the AgriBEE Equity Fund, as held by the Land Bank, is about R110 million. This balance was accrued from the previous transfers that were not disbursed, due to the investigation into the alleged mismanagement of the AgriBEE Fund by the Land Bank, which resulted in the AgriBEE Fund being frozen.	The new AgriBEE Fund MoA between the DAFF and the Land Bank was finalised and the AgriBEE Fund Operational Manual was revised and sent for approval.

Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SO 1 (continued)	The number of sustainable rural cooperatives (agriculture, forestry and fisheries) established and supported as a vehicle for LED	3	Reliance on the dti IT Portal to report on the implementation of the scorecards in the agricultural sector. The statistics on this portal have not been changed since March 2010. Lack of an AgriBEE reporting system Poor coordination of cooperative functions amongst the department, PDAs and other government agencies, which often results in duplication of efforts and resources. A lack of clear agricultural cooperative development strategies from the provinces makes it difficult to promote and support the cooperatives in the sector. Inadequate support from extension services, which could be linked to the absence of strategic direction in the provinces with regard to the cooperative function. This situation results in the misconception amongst extension services that the cooperative function is the responsibility of the Economics and Marketing units which, in turn, do not have the capacity to promote and support agricultural cooperatives.	The AgriBEE Charter Council is still in the process of finalising the section 9 sector code that will have its own IT portal. The unit facilitated the appointment of a service provider for the development of the AgriBEE IT Portal. The DG officially approved the appointment of B1SA as service provider for the development of the AgriBEE IT Portal. The service provider has been engaged several times to finalise project-related issues regarding the portal development. It is expected that the development of the portal will resume during Q1 of the 2011/12 financial year. A coordination strategy will have to be drawn up by the Directorate: Cooperative and Enterprise Development. Seek written clarity from the provinces. These issues will be addressed once the concept on cooperation amongst government spheres has been presented to the provinces for discussion.
SG 5: Increased contribution of the sector to economic growth and development				
SO 2: Increase the level of public and private investment in the sector.	The number of BEE deals accessed	12	The balance of the AgriBEE Equity Fund, as held by the Land Bank, is about R110 million. This balance was accrued from previous transfers that were not disbursed, due to the investigation into the alleged mismanagement of the AgriBEE Fund by the Land Bank, which resulted in the AgriBEE Fund being frozen.	The new AgriBEE Fund MoA between the DAFF and the Land Bank was finalised and the AgriBEE Fund operational manual was revised and sent for approval.



Strategic objective	Measure/indicator	Target	Challenges	Corrective measures
SO 2 (continued)	Value of BEE deals accessed (R/c)	R48 610 000	The AgriBEE Fund MoA between the DAFF and the Land Bank has not yet been signed by both parties. Delays in the signing of the AgriBEE Fund MoA between the DAFF and the Land Bank The balance of the AgriBEE Equity Fund, as held by the Land Bank, is about R110 million. This balance was accrued from the previous transfers that were not disbursed due the investigation into the alleged mismanagement of the AgriBEE Fund by the Land Bank, which resulted in the AgriBEE Fund being frozen. The AgriBEE Fund MoA between the DAFF and the Land Bank has not yet been signed by both parties. Delays in the signing of the AgriBEE Fund MoA between the DAFF and the Land Bank	The directorate met with the Legal Services units of both the DAFF and the Land Bank, to resolve the pending legal issues pertaining to the MoA. The MoA is now ready for the signature of both parties. The AgriBEE Fund MoA between the DAFF and the Land Bank has been signed by both parties and it is expected that the disbursement of the fund will resume during Q1 of the 2011/12 financial year. The new AgriBEE Fund MoA between the DAFF and the Land Bank has been finalised and the AgriBEE Fund operational manual has been revised and sent for approval. The directorate met with the Legal Services units of both the DAFF and the Land Bank to resolve the pending legal issues pertaining to the MoA. The MoA is now ready for the signature of both parties. The AgriBEE Fund MoA between the DAFF and the Land Bank has now been signed by both parties and it is expected that the disbursement of the fund will resume during Q1 of the 2011/12 financial year.

PROGRAMME 4: FOOD SECURITY AND AGRARIAN REFORM

Purpose

This programme is meant to develop and facilitate the implementation of appropriate agrarian reform policies and targeted programmes, aimed at enhancing the contribution of subsistence and smallholder producers to food security. This will be achieved through education and training; the provision of national extension and advisory services; and the promotion of transformation imperatives in the agricultural, forestry and fisheries sectors.

The programme comprises three subprogrammes, namely Food Security; Sector Capacity Development; and National Extension Support Services. Food Security is responsible for subsistence farming, smallholder development and the provision of inputs, implements and infrastructure support. Sector Capacity Development focuses on sector education and training, sectoral colleges and sector transformation. National Extension Support Services aims to develop national extension policies and provide training and national extension support. The latter two are to direct and support agricultural education, training, as well as extension and advisory services in support of targeted groups.

Service delivery objectives and indicators

Subprogramme: Food Security

Strategic objective	Measure/indicator	Actual performance against targets		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 2: Coordinate government food security initiative.	Coordinated support mechanisms for food production at subsistence and smallholder producer level	Monitor progress and the food insecurity status in the country.	A draft Food Security (FS) Policy was completed.	Both the FS Policy and the Zero Hunger Strategy/Plan will be subjected to a consultation process.
			A draft Zero Hunger Strategy and implementation plan were completed. A national vulnerability assessment scoping study was completed and a national workshop held. This is being implemented in partnership with the SADC. A review of the Integrated Food Insecurity Phase Classification (IPC) manual, version 2 was completed in partnership with the FAO. A livelihood zoning exercise was initiated in the Western Cape, in partnership with the SADC Household Food Production Programme (HFPP). Telefood programme in partnership with the FAO: To date, 14 proposals were submitted. Seven of these were approved and implemented. The cumulative figure is R905 653,00 at an exchange rate of 6,97US\$. Number of projects monitored: A total of 1 388 projects were monitored in the provinces, geo-referencing was done and advisory services were provided during the period under review. Out of this total, 691 were previously funded and 697 are currently funded. Number of state farms supported: A total of 52 state farms (FALA) were supported through farm visits, renewed lease contracts, caretaker agreements and permission to occupy (PTO). Two lease agreements were renewed (Lot 3 of Rietrivier Settlement in the Free State and Rietfontein farm in the Western Cape).	The approval of the Zero Hunger Strategy is due to be completed during April 2011. Implementation of the National Vulnerability Assessment Committee (NVAC), the IPC and livelihood zoning will continue during 2011/12. Provincial reports on households benefiting from the HFPP have not been received as yet. The target for the number of projects to be monitored was 550 currently funded projects and 500 previously funded projects. A total of 20 state farms were targeted and a total of 52 farms were supported.



Strategic objective	Measure/indicator	Actual performance against targets		Reason for variance
		Target	Actual performance	
SO 2 (continued)			Six caretaker agreements were renewed (1 at Tweefontein 183 KR in Limpopo; 3 in the Western Cape at Kykoe portion 4; Holrivier 1343 and Bergplaats 316 and 2 in KwaZulu-Natal at Klopkop 1315 and portion 1 of Bellevue). There were 13 PTOs in KwaZulu-Natal (Waayplaats portion; Portington portion; Green Ford Farm portion; and Lubbock and Sunnyside Farm portions).	

Subprogramme: Sector Capacity Development

Strategic objective	Measure/indicator	Actual performance against targets		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 4: Provide comprehensive support towards rural development	Approved training programmes for community development	Monitor training support to 10 000 members of communities, including smallholder farmers and farm workers.	A total of 31 474 members of the community, including smallholder farmers, the youth and women, received various forms of training, namely: AgriSETA:8 859 FoodBev SETA:3 334 FIETA:3 891 CASP:7 127 Colleges of agriculture:973 Universities/universities of technology:7 250 GADI:40	The numbers trained so far exceeded the 10 000 target. This is an indication of the effectiveness of the coordination work carried out by the Directorate: Education, Training and Extension Services (D: ETES), in ensuring that all line function role-players do their work in this regard. This is even more so in the case of training of CASP beneficiaries, which has presented a problem over the years. Tremendous improvement has been recorded since May 2010, when the professional capacity in the D: ETES improved.
SG 6: Effective and efficient governance				
SO 4: Improve departmental service excellence through implementation of quality standards, Batho Pele principles and the general legislative mandate.	Compliance with transformation legislation	Audit departmental processes and deliverables aimed at vulnerable groups, the youth, as well as subsistence and smallholder producers.	The following reports and policies on departmental and sectoral transformation were finalised and tabled at the relevant structures within the DAFF: An audit report on departmental processes pertaining to transformation-related programmes was completed. A draft document on the establishment of agri-villages in support of vulnerable	What has been achieved so far exceeds the target of an audit report on departmental processes and deliverables. This is attributed to the initiatives and good work done by the unit Sector Transformation and Gender Mainstreaming despite the transitional period which existed in the DAFF during the year under review.

Strategic objective	Measure/indicator	Actual performance against targets		Reason for variance
		Target	Actual performance	
SO 4 (continued)			workers on farms and in forestry and fisheries Policy Framework for Women Empowerment in Agriculture, Forestry and Fisheries Gender Policy for the DAFF Guidelines for the Prevention and Management of Sexual Harassment and Violence	

Subprogramme: National Extension Support

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO4: Provide comprehensive support towards rural development	Approved training programmes for community development	1 000 community members to be trained	A total of 1 290 community members received training facilitated by GADI. Out of this total, 1 156 came from historically disadvantaged communities.	The target of 1 000 was exceeded. This is attributed to GADI stretching itself to reach previous years' targets of 4 000 per year, which this time around it could not achieve due to budgetary constraints.
		Four colleges operating as centres of rural wealth creation	Four colleges of agriculture, namely Elsenburg College (Western Cape), GADI (Eastern Cape), Cedara (KwaZulu-Natal) and Fort Cox (Eastern Cape) all finalised a review of their statutes. They incorporated some aspects of the norms and standards for ATIs, as well as curricula and operational modalities that create an environment for them to operate as centres of rural wealth creation. These institutions will work closely with extension matters.	The target of four colleges has been met. The work of repositioning the rest of the twelve colleges as centres of excellence will be accelerated during 2011/12 when governing boards will be established at each college in order to strengthen governance at these critical institutions.
SG 4: A transformed and united sector				
SO 4: Provide leadership and support to research, training and extension in the sector.	Approved training programmes aimed at extension support	Coordinate and monitor the training of 1 000 extension officers in various skills, as well as in qualification upgrading programmes.	A total of 1 281 extension officers were enrolled for qualification upgrading at various universities and universities of technology. A total of 3 398 extension officers received further training on various short training skills programmes.	The target of 1 000 was exceeded. This is owing to the fact that, in its coordination work, the DAFF repeatedly made the provinces aware of the fact that, in the training of extension officers, qualification upgrading towards the attainment of a Bachelor's degree as a minimum qualification, constituted a priority.



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 4 (continued)	Research and technology development programmes to support production	Monitor the implementation of targeted research and technology development programmes.	SLAs on targeted and priority research projects were signed with the ARC for implementation during the 2011/12 financial year. The projects were mainly short term (± 12 months). They were finalised and the final report on the monitoring of implementation has been generated.	Scientific R&D projects are inherently characterised by uncertainty and complexity.

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported on per quarter.

Quarters 1 and 2

During Quarters 1 and 2 no achievements were reported.

Quarter 3

During the period under review, the GADI research report was published.

The National Delivery Forum for Vulnerable Workers on farms and in forestry and fisheries was established, once the terms of reference for its establishment had been adopted.

The DAFF Partnership Model (Sustainable Farming Model) pilot project, run in conjunction with Grain SA, Agri SA, NWK Ltd and VKB Ltd brought assistance to 15 grain farmers in the North West and Free State provinces.

The farmers received support worth R50 000 in grants each from the DAFF to grow bitter sorghum, maize, sunflower and beans. The market for these grains had been secured via Grain SA and NWK Ltd. A total of 650 ha of grain was grown owing to the pilot project. Seven projects in the Free State received assistance, with a total of 12 beneficiaries, of whom five were females, but the youth was not involved. In North West eight projects were supported and 23 beneficiaries benefited, including seven females and eight youths.

Quarter 4

The *Grootfontein Agric Journal* was published during the period under review.

Three pertinent policies related to transformation, including the draft document on the establishment of agri-villages for vulnerable workers on farms and in forestry and fisheries were also finalised. Through the effective coordination of training by the Directorate: Education, Training and Extension Services, a total of 31 474 members of communities, including smallholder farmers were trained.

The monitoring of current DAFF-supported projects was undertaken with:

- ✧ 381 CASP projects being monitored
- ✧ 40 Mafisa projects
- ✧ 34 Ilima/Letsema projects
- ✧ 15 new projects used in the Sustainable Farming Model.

A total of 52 farms were supported. Four boasted renewed PTOs; the caretakership of 3 was renewed; and 45 were visited for M&E. These farms are the same ones as reported upon in Quarter 3, except for Ncera Farms. Rental collected amounted to R246 066.02.

During the period under review, a number of service delivery projects were undertaken for research purposes, namely:

- ✧ Improved project evaluation and selection, so as to improve the culture of research utilisation in the department
- ✧ Knowledge generation and technology development to guide decision making in the areas of pest and disease identification, seed multiplication and genetic conservation

- ✧ Improved systems methods and procedures for cultivar development on important commodity crops
- ✧ Benchmarking best practices in the development of standards for food safety and quality assurance
- ✧ The use of research to foster innovation for sustainable use, as well as the protection of natural agricultural resources.

Challenges and responses to challenges

Subprogramme: Food Security

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 2: Coordinate government food security initiative.	Coordinated support mechanisms for food production at subsistence and smallholder producers level	Monitor progress and the food insecurity status in the country.	Both the FS Policy and the Zero Hunger Strategy/Plan are to be subjected to a consultation process. The approval of the Zero Hunger Strategy is due to be completed in April 2011. The NVAC, the IPC and Livelihood Zoning will continue with implementation during 2011/12. Poor payment of lease rentals from lessees has been escalating.	Farmers are given notices and reminders to pay. Two lease contracts were cancelled in Mpumalanga.

Subprogramme: Sector Capacity Development

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 4: Provide comprehensive support towards rural development.	Approved training programmes for community development	Monitor training support to 10 000 members of communities, including smallholder farmers and farm workers.	The information provided by the SETAs need to be captured by the SETAs themselves in a format recommended by the DAFF.	The unit responsible for forestry capacity building is, as from 1 April 2011, responsible for coordinating the work of the DAFF's line function SETAs. This challenge will therefore be addressed.
SG 6: Effective and efficient governance				
SO 4: Improve departmental service excellence through implementation of quality standards, Batho Pele principles and the general legislative mandate.	Compliance with transformation legislation	Audit departmental processes and deliverables aimed at vulnerable groups, the youth, as well as subsistence and smallholder producers.	There is still lack of clear understanding within the DAFF regarding the exact role and scope of work linked to sector transformation and gender mainstreaming, despite the good work that the unit has done thus far	The Directorate: Sector Transformation and Gender Mainstreaming is due to, as from 2011, commence with the work of developing a five-year national strategy, aimed at sector transformation and gender mainstreaming for agriculture, forestry and fisheries. Subsequent to the national strategy, an implementation plan is to be developed.



Subprogramme: National Extension Support

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 4: Provide comprehensive support towards rural development.	Approved training programmes for community development	1 000 community members trained Four colleges operating as centres of rural wealth creation	In general, the budget allocated to colleges of agriculture for the training of new producers, is not sufficient. The generation, consultation on, and promulgation of the ATI Bill is inherently a slow process. It is only once the Bill has been promulgated, that ATI models would be enforceable.	The new three-year business planning framework for colleges, which is to be discussed with all colleges and farmer training managers from the provinces on 4 May 2011, will partially address this issue. With the DAFF securing professional services, focusing on the development of the Green Paper and a review of all internal policies, the process is set to be accelerated.
SG 4: A transformed and united sector				
SO 4: Provide leadership and support to research, training and extension in the sector.	Approved training programmes for extension support Research and technology development programmes to support production	Coordinate and monitor the training of 1 000 extension officers in various skills and in qualification upgrading programmes. Monitor the implementation of targeted research and technology development programmes.	The academic progress of extension officers, who are registered with various universities for qualifications upgrading, is not sufficiently monitored by provinces. Scientific R&D projects are inherently characterised by uncertainty and complexity. Finite resources against a myriad of infinite strategic priority demands and challenges. This results in focusing on short-term projects, aimed at short-term goals.	With the establishment of a subprogramme for Extension within the DAFF, close monitoring of provinces would be possible—e.g., all provinces are to be visited at least once a quarter As a project progresses, the status of the project is evaluated at predetermined points in time, so that project performance deviations could be picked up in time. Deviations would trigger corrective actions that would direct the project towards the planned goals. The establishment of a dedicated Research and Technology Fund

PROGRAMME 5: AGRICULTURE PRODUCTION, HEALTH AND FOOD SAFETY

Purpose

The programme identifies opportunities and develops strategies, in order to optimise agricultural productivity and profitability within the agricultural sector. The programme also manages the risks associated with animal diseases, plant pests, genetically modified organisms and the registration of products used in the agricultural field.

The programme comprises three subprogrammes, namely Plant Production and Health; Animal Production and Health; and Inspection Services and Food Safety. Animal Production and Health is responsible for creating an enabling environment for increased and sustainable animal production through the efficient use of genetic resources. It manages risks associated with animal diseases by means of appropriate policies, legislation, norms and standards, technical guidelines and other services. Plant Production and Health focuses on increasing agricultural productivity with the emphasis on sustainable plant production systems and the efficient use of genetic resources. It also manages risks associated with plant pests and diseases. Inspection Services and Food Safety is responsible for food safety and the quality of regulated products, provides for the national inspection service of regulated products, intended for local and international markets.

Service delivery objectives and indicators

Subprogramme: Animal Production and Health

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 1: Promote efficient production, handling and processing of food, fibre and timber.	Percentage increase in productive animals and animal products	Baseline + 1%	Productive animals (Kaonofatso ya Dikgomo): A total of 1 415 emerging (beef) farmers, with a total herd size of 15 113 animals, were served during the period under review under Kaonofatso ya Dikgomo. The number of productive animals increased by 47% from a baseline of 29%. The Directorate: Animal Production was involved in sales of more than 740 animals on behalf of emerging farmers. Animal products: Altogether 591 farmers, with a total of 729 herds of dairy cattle and 17 goat herds (total of 746 herds) were involved in milk recording under the National Milk Recording and Improvement Scheme. The percentage achieved in milk recording is 6% from a baseline of 29%. The MoU for the National Schools Milk Programme was signed, and this intervention will benefit stakeholders across the value chain—including emergent milk producers.	The target achieved was a 47% increase from a baseline, which exceeded the annual target of baseline + 1%. This was the result of awareness and an increase in the number of participants, resulting from the benefits of animal recording. The target achieved in milk recording during the period under review comes to 6%. The increase achieved is the result of a number of herds that participated in milk recording—i.e. an increase in herd size and less participation of farmers, due to a price drop in milk per litre.
SO 3: Improve production systems anchored in commodities with competitive and comparative advantage in each province.	Improved efficiency of farming systems per commodity	Reduction of 1%	The farming production system in the Eastern Cape Custom Feedlot Programme reduced production costs and increased efficiency. A start has been made to review the Livestock Development Strategy. It will include updating commodity surveys, and involvement of the DAFF, the NAMC, the dti and the provinces.	



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 4: A transformed and united sector				
SO 4: Provide leadership and support to research, training and extension in the sector.	Increased targeted research, development and training programmes	2	Three R&D facilities intended for research, development and training were considered in this subprogramme and progress is as follows: • The Gariiep aquaculture facility: Construction has been completed. However, road works and landscaping are yet to be completed. This is linked to the aquaculture programme that now resorts under the Programme for Fisheries, following the implementation of the new structure of the DAFF. • The Directorate: Animal Production, in conjunction with the Limpopo Department of Agriculture, established a feedlot facility in the Blouberg local municipality. The facility is now completed and awaiting the procurement of weaners during the first quarter of 2011. • The Directorate: Animal Production, in conjunction with the Eastern Cape Department of Agriculture, established a feedlot facility, which is already in use, with cattle of all sizes being prepared for the market. The training of 16 additional interviewers for the Comprehensive Breed Survey was completed in the Free State. The survey of 1 437 farmers in the Free State districts (Mothe: 302; Xhariep: 173; Thabo Mofutsanyana: 450; Fezile Dabi: 300; Lejweleputswa: 212) was completed and the data from these districts have been successfully captured.	The target of two feedlot facilities, intended for R&D purposes under the custom feedlot programme, was reached. The Gariiep facility has now been placed under the Fisheries Programme, following the implementation of the new DAFF structure.

Subprogramme: Plant Production and Health

Strategic objective	Measure/ indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 1: Promote efficient production, handling and processing of food, fibre and timber.	Increased volumes of plant production and products	Partially implemented Agricultural Production Strategy, which supports commodity-specific strategies (e.g. grains, fruit and industrial crops)	Review of cotton and fruit strategies: The Cotton Strategy was finalised and endorsed by stakeholders in the cotton industry and major progress was achieved in terms of reviewing both the Grain and Fruit Strategies. The final draft strategies are in place. The process that needs to be finalised is getting a buy-in from all stakeholders in their respective value chains. These three strategies constitute the pillars of the Production Strategy.	Lack of funding for the commodity strategies posed serious challenges with regard to their implementation. The strategy documents are ready for implementation.

Strategic objective	Measure/ indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 1 (continued)			National Policy on Organic Farming: The draft policy document was discussed at two workshops, held during January and March 2011. Inputs from these engagements have been incorporated into the current draft, so as to develop draft number 8. This document will now be tabled at various structures within government for approval purposes. Plant Breeders' Rights Amendment Bill: State law advisers recommended that the DAFF could continue with the consultation process pertaining to the Bill. Relevant comments from the policy consultation process were incorporated into the draft Bill. The revised draft Bill was forwarded to Legal Services and to the Registrar: Plant Improvement Act for comment. Plant Improvement Bill: Major progress was made in amending the Plant Improvement Act. Consultation processes took place through meetings and workshops. Working groups were established amongst the industry, government and other stakeholders to work on some of the finer details of the Bill. The next stages involve getting further inputs from Legal Services and the State Law Advisor. The final phase will include taking the Bill through the required governmental approval processes.	
SO 3: Improve production systems anchored in commodities with a competitive and comparative advantage in each province.	Production output comparisons between provinces, per commodity	Aligned spatial planning and support for plant production	The alignment of plans is done on a regular basis between the DAFF and the respective provinces. Regular meetings are held on an ongoing basis, so as to discuss plans and strategies pertaining to plant production. The provinces are guided in terms of concentrating on crops that are suitable for their specific soil types and climatic conditions. The process will be further improved by establishing a national forum, as well as its respective working groups.	
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Adequate products of good quality	A finalised MoU between the ARC, the DAFF and the provinces to address primary plant health issues in rural areas	MoU with the ARC and PDAs: The first step towards the planned MoU was completed. Therefore, a strategy discussion document, which is aligned to the new DAFF structure, is to be submitted for comment and approval through the appropriate departmental channels.	The demand for phytosanitary services in respect of pest risk management, outstripped capacity during the period under review, for example successfully eradicating two detections of the African invader fruit-fly (<i>Bactrocera invadens</i>), accompanied by diverse market access and maintenance actions. The provision of "basic" plant health services is multidisciplinary and cross-cutting, comprising several role-players inside and outside the DAFF.



Strategic objective	Measure/ indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 4: A transformed and united sector				
SO 4: Provide leadership and support to research, training and extension services in the sector.	Enabled extension services in provinces	All researched solutions completed during the year are to be disseminated and made available to extension services	Research solutions on wheat production and cultivar evaluation (cultivar performance trials) were completed. This included clear recommendations on the appropriate cultivars to be used in the northern and southern production areas. The information was published and distributed to 6 000 producers. Further distribution of the information was done at two farmers' day lectures. All data from the National Cultivar Evaluation Programme in the different production regions was processed and reports were finalised and accepted by the National Cultivar Evaluation Workgroup.	No variance, the research solutions were completed and disseminated.

Subprogramme: Inspection Services and Food Safety

Strategic objective	Measure/ indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food by managing the level of risks associated with food, diseases, pests, natural disasters and trade	Improved compliance to regulatory measures	Review, improve and maintain an effective regulatory environment.	To ensure an effective regulatory environment, aimed at improving compliance, regulations were reviewed. Some of these regulations were approved and others are still in the process of being approved. Reviewed and approved (gazetted): • Pesticides Policy: Approved by the Minister and gazetted. • Regulations for wheat and potatoes: Published regulations in the <i>Government Gazette</i> of 12 November 2010. • SOP for exporting rooibos: The procedure was approved and implemented. • Regulations relating to the ban of the use of chlorpyrifos were completed. Reviewed and awaiting approval: • Amendment Bill for the Meat Safety Act: The Bill was sent to the Science and Technology unit of the DAFF for review. • Final draft proposal for independent meat inspection: Proposal was forwarded for ministerial approval. • Fertiliser and Feed Bill: Inputs received from the workshop were incorporated into the Bill and the Bill was forwarded to the Department of Justice and Constitutional Development (DoJCD), and the state law advisor for certification and comment. Comments from DoJCD are being considered. • Liquor Products Act: A meeting was held with stakeholders to clarify differing views on beer and cider. Further meetings are being planned between role-players to resolve different views on beer and cider.	Regulations awaiting ministerial approval Stakeholder inputs are being considered and incorporated. Subprogramme is awaiting a response from the DAFF's Legal Services with regard to some of the regulations.

Strategic objective	Measure/ indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 1 (continued)			- Amendment of the Animal Diseases Act, 1984 (Act No. 35 of 1984): awaiting a response from the DAFF's Legal Services - Schemes under the Meat Safety Act: - Game Meat Scheme draft has been vetted by Legal Services twice and a final version was submitted to the Minister. This version was further vetted by Legal Services and amended. It must still be approved by Legal Services and the Minister. - Abattoir Rating Scheme questionnaires were sent to all stakeholders for further input before the final version is submitted to the Minister.	

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported on per quarter.

Quarter 1

A total of 456 farmers were trained under the Kaonofatso ya Dikgomo improvement schemes in production efficiency and record-keeping, and 560 farmers were trained in milk production and husbandry (National Milk Recording and Improvement Scheme). Brochures and booklets on meat safety were distributed to veterinary services in KwaZulu-Natal. Capacity-building workshops were held in Sedibeng Village in the Free State, in Motheo, Thaba Nchu and the Free State's Mangaung district. Briefing sessions were held for the Tshwane Metropolitan Environmental Health Practitioners.

An advisory service on good production practices was rendered to both farmers and extension officers.

Regulations for plums and prunes, as well as nectarines and peaches were submitted to the WTO for notification, while regulations relating to a ban on the use of chlorpyrifos were gazetted on 14 May 2010. Brochures and booklets on meat safety were distributed to veterinary services in KwaZulu-Natal. On 18 June 2010, capacity-building workshops were held in Sedibeng Village in the Free State, in Motheo, Thaba Nchu and in the Mangaung district for 45 Food Security Project beneficiaries. The title of the workshop was "Good hygiene practices, safe and responsible use of chemicals".

From 18 to 19 May 2010, a two-day workshop was held in Motheo, Thaba Nchu and in the Free State's Mangaung district for 11 extension services officials and 30 farmers. The title of the workshop was "Compliance with the minimum agricultural products quality standards to improve market access". On 29 April 2010, a briefing session was held for 53 members of the Tshwane Metropolitan Environmental Health Practitioners at Premos premises in Pretoria West.

Quarter 2

The training of 16 additional interviewers from the Free State with a view to animal surveys was successfully completed in July 2010. An article on the use of adapted breeds was published in the *SA Stud Breeder* and a presentation on using Nguni cattle for cost-effective beef production was held at a farmers' day in the Western Cape.

The sixth draft of the National Policy on Organic Farming was tabled at the joint Agriculture and Sustainable Rural Development and Science and Technology Committee (ASRDC/STC) and was recommended for approval.

Regulations relating to a ban on the use of chlorpyrifos were finalised and are in the process of being implemented and monitored. Regulations for wheat and potatoes were approved by the Minister in September and were to be gazetted during Quarter 3 of the period under review.

Quarter 3

The Freshwater Aquaculture Manual was finalised and published during the period under review. A comprehensive provincial Breed Survey was conducted in all districts identified in the sample frame, namely: Motheo (302), Xhariep (173), Thabo Mofutsanyana (450), Fezile Dabi (300) and Lejweleputswa (212). Baseline studies pertaining to milk, poultry and pig producers were completed and a National Milk Production Strategy was finalised for purposes of internal discussion.



An article on the role of pedigree livestock breeders was published in the November edition of the *SA Stud Breeder*, so as to highlight the importance of this sector in providing affordable seed stock to the production sector.

The wheat cultivar trials were harvested in 20 of the 22 localities during the period under review. Crop sequencing trials towards an efficient no-till production system were completed. The draft National Policy on Organic Farming was approved by the Oversight Committee.

Regulations for wheat and potatoes were published in the *Government Gazette* of 12 November 2010. The SOP for exporting rooibos was approved and implemented.

Quarter 4

The data of the Comprehensive Provincial Breed Survey for the Free State districts was successfully captured.

All data from the National Wheat Cultivar Evaluation Programme in the different production regions was processed and reports were finalised and accepted by the National Wheat Cultivar Evaluation Workgroup. Production advisory information was distributed to a wide range of wheat producers.

During the period under review, 524 farmers, 59 extension officers and 88 members of the public were provided with technical advice on production practices covering a wide range of crops. The final draft of the Cotton Strategy was discussed with the industry and other stakeholders during February 2011.

The final draft Proposal for Independent Meat Inspection was forwarded for ministerial approval and the Pesticides Policy was approved by the Minister and gazetted.

Challenges and responses to challenges

Subprogramme: Animal Production and Health

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 1: Promote efficient production, handling and processing of food, fibre and timber.	Percentage increase in productive animals and animal products	Baseline + 1%	No funds are available to conduct proper baseline studies.	

Subprogramme: Plant Production and Health

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 1: Promote efficient production, handling and processing of food, fibre and timber.	Increased volumes of plant production and products	A partially implemented agricultural production strategy to support commodity-specific strategies (e.g. grains, fruit and industrial crops)	Funding problems—a lack of funding for commodity strategies makes it difficult for the DAFF to get a buy-in from stakeholders.	Dedicated funding for the commodity strategies needs to be sourced from within the DAFF.
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Adequate products of good quality	Finalised the MoU between the ARC, the DAFF and the provinces to address primary plant health issues in rural areas.	The demand for phytosanitary services, including market access and the maintenance and management of two detections of the quarantine pest, African invader fruit-fly (<i>Bactrocera invadens</i>), outstripped capacity. The provision of "basic" plant health services is multi-disciplinary and cross-cutting, constituting several role players inside and outside the DAFF.	Two new deputy directors were appointed in the period under review and are being capacitated to play a greater role in this initiative.

Subprogramme: Inspection Services and Food Safety

Strategic objective	Outcome/indicator	Target	Challenges	Corrective measure
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Improved compliance with regulatory measures	Review, improve and maintain an effective regulatory environment.	A constraint faced by the department is a lack of funds for the gazetting of the regulations for wheat and potatoes. A lack of legal expertise within the Directorate: Animal Health to draft the required legislation. Publication of the Animal Diseases Amendment Bill	Engage a legal expert to draft the required legislation.

PROGRAMME 6: FORESTRY AND NATURAL RESOURCES MANAGEMENT

Purpose

Sustainable use and management of natural resources underpin the agricultural, forestry and fisheries sectors. The programme is to provide policy advice and coordinate the implementation of programmes aimed at ensuring that forestry production is undertaken sustainably, within the capacity of the landscape and climate. This includes encouraging land-owners and managers to maintain and improve the natural resources base on which agricultural production relies, namely soil, vegetation, water and the atmosphere.

The Resources Management part of the programme is to contribute to policy and programme development and implementation in the areas aimed at improving water access arrangements for all users, while promoting its efficient allocation, use and sustainable management. The programme is also responsible for encouraging sustainable resources access and use through the development of policies to position the agricultural, forestry and fisheries sectors in such a way as to meet the challenges of achieving sustainable production. It aims to provide accurate and reliable information for improved natural resources management, which is essential for the sustainable use of natural resources, policy development and programme implementation.

Resources Management is also responsible for promoting and facilitating greater adoption of sound agricultural, forestry and fisheries natural resources management at primary industries, communities and regions through targeted programmes to improve natural resources management practices and management of the natural resources base; and to facilitate the development of agricultural infrastructure and the use of agricultural resources.

Other activities include auditing natural resources, compliance and law enforcement for natural resources management; controlling migratory pests; rehabilitating and protecting agricultural land; and running the community-based LandCare Programme. It will furthermore develop mitigation and adaptation measures, aimed at risk and climate change.

Service delivery objectives and indicators

Subprogramme: Forestry Operations and Management

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 4: Provide comprehensive support towards rural development.	State forest land, not required for forestry land use purposes, released for other land use purposes	Land releases finalised within three months of ministerial approval	Limpopo is awaiting approval to release the Davhana plantation to the community. In the Eastern Cape the release of identified areas is in process.	This is demand-driven—hence the demand can only be processed as requests come through.



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 2: Sustained management of natural resources				
SO 2: Ensure the sustainable management and efficient use of natural resources.	National forest resources assessment completed	The planning phase for assessment completed	The Agricultural Geo-referenced Information System (AGIS) study on land use conversion in woodlands was concluded.	
SO 4: Increase contribution to green jobs to improve livelihoods.	Number of green jobs established	Forestry Livelihoods Strategy was developed and implemented (150 green jobs created).	A total of 420 jobs were created in the Eastern Cape through the Wattle Jungle Conversion Programme in Cata village, and 200 jobs in Limpopo's Rossbach plantation through a rehabilitation programme funded by the Expanded Public Works Programme (EPWP), resulting in a total of 620 jobs being created.	
SG 3: Effective national regulatory services and risk management systems				
SO1: Promote safe food by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Reduced incidents of veld, forest and mountain fires, through the implementation of the National Veld and Forest Fire Act (NVFFA), 1998 (Act No. 101 of 1998) National Forests Act (NFA), 1998 (Act No. 84 of 1998) regulations published and implemented	42 FPAs registered Compliance with, monitoring and enforcement of the NFA regulations	A total of 25 FPAs were registered during 2010/11. Three NFA awareness sessions were held at three local municipalities in Mpumalanga. Two NFA training sessions were conducted for prosecutors in Limpopo and the KwaZulu-Natal region. One NFA session was conducted for the magistrate of the Gauteng region. Four compliance and enforcement workshops on the NVFFA were held for stakeholders (one for the prosecutors in Polokwane; one in the KwaZulu-Natal, one in Hammanskraal and one for stakeholders, including the SAPS in the North West Province).	Misalignment between the target of 20 FPAs, as planned by the responsible line function, with 42 mistakenly reflected as an annual target, is the cause of the discrepancy.

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of PDIs.	Equity and ownership of PDIs through leased forestry packages	Siyaqhubeka agreements with beneficiary communities in place	The lease agreement between the department and Siya-qhubeka is in place.	
SG 5: Increased contribution of the sector to economic growth and development				
SO 1: Increase growth, income and sustainable job opportunities in the value chain.	Forestry 2030 Roadmap targets met	Ten targets, as reflected in the 2030 Roadmap met	Three strategies (Sawlog Timber, Integrated Forest Protection and Forestry R&D) are in the departmental approval processes.	The targets are part of the DAFF long-term strategy (formerly known as the 2030 Forestry Roadmap) and therefore ten should not have been set as an annual target
	Commercial forest estate expanded	10 000 ha afforested in the Eastern Cape and KwaZulu-Natal	12 962 ha are licensed for afforestation. Of that, 10 000 ha were for genus exchange, while 2 962 ha were set aside for afforestation. 1 000 ha and 1 962 have respectively been afforested in the Eastern Cape and KwaZulu-Natal.	The initial target of 10 000 ha was not reached, due to the fact that only 2 962 ha were issued as new licenses. Procurement processes are delaying payment of an environmental impact assessment to be conducted in a 30 000 ha area.

Subprogramme: Resources Management

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
SG 2: Sustained management of natural resources				
SO 1: Promote environmentally sustainable production systems.	Number of land users adopting best practices	Assess extent of adoption per farmer category and implement programmes to enhance adoption.	A total number of 571 commercial farmers, 2 024 smallholders and 2 134 subsistence farmers adopted land use best practices during the period under review.	The intensity of reviewing was probably downplayed during the planning stage—hence the reviewing and development of a policy are demanding processes, which could not both be satisfied within a single year.
	Status of agricultural land retained (limited conversion of agricultural land)	Review and development of the Agricultural Land Protection Policy.	Completed the ToR and tasked the ARC to conduct the policy study, in order to obtain the technical data required for development of the Policy on the Protection of Agricultural Land.	
SO 2: Ensure the sustainable management and efficient use of natural resources.	Support for strengthened institutional arrangements for the management of water	Consolidate data and conduct assessments.	The Policy Framework on Irrigation in South Africa was presented in the Eastern Cape, Free State, Limpopo and Mpumalanga provinces. The ToR and the minutes of the inaugural meeting by the CEO Forum Task Team on Water Quality were circulated to all stakeholders.	



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual	
SO 4: Increase contribution to green jobs to improve livelihoods.	Number of green jobs created	25 000	A total of 11 593 green jobs were created via LandCare projects during 2010/11. Some 2 550 were created during Q1; 2 219 during Q2; 4 410 during Q3; and 2 414 during Q4.	
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food/fibre production by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Approved and implemented a sector plan	Identify vulnerable areas in the sector.	A vulnerability assessment was conducted and three vulnerable areas were identified in the south-western parts of the Free State.	The vulnerability assessment report submitted, indicated that there were two target areas. The three identified vulnerable areas are all from one province, although this is a national project and it is ongoing—hence it could not be completed in one financial year.
SO 2: Establish and maintain effective early-warning and mitigation systems.	The reduction of nature-related risks	Implement and review.	Weather and climate capacity-building workshops were conducted for officials in North West and Limpopo. Short courses on agro-meteorology were held at the University of the Free State from 14–18 March and 28 March to 1 April 2011.	

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported on per quarter.

Quarter 1

A draft Forestry R&D Strategy was developed and approved by the Forestry Functional Management Committee (FFMC) and the Forestry Branch.

Fire prohibition notices for the summer rainfall areas were published in the *Government Gazette* during May 2010.

Four fire protection associations were registered during this quarter.

A revised tariffs list was submitted for approval by the Minister and the National Treasury.

Two wetlands were rehabilitated through the LandCare Programme. A total of 5 000 ha of land were rehabilitated through the LandCare Programme and 51 000 ha in terms of the Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983). Approximately 200 commercial farmers, 234 smallholders and 256 subsistence farmers adopted best land use practices. A total of 2 550 green jobs were created through LandCare projects.

A weather and climate capacity-building workshop was held in the North West Province. The aim of the workshop was to assist with the awareness of early warning and mitigating factors, which would ultimately contribute to minimising natural risks.

Three monthly National Agro-meteorological Committee (NAC) Advisories, and their summarised versions, were issued to both management and the sector, with a view to disaster risk reduction.

Quarter 2

The SADC Forestry Strategy was adopted by the SADC Council of Ministers of Environment meeting, held at the Victoria Falls, Zimbabwe, on 16 July 2010.

Seven FPAs were registered during this quarter. Fire awareness material was supplied to the Lowveld and Escarpment FPA for distribution at schools in Mpumalanga. Fire awareness advertisements on Radio Jacaranda were sponsored for

a period of one month. The Southern Cape FPAs monthly newsletter was published and the Southern Cape FPAs website was launched.

Three NFA awareness sessions were held at three local municipalities in Mpumalanga.

Altogether 2 219 job opportunities were created through the LandCare Programme during Quarter 2.

Some 59 commercial farmers on 16 891 ha of land, 380 smallholder farmers on 22 663,7 ha and 215 subsistence farmers on 5 797,81 ha adopted land use best practices.

The Policy Framework on Irrigation in South Africa was presented to the Free State, Limpopo and Mpumalanga Province Coordinating Committees on Agricultural Water (CCAW) meetings.

A weather and climate capacity-building workshop was conducted in Limpopo. The aim of the workshop was to assist with the awareness of early warning and mitigating factors that would ultimately contribute to minimising natural risks.

Three monthly NAC Advisories, and their summarised versions, were issued to both management and the sector, with a view to disaster risk reduction.

Quarter 3

Some 58 jobs were created in KwaZulu-Natal, in an area covering 2 000 ha, which was converted through wattle jungle conversions. A total of 70 jobs were also created through rehabilitation programmes.

A SMME Framework and Strategy was developed and approved by the FPMC. The Afforestation Strategy and the Fuel Wood Strategy were also approved by the FPMC.

An area of 12 962 ha was licensed for afforestation in KwaZulu-Natal and the Eastern Cape provinces.

Three FPAs were registered during this quarter.

NFA compliance and enforcement workshops were conducted in the North West Province.

A total of 4 410 job opportunities were created through the LandCare Programme during this quarter, namely: Eastern Cape (80); the Free State (82); Gauteng (361); KwaZulu-Natal (657), Limpopo (1 700); Mpumalanga (100); the Northern Cape (80); North West (106); and the Western Cape (1 244).

Some 147 commercial farmers, on 40 134 ha of land, 525 smallholder farmers on 78 544 ha and 868 subsistence farmers on 20 281 ha all adopted land care best practices.

The Policy Framework on Irrigation in South Africa was presented to the Eastern Cape Province.

The Gauteng Province Early Warning Committee was revived in Randfontein on 7 December 2010, to assist with the facilitation of disaster risk reduction.

Relevant research scientists and government stakeholders were consulted and the Global Alliance Stocktaking Information for Upcoming Livestock meetings under the Global Research Alliance on Agricultural Greenhouse Gases (GHG) were completed.

Three monthly NAC Advisories, and their summarised versions, were issued to both management and the sector, with a view to disaster risk reduction.

The R50 million made available for drought relief in the Western Cape was gazetted in the Division of Revenue Act and the drought relief scheme was established. The framework that regulates both the implementation of the scheme and the MoA were developed. Assistance offered within the scheme to affected farmers was in terms of livestock feed and the transportation of feed, as well as the repair of agricultural infrastructure for livestock and drilling for water supply.

Disaster assessments were conducted in Mpumalanga in areas affected by a hailstorm. This was subsequent to the submission of a funding request by the province for disaster funding to assist affected farmers. Correspondence was prepared in order to respond to the funding request and to give feedback to the province on the assessment that had been conducted by the DAFF. The province was advised to submit the disaster report and funding request through the Provincial Disaster Management Centre, as required by the Disaster Management Act, 2002 (Act No. 57 of 2002).

Quarter 4

A total of 492 green jobs were created through the Forestry Livelihood Strategy. In KwaZulu-Natal 292 jobs were created and 200 in Limpopo.

The Integrated Forest Protection Strategy was developed and approved by the Forestry Branch Management Committee.

An AGIS study on land use conversion in woodlands was concluded.

A total of 11 FPAs were registered. Four compliance and enforcement workshops on the NVFFA were held for stakeholders. One workshop was for prosecutors in Polokwane, one in KwaZulu-Natal, one at Hammanskraal and one for stakeholders,



including the SAPS, in the North West Province. Two NFA training workshops were conducted for prosecutors in Limpopo and KwaZulu-Natal, while one was conducted for a magistrate in the Gauteng region.

A total of 2 414 green jobs were created through the LandCare Programme. In the Free State: 112; Eastern Cape: 543; Gauteng: 100; Mpumalanga: 37; Western Cape: 125; Northern Cape: 92; Limpopo: 1 254; KwaZulu-Natal: 50; and in North West: 101 green jobs.

A total of 165 commercial farmers on 45 213 ha of land, 885 smallholders on 20 412 ha and 795 subsistence farmers on 21 287 ha adopted best land use practices.

Altogether 7 091 ha were rehabilitated and protected through the LandCare Programme, while 65 560 ha were rehabilitated through a resources audit. Three wetlands were rehabilitated and protected. Some 194 966 ha of land were protected against changes in land use.

A vulnerability assessment was conducted and three vulnerable areas were identified in the south western parts of the Free State.

Short courses on agrometeorology were presented at the University of the Free State from 14 to 18 March and 28 March to 1 April 2011, so as to capacitate departmental officials.

The department participated in the National Floods Joint Operations Centre, established by the Department of Cooperative Governance and Traditional Affairs (DoCGTA) for the coordination of floods that occurred between December 2010 and February 2011. A national state of disaster was declared by DoCGTA in the eight affected provinces (excluding the Western Cape) in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002). The National Disaster Management Centre appointed service providers to undertake verification and validation of flood damage on individual farms. The DAFF will participate in the verification process and this exercise will assist in costing the damage so as to request disaster funding from the National Treasury.

The Foreword to the Atlas of climate change was signed by the Minister. The agricultural GHG inventory report was completed and published.

The sixteenth COP under the United Nations Framework Convention on Climate Change (UNFCCC) was attended.

Three monthly NAC Advisories, and their summarised versions, were issued to both management and the sector, with a view to disaster risk reduction.

An evaluation of the impact of disaster risk assistance schemes on assisted farming communities was conducted in three provinces. An evaluation was conducted in the Western Cape, in North West and in the Northern Cape and the purpose of the exercise was to assess the impact of the schemes on farming communities, so as to improve on future schemes, as well as on interventions with regard to disaster-related matters in general.

A total of 16 244 hopper bands, 1 132 adult swarms and 1 314 mixed swarms were controlled by 99 control teams on 518 farms. Fifteen control inspections were carried out and one locust control training course was presented. Altogether 22 436 million quelea were controlled on 221 ha of roosts.

Challenges and responses to challenges

Subprogramme: Forestry Operations and Management

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 1: Increased profitable production of food, fibre and timber products by all categories of producers				
SO 4: Provide comprehensive support towards rural development.	State forest land, not required for forestry land use purposes, released for other land use purposes	Land releases finalised within three months of ministerial approval	Release of land is demand-driven.	Agreed upon service standard with all key stakeholders and offer this intervention as a service unless a significant key-specific focus is required.
SG 2: Sustained management of natural resources				
SO 2: Ensure the sustainable management and efficient use of natural resources.	National forest resources assessment being completed	Planning phase for assessment to be completed	Shortage of suitable qualified staff to dedicate their full-time attention to this major project.	The recruitment of suitably qualified staff

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of PDIs.	Equity and ownership of PDIs in leased forestry packages	Siyaqhubeka agreements with beneficiary communities in place	It is not easy to increase equity with regard to existing lease agreements.	Ensuring that packages to be leased in future are representative.
SG 5: Increased contribution of the sector to economic growth and development				
SO 1: Increase growth, income and sustainable job opportunities in the value chain.	Forestry 2030 Roadmap targets met	Ten targets, as reflected in the 2030 Roadmap met	Progress is currently dictated by external dynamics. Awaiting Forest Stewardship Council (FSC) Board approval of the National Certification Standard (NCS).	Continuing to strengthen the relationship with the Council

Subprogramme: Resources Management

Strategic objective	Measure/indicator	Target	Challenges	Corrective measure
SG 2: Sustained management of natural resources				
SO 1: Promote environmentally sustainable production systems.	Number of land users adopting best practices	Assess the extent of adoption per farmer category and implement programmes to enhance adoption.	Insufficient time after submission to obtain feedback from the National Treasury	Strengthen liaison with the National Treasury.
	Status of agricultural land retained (limited conversion of agricultural land)	Review and development of Agricultural Land Protection Policy.	Unrealistic time allocated for required outputs	Improve planning and the prioritisation of deliverables.
SO 2: Ensure the sustainable management and efficient use of natural resources.	Support for and strengthened institutional arrangements for the management of water	Consolidate data and conduct assessments.	Slow response and low participation by provincial departments	Involve departmental top management to ensure efficient participation by all stakeholders.
SO 4: Increase contribution to green jobs to improve livelihoods.	Number of green jobs created	25 000	Validating the reported information by provinces mostly happen after national has already compiled performance reports.	Strengthen reporting and verification structures and processes between the national department and the provinces.
SG 3: Effective national regulatory services and risk management systems				
SO 1: Promote safe food/fibre production by managing the level of risks associated with food, diseases, pests, natural disasters and trade.	Approved and implemented sector plan	Identify vulnerable areas in the sector.	Lack of resources (personnel and financial) causes a delay in the implementation of plans.	More funding with regard to climate change is required.
SO 2: Establish and maintain effective early-warning and mitigation systems.	Reduction of nature-related risks	Implement and review.	A lack of prioritisation of disaster risk measures by the sector A lack of early warning information dissemination from the provinces to the farmers and non-adherence to reporting requirements	Regular meetings with all involved to encourage prioritisation of disaster risk measures. A NAC monitoring and evaluation tool is currently being developed, which will assist in improving compliance and adherence by all stakeholders.



PROGRAMME 7: FISHERIES MANAGEMENT

Purpose

The aim of the branch is to contribute to maintaining and restoring the productive capacity and biodiversity of the marine environment; ensuring the protection of human health; as well as promoting the conservation and sustainable use of marine living resources. The branch further aims to ensure that the degradation of the marine environment as a result of land-based activities is prevented by facilitating the realisation of the duty on the part of the DAFF to preserve and protect the marine environment through the application of the respective policies, priorities and resources.

Service delivery objectives and indicators

Subprogramme: Fisheries Management

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SG 2: Sustained management of natural resources				
SO 1: Promote environmentally sustainable production systems.	Marine aquaculture monitoring and evaluation framework in place	70% M&E of three pilot projects	Public comments compiled and a scoping report submitted to provincial DEA Review of strategic environmental assessment was undertaken, as well as preliminary visual and socio-economic impact studies.	Lack of capacity, skills and expertise in the Aquaculture unit Limited aquarium research facilities available
	EU accreditation of shellfish	Achievement of 50% of EU requirements	A total of 50% of the Food and Veterinary Office's (FVO) recommendations was implemented. The liquid chromatography mass spectrophotometer (LCMS) was installed and trials are currently underway in preparation for South African National Antarctic Programme (SANAP) accreditation.	
	Number of research projects on the feasibility of SA aquaculture species conducted	Research into two SA aquaculture species (finfish and scallops)	Spawning of sea urchins was successful. Phase 1 of the scallops grow-out trials was completed. The nutrition project was reviewed and will be implemented. Negotiations with the universities of Cape Town, Rhodes, KwaZulu-Natal, Stellenbosch and the Western Cape to enter into MoUs with the DAFF to undertake aquaculture research were concluded. Larval settlement studies on sea urchins were completed. Field grow-out studies on scallops in Saldanha Bay were completed. The manuscript is currently being prepared.	
SO 2: Ensure the sustainable management and efficient use of natural resources.	Promote the equitable and sustainable management and efficient use of marine living resources.	70 % of fisheries reviewed by cluster	A draft survey report was received, comment was provided by management, and it was amended accordingly. A total of 50% of the assessment was completed.	Tight timeframes and the complexity of the process Limited capacity at Legal Services

Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 2 (continued)	Rebuild depleted fish stocks.	Continuous review of the Strategy for Hake and Abalone in respect of research, management and compliance	The management strategy implemented by the DAFF produced positive results and any efforts to strengthen it should be supported by management. Abalone—Three Abalone Task Group meetings were held. Abalone diving surveys were completed in Zone B (20 transects). A preliminary joint survey with industry stakeholders was carried out. Reviewed a stock assessment report on Eastern Cape abalone. The sampling of commercial catches is ongoing, as well as of confiscated and ranched products.	Limited resources, both financial and human, makes it difficult to ensure 24/7 monitoring.
	Compliance with and enforcement of marine and coastal legislation	40% of fish processing establishments inspected	The inspection of the targeted 74 establishments was completed in Q3. An additional 35 establishments were inspected and some were warned to acquire the necessary documentation in order to carry on doing business.	
		10% of rights holders in the five key fisheries investigated	Hake—2,2% (53) of rights holders in the hake sector were investigated. Abalone, WCRL and traditional line fish—Section 28 proceedings were initiated against seven infringing abalone rights holders. Squid—5,3% (124) rights holders in the squid sector were investigated. Line fish—1,3% (31) rights holders in the line fish sector were investigated.	
		15% of vessels in the five key fisheries sectors inspected	Hake trawl—42 vessels were inspected. Squid—57 vessels were inspected. WCRL—36 inspections took place. Traditional inspections—22 Recreational inspections—31 Subsistence inspections—0 Interim relief—0 J534s issued—7 (R26 500)	
		75% of cases and tip-offs investigated according to services standards	A total of 15% of cases and tip-offs were investigated in accordance with services standards. Six cases were registered and 38 921 units of abalone were seized. A total of 926 units of WCRL and one vessel were seized.	Increase in fuel prices and costs of crews About 2,5% of rights holders in five key fisheries sectors, namely hake, abalone, rock lobster, squid and line fish were investigated to meet the annual target of 10%.



Strategic objective	Measure/indicator	Actual performance against target		Reason for variance
		Target	Actual performance	
SO 2 (continued)		Maintain and strengthen five partnerships.	Three cases were finalised, namely the July 2010 Table View, the Vredenburg and Table Bay cases, as well as three Chinese nationals were sentenced to 30 and 36 months imprisonment respectively. One case, pertaining to 8 kg of marijuana was handed to the SAPS. Six joint operations were conducted with the SAPS and the SARS, namely two operations in the Eastern Cape, one on the West Coast, two in the Cape Peninsula and one in Gauteng. Four formal partnerships were maintained with Nosipho Marine Services, SAB&T, Swellendam Municipality and KwaZulu-Natal Wildlife. Other informal partnerships were maintained with the Border Control Coordinating Committee (BCOCC), Table Mountain National Park, the Nelson Mandela Metro, etc.	Initiation of Section 28 and criminal proceeding against infringing rights holders
SG 4: A transformed and united sector				
SO 1: Increase equity, ownership and participation of PDIs.	Implementation of the Transfer of Rights Policy, the allocation of fishing rights and the implementation of the Small-scale Fisheries Policy in respect of transformation imperatives	Implementation of policies	Comments on draft policy are being collated. The National Economic Development and Labour Council (Nedlac) process commenced Continued with granting of interim relief exemptions and permits Transfer of Rights Policy, Section 21 applications are continuously being processed. Two applications were finalised and approved.	Lengthy policy development and compulsory consultation process caused delays. Lack of consensus and a decline in stock
SG 5: Increased contribution of the sector to economic growth and development				
SO 1: Increase growth, income and sustainable job opportunities in the value chain.	Key recommendations of the harbour feasibility study implemented	25% implementation level of recommendations	Expedited fishing harbour directives with DPW, such as slipway maintenance contracts that could benefit local communities in terms of job opportunities. Security and community projects implemented at 12 fishing harbours.	

Service delivery achievements

The outputs of the programme, as specified in the *Strategic plan 2010/11*, are reported on per quarter.

Quarter 1

The Transfer of Rights Policy and the Small-scale Fisheries Policy were gazetted. The Policy on the Transfer of Commercial Fishing Rights was published, finalised and gazetted. The programme continued with the granting of interim relief for exemptions/permits.

Joint partnerships, with law enforcement and conservation agencies, e.g. SAPS, the SANDF, SANParks, SARS, KwaZulu-Natal/Ezemvelo Wildlife and Swellendam were established and maintained.

Fishing harbour directives with DPW were expedited, such as slipway maintenance contracts that could benefit local communities in terms of job opportunities. Security and community projects were implemented at 12 fishing harbours.

Quarter 2

About 20% of the FVO's evaluation report recommendations, regarding EU requirements, were completed, including the following:

- ✘ The FVO observed deviations from the South African Molluscan Shellfish Monitoring and Control Programme with regard to turn-around times for biotoxins and the number of sample sizes taken.
- ✘ The LCMS, which will replace the mouse bioassay method for testing samples for the presence of marine biotoxins, was delivered and installed. Training of DAFF officials was scheduled for mid-November 2010.
- ✘ The South African Molluscan Shellfish Monitoring and Control Programme was reviewed to bring it in line with international standards.

SOPs were developed by Monitoring, Control and Surveillance (MCS), for the monitoring and inspection of the rock lobster, line fish and squid sectors.

A total of 10% of rights holders in the five key fisheries was investigated. A WCRL section rights holder was found guilty and fined R100 000. Regarding land-based hake trawl, a total of 374 inspections were carried out on 478 vessels that landed (72%). Altogether 100% of 176 vessels was inspected with regard to hake longline and with regard to WCRL, 100% of the 2 110 vessels was inspected. With regard to vessels that landed squid, 35 inspections out of 43 vessels (80%) were carried out. In the five key fisheries sectors, 85% of cases and tip-offs were investigated in accordance with services standards. A total of 102 077 units of abalone, to the value of R11 960 000,00 were retrieved and one syndicate-related case was concluded as guilty and a fine of R60 000 was imposed.

Three pilot projects were monitored and evaluated for the Subprogramme: Marine Aquaculture. Public comments were compiled and a scoping report was submitted to the provincial DEA. A draft Environmental Management and Monitoring Framework was completed.

Quarter 3

With regard to the implementation of the Transfer of Commercial Fishing Rights Policy, three applications were received and finalised.

The Integrated Fisheries Security Strategy (IFSS) has reached the draft state and is currently being disseminated to stakeholders for further inputs.

Some 20% of cases and tip-offs was investigated in accordance with services standards and 11 cases were registered.

A total of 12 849 units of abalone were seized as well as 19 units of WCRL. One case was finalised and a fine of R10 000 was imposed. WCRL to an amount of R190 000 was forfeited to the state.

The spawning of sea urchins was successful and Phase 1 of the scallops grow-out trials was completed. Negotiations with the universities of Cape Town, Rhodes, KwaZulu-Natal, Stellenbosch and the Western Cape to enter into MoUs with the DAFF to undertake aquaculture research were concluded. Larval settlement studies and photoperiod studies for the enhancement of gonad development were completed and laboratory grow-out studies were initiated.

Quarter 4

The Hake Recovery Strategy yielded good results and there are definite signs that the stocks are increasing—albeit at a slower rate. The branch uses standardised CPUE indices for each hake species to determine if the stocks are increasing



or decreasing. If the CPUE increases, then it is certainly a positive sign that stocks are increasing, and vice versa. The latest standardised CPUE indices for each species, shows an overall increase at both the South Coast and the West Coast. The management strategy that was implemented by the department produced positive results and any efforts to strengthen it should be supported by management.

A total of 2,2% (53) of rights holders in the hake sector was investigated and 5,3% (124) rights holders in the squid sector, as well as 1,3% (31) rights holders in the line fish sector.

Abalone diving surveys were completed in Zone B (20 transects). A preliminary joint survey on abalone with industry stakeholders was carried out. The stock assessment report on Eastern Cape abalone was reviewed. The sampling of commercial catches of abalone is ongoing.



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*Report of the
Audit Committee*



Report of the Audit Committee

for the year ended 31 March 2011

We are pleased to present our report for the financial year ended 31 March 2011.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Audit Committee consists of the members listed hereunder and should meet four times annually, as per the approved terms of reference. During the year ended 31 March 2011, four meetings were held.

Member	Date of appointment	Number of meetings attended
Ms P. Mzizi (Chairperson)	23 March 2007	3
Mr R.N. Theunissen	11 June 2007	4
Mr M. Maliehe	26 February 2010	4
Ms M. Mekkonen	26 February 2010	4

Ms P. Mzizi resigned as a member of the committee on 4 January 2011.

Mr R.N. Theunissen was appointed as Chairperson of the committee on 25 May 2011.

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has, as far as it was possible, complied with its responsibilities arising from section 38(1)(a) of the PFMA and Treasury Regulation 3.1

The Audit Committee further reports that it has adopted appropriate formal terms of reference as its charter, has regulated its affairs in compliance with its charter and has discharged all its responsibilities as contained therein.

FORESTRY AND FISHERIES

During the previous financial year the department assumed control of Forestry and Fisheries which were previously under the control and direction of other departments. Fisheries' income, assets and liabilities are not included in the department's annual financial statements but expenditure in respect of compensation of employees is included.

The Audit Committee has no oversight over Fisheries and does not comment on the appropriateness and effectiveness of the internal controls or any other matters relating thereto.

THE EFFECTIVENESS OF INTERNAL CONTROLS

The system of internal control applied by the department over financial risk and risk management is not operating effectively, efficiently or transparently. As reported in prior years the latest departmental risk assessment was performed in 2006 and internal audit is unable to perform a risk-based audit in the absence of a reliable risk assessment with concomitant controls identified to mitigate risks.

In line with the PFMA and the King Code on Corporate Governance requirements, Internal Audit is expected to provide the Audit Committee and Management with assurance that the internal controls are appropriate and effective. This is

Report of the Audit Committee

for the year ended 31 March 2011

to be achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to controls and processes. From the audit report on the Annual Financial Statements and the management report of the Auditor-General it was noted that certain matters were reported indicating deficiencies in the system of internal control and deviations therefrom. In certain instances the matters reported in prior years have not been fully and satisfactorily addressed.

THE QUALITY OF IN-YEAR MANAGEMENT AND QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA AND THE DIVISION OF REVENUE ACT

The Audit Committee is satisfied with the content and quality of quarterly reports prepared and issued by the Acting Accounting Officer of the department during the year under review.

EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee has:

- ✘ Reviewed and discussed the audited Annual Financial Statements to be included in the annual report with the Auditor-General and the Acting Accounting Officer;
- ✘ Reviewed the Auditor-General's management report and management's responses thereto;
- ✘ Reviewed the department's compliance with legal and regulatory provisions; and
- ✘ Reviewed significant adjustments resulting from the audit.

The Audit Committee does not exercise any oversight over the following entities, controlled by the department, and the financial results of the entities are not included in the department's annual report:

- ✘ Perishable Products Export Control Board
- ✘ Onderstepoort Biological Products Limited
- ✘ Ncera Farms (Proprietary) Limited
- ✘ National Agricultural Marketing Council
- ✘ Agricultural Research Council
- ✘ Marine Living Resources Fund

The Audit Committee has requested, but has not had sight of the investigation reports referred to in the Auditor-General's report.

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

INTERNAL AUDIT

As reported in the prior year, albeit that the risk management process still has to be undertaken, the Audit Committee considers the internal audit function to be under-resourced and internal audit cannot operate optimally, given its current



Report of the Audit Committee

for the year ended 31 March 2011

resources and budget, in order to address the risks pertinent to the department, once formally identified, in the performance of its internal audit requirements.

AUDITOR-GENERAL SOUTH AFRICA

The Audit Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.



R.N. Theunissen
CHAIRPERSON OF THE AUDIT COMMITTEE

29 July 2011



4 Annual financial statements



Annual financial statements

for the year ended 31 March 2011

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Report of the Accounting Officer

for the year ended 31 March 2011

Report by the Accounting Officer to the Executive Authority and to the Parliament of the Republic of South Africa.

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1.1 Important policy decisions and strategic issues

Government's current Medium Term Strategic Framework (MTSF) highlights a number of priorities in addressing broad national challenges. The MTSF was consolidated into a set of 12 key outcomes, which will be implemented through intergovernmental cooperation over the next four to five years. To implement these outcomes, government clusters formulated key policies, which include the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP), the Comprehensive Rural Development Programme (CRDP) and the envisaged Integrated Growth and Development Programme (IGDP) for agriculture, forestry and fisheries. In terms of the outcomes, the Department of Agriculture, Forestry and Fisheries (DAFF) contributes directly to three of the 12 outcomes and, indirectly, to yet another three. The key outcomes to which the department directly contributes, are:

Outcome 4: Decent employment through inclusive economic growth

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

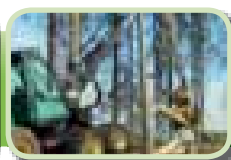
Outcome 10: Protect and enhance our environmental assets and natural resources

The department will contribute towards the achievement of these outcomes and related outputs over the Medium Term Expenditure Framework (MTEF) period by:

- ✘ Increasing the number of smallholder farmers by 2014, through an initial assessment programme, pre-settlement support, practical training and post-settlement support through its extension services.
- ✘ Establishing a joint venture funding model in cooperation with smallholders. The new funding model will structure incentives to encourage the establishment of private sectoral micro-financing outlets in targeted rural areas through cooperatives or established financial institutions, so as to ensure favourable lending terms.
- ✘ Creating relevant, effective and efficient extension and technical support capacity for the development of agriculture and aquaculture production infrastructure in target areas (one scheme per district municipality by 2014).
- ✘ Accelerating the implementation of the National Extension Recovery Plan by recruiting extension, and technical advisory services officers.
- ✘ Implementing the Market Identification Strategy to ensure that products produced by smallholder farmers have a market domestically and to integrate viable smallholders with established commercial producers' export networks.
- ✘ Establishing production schemes for smallholder farmers, such as crop, forestry, fisheries and live-stock schemes by 2015.
- ✘ Developing the Agro-processing Strategy by June 2011 and creating the capacity to implement the strategy through provincial and local role players, so as to encourage the one-product-one-district-approach in ensuring competitiveness and economies of scale.

1.2 Significant events that took place during the period under review

- ✘ Following the announcement by the President on the macro-organisational changes in respect of departmental structures, the forestry function was transferred from the Department of Water Affairs



Report of the Accounting Officer

for the year ended 31 March 2011

(DWA) during the 2009/10 financial year and the fisheries function from the Department of Environmental Affairs (DEA) during the 2010/11 financial year. Hence, an amount of R263,8 million was transferred from the DEA during the 2010/11 financial year. The personnel cost, pertaining to fisheries, is being paid by the department, while a transfer payment is being made to the Marine Living Resources Fund. Further information on the transfer is included in Disclosure Note 34 to the Annual Financial Statements.

- ✘ The transfer of assets pertaining to forestry from DWA to the DAFF was completed and the certificate, as required in terms of section 42 of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999) was duly signed by the acting Director-General of the DWA and the Director-General of the DAFF, on 24 May 2011. It should be noted that the DAFF only accepted the assets that had been verified, checked and confirmed, as reflected in the asset register of those assets that were being transferred to the DAFF. The assets not yet accepted shall only be confirmed by the DAFF upon receipt of substantiating records.
- ✘ Furthermore, the transfer of the commercial and indigenous forests from the DWA to the DAFF was also completed during the 2010/11 financial year in terms of section 42 of the PFMA and these are included as biological and heritage assets respectively in the Annual Financial Statements.

1.3 Voted funds

Following the shift of the forestry and fisheries function, the budget details of the DAFF are as follows:

	R'000	R'000
Budget allocation		
Main estimate was:		3 657 984
Plus: Adjustments estimate		295 870
Total amount appropriated		3 953 854
Less: Actual expenditure		3 850 664
Surplus		103 190

1.4 Actual expenditure

✘ In terms of input costs:		
Compensation of employees	1 189 923	
Goods and services	564 246	
Interest and rent on land	1 195	
Transfers and subsidies	1 983 747	
Payment for capital assets	111 301	
Payment for financial assets	252	3 850 664

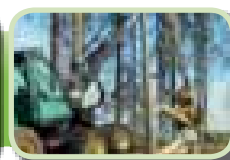
Report of the Accounting Officer

for the year ended 31 March 2011

	R'000	R'000
✘ In terms of programmes:		
Programme 1: Administration	455 492	
Programme 2: Production and Resources Management	426 186	
Programme 3: Agriculture Support Services	1 710 902	
Programme 4: Trade and Agricultural Development	76 538	
Programme 5: Food Safety and Bio-security	362 583	
Programme 6: Forestry	515 329	
Programme 7: Fisheries	303 634	3 850 664

1.5 Spending trends

	2010/11 %	2009/10 %
✘ In terms of input costs as a percentage of total actual expenditure:		
Compensation of employees	30,9	25,3
Goods and services	14,7	16,8
Interest and rent on land	–	–
Transfers and subsidies	51,5	55,0
Payment for capital assets	2,9	2,9
Payment for financial assets	–	–
✘ In terms of programmes as a percentage of total actual expenditure:		
Programme 1: Administration	11,8	10,8
Programme 2: Production and Resources Management	11,1	8,1
Programme 3: Agriculture Support Services	44,4	53,6
Programme 4: Trade and Agricultural Development	2,0	1,9
Programme 5: Food Safety and Bio-security	9,4	10,8
Programme 6: Forestry	13,4	14,9
Programme 7: Fisheries	7,9	–
✘ In terms of actual spending as a percentage of the total appropriated amount:	97,4	99,1



Report of the Accounting Officer

for the year ended 31 March 2011

- ❑ When specific services rendered by the department were analysed in terms of actual expenditure, the following trends in spending came to the fore:

The transfer to the Agricultural Research Council (ARC) amounted to R622,3 million or 16,2%; the National Agricultural Marketing Council (NAMC) to R31,2 million or 0,8%; the Comprehensive Agricultural Support Programme (CASP) to R828,7 million or 21,5%; Ilima/Letsema to R192,5 million or 5,0%; LandCare to R54,5 million or 1,4%; agricultural disasters to R50,0 million or 1,3%; animal health (excluding animal diseases) to R58,9 million or 1,5%; agricultural product inspection services to R142,4 million or 3,7%; agricultural engineering services to R43,2 million or 1,1%; property management to R64,3 million or 1,7%; membership fees of international organisations to R29,5 million or 0,8%; and social benefits to R9,7 million or 0,3%.

- ❑ Virement

In total, seven virements, including the final virement, totalling R151,016 million were granted. Expenses funded through this process included the National Farm Workers' Summit to address the shortfall in respect of compensation of employees for the Fisheries Branch; the Farmer Register Project; research projects; the finalisation of claims in respect of compensation to rural farmers for losses incurred due to an outbreak of classical swine fever in the Eastern Cape, the Free State and KwaZulu-Natal; and the combating of an outbreak of foot-and-mouth disease in Limpopo. The shifting of funds was effected between all seven programmes and was approved by either the National Treasury or the department's Chief Financial Officer.

1.6 Underspending

An amount of R3 953,9 million was appropriated by Parliament for the 2010/11 financial year, of which an amount of R3 850,7 million was spent. This resulted in an underspending of R103,2 million or 2,6%. Reasons for the underspending are as follows:

- ❑ Lease payments for office accommodation in respect of the component at Head Office, to the amount of R12,299 million were not paid, as 110 Hamilton Building was not ready for occupation at the end of the 2010/11 financial year.
- ❑ Transfer payments in respect of conditional grants for CASP (R33,658 million) and Ilima/Letsema (R7,5 million) were withheld, due to underspending by some of the provinces.
- ❑ Fencing projects on the Lesotho border were not completed. Hence, an underspending of R2,926 million that will be rolled over to complete the project.
- ❑ The Farmer Register Project, in respect of all smallholder farmers in the Republic of South Africa, was not completed. Hence, an underspending of R19,509 million that will be rolled over to complete the project.

Taking the above into account, as well as the fact that the circumstances mentioned were beyond the control of the department, only an amount of R27,3 million or 0,7% of the total appropriation was not spent.

1.7 Departmental receipts

The department estimated its 2010/11 revenue to be R119,343 million, against the 2009/10 actual receipt of R250,534 million. This estimated decrease was mainly due to an estimated decrease in debtor accounts repayments and a decrease in unspent conditional grants. The actual unspent conditional grants refunded totalled R10,644 million in 2010/11, compared to R113,458 million in 2009/10. Actual revenue received amounted to R156,961 million, resulting in a variance of R37,618 million (31,52%), because the revenue in respect of inspection fees and recovered debt exceeded estimates.

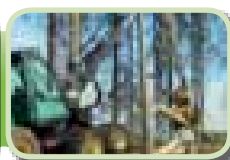
Report of the Accounting Officer

for the year ended 31 March 2011

2. SERVICES RENDERED BY THE DAFF

2.1 Some of the more important services rendered by the department are the following:

- ✘ Providing of information regarding trade matters
- ✘ Reporting on trade matters
- ✘ Issuing of import and export permits in terms of free trade agreements
- ✘ Food price monitoring
- ✘ Monthly crop forecasts for summer grains and winter cereals
- ✘ Quarterly estimates of livestock numbers
- ✘ Food balance sheets to monitor food security issues
- ✘ Calculation of food utilisation
- ✘ Statistical publications
- ✘ Quarterly economic review reports
- ✘ Publication of industry brochures (maize and wheat)
- ✘ Economic performance and trends in the sector
- ✘ Commodity statistics
- ✘ Farm profiles and sector demographics
- ✘ National computerised record system for farmers
- ✘ Veld and pasture management
- ✘ Import/export of genetically modified organisms (GMOs)
- ✘ Contained use of GMOs
- ✘ Issuing of GMO status certificates
- ✘ Registration of facilities
- ✘ Registration of inseminators, collectors, transplanters and invocators
- ✘ Registration of premises as a centre
- ✘ Approval of an animal to donate genetic material
- ✘ Authorisation of the import of animal/genetic material into the country
- ✘ Authorisation of the export of animal/genetic material out of the country
- ✘ Variety listing
- ✘ Regulating the subdivision of agricultural land
- ✘ Control of migratory pests
- ✘ Eradication of invasive weeds
- ✘ Drilling of boreholes
- ✘ Construction of key soil conservation works
- ✘ Construction of access roads for fire prevention purposes
- ✘ Issuing of import/export permits (plants)
- ✘ Registration and approval of production units and pack-houses for the export of fresh fruit
- ✘ Developing early warning systems for the detection of exotic pests
- ✘ Issuing of import/export permits (animals)



Report of the Accounting Officer

for the year ended 31 March 2011

- ✘ Registration of brands
- ✘ Combating animal diseases
- ✘ Inspections at official ports of entry
- ✘ National plant and plant product inspections
- ✘ Plant quarantine and plant health diagnostic services
- ✘ Animal quarantine and diagnostic services
- ✘ Analytical laboratory services with regard to agricultural products
- ✘ National inspection services of plants and propagating material
- ✘ Export certificates for liquor products
- ✘ Registration of fertilisers, farm feeds, agricultural remedies and/or stock remedies
- ✘ Soil, water and plant analyses
- ✘ Export exemption certificates
- ✘ Import certificates for liquor products
- ✘ Meat inspections at export abattoirs
- ✘ Allocation of external bursaries
- ✘ Agricultural campaigns
- ✘ Education and training to new entrants
- ✘ Advisory services to small-stock farmers
- ✘ Promoting the sustainable management of forests
- ✘ Promoting integrated fire management
- ✘ Registration and audit of FPAs
- ✘ Public education, training and awareness on the National Forests Act (NFA), 1998 (Act No. 84 of 1998) and the National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
- ✘ Implementation of compliance and enforcement strategies for the abovementioned two Acts
- ✘ Training of the judiciary in both pieces of legislation to ensure that offenders are brought to book
- ✘ Publishing the list of protected champion trees and fire prohibition notices where applicable in the *Government Gazette* annually
- ✘ Facilitating the review of policies and legislation where required, as well as annual amendments of forestry tariffs
- ✘ Proclamation of conservation areas in terms of the NFA
- ✘ Issuing of licences, in terms of the NFA, for the removal of protected trees and the commercial harvesting of firewood
- ✘ Participation in cross-border programmes, aimed at managing cross-border fires effectively
- ✘ Providing of advice regarding fisheries for the annual management of harvest and non-harvest species
- ✘ Regulating the utilisation of marine resources through the administration of fishing rights, permits and licences
- ✘ Responsible for aquaculture development in South Africa, promoting alternative livelihoods for coastal communities, and the management of all the proclaimed fishing harbours

Report of the Accounting Officer

for the year ended 31 March 2011

- ✘ Ensuring compliance with, and enforcement of the Marine Living Resources Act, 1998 (Act No. 18 of 1998) regulations and fishing permit conditions, by running sea and land-based patrols and conducting inspections with a view to the sustainable harvesting of marine living resources
- ✘ Financial management of the Marine Living Resources Fund (MLRF) by ensuring revenue generation for the MLRF; compliance with the PFMA and Treasury Regulations; maintaining an unqualified audit report in terms of the Annual Financial Statements of the MLRF; and facilitating affirmative procurement.

2.2 Tariff policy

In terms of section 76(2)(f) of the PFMA, the current tariff structure pertaining to agriculture and forestry was developed by the department and approved by the National Treasury. Any amendments to the approved structure are only effected with the prior approval of the National Treasury. Otherwise the tariffs are calculated according to the said structure. In terms of departmental policy and, if at all feasible, tariffs are adjusted annually to further phase in cost recovery in full for services rendered.

2.3 Free services

The following free services were rendered by the DAFF:

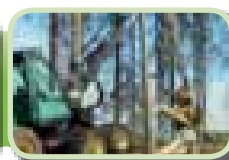
	R'000
✘ Directorate: Agricultural Engineering Services	
– Sighting, drilling and testing of boreholes	4 391
✘ Grootfontein Agricultural Development Institute (GADI)	
– Farmer training	1 679
– Extension and outreach	1 930
	3 609

2.4 Inventories

Inventory items are managed in terms of the Logistical Information System (LOGIS). The department has stores in Pretoria (Head Office), and at GADI in Middelburg in the Eastern Cape, as well as in Stellenbosch. Inventory items, such as cleaning materials, stationery and groceries (only at GADI) are kept at these stores. The total inventory balance on hand on 31 March 2011 was R1,46 million.

3. CAPACITY CONSTRAINTS

At year-end, the approved post establishment of the new department, following the amalgamation of the agriculture, forestry and fisheries functions, comprised 7 043 posts with a vacancy rate of 11,3%, which reflected a decrease of 3,5% compared to the 2009/10 financial year. The department is constantly monitoring and improving its processes in respect of the filling of vacancies in order to minimise the impact of vacancies on service delivery. A new macro-structure, approved by the Department of Public Service and Administration (DPSA), will become effective on 1 April 2011. This followed a very comprehensive and involved restructuring process to ensure maximum performance on the deliverables in terms of the MTSF priorities, aimed at addressing government's broad national challenges.



Report of the Accounting Officer

for the year ended 31 March 2011

The department developed proposals for Occupation Specific Dispensations (OSDs) for specific occupations, in order to attract and retain sufficient numbers of employees to these professions. These proposals were verified by the DPSA and funds for implementation will be made available through reprioritisation of the budget for the 2011/12 financial year.

4. PUBLIC ENTITIES

In terms of section 48(1) and Schedules 2 and 3 of the PFMA, the public entities that function within the sphere of the DAFF, are classified as follows:

- ✘ The ARC, which is a national public entity and listed in Schedule 3: Part A.

The ARC is a statutory body, established in terms of the Agricultural Research Act, 1990 (Act No. 86 of 1990). Its primary mandate is to conduct research and develop and transfer technology that promotes agriculture and related industries. The ARC reports through its Chief Executive Officer and Board to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.

- ✘ The NAMC, which is a national public entity and listed in Schedule 3: Part A.

The NAMC was established in terms of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996). The Council conducts investigations and advises the Minister of Agriculture, Forestry and Fisheries on agricultural marketing policies. The Council is accountable to its Board and to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.

- ✘ Onderstepoort Biological Products Ltd (OBP), which is a national government business enterprise and listed in Schedule 3: Part B.

OBP was established in terms of the Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999). It is a biotechnical company, which manufactures vaccines and related products for the global animal health care industry. The DAFF is the sole shareholder. The company is accountable to its Board and to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.

- ✘ The Perishable Products Export Control Board (PPECB), which is a national public entity and listed in Schedule 3: Part A.

The PPECB was established in terms of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983), and must ensure that perishable products from South Africa, intended for export, meet international quality standards. The Board is accountable and reports to the Minister of Agriculture, Forestry and Fisheries.

- ✘ Ncera Farms (Pty) Ltd, which is a national government business enterprise and listed in Schedule 3: Part B.

Ncera Farms is a small private company and the DAFF is the sole shareholder. The purpose of the company is to assist smallholder farmers in the Kidd's Beach area in the Eastern Cape by rendering various services, including advice, extension services, ploughing assistance, training, etc. The Board is accountable and reports to the Minister of Agriculture, Forestry and Fisheries.

- ✘ The Marine Living Resources Fund (MLRF), which is a national public entity and listed in Schedule 3: Part A.

The MLRF was established in terms of the Marine Living Resource Act, 1998 (Act No. 18 of 1998). The MLRF is the main source of funding for marine fisheries and coastal management, which constitutes a branch of the DAFF. The mandate and core business of the MLRF is to manage the development and sustainable use of South Africa's marine and coastal resources, as well as to protect the integrity and quality of marine and coastal ecosystems.

Report of the Accounting Officer

for the year ended 31 March 2011

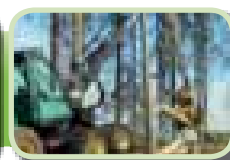
The following transfer payments were made by the department to these public entities:

	Voted R'000	Actual R'000
Agricultural Research Council	622 266	622 266
National Agricultural Marketing Council	31 194	31 194
Ncera Farms (Pty) Ltd	2 800	2 790
Marine Living Resources Fund	128 100	128 100
	784 360	784 350

5. TRANSFER PAYMENTS MADE

The department made the following transfer payments, excluding the payments mentioned in 4 above.

Vehicle licences	467	401
Arbor City Awards	200	100
LandCare	54 502	54 502
CASP	577 611	554 769
CASP extension services	284 754	273 938
Agricultural disasters	50 000	50 000
Ilima/Letsema	200 000	192 500
Agriculture Sector Education and Training Authority	1 160	1 144
Marine Living Resources Fund	128 100	128 100
National Student Financial Aid Scheme	9 625	9 624
PPECB	600	600
Water Research Commission	600	–
University of Fort Hare	300	–
University of KwaZulu-Natal	900	–
University of Pretoria	900	–
Foreign rates and taxes	139	138
Membership fees to international organisations	25 348	16 770
FAO capacity-building	12 720	12 720
Red Meat Industry Forum	1	–
Claims against the state—private enterprises	3 907	3 895
Sterile Insect Technique	6 596	6 596
Forest Sector Charter Council	2 188	1 653



Report of the Accounting Officer

for the year ended 31 March 2011

	Voted R'000	Actual R'000
Cape Agency for Sustainable and Integrated Development in Rural Areas		
– Dysseldorp community in Oudtshoorn	100	100
Social benefits	9 705	9 684
Claims against the state—households	559	552
Bursaries (non-employees)	1 202	1 202
Classical swine fever	8 509	8 509
	1 380 693	1 327 497

6. CORPORATE GOVERNANCE ARRANGEMENTS

The Audit Committee and the Internal Audit Unit have been functional since 1997 and the composition of the Audit Committee is in line with the requirements of the PFMA. Meetings are held with the Director-General, the Chief Financial Officer, the Office of the Auditor-General and the Head of Internal Audit to discuss internal audit findings, financial and operational matters, as well as the response by management to risk management in the department.

7. NEW ACTIVITIES

Through the MTEF process, and with the approval of Cabinet, additional funds, amounting to R60,0 million, were provided over the MTEF period to address the shortage of plant and animal health specialists of which R20,0 million was allocated for the 2010/11 financial year and R150,0 million to the ARC for the renovation of buildings, infrastructure and the upgrading and replacement of machinery and equipment of which R50,0 million was allocated during the 2010/11 financial year. Furthermore, an amount of R263,8 million was transferred from the DEA during the 2010/11 financial year, following the shift of the fisheries function.

8. PERFORMANCE INFORMATION

Performance information is provided in Part 2 of this report.

9. ASSET MANAGEMENT

The department disposed of assets totalling R3,126 million in Pretoria, Stellenbosch and at GADI during the 2010/11 financial year. Losses during the period under review amounted to R659 796. All other requirements were adhered to and milestones reached.

10. AGRICULTURAL DEBT

10.1 The department is continuing the management of some debt in terms of the repealed Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), read together with the Agricultural Debt Management Repeal Act, 2008 (Act No. 15 of 2008).

10.2 This debt consists of debt that resulted from loan assistance to farmers, granted by the former Agricultural Credit Board until 1997, for example payment of debt, purchasing of farms, farming equipment and production

Report of the Accounting Officer

for the year ended 31 March 2011

inputs, and other debt, emanating from certain special financial assistance measures to farmers at the time. A portion of this debt is still secured by means of mortgage bonds over immovable property and Memoranda of Agreement/notarial bonds, where movable assets, such as livestock, vehicles and farming implements were accepted as collateral for the loans granted.

10.3 The status of this debt, as at 31 March 2011, was as follows:

Total debt outstanding:	R192,594 million
Number of debtors:	1 102
Number of accounts:	1 490
Net amount recovered (2010/11):	R15,817 million

10.4 In 1998, when this type of financial assistance was finally phased out, the debt amounted to R1 140,7 million, the number of debtors totalled 9 614, and the number of accounts totalled 16 432.

10.5 In respect of the Production Loan Scheme for Small and Beginner Farmers, the only case outstanding is Grovida, which is still in the hands of the State Attorney, with no further progress to report on.

11. INVESTIGATIONS

Based on allegations of possible irregularities in various areas, the department requested an independent consulting firm to conduct some investigations, which have been concluded during the 2009/10 financial year. These audit investigations detected irregular, as well as fruitless and wasteful expenditure, as reflected in Disclosure Note 26. The follow-up on the audit findings is in progress.

12. STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) RESOLUTION

The department did not appear before SCOPA during the 2010/11 financial year.

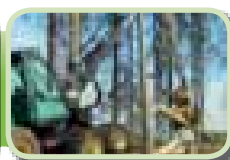
APPROVAL

The Annual Financial Statements, set out on pages 98 to 175, were approved by the Chief Financial Officer on behalf of the Accounting Officer in terms of delegations granted.



Mr J.B. Hlatshwayo
CHIEF FINANCIAL OFFICER
for DIRECTOR-GENERAL

31 May 2011



Report of the Auditor-General to Parliament on the Financial Statements of Vote No. 25: Department of Agriculture, Forestry and Fisheries for the year ended 31 March 2011

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Department Agriculture, Forestry and Fisheries which comprise the statement of financial position as at 31 March 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and the accounting authority's report as set out on pages 98 to 158

Accounting Officer's responsibility for the financial statements

2. The Accounting Officer is responsible for the preparation of these financial statements in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury, and in the manner required by the Public Finance Management Act of South Africa and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether as a result of fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette No. 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected, depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether as a result of fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. 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 2011, its financial performance and its cash flows for the year then ended, in accordance with the Departmental Financial Reporting Framework prescribed by the National Treasury, and in the manner required by the Public Finance Management Act of South Africa.

Additional matters

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

Basis of accounting

9. The financial reporting framework prescribed by the National Treasury and applied by the Department Agriculture, Forestry and Fisheries, is a compliance framework. Therefore my opinion would have reflected that the financial

Report of the Auditor-General to Parliament on the Financial Statements of Vote No. 25: Department of Agriculture, Forestry and Fisheries for the year ended 31 March 2011

statements had been properly prepared instead of fairly presented as required by section 20(2)(a) of the PAA, which requires me to express an opinion on the fair presentation of the financial statements of the Department of Agriculture, Forestry and Fisheries.

Unaudited supplementary schedules

10. The supplementary information set out on pages 159 to 175 (annexures to the financial statements) does not form part of the financial statements and is presented as additional information. I have not audited these annexures and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages 22 to 76 and material non-compliance with laws and regulations applicable to the entity.

Predetermined objectives

Presentation of information

12. The reported performance against predetermined objectives was deficient in respect of the following criteria:
 - ✘ Performance against predetermined objectives is reported, using the National Treasury guidelines
13. The following audit findings relate to the above criteria:

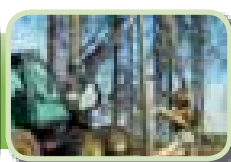
Adequate explanations for major variances between the planned and the actual reported targets for programmes 5 and 6 were not provided, as required in terms of the relevant reporting guidance. In total 56% of the reported targets with major variances were not explained.

Usefulness of information

14. The reported performance information was deficient in respect of the following criteria:
 - ✘ Measurability: Indicators are well-defined and verifiable and targets are specific and measurable.
15. The following audit findings relate to the above criteria:
 - ✘ For the selected programmes 3, 5 and 6, 45% of the planned and reported targets were not specific in clearly identifying the nature and the required level of performance.
 - ✘ For the selected programmes 3, 5 and 6, 56% of the planned and reported targets were not measurable in identifying the required performance.
 - ✘ For the selected programmes 3, 5 and 6, 47% of the planned and reported indicators and measures were not clear and unambiguous.
 - ✘ For the selected programmes 3, 5 and 6, 39% of the planned and reported indicators were not verifiable in relation to the required performance.

Reliability of information

16. The reported performance information was deficient in respect of the following criteria:
 - ✘ Validity: Actual reported performance has occurred and pertains to the entity.
 - ✘ Accuracy: Amounts, numbers, and other data relating to reported actual performance have been recorded and reported appropriately.



Report of the Auditor-General to Parliament on the Financial Statements of Vote No. 25: Department of Agriculture, Forestry and Fisheries for the year ended 31 March 2011

- ✕ Completeness: All actual results and events that should have been recorded have been included in the annual performance report.

17. The following audit findings relate to the above criteria:

- ✕ For the selected programmes 5 and 6, the validity, accuracy and completeness could not be established for 86% of the reported indicators, as sufficient appropriate audit evidence and relevant source documentation could not be provided for audit purposes.

Compliance with laws and regulations

Strategic planning

18. The Accounting Officer prepared a strategic plan that did not include the measurable objectives as required by Treasury Regulations 5.2.2(d).

Risk management

19. Although a risk assessment was conducted during the year under review, the risk management strategy and fraud prevention plan had not been finalised, approved and implemented, as per the requirement of Treasury Regulation 3.2.1. Subsequent to year-end, the risk management strategy was finalised.

Annual financial statements

20. The financial statements submitted for audit did not comply with section 40(1)(c)(i) of the PFMA. A material misstatement was identified during the audit and was corrected by management.

Expenditure management

21. The Accounting Officer did not take effective steps to prevent irregular expenditure, as per the requirements of section 38(1)(c)(ii) of the PFMA.

Procurement and contract management

22. Goods and services with a transaction value between R10 000 and R500 000 were procured without inviting at least three written price quotations from prospective suppliers as per the requirements of TR 16A6.1 and National Treasury Practice Note 8 of 2007/08.

INTERNAL CONTROL

23. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette No. 33872 of 15 December 2010*, we considered internal control relevant to our audit, but not for the purposes of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that resulted in a qualification of the auditor's opinion. However, the matters reported below are limited to the significant deficiencies that resulted in the findings on the annual performance report and the findings on compliance with laws and regulations included in this report regulations.

Leadership

24. The Accounting Officer did not exercise oversight responsibility over reporting and compliance with laws and regulations and internal controls. Control weaknesses reported are not in all cases analysed by management and appropriate follow-up actions are not taken to address the root causes impacting on the financial and performance reporting.

Report of the Auditor-General to Parliament on the Financial Statements of Vote No. 25: Department of Agriculture, Forestry and Fisheries for the year ended 31 March 2011

25. The Accounting Officer did not monitor the implementation of action plans to address internal control deficiencies reported in the previous year relating to performance information.

Governance

26. Although a risk assessment was conducted during the year under review, the risk management strategy and fraud prevention plan had not been finalised, approved and implemented, as per the requirements of the Treasury Regulations. Subsequent to year-end, the risk management strategy was finalised. Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal controls over performance reporting.

OTHER REPORTS

Investigations

27. Investigations were conducted by an independent consulting firm on request of the department. The investigations initiated relates to allegations of corruption and irregularities in the department. The types of transgressions investigated included: allegations of irregularities related to procurement; allegations of irregularities related to recruitment and promotions of staff; allegations of irregularities related to the management, administration and control over project funds and allegations of irregularities on the administration and management of debt. At reporting date the investigations were finalised, and remains with the Executive Authority for consideration.

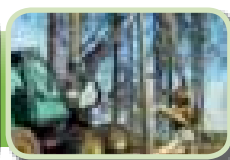
Auditor-General

Pretoria
31 July 2011



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence



Appropriation Statement

for the year ended 31 March 2011

Appropriation per programme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	376 862	(5 416)	31 124	402 570	389 850	12 720	96,8	336 609	334 401
Transfers and subsidies	39 781	2 682	1 355	43 818	35 183	8 635	80,3	40 934	34 482
Payment for capital assets	21 267	2 734	6 535	30 536	30 396	140	99,5	33 977	33 250
Payment for financial assets	–	–	67	67	63	4	94,0	41	38
2. Production and Resources Management									
Current payments	148 650	(4 683)	(1 950)	142 017	141 290	727	99,5	157 379	157 239
Transfers and subsidies	257 698	23	84	257 805	247 576	10 229	96,0	111 752	110 270
Payment for capital assets	39 879	4 660	(2 272)	42 267	37 250	5 017	88,1	36 040	35 667
Payment for financial assets	–	–	70	70	70	–	100,0	136	133
3. Agriculture Support Services									
Current payments	223 863	(793)	(29 838)	193 232	193 095	137	99,9	155 921	155 305
Transfers and subsidies	1 548 903	456	59	1 549 418	1 515 741	33 677	97,8	1 842 903	1 839 898
Payment for capital assets	2 875	337	(992)	2 220	2 046	174	92,2	2 519	2 473
Payment for financial assets	–	–	21	21	20	1	95,2	78	75
4. Trade and Agricultural Development									
Current payments	66 623	(470)	(1 250)	64 903	44 385	20 518	68,4	41 555	40 185
Transfers and subsidies	31 194	2	107	31 303	31 299	4	100,0	28 455	28 453
Payment for capital assets	426	468	(36)	858	790	68	92,1	630	503
Payment for financial assets	–	–	65	65	64	1	98,5	3	3

Appropriation Statement

for the year ended 31 March 2011

Appropriation per programme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5. Food Safety and Bio-security									
Current payments	347 324	(4 682)	(8 020)	334 622	334 353	269	99,9	360 067	359 826
Transfers and subsidies	11 546	127	6 833	18 506	18 496	10	99,9	34 033	30 062
Payment for capital assets	6 462	4 555	(607)	10 410	9 699	711	93,2	11 795	11 741
Payment for financial assets	–	–	37	37	35	2	94,6	228	225
6. Forestry									
Current payments	546 036	(21 929)	(41 470)	482 637	477 053	5 584	98,8	529 858	522 885
Transfers and subsidies	2 626	39	5 140	7 805	7 156	649	91,7	8 588	5 783
Payment for capital assets	13 793	21 890	(674)	35 009	31 120	3 889	88,9	30 299	25 480
7. Fisheries									
Current payments	139 946	(74)	35 488	175 360	175 338	22	100,0	–	–
Transfers and subsidies	128 100	74	124	128 298	128 296	2	100,0	–	–
Total	3 953 854	–	–	3 953 854	3 850 664	103 190	97,4	3 763 800	3 728 377

Reconciliation with statement of financial performance

Add:

Departmental receipts

Aid assistance

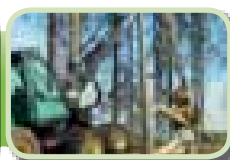
Actual amounts per statement of financial performance (total revenue)

Add:

Aid assistance

Actual amounts per statement of financial performance (total expenditure)

156 961	250 534	
17 500	590	
4 128 315	4 014 924	
		590
3 866 914		3 728 967



Appropriation Statement

for the year ended 31 March 2011

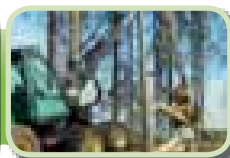
Appropriation per economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1 199 569	(3 239)	(5 482)	1 190 848	1 189 923	925	99,9	944 125	942 284
Goods and services	648 255	(34 844)	(10 298)	603 113	564 246	38 867	93,6	636 482	626 807
Interest and rent on land	1 480	36	(136)	1 380	1 195	185	86,6	782	751
Transfers and subsidies									
Provinces and municipalities	1 167 140	64	130	1 167 334	1 126 110	41 224	96,5	974 264	974 197
Departmental agencies and accounts	793 545	–	–	793 545	792 928	617	99,9	580 463	576 262
Universities and technikons	2 100	–	–	2 100	–	2 100	–	2 100	1 900
Foreign governments and international organisations	38 207	–	–	38 207	29 629	8 578	77,5	35 858	29 667
Public corporations and private enterprises	3 767	–	2 941	6 708	6 684	24	99,6	441 486	438 789
Non-profit institutions	8 784	–	–	8 784	8 249	535	93,9	14 270	14 270
Households	6 105	3 239	10 631	19 975	19 947	28	99,9	15 345	11 256
Gifts and donations	200	100	–	300	200	100	66,7	2 879	2 608
Payments for capital assets									
Buildings and other fixed structures	44 435	3 326	4 065	51 826	47 121	4 705	90,9	46 731	46 406
Machinery and equipment	38 087	31 730	(2 229)	67 588	62 397	5 191	92,3	67 822	62 179
Biological assets	19	13	(19)	13	13	–	100,0	123	112
Software and other intangible assets	2 161	(425)	137	1 873	1 770	103	94,5	584	415
Payments for financial assets	–	–	260	260	252	8	96,9	486	474
Total	3 953 854	–	–	3 953 854	3 850 664	103 190	97,4	3 763 800	3 728 377

Details per programme

1: Administration

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payments	1 816	–	(4)	1 812	1 811	1	99,9	1 805	1 805
1.2 Deputy Minister									
Current payments	1 496	–	(4)	1 492	1 492	–	100,0	1 364	1 363
1.3 Management									
Current payments	48 536	(4 890)	16 736	60 382	60 323	59	99,9	46 402	46 178
Transfers and subsidies	–	2 128	1 248	3 376	3 374	2	99,9	398	395
Payment for capital assets	2 418	158	1 033	3 609	3 599	10	99,7	3 520	3 507
Payment for financial assets	–	–	4	4	4	–	100,0	3	3
1.4 Corporate and Financial Services									
Current payments	140 719	(449)	3 122	143 392	143 296	96	99,9	128 068	127 964
Transfers and subsidies	1 576	540	81	2 197	2 124	73	96,7	1 873	1 869
Payment for capital assets	1 447	597	255	2 299	2 260	39	98,3	2 876	2 580
Payment for financial assets	–	–	52	52	49	3	94,2	25	24
1.5 Operations Management									
Current payments	96 004	2 271	13 697	111 972	111 840	132	99,9	98 361	98 223
Transfers and subsidies	38 205	14	26	38 245	29 685	8 560	77,6	38 663	32 218
Payment for capital assets	11 013	72	(446)	10 639	10 569	70	99,3	3 594	3 180
Payment for financial assets	–	–	11	11	10	1	90,9	13	11
1.6 Office Accommodation									
Current payments	88 291	(2 348)	(2 423)	83 520	71 088	12 432	85,1	60 609	58 868
Payment for capital assets	6 389	1 907	5 693	13 989	13 968	21	99,8	23 987	23 983
Total	437 910	–	39 081	476 991	455 492	21 499	95,5	411 561	402 171



Details per programme

1: Administration

for the year ended 31 March 2011

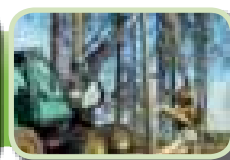
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	191 290	(2 576)	(1 804)	186 910	186 825	85	100,0	166 319	166 267
Goods and services	185 322	(2 845)	32 930	215 407	202 789	12 618	94,1	170 290	168 134
Interest and rent on land	250	5	(2)	253	236	17	93,3	–	–
Transfers and subsidies									
Provinces and municipalities	105	6	8	119	63	56	52,9	156	156
Departmental agencies and accounts	1 160	–	–	1 160	1 144	16	98,6	650	649
Foreign governments and international organisations	38 187	–	–	38 187	29 629	8 558	77,6	35 838	29 667
Public corporations and private enterprises	–	–	1 269	1 269	1 267	2	99,8	396	391
Households	329	2 576	78	2 983	2 980	3	99,9	1 074	1 069
Gifts and donations	–	100	–	100	100	–	100,0	2 820	2 550
Payment for capital assets									
Buildings and other fixed structures	6 131	599	5 770	12 500	12 482	18	99,9	22 490	22 490
Machinery and equipment	13 787	2 042	502	16 331	16 211	120	99,3	11 093	10 467
Software and other intangible assets	1 349	93	263	1 705	1 703	2	99,9	394	293
Payments for financial assets	–	–	67	67	63	4	94,0	41	38
Total	437 910	–	39 081	476 991	455 492	21 499	95,5	411 561	402 171

Details per programme

2: Production and Resources Management

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Management									
Current payments	1 838	(25)	86	1 899	1 897	2	99,9	1 867	1 865
Transfers and subsidies	–	–	–	–	–	–	–	6	6
Payment for capital assets	–	25	–	25	18	7	72,0	–	–
2.2 Agriculture Production									
Current payments	52 200	(410)	14 524	66 314	66 260	54	99,9	46 246	46 193
Transfers and subsidies	200 014	–	25	200 039	192 535	7 504	96,2	58 038	58 035
Payment for capital assets	499	410	(146)	763	597	166	78,2	516	511
Payment for financial assets	–	–	–	–	–	–	–	56	55
2.3 Engineering and Resources Management									
Current payments	94 612	(4 248)	(16 560)	73 804	73 133	671	99,1	109 266	109 181
Transfers and subsidies	57 684	23	59	57 766	55 041	2 725	95,3	53 708	52 229
Payment for capital assets	39 380	4 225	(2 126)	41 479	36 635	4 844	88,3	35 524	35 156
Payment for financial assets	–	–	70	70	70	–	100,0	80	78
Total	446 227	–	(4 068)	442 159	426 186	15 973	96,4	305 307	303 309



Details per programme

2: Production and Resources Management

for the year ended 31 March 2011

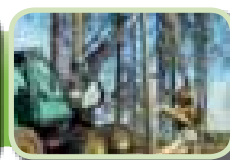
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	103 527	(18)	(13 700)	89 809	89 192	617	99,3	89 187	89 124
Goods and services	45 078	(4 687)	11 787	52 178	52 080	98	99,8	68 192	68 115
Interest and rent on land	45	22	(37)	30	18	12	60,0	–	–
Transfers and subsidies									
Provinces and municipalities	254 656	5	37	254 698	247 196	7 502	97,1	101 720	101 666
Departmental agencies and accounts	600	–	–	600	–	600	–	1 200	–
Universities and technikons	2 100	–	–	2 100	–	2 100	–	200	–
Foreign governments and international organisations	20	–	–	20	–	20	–	20	–
Public corporations and private enterprises	–	–	28	28	25	3	89,3	77	76
Non-profit institutions	–	–	–	–	–	–	–	8 000	8 000
Households	322	18	19	359	355	4	98,9	535	529
Payment for capital assets									
Buildings and other fixed structures	38 166	2 827	(1 705)	39 288	34 639	4 649	88,2	23 816	23 506
Machinery and equipment	1 713	1 833	(567)	2 979	2 611	368	87,6	12 206	12 142
Software and other intangible assets	–	–	–	–	–	–	–	18	18
Payment for financial assets	–	–	70	70	70	–	100,0	136	133
Total	446 227	–	(4 068)	442 159	426 186	15 973	96,4	305 307	303 309

Details per programme

3: Agriculture Support Services

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Management									
Current payments	14 994	3 800	518	19 312	19 310	2	100,0	2 858	2 853
Transfers and subsidies	–	–	1	1	1	–	100,0	3	3
Payment for capital assets	–	–	–	–	–	–	–	45	34
3.2 Livelihood Development Support									
Current payments	93 127	(4 023)	(25 824)	63 280	63 233	47	99,9	65 352	64 863
Transfers and subsidies	630 411	2	32	630 445	607 589	22 856	96,4	1 125 665	1 122 663
Payment for capital assets	2 469	221	(986)	1 704	1 594	110	93,5	1 569	1 551
Payment for financial assets	–	–	17	17	17	–	100,0	66	65
3.3 Sector Services and Research									
Current payments	115 742	(570)	(4 532)	110 640	110 552	88	99,9	87 711	87 589
Transfers and subsidies	918 492	454	26	918 972	908 151	10 821	98,8	717 235	717 232
Payment for capital assets	406	116	(6)	516	452	64	87,6	905	888
Payment for financial assets	–	–	4	4	3	1	75,0	12	10
Total	1 775 641	–	(30 750)	1 744 891	1 710 902	33 989	98,1	2 001 421	1 997 751



Details per programme

3: Agriculture Support Services

for the year ended 31 March 2011

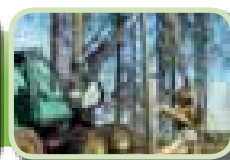
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	90 817	(454)	(1 247)	89 116	89 101	15	100,0	82 399	82 228
Goods and services	132 990	(313)	(28 582)	104 095	103 978	117	99,9	73 522	73 077
Interest and rent on land	56	(26)	(9)	21	16	5	76,2	–	–
Transfers and subsidies									
Provinces and municipalities	912 378	2	23	912 403	878 743	33 660	96,3	872 306	872 305
Departmental agencies and accounts	632 491	–	–	632 491	632 490	1	100,0	550 253	547 253
Universities and technikons	–	–	–	–	–	–	–	1 900	1 900
Public corporations and private enterprises	2 801	–	27	2 828	2 813	15	99,5	418 227	418 224
Households	1 233	454	9	1 696	1 695	1	99,9	207	206
Gifts and donations	–	–	–	–	–	–	–	10	10
Payment for capital assets									
Machinery and equipment	2 875	324	(992)	2 207	2 033	174	92,1	2 505	2 459
Biological assets	–	13	–	13	13	–	100,0	14	14
Payment for financial assets	–	–	21	21	20	1	95,2	78	75
Total	1 775 641	–	(30 750)	1 744 891	1 710 902	33 989	98,1	2 001 421	1 997 751

Details per programme

4: Trade and Agricultural Development

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Management									
Current payments	2 239	(48)	(951)	1 240	1 231	9	99,3	716	708
Payment for capital assets	–	48	(11)	37	36	1	97,3	–	–
4.2 Trade and Marketing Development									
Current payments	23 840	(88)	(133)	23 619	23 319	300	98,7	22 482	21 879
Transfers and subsidies	31 194		1	31 195	31 194	1	100,0	28 405	28 404
Payment for capital assets	179	88	(32)	235	203	32	86,4	252	198
Payment for financial assets	–	–	43	43	42	1	97,7	3	3
4.3 Economic and Statistical Services									
Current payments	40 544	(334)	(166)	40 044	19 835	20 209	49,5	18 357	17 598
Transfers and subsidies	–	2	106	108	105	3	97,2	50	49
Payment for capital assets	247	332	7	586	551	35	94,0	378	305
Payment for financial assets	–	–	22	22	22	–	100,0	–	–
Total	98 243	–	(1 114)	97 129	76 538	20 591	78,8	70 643	69 144



Details per programme

4: Trade and Agricultural Development

for the year ended 31 March 2011

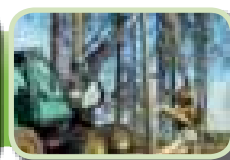
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	41 968	(2)	(4 339)	37 627	37 609	18	100,0	33 954	33 416
Goods and services	24 640	(470)	3 089	27 259	6 771	20 488	24,8	7 601	6 769
Interest and rent on land	15	2	–	17	5	12	29,4	–	–
Transfers and subsidies									
Provinces and municipalities	–	–	1	1	–	1	–	–	–
Departmental agencies and accounts	31 194	–	–	31 194	31 194	–	100,0	28 360	28 360
Public corporations and private enterprises	–	–	70	70	68	2	97,1	50	49
Households	–	2	36	38	37	1	97,4	45	44
Payment for capital assets									
Machinery and equipment	406	468	(16)	858	790	68	92,1	614	503
Software and other intangible assets	20	–	(20)	–	–	–	–	16	–
Payment for financial assets	–	–	65	65	64	1	98,5	3	3
Total	98 243	–	(1 114)	97 129	76 538	20 591	78,8	70 643	69 144

Details per programme

5: Food Safety and Bio-security

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Management									
Current payments	1 999	600	(312)	2 287	2 284	3	99,9	1 674	1 671
Payment for capital assets	–	–	–	–	–	–	–	95	94
5.2 Plant Health and Inspection Services									
Current payments	199 967	(11 102)	(11 953)	176 912	176 795	117	99,9	146 273	146 140
Transfers and subsidies	6 596	99	1 848	8 543	8 539	4	100,0	7 400	7 356
Payment for capital assets	4 726	4 148	(185)	8 689	8 332	357	95,9	6 223	6 193
Payment for financial assets	–	–	9	9	8	1	88,9	216	215
5.3 Food and Veterinary Services									
Current payments	145 358	5 820	4 245	155 423	155 274	149	99,9	212 120	212 015
Transfers and subsidies	4 950	28	4 985	9 963	9 957	6	99,9	26 633	22 706
Payment for capital assets	1 736	407	(422)	1 721	1 367	354	79,4	5 477	5 454
Payment for financial assets	–	–	28	28	27	1	96,4	12	10
Total	365 332	–	(1 757)	363 575	362 583	992	99,7	406 123	401 854



Details per programme

5: Food Safety and Bio-security

for the year ended 31 March 2011

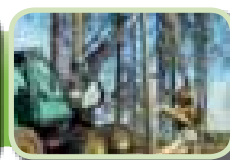
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	261 143	(115)	(13 475)	247 553	247 496	57	100,0	221 443	221 328
Goods and services	86 000	(4 552)	5 543	86 991	86 799	192	99,8	138 624	138 498
Interest and rent on land	181	(15)	(88)	78	58	20	74,4	–	–
Transfers and subsidies									
Provinces and municipalities	–	12	44	56	53	3	94,6	2	1
Public corporations and private enterprises	966	–	45	1 011	1 009	2	99,8	20 053	20 049
Non-profit institutions	6 596	–	–	6 596	6 596	–	100,0	6 270	6 270
Households	3 984	115	6 744	10 843	10 838	5	100,0	7 708	3 742
Payment for capital assets									
Buildings and other fixed structures	–	–	–	–	–	–	–	95	93
Machinery and equipment	5 917	5 029	(607)	10 339	9 632	707	93,2	11 609	11 558
Biological assets	–	–	–	–	–	–	–	79	78
Software and other intangible assets	545	(474)	–	71	67	4	94,4	12	12
Payment for financial assets	–	–	37	37	35	2	94,6	228	225
Total	365 332	–	(1 757)	363 575	362 583	992	99,7	406 123	401 854

Details per programme

6: Forestry

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Management									
Current payments	3 771	350	(33)	4 088	4 081	7	99,8	4 435	3 946
Payment for capital assets	101	–	(57)	44	17	27	38,6	28	26
6.2 Forestry Regulation and Oversight									
Current payments	49 165	(4 159)	(23 876)	21 130	20 630	500	97,6	38 771	38 024
Transfers and subsidies	2 188	–	531	2 719	2 183	536	80,3	28	27
Payment for capital assets	1 088	217	(576)	729	694	35	95,2	830	664
6.3 Forestry Development									
Current payments	18 450	3 846	(4 557)	17 739	17 665	74	99,6	19 705	18 385
Transfers and subsidies	100	–	3	103	103	–	100,0	397	396
Payment for capital assets	115	797	–	912	63	849	6,9	621	520
Payment for financial assets									
6.4 Forestry Operations									
Current payments	474 650	(21 966)	(13 004)	439 680	434 677	5 003	98,9	466 947	462 530
Transfers and subsidies	338	39	4 606	4 983	4 870	113	97,7	8 163	5 360
Payment for capital assets	12 489	20 876	(41)	33 324	30 346	2 978	91,1	28 820	24 270
Total	562 455	–	(37 004)	525 451	515 329	10 122	98,1	568 745	554 148



Details per programme

6: Forestry

for the year ended 31 March 2011

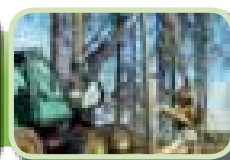
Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	370 878	–	(6 405)	364 473	364 362	111	100,0	350 823	349 921
Goods and services	174 225	(21 977)	(35 065)	117 183	111 829	5 354	95,4	178 253	172 214
Interest and rent on land	933	48	–	981	862	119	87,9	782	751
Transfers and subsidies									
Provinces and municipalities	1	39	17	57	55	2	96,5	80	69
Public corporations and private enterprises	–	–	1 502	1 502	1 502	–	100,0	2 683	–
Non-profit institutions	2 188	–	–	2 188	1 653	535	75,5	–	–
Households	237	–	3 621	3 858	3 846	12	99,7	5 776	5 666
Gifts and donations	200	–	–	200	100	100	50,0	49	48
Payment for capital assets									
Buildings and other fixed structures	138	(100)	–	38	–	38	–	330	317
Machinery and equipment	13 389	22 034	(549)	34 874	31 120	3 754	89,2	29 795	25 050
Biological assets	19	–	(19)	–	–	–	–	30	20
Software and other intangible assets	247	(44)	(106)	97	–	97	–	144	92
Total	562 455	–	(37 004)	525 451	515 329	10 122	98,1	568 745	554 148

Details per programme

7: Fisheries

for the year ended 31 March 2011

Subprogramme	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 Management									
Current payments	964	–	(820)	144	143	1	99,3	–	–
7.2 Administrative Support Services									
Current payments	138 982	(74)	36 308	175 216	175 195	21	100,0	–	–
Transfers and subsidies	–	74	124	198	196	2	99,0	–	–
7.3 Marine Living Resources Fund									
Transfers and subsidies	128 100	–	–	128 100	128 100	–	100,0	–	–
Total	268 046	–	35 612	303 658	303 634	24	100,0	–	–



Details per programme

7: Fisheries

for the year ended 31 March 2011

Economic classification	2010/11							2009/10	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	139 946	(74)	35 488	175 360	175 338	22	100,0	–	–
Transfers and subsidies									
Departmental agencies and accounts	128 100	–	–	128 100	128 100	–	100,0	–	–
Households	–	74	124	198	196	2	99,0	–	–
Total	268 046	–	35 612	303 658	303 634	24	100,0	–	–

Notes to the Appropriation Statement

for the year ended 31 March 2011

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

Details of these transactions can be viewed in the Note on Transfers and Subsidies, disclosure notes, and Annexure 1 (A-H and K) 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 FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Details of these transactions per programme can be viewed in the Note to Financial Transactions in Assets and Liabilities to the Annual Financial Statements.

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

4.1 Per programme

	Final appropri- ation	Actual expendi- ture	Variance R'000	Variance as a % of final appropri- ation
	R'000	R'000	R'000	%
Administration	476 991	455 492	21 499	4,5
Production and Resources Management	442 159	426 186	15 973	3,6
Agriculture Support Services	1 744 891	1 710 902	33 989	1,9
Trade and Agricultural Development	97 129	76 538	20 591	21,2
Food Safety and Bio-security	363 575	362 583	992	0,3
Forestry	525 451	515 329	10 122	1,9
Fisheries	303 658	303 634	24	0,0
Total	3 953 854	3 850 664	103 190	2,6

Administration

Property management: Lease payments for office accommodation in respect of the Forestry component at Head Office. The 110 Hamilton Building was not ready for occupation at the end of the 2010/11 financial year (R12,299 million).

Production and Resources Management

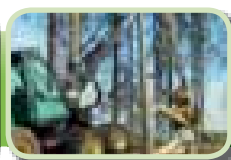
Transfer payment in respect of a conditional grant in terms of the Division of Revenue Act (DORA), 2010 (Act No. 1 of 2010) for Ilima/Letsema projects (R7,5 million). Quarter 4 payments for 2010/11 were withheld, due to underspending in some provinces. A fencing project on the Lesotho border was not completed (R2,926 million).

Agriculture Support Services

Transfer payment in respect of a conditional grant in terms of DORA for CASP projects (R33,658 million). Quarter 4 payments for 2010/11 were withheld, due to underspending in some provinces.

Trade and Agricultural Development

Compilation of a Farmer Register in respect of all smallholder farmers in the RSA. The project commenced in 2010/11 but was not completed (R19,509 million).



Notes to the Appropriation Statement

for the year ended 31 March 2011

Forestry

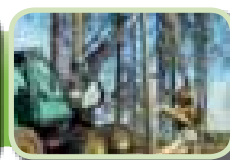
Forestry operations were not duly aligned to the amalgamated DAFF, hence an underspending in operations (R10,122 million).

4.2 Per economic classification	Final appropriation	Actual expenditure	Variance R'000	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	1 190 848	1 189 923	925	0,1
Goods and services	603 113	564 246	38 867	6,4
Interest and rent on land	1 380	1 195	185	13,4
Subtotal	1 795 341	1 755 364	39 977	2,2
Transfers and subsidies				
Provinces and municipalities	1 167 334	1 126 110	41 224	3,5
Departmental agencies and accounts	793 545	792 928	617	0,1
Universities and technikons	2 100	–	2 100	100,0
Public corporations and private enterprises	6 708	6 684	24	0,4
Foreign governments and international organisations	38 207	29 629	8 578	22,5
Non-profit institutions	8 784	8 249	535	6,1
Households	19 975	19 947	28	0,1
Gifts and donations	300	200	100	33,3
Subtotal	2 036 953	1 983 747	53 206	2,6
Payment for capital assets				
Buildings and other fixed structures	51 826	47 121	4 705	9,1
Machinery and equipment	67 588	62 397	5 191	7,7
Biological assets	13	13	–	0,0
Software and other intangible assets	1 873	1 770	103	5,5
Subtotal	121 300	111 301	9 999	8,2
Payment for financial assets	260	252	8	3,1
Total	3 953 854	3 850 664	103 190	2,6

Statement of Financial Performance

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
Revenue			
Annual appropriation	1	3 953 854	3 763 800
Departmental revenue	2	156 961	250 534
Aid assistance	3	17 500	590
Total revenue		4 128 315	4 014 924
Expenditure			
Current expenditure			
Compensation of employees	4	1 189 923	942 284
Goods and services	5	564 246	626 807
Interest and rent on land	6	1 195	751
Aid assistance	3	16 250	590
Total current expenditure		1 771 614	1 570 432
Transfers and subsidies			
Transfers and subsidies	8	1 983 747	2 048 949
Total transfers and subsidies		1 983 747	2 048 949
Expenditure on capital assets			
Tangible capital assets	9	109 531	108 697
Software and other intangible assets	9	1 770	415
Total expenditure for capital assets		111 301	109 112
Payment for financial assets	7	252	474
Total expenditure		3 866 914	3 728 967
Surplus for the year		261 401	285 957
Reconciliation of net surplus/(deficit) for the year			
Voted funds		103 190	35 423
Annual appropriation		103 190	35 423
Departmental revenue and National Revenue Fund (NRF) receipts	15	156 961	250 534
Aid assistance	3	1 250	–
Surplus for the year		261 401	285 957



Statement of Financial Position

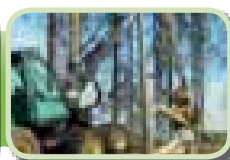
at 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
Assets			
<i>Current assets</i>		34 670	45 688
Cash and cash equivalents	10	25 250	14 251
Prepayments and advances	11	4 201	27 708
Receivables	12	5 219	3 729
<i>Non-current assets</i>		218 030	226 375
Investments	13	218 030	226 375
Total assets		252 700	272 063
Liabilities			
<i>Current liabilities</i>		33 159	43 469
Voted funds to be surrendered to the Revenue Fund	14	26 582	35 423
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	15	5 537	6 106
Payables	16	1 040	1 940
<i>Non-current liabilities</i>			
Payables	17	218 032	226 378
Total liabilities		251 191	269 847
Net assets		1 509	2 216
Represented by:			
Recoverable revenue		1 509	2 216
Total		1 509	2 216

Statement of Changes in Net Assets

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
Recoverable revenue			
Opening balance		2 216	1 973
Transfers:		(707)	243
Irrecoverable amounts written off	7.3	(226)	(319)
Debts recovered (included in departmental receipts)		(2 468)	(1 464)
Debts raised		1 987	2 026
Closing balance		1 509	2 216
Total		1 509	2 216



Cash-flow Statement

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
Cash flow from operating activities			
Receipts		4 051 194	4 013 319
Annual appropriated funds received	1.1	3 877 246	3 763 800
Departmental revenue received	2	156 448	248 929
Aid assistance received	3	17 500	590
Net decrease in working capital		21 117	(78 179)
Surrendered to Revenue Fund		(192 953)	(339 463)
Surrendered to Reconstruction and Development Programme (RDP) Fund/Donor		(1 250)	–
Current payments		(1 771 614)	(1 570 283)
Payment for financial assets		(252)	(474)
Transfers and subsidies paid		(1 983 747)	(2 049 098)
Net cash flow available from operating activities	18	122 495	(24 178)
Cash flow from investing activities			
Payment for capital assets	9	(111 301)	(109 112)
Proceeds from the sale of capital assets	2.4	513	1 605
Decrease in investments		8 345	(207 483)
Net cash flow from investing activities		(102 443)	(314 990)
Cash flow from financing activities			
Decrease in net assets		(707)	243
Decrease in non-current payables		(8 346)	207 486
Net cash flow from financing activities		(9 053)	207 729
Net increase in cash and cash equivalents		10 999	(131 439)
Cash and cash equivalents at beginning of period		14 251	145 690
Cash and cash equivalents at end of period	19	25 250	14 251

Accounting Policies

for the year ended 31 March 2011

The Financial Statements were prepared in accordance with the following policies, which had been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information was disclosed to enhance the usefulness of the Financial Statements, and to comply with the statutory requirements of the PFMA (amended by Act No. 29 of 1999), and the Treasury Regulations, issued in terms of the Act and the DORA.

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

The Financial Statements were prepared on a modified cash basis of accounting, except where otherwise indicated. The modified cash basis constitutes the cash basis of accounting, supplemented by additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts were presented in the currency of the South African Rand (R), which is also the functional currency of the department.

1.3 Rounding

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

1.4 Comparative figures

Comparative information from a prior period was presented in the current year's Financial Statements. Where necessary, figures included in the Financial Statements from a prior period were reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.5 Comparative figures—Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. REVENUE

2.1 Appropriated funds

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

Appropriated funds are recognised in the financial records on the date that the appropriation becomes effective. Adjustments to the appropriated funds, made in terms of the adjustment budget process, are recognised in the financial records on the date that the adjustments become effective.

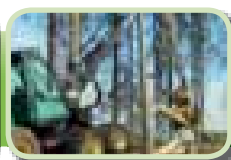
The total appropriated funds received during the period under review are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the NRF. Any amounts owing to the NRF at the end of the financial year are recognised as payables in the Statement of Financial Position.

2.2 Departmental revenue

All departmental revenue is recognised in the Statement of Financial Performance when received, and is subsequently paid into the NRF, unless otherwise indicated.

Any amount owing to the NRF is recognised as a payable in the Statement of Financial Position.



Accounting Policies

for the year ended 31 March 2011

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are, however, disclosed in the Disclosure Note to the Annual Financial Statements.

2.3 Aid assistance

Local and foreign aid assistance is recognised as revenue when received.

All in-kind local and foreign aid assistance is disclosed at fair value on the date of receipt, in the annexures to the Annual Financial Statements.

The cash payments made during the period under review, relating to local and foreign aid assistance projects, are recognised as expenditure in the Statement of Financial Performance, when final authorisation for payments is effected on the system (by no later than 31 March of each year). The value of the assistance expensed prior to the receipt of the funds is recognised as a receivable in the Statement of Financial Position.

Inappropriately expensed amounts, using local and foreign aid assistance, and any unutilised amounts are recognised as payables in the Statement of Financial Position.

3. EXPENDITURE

3.1 Compensation of employees

3.1.1 *Salaries and wages*

Salaries and wages are expensed in the Statement of Financial Performance when financial authorisation for payment is effected on the system (by no later than 31 March each year).

Other employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the disclosure notes to the Financial Statements at face value and these are not recognised in the Statement of Financial Performance or Position.

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.

3.1.2 *Post-retirement benefits*

Employer contributions (i.e. social contributions) are expensed in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the department's Financial Statements. Any potential liabilities are disclosed in the Financial Statements of the NRF and not in the Financial Statements of the employer department.

Social contributions (such as medical benefits), made by the department for some of its ex-employees, are classified as transfers to households in the Statement of Financial Performance.

3.1.3 *Termination benefits*

Termination benefits, such as severance packages, are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 *Other long-term employee benefits*

Other long-term employee benefits (such as capped leave) are recognised as an expense in the Statement of Financial Performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the disclosure notes to the Financial Statements.

Accounting Policies

for the year ended 31 March 2011

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and services were acquired for a capital project, or if the total purchase price exceeded the capitalisation threshold (currently R5 000). All other expenditure is classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item 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 whole amount should be recorded under goods and services.

3.4 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. This debt write-off occurs throughout the year and is only disclosed in the disclosure notes to the Annual Financial Statements. In respect of all other debt, the write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts, but an estimate is included in the disclosure notes to the financial statement amounts. 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.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When discovered, unauthorised expenditure is recognised as an asset in the Statement of Financial Position until such time as the expenditure is approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

Unauthorised expenditure, approved with funding, is recognised in the Statement of Financial Performance when the unauthorised expenditure is approved and the related funds are received.

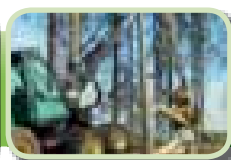
When the amount is approved without funding, it is recognised as expenditure in the Statement of Financial Performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the Statement of Financial Performance in accordance with the nature of the payment, and not as a separate line item on the face of the statement. If the expenditure is recoverable, it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the Statement of Financial Performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority, it is treated as an asset until it is recovered or written off as irrecoverable in the Statement of Financial Performance.



Accounting Policies

for the year ended 31 March 2011

4. ASSETS

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Financial Position at cost.

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.

4.2 Prepayments and advances

Amounts that are prepaid or advanced are recognised in the Statement of Financial Position when the payments are made and where goods and services have not been received by year-end.

Prepayments and advances that are outstanding at the end of the financial year are carried in the Statement of Financial Position at cost.

4.3 Receivables

Receivables included in the Statement of Financial Position arise from cash payments made, which are recoverable from another party or from the sale of goods or the rendering of services.

Receivables outstanding at year-end are carried in the Statement of Financial Position at cost, plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.4 Investments

Capitalised investments are indicated at cost in the Statement of Financial Position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.5 Inventory

Inventories that qualify for recognition must initially be reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected, using the weighted average cost or the first-in-first-out (FIFO) cost formula.

4.6 Capital assets

4.6.1 Movable assets

INITIAL RECOGNITION

A capital asset is recorded at cost on receipt of the item. The cost of an asset is defined as the total cost of acquisition. Where the cost cannot be accurately determined, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

SUBSEQUENT RECOGNITION

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset" and is capitalised in the department's Asset Register upon completion of the project.

Repairs and maintenance are expensed as current "goods and services" in the Statement of Financial Performance.

4.6.2 Immovable assets

INITIAL RECOGNITION

A capital asset is recorded at cost on receipt of the item. The cost of an asset is defined as the total cost of acquisition. Where the cost cannot be accurately determined, the immovable capital asset is stated at R1, unless the fair value for the asset has been reliably estimated.

Accounting Policies

for the year ended 31 March 2011

SUBSEQUENT RECOGNITION

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". Upon completion, the total cost of the project is included in the Asset Register of the department that legally owns the asset, or the provincial or national Department of Public Works.

Repairs and maintenance are expensed as current "goods and services" in the Statement of Financial Performance.

4.6.3 *Biological assets: Forestry*

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

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

4.6.4 *Heritage assets: Forestry*

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

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

5. LIABILITIES

5.1 Payables

Recognised payables mainly comprise amounts owing to other governmental entities. These payables are carried at cost in the Statement of Financial Position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the Financial Statements, when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable, but cannot be reliably measured.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the Financial Statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

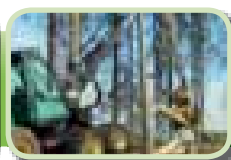
Commitments are not recognised as a liability in the Statement of Financial Position or as expenditure in the Statement of Financial Performance, but are included in the disclosure notes to the Financial Statements.

5.5 Accruals

Accruals are not recognised as a liability in the Statement of Financial Position or as expenditure in the Statement of Financial Performance, but are included in the disclosure notes to the Financial Statements.

5.6 Employee benefits

Short-term employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the disclosure notes to the Financial Statements. These amounts are not recognised in the Statement of Financial Performance or in the Statement of Financial Position.



Accounting Policies

for the year ended 31 March 2011

5.7 Lease commitments

Finance leases

Finance leases are not recognised as assets and liabilities in the Statement of Financial Position. Financial lease payments are recognised as an expense in the Statement of Financial Performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the Financial Statements.

Operating lease

Operating lease payments are recognised as an expense in the Statement of Financial Performance. The operating lease commitments are disclosed in the disclosure notes to the Financial Statements.

5.8 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of past events and when it is probable that an outflow of resources, embodying economic benefits, will be required to settle the obligation, while a reliable estimate of the obligation can be made.

6. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are disclosed in the disclosure notes to the Financial Statements.

7. NET ASSETS

7.1 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating in a prior reporting period, but 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 of and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made during a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the NRF when recovered, or transferred to the Statement of Financial Performance when written off.

8. RELATED PARTY TRANSACTIONS

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

9. KEY MANAGEMENT PERSONNEL

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

Notes to the Annual Financial Statements

for the year ended 31 March 2011

1. ANNUAL APPROPRIATION

1.1 Annual appropriation

Included are funds appropriated, in terms of the Appropriation Act (and the Adjustments Appropriation Act), for national departments (voted funds) and provincial departments:

	Final appropriation R'000	Actual funds received R'000	Funds not requested/ not received R'000	Appropriation received 2009/10 R'000
Administration	476 991	457 135	19 856	411 561
Production and Resources Management	442 159	427 831	14 328	305 307
Agriculture Support Services	1 744 891	1 729 202	15 689	2 001 421
Trade and Agricultural Development	97 129	81 538	15 591	70 643
Food Safety and Bio-security	363 575	362 581	994	406 123
Forestry	525 451	515 327	10 124	568 745
Fisheries	303 658	303 632	26	–
Total	3 953 854	3 877 246	76 608	3 763 800

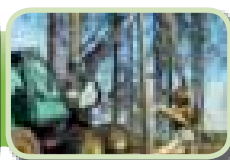
Lease expenditure towards the lease of 110 Hamilton Building for the Forestry component did not realise as the building was not ready for occupation (R12,299 million).

Conditional grants did not realise, due to underspending in some provinces (R41,158 million).

The project to compile a Smallholder Farmer Register was not fully completed (R19,509 million).

2. DEPARTMENTAL REVENUE

	Note	2010/11 R'000	2009/10 R'000
Sales of goods and services other than capital assets	2.1	127 001	108 887
Fines, penalties and forfeits	2.2	43	53
Interest, dividends and rent on land	2.3	8 130	12 519
Sales of capital assets	2.4	513	1 605
Transactions in financial assets and liabilities	2.5	21 265	127 461
Transfers received	2.6	9	9
Total revenue collected		156 961	250 534
Departmental revenue collected		156 961	250 534



Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		126 973	108 742
Sales by market establishment		2 864	2 843
Administrative fees		88 226	75 143
Other sales		35 883	30 756
Sales of scrap, waste and other used current goods		28	145
Total		127 001	108 887
2.2 Fines, penalties and forfeits	2		
Fines		–	12
Penalties		43	41
Total		43	53
2.3 Interest, dividends and rent on land	2		
Interest		7 240	11 758
Rent on land		890	761
Total		8 130	12 519
2.4 Sale of capital assets	2		
Tangible assets		513	1 605
Machinery and equipment		513	1 605
Total		513	1 605
2.5 Transactions in financial assets and liabilities	2		
Receivables		10 621	13 998
Stale cheques written back		–	5
Other receipts, including recoverable revenue		10 644	113 458
Total		21 265	127 461
2.6 Transfers received	2		
Public corporations and private enterprises		9	9
Total		9	9

Note 2.5

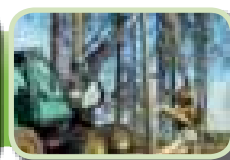
2010/11 R10,644 million (2009/10 R113,458 million)

R113,458 million consist of the KwaZulu-Natal Province's unspent transfers for 2008/09

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
3. AID ASSISTANCE			
3.1 Aid assistance received in cash from the Reconstruction and Development Programme (RDP)			
Foreign			
Opening balance		–	–
Revenue		17 500	590
Expenditure		(16 250)	(590)
Current		(16 250)	(590)
Surrendered to the RDP		(1 250)	–
Closing balance		–	–
3.2 Total assistance			
Opening balance		–	–
Revenue		17 500	590
Expenditure		(16 250)	(590)
Current		(16 250)	(590)
Surrendered/Transferred to retained funds		(1 250)	–
Closing balance		–	–
SA Pesticides Initiative II—R15,0 million			
Food Security School Milk Programme—R1,25 million			
4. COMPENSATION OF EMPLOYEES			
4.1 Salaries and wages			
Basic salary		790 094	626 989
Performance awards		29 843	23 514
Service-based		2 084	1 697
Compensative/Circumstantial		37 717	38 355
Periodic payments		9 256	12 007
Other non-pensionable allowances		162 355	120 271
Total		1 031 349	822 833



Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
4.2 Social contributions			
Employer contributions			
Pension		101 667	77 236
Medical		56 577	42 052
Bargaining Council		330	163
Total		158 574	119 451
Total compensation of employees		1 189 923	942 284
Average number of employees		6 245	5 768

The average number (6 245) of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries.

Compensation of employees—excluded R17,836 million as project costs.

The increase in compensation of employee expenditure is due to the transfer of the fisheries function.

5. GOODS AND SERVICES

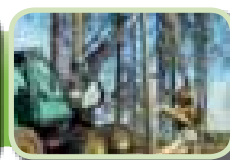
Administrative fees		45 008	51 695
Advertising		13 630	13 012
Assets less than R5 000	5.1	4 727	6 031
Bursaries (employees)		2 332	2 689
Catering		2 593	2 356
Communication		23 421	31 100
Computer services	5.2	20 226	20 233
Consultants, contractors and agency/outsourced services	5.3	134 498	162 839
Entertainment		298	297
Audit costs—external	5.4	9 949	7 339
Fleet services		10 846	—
Inventory	5.5	55 989	89 584
Operating leases		20 443	21 109
Owned and leasehold property expenditure	5.6	12 278	9 447
Transport provided as part of departmental activities		566	57
Travel and subsistence	5.7	133 142	167 439
Venues and facilities		27 987	15 491
Training and staff development		37 740	15 031
Other operating expenditure	5.8	8 573	11 058
Total		564 246	626 807

Goods and services—excluded R47,703 million as project costs.

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
5.1 Assets less than R5 000	5		
Tangible assets		4 655	4 953
Biological assets		172	61
Machinery and equipment		4 483	4 892
Intangible assets		72	1 078
Total		4 727	6 031
5.2 Computer services	5		
SITA computer services		4 313	3 493
External computer service providers		15 913	16 740
Total		20 226	20 233
5.3 Consultants, contractors and agency/outsourced services			
Business and advisory services		45 295	38 244
Infrastructure and planning		12 366	33 073
Laboratory services		337	834
Legal costs		1 979	3 094
Contractors		14 581	11 440
Agency and support/outsourced services		59 940	76 154
Total		134 498	162 839
5.4 Audit costs—external	5		
Regularity audits		9 949	6 826
Performance audits		–	513
Total		9 949	7 339
5.5 Inventory	5		
Learning and teaching support material		92	211
Food and food supplies		1 226	2 192
Fuel, oil and gas		2 294	17 282
Other consumable materials		24 378	31 946
Maintenance material		6 226	13 551
Stationery and printing		13 242	14 159
Medical supplies		161	10 243
Medicine		8 370	–
Total		55 989	89 584



Notes to the Annual Financial Statements

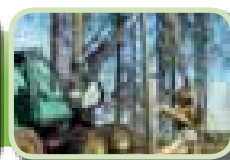
for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
5.6 Property payments	5		
Municipal services		1 592	4 008
Other		10 686	5 439
Total		12 278	9 447
5.7 Travel and subsistence	5		
Local		113 901	154 711
Foreign		19 241	12 728
Total		133 142	167 439
5.8 Other operating expenditure			
Professional bodies, membership and subscription fees		130	3 351
Resettlement costs		2 298	3 719
Other		6 145	3 988
Total		8 573	11 058
6. INTEREST AND RENT ON LAND			
Interest paid		362	–
Rent on land		833	751
Total		1 195	751
R362 000—interest paid: Finance leases			
7. PAYMENTS FOR FINANCIAL ASSETS			
Debts written off	7.1	252	474
Total		252	474
7.1 Debts written off			
Nature of debts written off			
Irrecoverable/Uneconomical		179	399
Claims settled or waived to the advantage of the state		–	15
Recovery would cause undue hardship		73	15
Losses or damages through criminal acts or omission		–	45
Total		252	474

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
7.2 Details of theft	7		
Nature of theft			
Losses or damages through criminal acts or omission		–	45
Total		–	45
7.3 Recoverable revenue written off	7		
Nature of losses			
Irrecoverable/uneconomical		171	296
Claims settled or waived to the advantage of the state		–	8
Recovery would cause undue hardship		55	15
Total		226	319
7.4 Receivables for departmental revenue written off	25.1		
Nature of losses			
Irrecoverable/uneconomical		9	110
Recovery would cause undue hardship		17	–
Total		26	110
8. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	35, 36, Annex 1B	1 126 110	974 197
Departmental agencies and accounts	Annex 1C	792 928	576 262
Universities and technikons	Annex 1D	–	1 900
Foreign governments and international organisations	Annex 1F	29 628	29 667
Public corporations and private enterprises	Annex 1E	6 685	438 789
Non-profit institutions	Annex 1G	8 249	14 270
Households	Annex 1H	19 947	11 255
Gifts, donations and sponsorships	Annex 1K	200	2 609
Total		1 983 747	2 048 949



Notes to the Annual Financial Statements

for the year ended 31 March 2011

9. EXPENDITURE FOR CAPITAL ASSETS

	Note	2010/11 R'000	2009/10 R'000
Tangible assets		109 531	108 697
Buildings and other fixed structures	33	47 121	46 313
Machinery and equipment	31	62 397	62 272
Biological assets	31	13	112
Software and other intangible assets		1 770	415
Other intangibles	32	1 386	415
Computer software		384	–
Total		111 301	109 112
The following amounts were included as project costs in expenditure for capital assets:			
Compensation of employees		17 836	12 641
Goods and services		47 703	33 772
Total		65 539	46 413

The costs of finance leases, totalling R30,899 million, is included in the project costs for goods and services (R47,703 million).

9.1 Analysis of funds utilised to acquire capital assets—2010/11

	Voted funds R'000	Total R'000
Tangible assets	109 531	109 531
Buildings and other fixed structures	47 121	47 121
Machinery and equipment	62 397	62 397
Biological assets	13	13
Software and other intangible assets	1 770	1 770
Computer software	1 770	1 770
Total	111 301	111 301

9.2 Analysis of funds utilised to acquire capital assets—2009/10

	2009/10 R'000	2008/09 R'000
Tangible assets	108 697	108 697
Buildings and other fixed structures	22 807	22 807
Machinery and equipment	62 272	62 272
Land and subsoil assets	23 506	23 506
Biological assets	112	112
Software and other intangible assets	415	415
Other intangibles	415	415
Total	109 112	109 112

Notes to the Annual Financial Statements

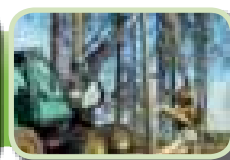
for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
10. CASH AND CASH EQUIVALENTS			
Consolidated Paymaster General Account		24 824	13 888
Cash receipts		210	198
Cash on hand		177	152
Cash with commercial banks (local)		39	13
Total		25 250	14 251
11. PREPAYMENTS AND ADVANCES			
Travel and subsistence		1 479	1 033
Advances paid to other entities		2 722	26 675
Total		4 201	27 708

12. RECEIVABLES

	Note	Less than one year R'000	One to three years R'000	2010/11 Total R'000	2009/10 Total R'000
Claims recoverable	12.1 Annex 4	185	–	185	201
Recoverable expenditure	12.2	1 534	99	1 633	50
Staff debt	12.3	88	–	88	173
Other debtors	12.4	1 748	1 565	3 313	3 305
Total		3 555	1 664	5 219	3 729

	Note	2010/11 R'000	2009/10 R'000
12.1 Claims recoverable	12		
National departments		184	13
Provincial departments		–	188
Public entities		1	–
Total		185	201
12.2 Recoverable expenditure (disallowance accounts)	12		
Disallowance dishonoured cheques		1 256	–
Disallowance: miscellaneous		377	50
Total		1 633	50



Notes to the Annual Financial Statements

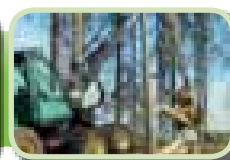
for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
12.3 Staff debt	12		
Salaries: Deduction disallowance account		43	81
Salaries: Tax debt		32	8
Salaries: Reversal control		13	78
Salaries: Medical aid		–	6
Total		88	173
12.4 Other debtors	12		
Debt account		3 313	3 305
Total		3 313	3 305
13. INVESTMENTS			
Non-current			
Shares and other equities			
Ncera Farms (Pty) Ltd		1	1
Onderstepoort Biological Products (Pty) Ltd		1	1
Abattoir Industry Fund		17 475	18 599
National Forestry Recreation and Access Trust		4 809	4 528
Forestry Lease Rental Trust Fund		195 744	203 246
Total		218 030	226 375
Total non-current		218 030	226 375
Analysis of non-current investments			
Opening balance		226 375	18 892
Additions in cash		26 835	209 119
Disposals for cash		(35 180)	(1 636)
Closing balance		218 030	226 375
14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND			
Opening balance		35 423	89 877
Transfer from Statement of Financial Performance		103 190	35 423
Voted funds not requested/not received	1.1	(76 608)	–
Paid during the year		(35 423)	(89 877)
Closing balance		26 582	35 423

Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000			
15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND						
Opening balance		6 106	5 158			
Transfer from Statement of Financial Performance		156 961	250 534			
Paid during the year		(157 530)	(249 586)			
Closing balance		5 537	6 106			
16. PAYABLES—CURRENT						
Clearing accounts	16.1	1 037	1 940			
Other payables	16.2	3	–			
Total		1 040	1 940			
16.1 Clearing accounts						
Salary: ACB recalls	16	36	–			
Salary: Income tax		972	1 935			
Salary: Pension fund		–	5			
Salary: Deduction disallowance account		29	–			
Total		1 037	1 940			
16.2 Other payables						
Sports fees	16	3	–			
Total		3	–			
17. PAYABLES—NON-CURRENT						
		One to two years	Two to three years	More than three years	2010/11 Total	2009/10 Total
	Note	R'000	R'000	R'000	R'000	R'000
Total	17.1	199 417	19	18 596	218 032	226 378
	Note	2010/11 R'000	2009/10 R'000			
17.1 Other payables						
Ncera Farms (Pty) Ltd	17	1	1			
Onderstepoort Biological Products (Pty) Ltd		1	1			
Abattoir Industry Fund		17 475	18 599			
National Forestry Recreation and Access Trust		4 809	4 531			
Forestry Lease Rental Trust Fund		195 746	203 246			
Total		218 032	226 378			



Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES			
Net surplus/(deficit) as per Statement of Financial Performance		261 401	285 957
Add back non-cash/cash movements not deemed to be operating activities		(138 906)	(310 135)
(Increase)/decrease in receivables—current		(1 490)	4 911
(Increase)/decrease in prepayments and advances		23 507	(14 197)
Increase/(decrease) in payables—current		(900)	(68 893)
Proceeds from the sale of capital assets		(513)	(1 605)
Expenditure on capital assets		111 301	109 112
Surrenders to Revenue Fund		(192 953)	(339 463)
Surrenders to RDP Fund/Donor		(1 250)	–
Voted funds not requested/not received		(76 608)	–
Net cash flow generated by operating activities		122 495	(24 178)
19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES			
Consolidated Paymaster General account		24 824	13 888
Cash receipts		210	198
Cash on hand		177	152
Cash with commercial banks (local)		39	13
Total		25 250	14 251

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

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

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

20.1 Contingent liabilities

Liable to	Nature			
Housing loan guarantees—	Employees	<i>Annex 3A</i>	1 313	2 054
Claims against the department		<i>Annex 3B</i>	14 912	5 081
Other departments (interdepartmental unconfirmed balances)		<i>Annex 5</i>	4 443	938
Other		<i>Annex 3B</i>	13 188	–
Total			33 856	6 736

The department developed proposals for occupation specific dispensation (OSD) for certain occupations to attract and retain sufficient numbers of employees to these professions. These proposals were verified by the DPSA and the underpayment is in the process of review and is set to be confirmed. Funds for implementation will be made available through reprioritisation of the budget for the 2011/12 financial year.

21. COMMITMENTS

Current expenditure

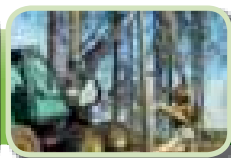
	Note	2010/11 R'000	2009/10 R'000
Approved and contracted		44 670	53 978
		44 670	53 978

Capital expenditure (including transfers)

	Note	2010/11 R'000	2009/10 R'000
Approved and contracted		57	4 613
		57	4 613
Total commitments		44 727	58 591

22. ACCRUALS

	30 days R'000	30+ days R'000	2010/11 Total R'000	2009/10 Total R'000
Listed by economic classification				
Goods and services	9 809	2 592	12 401	14 015
Transfers and subsidies	–	–	–	270
Capital assets	63	263	326	6 089
Other	–	–	–	180
Total	9 872	2 855	12 727	20 554



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

	Note	2010/11 R'000	2009/10 R'000
Listed by programme level			
Administration		3 764	11 452
Production and Resources Management		1 059	677
Agriculture Support Services		1 630	334
Trade and Agricultural Development		44	36
Food Safety and Bio-security		881	3 438
Forestry		5 349	4 617
Total		12 727	20 554
Confirmed balances with departments	Annex 5	133	30
Total		133	30

23. EMPLOYEE BENEFITS

	Note	2010/11 R'000	2009/10 R'000
Leave entitlement		26 257	26 832
Service bonus (Thirteenth cheque)		40 718	34 720
Performance awards		26 674	31 285
Capped leave commitments		123 234	113 473
Total		216 883	206 310

The amount of negative leave totals 1 180,28 days with a value of R348 857,26. Forty-five employees, both former and current, are affected. The negative leave is due to employees whose services were terminated; leave gratuity not captured or paid; while in other cases the salaries were frozen due to outstanding disciplinary cases and absconding.

24. LEASE COMMITMENTS

24.1 Operating leases expenditure

	Land R'000	Buildings and other fixed structures R'000	Total R'000
2010/11			
Not later than one year	1	108 483	108 484
Later than one year but not later than five years	2	228 526	228 528
Later than five years	41	165 652	165 693
Total lease commitments	44	502 661	502 705

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

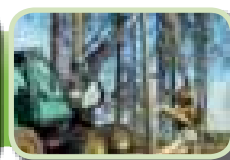
	Land	Buildings and other fixed structures	Total
	R'000	R'000	R'000
2009/10			
Not later than one year	–	13 572	13 572
Later than one year but not later than five years	–	20 342	20 342
Later than five years	–	42	42
Total lease commitments	–	33 956	33 956

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 per building/facility/land. The following lease contracts have expired and the Department of Public Works leases the buildings on a month-to-month basis: OR Tambo, City Deep, White River Kruger Mpumalanga International Airport, De Aar, Port Edward, Port St Johns, Mossel Bay Prince Vincent Building, Mossel Bay Plaza Aquada, Cape Town Paarden Island Centre, Pietermaritzburg Old Mutual Square Building and Eshowe Reeves Trust Building. Management fees for state-owned buildings are included for 2010/11. The following office accommodation is shared with DWA, with no expenses to DAFF: King Williams Town, Mthatha, Port Elizabeth, Bloemfontein, Pretoria Waterbron, Pretoria Bothongo East, Thohoyandou, Sekhukhune, Giyani (Mopani), Waterberg DWA, Capricorn DWA, Polokwane, Nelspruit, Bronkhorst-spruit, Mafikeng and Belville.

The increase in office accommodation is due to the transfer of the forestry (R742 000) and fisheries (R308,8 million) functions.

24.2 Finance leases expenditure

	Machinery and equipment	Total
	R'000	R'000
2010/11		
Not later than one year	19 657	19 657
Later than one year but not later than five years	3 350	3 350
Total lease commitments	23 007	23 007
LESS: Finance costs	1 035	1 035
Total present value of lease liabilities	21 972	21 972
2009/10		
Not later than one year	2 960	2 960
Later than one year but not later than five years	1 821	1 821
Total lease commitments	4 781	4 781
LESS: Finance costs	419	419
Total present value of lease liabilities	4 362	4 362



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

The finance leases include 178 photocopy machines, three cellular contracts and three 3G device contracts, which are regarded as departmental contracts. A new cellular policy was issued with effect from April 2011, which indicates that only the Minister, Deputy Minister and Director-General will be entitled to official cellphones, while all other qualifying officials will be allocated cellphone and 3G allowances.

The finance leases for 2010/11 include 180 vehicles, leased from Phakisa World by the Forestry component. (The Department of Transport is the custodian of the Phakisa World contract and the expiry date is 30 November 2011).

25. RECEIVABLES FOR DEPARTMENTAL REVENUE

	Note	2010/11 R'000	2009/10 R'000
Sales of goods and services other than capital assets		7 332	6 564
Interest, dividends and rent on land		86 719	97 243
Transactions in financial assets and liabilities		108 303	132 779
Total		202 354	236 586

This note represents revenue generated for services rendered by DAFF, rent on land (Directorate: Land Settlement) and the Agriculture Debt Account.

25.1 Analysis of receivables for departmental revenue

Opening balance		236 586	277 734
Less: Amounts received		63 137	65 960
Add: Amounts recognised		28 931	24 922
Less: Amounts written off/reversed as irrecoverable	7.4	26	110
Closing balance		202 354	236 586

Agricultural Debt Account debt to the amount of R21,192 million was written off during the year.

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

Opening balance		15 109	15 713
Add: Irregular expenditure—relating to prior year		—	15 109
Add: Irregular expenditure—relating to current year		79	—
Less: Amounts condoned		—	(121)
Less: Amounts not recoverable (not condoned)		—	(15 592)
Irregular expenditure awaiting condonation		15 188	15 109
Analysis of awaiting condonation per age classification			
Prior years		—	15 109
Total		—	15 109

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

26.2 Details of irregular expenditure—current year

Incident	Disciplinary steps taken/Criminal proceedings	2010/11 R'000
Non-compliance with Supply Chain Management procedures: Khanyisa Production	Costs will be recovered from the responsible employee	79
Non-compliance with Supply Chain Management procedures: Forestry Limpopo	DAFF to determine recoverability	104
Non-compliance with Supply Chain Management procedures: Forestry KZN	DAFF to determine recoverability	343
Non-compliance with Supply Chain Management procedures:	Audit findings in progress	539
Total		1 065

26.3 Details of irregular expenditure not recoverable (not condoned)

Incident	Disciplinary steps taken/Criminal proceedings	2009/10 R'000
Non-compliance with Supply Chain Management procedures	Audit findings in progress	15 109
Total		15 109

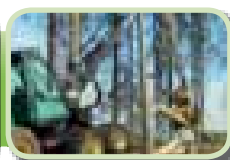
27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

	2010/11 R'000	2009/10 R'000
Opening balance	12 197	12 197
Fruitless and wasteful expenditure—relating to current year	3	–
Less: Amounts condoned	(1)	–
Fruitless and wasteful expenditure awaiting condonement	12 199	12 197

27.2 Analysis of awaiting condonement per economic classification

	2010/11 R'000	2009/10 R'000
Current	–	12 197
Total	–	12 197



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

27.3 Analysis of the current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/Criminal proceedings	2010/11 R'000
Rescheduling of the international audit at Roodeplaat	Due to unforeseen and unavoidable circumstances, the international audit had to be rescheduled	1
Interest charged on overdue accounts	DAFF to determine recoverability	2
Total		3

28. RELATED PARTY RELATIONSHIPS

Ministerial portfolio	Department	Schedule	Public entity
Agriculture, Forestry and Fisheries	Agriculture, Forestry and Fisheries	2	Land and Agricultural Bank of South Africa
		3A	Agricultural Research Council
		3A	National Agricultural Marketing Council
		3A	Perishable Products Export Control Board
		3B	Ncera Farms (Pty) Ltd
		3B	Onderstepoort Biological Products
		3A	Marine Living Resources Fund
			Department of Water Affairs

29. KEY MANAGEMENT PERSONNEL

	No. of individuals	2010/11 R'000	2009/10 R'000
Political office bearers	2	3 303	3 175
Officials: Levels 15 and 16	15	13 070	12 599
Level 14	27	20 747	16 854
Total		37 120	32 628

30. IMPAIRMENT AND OTHER PROVISIONS

	2010/11 R'000	2009/10 R'000
Impairment		
Debtors	590	343
Total	590	343
Other provisions		
Agricultural Debt Account, debt that is not written off against savings on the vote	105 338	122 598
Total	105 928	122 941

Disclosure Notes to the Annual Financial Statements

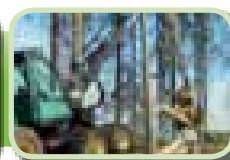
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31. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2011

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Heritage assets	–	–	190	–	190
Heritage assets	–	–	190	–	190
Machinery and equipment	242 510	665	34 577	16 144	261 608
Transport assets	76 759	34	10 696	4 078	83 411
Computer equipment	63 522	439	9 061	5 076	67 946
Furniture and office equipment	20 968	175	6 496	871	26 768
Other machinery and equipment	81 261	17	8 324	6 119	83 483
Specialised military assets	101	–	–	–	101
Specialised military assets	101	–	–	–	101
Biological assets	529	–	374 792	406	374 915
Biological assets	529	–	374 792	406	374 915
Total movable tangible capital assets	243 140	665	409 559	16 550	636 814

Note: The "Current year adjustments to prior balances" were amended with R206 000 due to prior year errors included in the opening balance.



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

31.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2011

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current year, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Heritage assets	–	190	–	–	190
Heritage assets	–	190	–	–	190
Machinery and equipment	62 397	6 600	(30 899)	(3 521)	34 577
Transport assets	8 495	2 467	–	(266)	10 696
Computer equipment	11 335	1 238	–	(3 512)	9 061
Furniture and office equipment	5 432	862	–	202	6 496
Other machinery and equipment	37 135	2 033	(30 899)	55	8 324
Biological assets	13	374 779	–	–	374 792
Biological assets	13	374 779	–	–	374 792
Total additions to movable tangible capital assets	62 410	381 569	(30 899)	(3 521)	409 559

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

31.2 Disposals

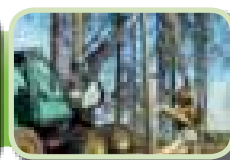
Disposals of movable tangible capital assets per asset register for the year ended 31 March 2011

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Machinery and equipment	6 965	9 179	16 144	513
Transport assets	1 108	2 970	4 078	357
Computer equipment	3 113	1 963	5 076	9
Furniture and office equipment	748	123	871	1
Other machinery and equipment	1 996	4 123	6 119	146
Biological assets	–	406	406	–
Biological assets	–	406	406	–
Total disposal of movable tangible capital assets	6 965	9 585	16 550	513

31.3 Movement for 2009/10

Movement in movable tangible capital assets per asset register for the year ended 31 March 2010

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment	220 387	43 707	21 584	242 510
Transport assets	62 249	20 043	7 533	76 759
Computer equipment	57 233	11 509	5 220	63 522
Furniture and office equipment	18 503	3 295	830	20 968
Other machinery and equipment	80 402	8 860	8 001	81 261
Specialised military assets	91	10	–	101
Specialised military assets	91	10	–	101
Biological assets	232	793	496	529
Biological assets	232	793	496	529
Total movable tangible assets	220 710	44 510	22 080	243 140



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

31.4 Minor assets

Minor assets of the department as at 31 March 2011

	Specialised military assets R'000	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	–	4 920	39 357	1 464	45 741
Current year adjustments to prior year balances	9	382	6 596	–	6 987
Additions	–	56	5 329	2 363	7 748
Disposals	–	–	1 290	2 416	3 706
Total minor assets	9	5 358	49 992	1 411	56 770
Number of R1 minor assets	42	15	28 501	–	28 558
Number of minor assets at cost	6	2 081	33 820	1 604	37 511
Total number of minor assets	48	2 096	62 321	1 604	66 069

Minor assets of the department as at 31 March 2010

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets	4 920	39 357	1 464	45 741
Total	4 920	39 357	1 464	45 741
Number of minor assets at cost	2 350	50 123	1 664	54 137
Total number of minor assets	2 350	50 123	1 664	54 137

32. INTANGIBLE CAPITAL ASSETS

Movement in intangible capital assets per asset register for the year ended 31 March 2011

	Opening balance R'000	Current year adjust- ments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer software	5 878	–	1 385	384	6 879
Other intangibles	2 282	38	–	–	2 320
Total intangible capital assets	8 160	38	1 385	384	9 199

Note: The "Current year adjustments to prior balances" were amended with R38 000 due to prior year errors included in the opening balance.

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

32.1 Additions

Additions to intangible capital assets per asset register for the year ended 31 March 2011

	Cash	Non-cash	(Develop- ment work-in- pro- gress— current costs)	Received current year, not paid (paid cur- rent year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer software	1 770	270	–	(655)	1 385
Total additions to intangible capital assets	1 770	270	–	(655)	1 385

32.2 Disposals

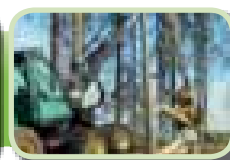
Disposals of intangible assets per asset register for the year ended 31 March 2011

	Sold for cash	Transfer out or de- stroyed or scrapped	Total dis- posals	Cash received actual
	R'000	R'000	R'000	R'000
Computer software	–	384	384	–
Total disposal of intangible capital assets	–	384	384	–

Movement for 2009/10

Movement in intangible capital assets per asset register for the year ended 31 March 2010

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	3 968	1 910	–	5 878
Other intangibles	2 308	–	26	2 282
Total intangible capital assets	6 276	1 910	26	8 160



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

33. IMMOVABLE TANGIBLE CAPITAL ASSETS

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2011

	Opening balance	Current year adjust- ments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	9 988	(39)	42 330	42 374	9 905
Dwellings	9 199	99	–	–	9 298
Non-residential buildings	789	(165)	(44)	–	580
Other fixed structures	–	27	42 374	42 374	27
Total immovable tangible capital assets	9 988	(39)	42 330	42 374	9 905

Note: The "Current year adjustments to prior balances" were amended with (R30 000) due to prior year errors included in the opening balance.

33.1 Additions

Additions to immovable tangible capital assets per asset register for the year ended 31 March 2011

	Cash	Non-cash	(Capital work-in- progress current costs and finance lease pay- ments)	Received current, not paid (paid cur- rent year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	47 121	–	(4 747)	(44)	42 330
Non-residential buildings	–	–	–	(44)	(44)
Other fixed structures	47 121	–	(4 747)	–	42 374
Total additions to immovable tangible capital assets	47 121	–	(4 747)	(44)	42 330

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

33.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2011

	Transfer out or de- stroyed or scrapped R'000	Total dis- posals R'000	Cash received actual R'000
Buildings and other fixed structures	42 374	42 374	–
Other fixed structures	42 374	42 374	–
Total disposals of immovable tangible capital assets	42 374	42 374	–

33.3 Movement for 2009/10

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2010

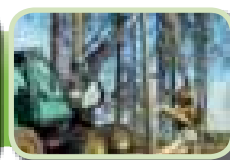
	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	10 101	9 751	9 864	9 988
Dwellings	9 312	–	113	9 199
Non-residential buildings	789	–	–	789
Other fixed structures	–	9 751	9 751	–
Total immovable tangible assets	10 101	9 751	9 864	9 988

33.4 Immovable assets valued at R1

	Buildings and other fixed structures R'000	Total R'000
<i>Immovable assets valued at R1 in the asset register as at 31 March 2011</i>		
R1 immovable assets	22	22
Total	22	22

Immovable assets valued at R1 in the asset register as at 31 March 2010

R1 immovable assets	22	22
Total	22	22



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

34. TRANSFER OF FUNCTIONS

Expenditure for the forestry function, transferred on 23 March 2010, was included in the 2009/10 financial year, while expenditure for the transferred fisheries function was included in the 2010/11 financial year.

34.1 Statement of Financial Position

	Balance per department 2009/10 AFS before transfer 2009/10 R'000	2009/10 balance after transfer 2009/10 R'000
Assets		
<i>Current assets</i>	45 688	45 688
Cash and cash equivalents	14 251	14 251
Prepayments and advances	27 708	27 708
Receivables	3 729	3 729
<i>Non-current assets</i>	226 375	226 375
Investments	226 375	226 375
Total assets	272 063	272 063
Liabilities		
<i>Current liabilities</i>	43 469	43 469
Voted funds to be surrendered to the Revenue Fund	35 423	35 423
Departmental revenue and NRF receipts to be surrendered to the Revenue Fund	6 106	6 106
Payables	1 940	1 940
<i>Non-current liabilities</i>	226 378	226 378
Payables	226 378	226 378
Total liabilities	269 847	269 847
Net assets	2 216	2 216

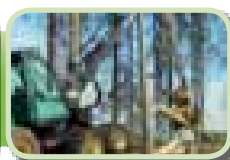
Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

34.2 Disclosure notes

	Balance per department 2009/10 AFS before transfer 2009/10 R'000	Functions per department (transferred)/ received 2009/10 R'000	2009/10 balance after transfer 2009/10 R'000
Contingent liabilities	115	4 966	5 081
Commitments	57 452	1 139	58 591
Accruals	15 937	4 617	20 554
Employee benefits	59 886	115 139	175 025
Lease commitments—Operating lease	33 956	–	33 956
Lease commitments—Finance lease	4 362	–	4 362
Receivables for departmental revenue	236 586	–	236 586
Irregular expenditure	15 109	–	15 109
Fruitless and wasteful expenditure	12 197	–	12 197
Impairment and other provisions	343	–	343
Movable tangible capital assets	243 140	–	243 140
Immovable tangible capital assets	9 988	–	9 988
Intangible capital assets	8 160	–	8 160

The assets in respect of Forestry were verified by a combined DAFF/DWA team during the 2009/10 financial year and referred to the DWA for confirmation, which could not be completed during the 2009/10 financial year. The assets were not transferred in terms of section 42 of the PFMA, due to the fact that the DAFF was not satisfied with the Asset Register, due to non-compliance with the minimum requirements of the National Treasury. A DAFF team once again conducted a verification of the assets during the 2010/11 financial year. The Asset Register was submitted to the DWA for verification and confirmation. Due to discrepancies, it was agreed between the DWA and the DAFF that only the assets that had been mutually agreed upon would be transferred in terms of the PFMA. Furthermore, the transfer of the commercial and indigenous forests from the DWA to the DAFF was also completed during the 2010/11 financial year, in terms of section 42 of the PFMA and this information has been included as biological and heritage assets respectively in the Annual Financial Statements.



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

35. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province/ grant	Grant allocation			Transfer		Spent		2009/10 Division of Revenue Act
	Division of Revenue Act	Rolovers	Adjust- ments	Total available	Actual transfer	Funds with- held	Re- allocations by National Treasury or national department	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Comprehensive Agricultural Sup- port Programme								
Eastern Cape	160 004	-	-	160 004	144 000	16 004	-	120 364
Free State	75 772	-	-	75 772	68 194	7 578	-	65 659
Gauteng	42 187	-	-	42 187	42 187	-	-	33 844
KwaZulu-Natal	135 804	-	-	135 804	135 804	-	-	117 762
Limpopo	144 567	-	-	144 567	144 567	-	-	108 483
Mpumalanga	81 947	-	-	81 947	81 947	-	-	70 892
Northern Cape	58 275	-	-	58 275	58 275	-	-	49 232
North West	100 745	-	-	100 745	90 669	10 076	-	91 518
Western Cape	63 064	-	-	63 064	63 064	-	-	57 640
Subtotal	862 365	-	-	862 365	828 707	33 658	-	715 394
					828 707	809 288	95,6	



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Name of province/ grant	Grant allocation				Transfer			Spent		2009/10	
	Division of Revenue Act	Rollovers	Adjust- ments	Total available	Actual transfer	Funds with- held	Re- allocations by National Treasury or national department	Amount received by department	Amount spent by department		% of available funds spent by department
Infrastructure development and poverty relief (LandCare)											
Eastern Cape	8 721	-	-	8 721	8 721	-	-	8 721	8 721	100,0	8 227
Free State	4 360	-	-	4 360	4 360	-	-	4 360	4 360	100,0	4 113
Gauteng	3 815	-	-	3 815	3 815	-	-	3 815	3 815	100,0	3 599
KwaZulu-Natal	8 721	-	-	8 721	8 721	-	-	8 721	8 245	94,5	8 227
Limpopo	8 176	-	-	8 176	8 176	-	-	8 176	8 176	100,0	7 713
Mpumalanga	4 904	-	-	4 904	4 904	-	-	4 904	4 904	100,0	4 627
Northern Cape	5 995	-	-	5 995	5 995	-	-	5 995	5 143	85,8	5 656
North West	6 540	-	-	6 540	6 540	-	-	6 540	6 540	100,0	6 170
Western Cape	3 270	-	-	3 270	3 270	-	-	3 270	3 270	100,0	3 085
Subtotal	54 502	-	-	54 502	54 502	-	-	54 502	53 174	97,8	51 417

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

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

Name of province/ grant	Grant allocation			Transfer		Amount received by department	Spent Amount spent by department	% of available funds spent by department	2009/10 Division of Revenue Act
	Division of Revenue Act	Rollovers	Adjust- ments	Total available	Actual transfer	Funds with- held	Re- allocations by National Treasury or national department		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Agricultural disaster management									
Eastern Cape	-	-	-	-	-	-	-	-	24 000
Free State	-	-	-	-	-	-	-	-	11 000
Gauteng	-	-	-	-	-	-	-	-	10 000
KwaZulu-Natal	-	-	-	-	-	-	-	-	5 000
Limpopo	-	-	-	-	-	-	-	-	5 000
Mpumalanga	-	-	-	-	-	-	-	-	5 000
Northern Cape	-	-	-	-	-	-	-	-	5 000
North West	-	-	-	-	-	-	-	-	5 000
Western Cape	-	-	50 000	50 000	50 000	-	50 000	100,0	86 900
Subtotal	-	-	50 000	50 000	50 000	-	50 000	100,0	156 900



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Name of province/ grant	Grant allocation				Transfer			Spent		2009/10 Division of Revenue Act	
	Division of Revenue Act	Rollovers	Adjust- ments	Total available	Actual transfer	Funds with- held	Re- allocations by National Treasury or national department	Amount received by department	Amount spent by department		% of available funds spent by department
Ilima/Letsema											
Eastern Cape	20 000	-	-	20 000	15 000	5 000	-	15 000	15 000	100,0	5 000
Free State	26 000	-	-	26 000	26 000		-	26 000	25 112	96,6	6 500
Gauteng	10 000	-	-	10 000	7 500	2 500	-	7 500	2 690	35,9	2 500
KwaZulu-Natal	30 000	-	-	30 000	30 000	-	-	30 000	30 000	100,0	7 500
Limpopo	20 000	-	-	20 000	20 000	-	-	20 000	20 000	100,0	5 000
Mpumalanga	20 000	-	-	20 000	20 000	-	-	20 000	20 000	100,0	5 000
Northern Cape	30 000	-	-	30 000	30 000	-	-	30 000	29 887	99,6	7 500
North West	20 000	-	-	20 000	20 000	-	-	20 000	20 000	100,0	5 000
Western Cape	24 000	-	-	24 000	24 000	-	-	24 000	24 000	100,0	6 000
Subtotal	200 000	-	-	200 000	192 500	7 500	-	192 500	186 689	92,5	50 000
Total	1 116 867	-	50 000	1 166 867	1 125 709	41 158	-	1 125 709	1 099 151	97,6	973 711

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2011

36. STATEMENT OF UNCONDITIONAL GRANTS PAID TO THE PROVINCES

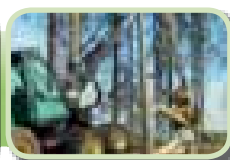
Name of province/ grant	Grant allocation				Transfer		Spent		2009/10
	Amount	Rollovers	Other adjustments	Total available	Actual transfer	% of available funds transferred	Amount received by department	Amount spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%
KwaZulu-Natal	–	–	–	–	–	–	–	–	3
Mpumalanga	–	–	–	–	–	–	–	–	56
Total	–	–	–	–	–	–	–	–	59

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1B STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

Name of municipality	Grant allocation			Transfer		Spent			2009/10	
	Amount	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Tshwane	256	-	139	395	332	84,1	332	-	-	480
Inxuba Yethemba	13	-	1	14	13	92,9	13	-	-	13
Khara Hais	4	-	(3)	1	1	100,0	1	-	-	-
Umgungundlovu	-	-	17	17	16	94,1	16	-	-	-
Bushbuckridge	-	-	38	38	38	100,0	38	-	-	-
Rustenburg	-	-	1	1	1	100,0	1	-	-	-
Lekwa-Teemane	-	-	1	1	-	-	-	-	-	-
Total	273	-	194	467	401	85,9	401	-	-	493



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1C STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

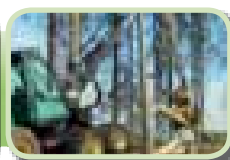
Department/agency/account	Transfer allocation			Transfer		2009/10 Appropriation Act
	Adjusted Appropriation	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred
	R'000	R'000	R'000	R'000	R'000	%
National Agricultural Marketing Council	31 194	-	-	31 194	31 194	100,0
Agricultural Research Council	622 266	-	-	622 266	622 266	100,0
Water Research Commission	600	-	-	600	-	-
National Student Financial Aid Scheme	9 625	-	-	9 625	9 624	100,0
Agriculture Sector Education and Training Authority	1 160	-	-	1 160	1 144	98,6
Marine Living Resources Fund	128 100	-	-	128 100	128 100	100,0
Perishable Products Export Control Board	600	-	-	600	600	100,0
Owen Sithole Agricultural College	-	-	-	-	-	-
Tompki Seleke Agricultural Training Centre	-	-	-	-	-	-
Taung Agricultural College	-	-	-	-	-	-
Elsenburg Agricultural College	-	-	-	-	-	-
Total	793 545	-	-	793 545	792 928	99,9
						580 463

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1D STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

University/technikon	Transfer allocation			Transfer		2009/10 Appropriation Act
	Adjusted appropriation	Rollovers	Adjustments	Actual transfer	Amount not transferred	
	R'000	R'000	R'000	R'000	R'000	R'000
University of Pretoria	900	-	-	-	900	200
University of the Free State	-	-	-	-	-	1 900
University of Fort Hare	300	-	-	-	300	-
University of KwaZulu-Natal	900	-	-	-	900	-
Total	2 100	-	-	-	2 100	2 100



DEPARTMENT OF AGR
VOTE 25

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DEPARTMENT OF AGRICULTURE
VOTE 25

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DEPARTMENT OF AGRICULTURE
VOTE 25

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DEPARTMENT OF AGRICULTURE
VOTE 25

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Foreign Government/International Organisation	Transfer allocation			Expenditure		2009/10	
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer		% of available funds transferred
Transfers							
Foreign rates and taxes	116	–	23	139	138	99,3	146
International Union for the Protection of New Varieties of Plants	385	–	–	385	383	99,5	405
Office International des Epizooties	811	–	3	814	814	100,0	1 000
Organisation for Economic Co-operation and Development	261	–	–	261	261	100,0	150
International Grains Council	179	–	–	179	126	70,4	170
Office International de la Vigne et du Vin	604	–	(23)	581	455	78,3	583
Food and Agriculture Organization of the United Nations	11 330	–	–	11 330	10 863	95,9	11 950
Consultative Group on International Agricultural Research	4 700	3 710	–	8 410	3 632	43,2	9 007
Commonwealth Agricultural Bureau International	168	–	–	168	–	–	144
International Dairy Federation	56	–	(3)	53	50	94,3	50
International Seed Testing Association	44	–	–	44	43	97,7	63
Food and Agriculture Organization of the United Nations: Capacity-building	12 720	–	–	12 720	12 720	100,0	12 000
International Cotton Advisory Council	353	–	–	353	143	40,5	170
Commission International du Génie Rural	20	–	–	20	–	–	20
International Fund for Agricultural Development	2 750	–	–	2 750	–	–	–
Total	34 497	3 710	–	38 207	29 628	77,5	35 858

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1G STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

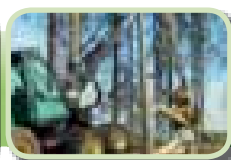
Non-profit institutions	Transfer allocation			Expenditure		2009/10 Appropriation Act R'000
	Adjusted Appropriation Act R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available funds transferred
Transfers						
Food Bank SA	–	–	–	–	–	8 000
Sterile Insect Technique	6 596	–	–	6 596	6 596	100,0
Forest Sector Charter Council	2 188	–	–	2 188	1 653	75,5
Total	8 784	–	–	8 784	8 249	93,9
						14 270

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1H STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation			Expenditure		2009/10 Appropriation Act
	Adjusted Appropriation Act	Rollovers	Adjustments	Actual transfer	% of available funds transferred	
	R'000	R'000	R'000	R'000	%	R'000
Transfers						
Social benefits	984	–	8 721	9 684	99,8	10 293
Classical swine fever	–	3 919	4 590	8 509	100,0	5 000
Claims against the state	–	–	559	552	98,7	52
Bursaries (non-employees)	1 202	–	–	1 202	100,0	–
Total	2 186	3 919	13 870	19 947	99,9	15 345



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 11 STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

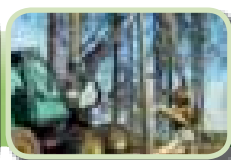
Name of organisation	Nature of gift, donation or sponsorship	2010/11 R'000	2009/10 R'000
Received in cash			
<i>Current financial year: 2010/11</i>			
Office International des Epizooties	78th Annual General Session of the World Organisation for Animal Health	7	–
African Union	3rd meeting of the Friends of the Co-Chairs on Liability and Redress in the Context of the Cartagena Protocol on Biosafety	2	–
<i>Previous financial year: 2009/10</i>			
Office International des Epizooties	77th Annual General Session of the World Organisation for Animal Health	–	9
Subtotal		9	9
Received in kind			
<i>Current financial year: 2010/11</i>			
Several donations	Sponsorships for official trips to foreign countries	391	–
Several gifts and donations	Team-building day	129	–
Several gifts and donations	Arbor Week	32	–
<i>Previous financial year: 2009/10</i>			
Several gifts and donations	16 days of Activism for No Violence Against Women and Children celebration	–	2
Several gifts and donations	Women's Day celebration: GADI	–	3
Philagro South Africa and Du Plessis Blasting	Year-end function	–	2
Several gifts and donations	Team-building day	–	115
Subtotal		552	122
Total		561	131

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1J STATEMENT OF AID ASSISTANCE RECEIVED

Name of donor	Purpose	Opening balance R'000	Revenue R'000	Expenditure R'000	Closing balance R'000
Received in cash					
European Union	SA Pesticides Initiative II	–	15 000	15 000	–
Eastern Cape	Food Security School Milk Programme	–	2 500	1 250	1 250
Total		–	17 500	16 250	1 250



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 1K STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE, AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

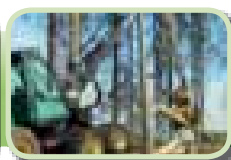
Nature of gift, donation or sponsorship (Grouped major categories but listed material items, including name of organisation)	2010/11	2009/10
	R'000	R'000
Paid in cash		
Cape Agency for Sustainable and Integrated Development in Rural Areas—Dysseldorp community in Oudtshoorn	100	–
Arbor City Awards—Tlokwe City Council	100	–
Limpopo Youth Orchestra donation	–	10
Nokane Primary School donation	–	10
Agri SA	–	10
Female Farmer of the Year Awards	–	2 530
African Eagles	–	10
Morokweng Women in Greening	–	3
Mashudu Lukwareng	–	2
Tshwane Municipality (World Environment Day 2009)	–	29
Gauteng	–	5
Total	200	2 609

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

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 2010/11	% held 2009/10	Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed
				2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	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	-	-	-	-	-	-	



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 3A STATEMENT OF FINANCIAL GUARANTEES, ISSUED AS AT 31 MARCH 2011—LOCAL

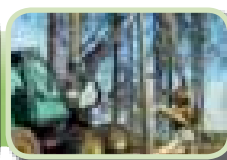
Guarantor institution	Guarantee in respect of housing	Original guaranteed capital amount	Opening balance 1 April 2010	Guarantees draw downs during the year	Guarantees repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2011	Guaranteed interest for year ended 31 March 2011	Realised losses not recoverable, i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	687	432	—	73	—	359	—	—
Nedbank	Housing	252	129	20	48	—	101	—	—
First Rand Bank FNB	Housing	425	267	—	229	—	38	—	—
Nedbank (included BOE Bank)	Housing	59	31	—	—	—	31	—	—
ABSA	Housing	1 239	503	58	249	—	312	—	—
Peoples Bank (FBC FID)	Housing	84	117	—	36	—	81	—	—
Nedbank Ltd (NBS)	Housing	216	85	—	—	—	85	—	—
FNB (formerly Saambou)	Housing	521	60	—	46	—	14	—	—
Old Mutual Bank (Ned/Perm)	Housing	454	294	11	119	—	186	—	—
Green Star Home Loans	Housing	17	17	—	17	—	—	—	—
Unique Finance	Housing	13	13	—	13	—	—	—	—
Ithala Limited	Housing	23	23	23	23	—	23	—	—
VSF Mutual Bank	Housing	28	28	—	—	—	28	—	—
Free State Development Corporation	Housing	43	30	—	—	—	30	—	—
Old Mutual Fin Ltd	Housing	25	25	—	—	—	25	—	—
Total		4 086	2 054	112	853	—	1 313	—	—

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011

Nature of liability	Opening balance 1 April 2010	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2011
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims against the department	5 081	9 993	162	–	14 912
Other					
Occupation Specific Dispensation (OSDs)	–	13 188	–	–	13 188
Total	5 081	23 181	162	–	28 100



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 3B (cont.) STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2011

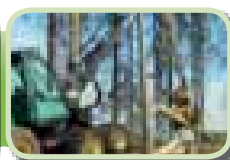
Nature of liabilities recoverable	Opening balance 1 April 2010	Details of liability and recoverability	Movement during year	Closing balance 31 March 2011
	R'000		R'000	R'000
Vehicle accidents—Compensation	115	Claims: Motor vehicle accidents still under investigation	571	686
Compensation—Other	–	Claims: Private items	30	30
Fire claim—CJ Rance	714	Fire claim	–	714
Fire claim—Amathole Forestry Company	978	Fire claim	–	978
Fire claim—N Qindisa	70	Fire claim	–	70
Fire claim—SANParks and Eastern Cape Parks Board	1 600	Fire claim	–	1 600
Fire claim—WC Grabouw	1 600	Fire claim	–	1 600
Compensation—M Khephe	4	Claim: Private losses	–	4
T Langa	–	Breach of contract	5 600	5 600
Suid-Kaapland Irrigation Board	–	Unpaid water levies	13	13
Suid-Kaapland Irrigation Board	–	Unpaid water levies	27	27
Suid-Kaapland Irrigation Board	–	Unpaid water levies	29	29
Suid-Kaapland Irrigation Board	–	Unpaid water levies	37	37
UniTech Development Initiative (Pty) Ltd	–	Liquidation	2 331	2 331
NTK Limpopo Agricultural (Pty) Ltd	–	Sale (goods sold and delivered)	227	227
Grassland Agriculture	–	Compensation (animal diseases)	966	966
Occupation Specific Dispensation (OSDs)	–	Compensation	13 188	13 188
Total	5 081		23 019	28 100

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 4 CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
National department	–	–	–	–	–	–
Department of Public Works	–	–	111	–	111	–
Marine Living Resources Fund	–	–	73	–	73	–
National Treasury (GEPP)	–	10	–	–	–	10
South African Police Service	–	–	–	2	–	2
Arts and Culture	–	1	–	–	–	1
Provincial departments	–	–	–	–	–	–
Department of Labour—Gauteng	–	–	–	13	–	13
Department of Agriculture—Eastern Cape	–	12	–	–	–	12
Subtotal	–	23	184	15	184	38
Other government entities	–	–	–	–	–	–
Citrus Growers' Association	–	163	–	–	–	163
Agricultural Research Council	–	–	1	–	1	–
Subtotal	–	163	1	–	1	163
Total	–	186	185	15	185	201



Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 5 INTERGOVERNMENT PAYABLES

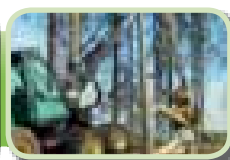
Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
<i>National departments</i>						
Department of Justice and Constitutional Development	–	–	410	71	410	71
Department of Cooperative Governance and Traditional Affairs	–	12	–	–	–	12
Department of Communication	–	18	–	–	–	18
Department of Water Affairs	–	–	1 139	834	1 139	834
Department of Rural Development and Land Reform	–	–	24	–	24	–
Department of Environmental Affairs	–	–	38	–	38	–
Provincial departments						
<i>Gauteng</i>						
Health	–	–	–	1	–	1
<i>Western Cape</i>						
Agriculture	–	–	41	3	41	3
<i>KwaZulu-Natal</i>						
Agriculture	–	–	–	29	–	29
<i>Eastern Cape</i>						
Agriculture and Rural Development	–	–	2 512	–	2 512	–
<i>Northern Cape</i>						
Agriculture, Land Reform and Rural Development	111	–	279	–	390	–
<i>Mpumalanga</i>						
Department of Finance	22	–	–	–	22	–
Total	133	30	4 443	938	4 576	968

Annexures to the Annual Financial Statements

for the year ended 31 March 2011

ANNEXURE 6 INVENTORY

Inventory	Quantity	2010/11 R'000	Quantity	2009/10 R'000
Opening balance	85 440	1 960	37 837	909
Add/(Less): Adjustments to prior year's balance	57	(170)	(167)	317
Add: Additions/Purchases—cash	107 258	1 159	183 072	4 600
Add: Additions—non-cash	2 586	2	(83)	(53)
(Less): Disposals	(152)	(20)	–	–
(Less): Issues	(128 024)	(1 419)	(135 219)	(3 838)
Add/(Less): Adjustments	(442)	(52)	–	25
Closing balance	66 723	1 460	85 440	1 960





5 Human resources management

OVERVIEW

The biggest challenge facing the department during the period under review, was the amalgamation of the agricultural, forestry and fisheries functions into a newly created department. On 31 March 2011, the post establishment of the new department totalled 7 043 posts. During 2010/11, the vacancy rate on the department's post establishment decreased from 14,8% to 11,3%.

A total of 286 new staff members (appointments and transfers), including four members of SMS (Chief Financial Officer, Media Liaison Officer, Director: Financial Administration and Director: International Relations), were employed during the period under review. A total number of 118 employees, including three members of the SMS (Director-General, Chief Director: Planning and Monitoring and Chief Director: Trade and Marketing Development), were promoted to higher positions in the department. A total of 375 employees, including two members of the SMS left the department as a result of resignations, transfers, deaths, retirements, dismissals/discharges and/or expiry of contracts. Most of the employees who left the department were on salary levels 3 to 5. The staff turnover rate for the period under review was 5,9%.

The number of jobs that were subjected to job evaluation comprised 358. The Job Evaluation Unit of the Directorate: Human Resources Management also played a leading role in the job evaluation coordination process of the agricultural public sector, in order to develop generic job descriptions and to harmonise the salary levels of identified agricultural cross-cutting posts in the sector.

In terms of the General Public Service Coordinating Bargaining Council (GPSCBC) Resolution No. 4 of 2010, the Employer and Organised Labour embarked on a consultative process to align the existing human resources (HR) policies of the Agricultural, Forestry and Fishery branches. The Employee Performance Management and Development System (EPMDS) was adopted by the Departmental Bargaining Chamber and implemented at the DAFF with effect from 1 April 2011.

During the 2010/11 performance cycle, 33% of employees qualified for performance rewards.

A total of 56 employees attended and completed the Adult Basic Education and Training (ABET) Programme during the period under review, while 1 155 employees attended credit-bearing skills programmes and learnerships. The mandatory Massified Induction Programme was attended by 313 employees. A total of 208 employees were awarded bursaries, totalling R1 711 438. The departmental Internship Programme attracted 175 students, with a total budget of R10,5 million.

1. SERVICE DELIVERY

All departments are required to develop a SDIP. The following tables reflect the components of the SDIP, as well as progress made in the implementation of the plans.

TABLE 1.1 Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
LandCare	PDAs	PDAs	Transfer of funding for LandCare projects	Approved funding transferred to PDAs in four quarterly payments in accordance with the approved payment Schedule 5 Conditional Grant of the Division of Revenue Act, 2009 (Act No. 12 of 2009)
Production loans	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and the youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers, and household producers	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and the youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers, and household producers	Loan application turn-around time	The loan application turn-around time is 30 days

TABLE 1.1 Main services provided and standards (cont.)

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Food price monitoring	Consumers (rural and urban), Competition Commission	Consumers (rural and urban), Competition Commission	Food pricing information that is accurate and provided on a quarterly basis	Food price reports were published quarterly and sometimes used by the competition authorities to ensure competitive pricing
Issuing import permits (plants, plant products and other regulated articles)	Importers	Importers	Processing turn-around time	A permit is usually issued within 30 days after receipt of the application, if the pest risk analysis (PRA) has been completed. If the PRA still needs to be conducted, it could take from a few months up to 3 years
Import permits for propagation material and crops growing in the Western Cape	Importers	Importers	Processing turn-around time	Genetic material: 5 working days Commercial consignment: Could take 12 months or longer, pending the PRA outcome
Issuing import permits (animals and animal products)	Producers of animals and animal products, processors of animal products, traders of animals and animal products, and importers of animals and animal products	Producers of animals and animal products, processors of animal products, traders of animals and animal products, and importers of animals and animal products	Processing turn-around time	Walk-in clients are assisted immediately and routine import permits are issued within 60 minutes. The turn-around time for faxed/posted applications is 3 working days
Facilitating investment opportunities and relations	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and the agricultural industry	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and the agricultural industry	Sound agreement to protect their interests	Ensuring that both countries' interests are met
Control of migratory pests in terms of the Agricultural Pests Act, 1983 (Act No. 36 of 1983)	Commercial and emerging farmers	Commercial and emerging farmers	Processing turn-around time	Preventing losses to crops and grazing through the control of declared locusts. Response reports are issued within 12 hours

TABLE 1.2 Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
National LandCare Secretariat and provincial LandCare coordinators	PDAs	PDAs	Funding of LandCare projects
Mafisa Programme Office, tel: 012 319 7216	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and the youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers, and household producers	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and the youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers, and household producers	Disbursements by Mafisa

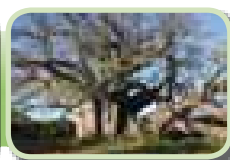


TABLE 1.2 Consultation arrangements with customers (cont.)

Type of arrangement	Actual customers	Potential customers	Actual achievements
Director: Marketing, tel: 012 319 8456	Consumers (rural and urban), Competition Commission	Consumers (rural and urban), Competition Commission	Creating awareness of food price trends
Directorate: Plant Health, tel: 012 319 6102/6396	Importers	–	Provides PRA-based authorisation to import plant propagation material Permit usually issued within 30 days after receipt of application, if the PRA has been completed. If the PRA still needs to be conducted, it could take from a few months up to 3 years
Directorate: International Relations, tel: 012 319 6801	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and the agricultural industry	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and the agricultural industry	Informed business decision-making
Directorate: Land Use and Soil Management	Commercial farmers and emerging farmers	Commercial farmers and emerging farmers	The prevention of agricultural production losses caused by migratory pests

TABLE 1.3 Service delivery access strategy

Access strategy	Actual achievements
National and provincial offices of the Directorate: Land Use and Soil Management, LandCare coordinators at PDAs, dealing with agriculture and the LandCare Secretariat	Timely approval of business plans
Loan application forms from local extension offices in the provinces, participating provincial development financial institutions' offices, and participating local cooperatives	Accessing of Mafisa loans
Quarterly media release on food trends; quarterly reports published; departmental website: http://www.daff.gov.za	Food price publications
National Department of Agriculture, Forestry and Fisheries, tel: 012 319 7514/7632	Controlling and preventing the entry of animal diseases into South Africa
Reports on international engagements are posted on the intranet; as well as contacting the Ministerial Office and foreign missions (attachés and embassies)	Market access

TABLE 1.4 Service information tool

Types of information tool	Actual achievements
Documentation, reports, promotional material and formats for business plans relating to the LandCare Programme, LandCare projects and Junior LandCare	Timely approval of business plans
Pamphlets at PDAs and information on the departmental website: http://www.daff.gov.za	Timely, accessible information
Departmental website: http://www.daff.gov.za/mis	Accessible information
Directorate: Plant Health: http://www.daff.gov.za/mis	Accessible application forms
Directorate: International Relations, tel: 012 319 6801	Timely, accessible information
Directorate: Land Use and Soil Management, tel: 012 319 7568	Timely, accessible information

2. EXPENDITURE

This section covers the departmental budget in terms of clearly defined programmes. The following tables summarise final audited expenditure by programme (Table 2.1), and by salary bands (Table 2.2). In particular, it provides an indication of the amount spent on personnel costs in terms of each of the programmes or salary band within the department.

TABLE 2.1 Personnel costs by programme 2010/11

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	455 492	186 825	2 548	16 839	41,0	29
2. Production and Resources Management	426 186	107 027	932	12 088	25,1	17
3. Agriculture Support Services	1 710 902	89 101	30 763	6 644	5,2	14
4. Trade and Economic Development	76 538	37 609	163	–	49,1	6
5. Food Safety and Bio-security	362 583	247 496	2 003	2 866	68,3	39
6. Forestry	515 329	364 362	1 347	21 540	70,7	57
7. Fisheries	303 634	175 338	–	–	57,7	28
Total	3 850 664	1 207 758	37 756	59 977	31,4	190

TABLE 2.2 Personnel costs by salary band 2010/11

Salary bands	Personnel expenditure (R'000)	% of total personnel costs	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	168 264	13,9	119
Skilled (levels 3–5)	205 372	17,0	99
Highly skilled production (levels 6–8)	389 802	32,3	235
Highly skilled supervision (levels 9–12)	327 926	27,2	346
Senior management (levels 13–16)	67 966	5,6	715
Contract (levels 1–2)	1 156	0,1	116
Contract (levels 3–5)	5 135	0,4	342
Contract (levels 6–8)	10 877	0,9	117
Contract (levels 9–12)	7 688	0,6	366
Contract (levels 13–16)	14 650	1,2	814
Periodical remuneration	2 000	0,2	7
Abnormal appointments	6 922	0,6	46
Total	1 207 758	100,0	178

Due to the disaster relief combating campaigns, the department had various bodies assisting it. It is not possible for the department to establish the correct number of persons assisting.

The following tables provide a summary by programme (Table 2.3), and by salary band (Table 2.4) of expenditure incurred as a result of salaries, overtime, homeowner's allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

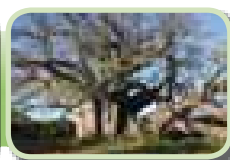


TABLE 2.3 Salaries, overtime, homeowner's allowance (HOA) and medical assistance by programme 2010/11

Programme	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical assistance as a % of personnel costs
	(R'000)		(R'000)		(R'000)		(R'000)	
1. Administration	128 524	70,1	998	0,5	6 019	3,3	8 775	4,8
2. Production and Resources Management	74 558	61,8	299	0,2	3 846	3,2	5 363	4,4
3. Agriculture Support Services	57 337	61,1	356	0,4	2 757	2,9	4 000	4,3
4. Trade and Economic Development	27 729	72,6	–	–	882	2,3	1 398	3,7
5. Food Safety and Bio-security	174 247	67,2	3 747	1,4	8 004	3,1	12 296	4,7
6. Forestry	233 094	66,9	2 915	0,8	21 375	6,1	15 912	4,6
7. Fisheries	119 048	74,7	6 757	4,2	3 442	2,2	7 115	4,5
Total	814 537	67,7	15 072	1,3	46 325	3,9	54 859	4,6

TABLE 2.4 Salaries, overtime, homeowner's allowance (HOA) and medical assistance by salary band 2010/11

Salary bands	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical assistance as a % of personnel costs
	(R'000)		(R'000)		(R'000)		(R'000)	
Lower skilled (levels 1–2)	108 127	65,3	1 101	0,7	12 957	7,8	8 420	5,1
Skilled (levels 3–5)	131 312	64,9	3 626	1,8	13 576	6,7	12 459	6,2
Highly skilled production (levels 6–8)	256 706	66,4	8 565	2,2	11 833	3,1	21 829	5,6
Highly skilled supervision (levels 9–12)	231 070	69,8	1 506	0,5	5 668	1,7	10 890	3,3
Senior management (levels 13–16)	52 759	76,0	66	0,1	2 005	2,9	1 038	1,5
Contract (levels 1–2)	978	87,3	4	0,4	–	–	–	–
Contract (levels 3–5)	4 547	92,7	69	1,4	30	0,6	45	0,9
Contract (levels 6–8)	10 070	97,1	108	1,0	1	–	1	–
Contract (levels 9–12)	6 618	85,6	27	0,3	28	0,4	42	0,5
Contract (levels 13–16)	12 350	84,4	–	–	227	1,6	135	0,9
Total	814 537	67,7	15 072	1,3	46 325	3,9	54 859	4,6

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the staff establishment, the number of employees, the vacancy rate, and whether there are any staff members who are additional to the establishment. This information is presented in terms of three key variables, namely Programme (Table 3.1), Salary band (Table 3.2); and Critical occupations (Table 3.3). Departments identified critical occupations that have to be monitored. Table 3.3 provides staff establishment and vacancy information for the key critical occupations in the department. The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 Employment and vacancies by programme, as on 31 March 2011

Programme	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
1. Administration	831	709	14,7	16
2. Production and Resources Management	601	487	19,0	13
3. Agriculture Support Services	379	351	7,4	5
4. Trade and Economic Development	125	97	22,4	4
5. Food Safety and Bio-security	1 338	1 194	10,8	–
6. Forestry	3 005	2 763	8,1	51
7. Fisheries	764	646	15,4	12
Total	7 043*	6 247	11,3	101

* Number of posts, including the Minister and Deputy Minister

TABLE 3.2 Employment and vacancies by salary band, as on 31 March 2011

Salary band	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Lower skilled (levels 1–2)	1 667	1 528	8,3	29
Skilled (levels 3–5)	2 160	1 996	7,6	16
Highly skilled production (levels 6–8)	1 959	1 681	14,2	37
Highly skilled supervision (levels 9–12)	1 146	951	17,0	11
Senior management (levels 13–16)	109	89	18,3	8
Total	7 041*	6 245	11,3	101

* Number of posts, excluding the Minister and Deputy Minister

TABLE 3.3 Employment and vacancies by critical occupation, as on 31 March 2011

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Administrative related	164	138	15,9	4
Agricultural, animal, oceanography, forestry and other sciences	314	255	18,8	1
Agriculture related	415	352	15,2	5
Aircraft pilots and related associate professionals	1	1	–	–
All artisans in the building, metal, machinery trade, etc.	41	38	7,3	–
Appraisers, valuers and related professionals	20	18	10,0	–
Auxiliary and related workers	154	135	12,3	9

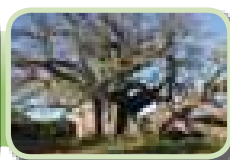


TABLE 3.3 Employment and vacancies by critical occupation, as on 31 March 2011 (cont.)

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Biochemistry, pharmacology, zoology and life science technicians	48	39	18,8	–
Building and other property caretakers	115	107	7,0	–
Bus and heavy vehicle drivers	23	21	8,7	–
Chemists	3	3	–	–
Civil engineering technicians	2	2	–	–
Cleaners in offices, workshops, hospitals, etc.	104	79	24,0	5
Client information clerks (switchboard, reception and information clerks)	11	11	–	1
Communication and information related	10	8	20,0	–
Computer system designers and analysts	9	8	11,1	–
Economists	79	60	24,1	–
Engineering sciences related	2	–	100,0	–
Engineers and related professionals	12	4	66,7	4
Farmhands and labourers	208	190	8,7	8
Farming forestry advisors and farm managers	98	77	21,4	23
Finance and economics related	35	28	20,0	–
Financial and related professionals	29	23	20,7	–
Financial clerks and credit controllers	155	125	19,4	–
Food services aids and waiters	26	24	7,7	–
Forestry labourers	1 513	1 443	4,6	16
General legal administration and related professionals	1	1	–	–
Geologists, geophysicists, hydrologists and related professionals	2	1	50,0	–
Head of department/Chief Executive Officer	1	1	–	–
Health sciences related	5	5	–	–
Horticulturists, foresters, agricultural and forestry technicians	371	321	13,5	–
Household and laundry workers	16	16	–	–
Human resources and organisational development and related professionals	43	34	21,0	2
Human resources clerks	103	98	4,9	–
Human resources related	19	15	21,1	–
Information technology related	1	1	–	–
Language practitioners, interpreters and other communicators	28	24	14,3	–
Legal related	9	5	44,4	–
Librarians and related professionals	5	4	20,0	–
Library mail and related clerks	76	63	17,1	1
Light vehicle drivers	21	18	14,3	–
Logistical support personnel	32	28	12,5	–
Material-recording and transport clerks	127	109	14,2	–
Mechanical engineering technicians	9	3	66,7	–
Messengers, porters and deliverers	89	83	6,7	–

TABLE 3.3 Employment and vacancies by critical occupation, as on 31 March 2011 (cont.)

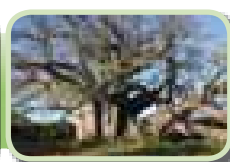
Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Meteorologists	1	1	–	–
Motor vehicle drivers	62	55	11,3	–
Motorised farm and forestry plant operators	110	102	7,3	–
Natural sciences related	4	1	75,0	–
Nature conservation and oceanographically related technicians	67	47	29,9	–
Other administrative and related clerks and organisers	449	389	13,4	3
Other administrative policy and related officers	153	134	12,4	3
Other information technology personnel	8	7	12,5	1
Photographic, lithographic and related workers	4	4	–	–
Printing and related machine operators	17	16	5,9	–
Printing planners and production controllers	1	–	100,0	–
Quantity surveyors and related professionals	3	3	–	–
Rank: Minister	1	1	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	251	228	9,2	–
Risk management and security services	7	6	14,3	–
Road trade workers	12	9	25,0	–
Safety, health and quality inspectors	47	39	17,0	–
Secretaries and other keyboard operating clerks	107	89	16,8	1
Security guards	374	359	4,0	1
Security officers	183	171	6,6	–
Senior managers	96	77	19,8	8
Social sciences related	1	1	–	–
Statisticians and related professionals	24	20	16,7	4
Trade labourers	452	415	8,2	1
Veterinarians	35	31	11,4	–
Veterinary assistants	5	5	–	–
Water, plant and related operators	19	17	10,5	–
Total	7 043*	6 247	11,3	101

* Number of posts, including the Minister and Deputy Minister

The information in each case reflects the situation as on 31 March 2011. For an indication of changes in staffing patterns over the period under review, please refer to Section 5 of this report.

4. JOB EVALUATION

The Public Service Regulations, 1999, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. 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. This was complemented by a decision of the Minister for the Public Service and Administration, that all SMS jobs must be evaluated before 31 December 2002.



The following table (Table 4.1) 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 4.1 Job evaluation, 1 April 2010 to 31 March 2011

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary band	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	1 667	71	4,3	20	28,2	–	–
Skilled (levels 3–5)	2 160	149	6,9	34	22,8	81	54,4
Highly skilled production (levels 6–8)	1 959	133	6,8	10	7,5	22	16,5
Highly skilled supervision (levels 9–12)	1 146	5	0,5	1	20,0	2	40,0
Senior Management Service Band A	77	–	–	–	–	–	–
Senior Management Service Band B	23	–	–	–	–	–	–
Senior Management Service Band C	8	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
Total	7 041*	358	5,1	65	18,2	105	29,3

* Number of posts, excluding the Minister and Deputy Minister

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

TABLE 4.2 Profile of employees whose positions were upgraded owing to their posts being upgraded, 1 April 2010 to 31 March 2011

Beneficiaries	African	Asian	Coloured	White	Total
Female	20	1	4	8	33
Male	27	–	7	2	36
Total	47	1	11	10	69

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

TABLE 4.3 Employees whose salary level exceeded the grade determined by the job evaluation, 1 April 2010 to 31 March 2011 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Appraisers, valuers and related professionals	1	11	12	Job evaluation
Household and laundry workers	1	2	3	Job evaluation and grade progression
Food services aids and waiters	12	2	3	Job evaluation and grade progression
Cleaners in offices, workshops, hospitals, etc.	19	2	3	Job evaluation and grade progression
Senior managers	2	13	14	Personal
Messengers, porters and deliverers	19	2	3	Job evaluation and grade progression
Printing and related machine operators	2	2	3	Job evaluation and grade progression
Human resources and organisational development	1	11	12	Retention
Human resources clerks	3	7	8	Grade progression
Human resources related	1	11	12	Job evaluation

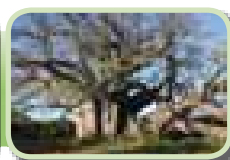
TABLE 4.3 Employees whose salary level exceeded the grade determined by the job evaluation, 1 April 2010 to 31 March 2011 (in terms of PSR 1.V.C.3) (cont.)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Library, mail and related clerks	4	4	5	Job evaluation
Financial clerks and credit controllers	1	7	8	Grade progression
Finance and economics related	1	11	12	Retention
Finance and economics related	1	9	10	Job evaluation
Other administrative and related clerks and organisers	6	5	6	Job evaluation
Other administrative and related clerks and organisers	2	7	8	Grade progression
Other administrative and related clerks and organisers	2	4	6	Job evaluation
Other administrative and related clerks and organisers	1	4	5	Job evaluation
Administrative related	2	9	10	Job evaluation
Administrative related	1	11	12	Job evaluation
Administrative related	1	10	12	Job evaluation
Building and other property caretakers	1	4	5	Grade progression
Building and other property caretakers	2	2	3	Job evaluation and grade progression
Other administrative policy and related officers	2	7	8	Job evaluation
Communication and information related	1	11	12	Job evaluation
Legal related	1	13	14	Personal
Agriculture related	1	11	13	Retention
Agriculture related	1	11	12	Retention
Agriculture related	1	11	12	Job evaluation
Farmhands and labourers	4	2	3	Job evaluation and grade progression
Auxiliary and related workers	7	5	6	Job evaluation
Economists	10	10	11	Job evaluation
Statisticians and related professionals	6	10	11	Job evaluation
Trade labourers	8	2	3	Job evaluation and grade progression
Total number of employees whose salaries exceeded the level determined by the job evaluation in 2010/11				128
Percentage of total employment				2,1

Table 4.4 is a summary of the number of beneficiaries indicated in Table 4.3 in terms of race, gender and disability.

TABLE 4.4 Profile of employees whose salary level exceeded the grade determined by the job evaluation, 1 April 2010 to 31 March 2011 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	49	1	5	18	73
Male	39	1	6	9	55
Total	88	2	11	26	128
Employees with a disability	–	–	–	–	–
Percentage of total employment	1,4	0,0	0,2	0,4	2,1



5. EMPLOYMENT CHANGES

This section provides information on changes in employment during 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 (Table 5.1), and by critical occupation (Table 5.2).

TABLE 5.1 Annual turnover rates by salary band for the period 1 April 2010 to 31 March 2011

Salary band	Number of employees per band as on 1 April 2010	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	1 584	32	107	6,8
Skilled (levels 3–5)	2 163	58	118	5,5
Highly skilled production (levels 6–8)	1 645	160	94	5,7
Highly skilled supervision (levels 9–12)	921	32	54	5,6
Senior Management Service Band A	63	3	1	4,8
Senior Management Service Band B	19	–	–	5,3
Senior Management Service Band C	6	1	1	16,7
Senior Management Service Band D	–	–	–	–
Total	6 401*	286	375	5,9

* Number of employees, excluding the Minister and Deputy Minister

TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2010 to 31 March 2011

Occupation	Number of employees per occupation as on 1 April 2010	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administrative related	145	4	4	2,8
Agricultural, animal, oceanography, forestry and other sciences	170	24	14	8,2
Agriculture related	311	5	17	5,5
Aircraft pilots and related associate professionals	1	–	–	–
All artisans in the building, metal, machinery trade, etc.	40	1	3	7,5
Appraisers, valuers and related professionals	16	3	–	–
Auxiliary and related workers	135	5	7	5,2
Biochemistry, pharmacology, zoology and life science technicians	42	–	2	4,8
Building and other property caretakers	62	–	6	9,7
Bus and heavy vehicle drivers	26	–	2	7,7
Chemists	1	1	–	–
Civil engineering technicians	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	105	22	23	21,9
Client information clerks	12	–	–	–
Communication and information related	10	–	2	20,0
Community development workers	3	–	1	33,3
Computer system designers and analysts	9	–	–	–
Economists	61	4	7	11,5
Engineering sciences related	2	–	1	50,0
Engineers and related professionals	4	–	–	–

TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2010 to 31 March 2011 (cont.)

Occupation	Number of employees per occupation as on 1 April 2010	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Farmhands and labourers	182	–	7	3,9
Farming, forestry advisors and farm managers	68	1	3	4,4
Finance and economics related	26	–	5	19,2
Financial and related professionals	25	–	2	8,0
Financial clerks and credit controllers	121	9	16	13,2
Food services aids and waiters	23	–	–	–
Forestry labourers	1 549	–	68	4,4
General legal administration and related professionals	3	–	–	–
Geologists, geophysicists, hydrologists and related professionals	1	–	–	–
Head of department/Chief Executive Officer	–	–	–	–
Health sciences related	5	–	–	–
Horticulturists, foresters, agricultural and forestry technicians	328	29	8	2,4
Household and laundry workers	16	–	–	–
Housekeepers, laundry and related workers	2	–	–	–
Human resources and organisational development and related professionals	34	2	3	8,8
Human resources clerks	87	12	11	12,6
Human resources related	11	2	1	9,1
Information technology related	1	–	–	–
Language practitioners, interpreters and other communicators	25	1	2	8,0
Legal related	4	–	1	25,0
Librarians and related professionals	3	–	–	–
Library, mail and related clerks	73	2	7	9,6
Light vehicle drivers	20	1	1	5,0
Logistical support personnel	42	3	3	7,1
Material-recording and transport clerks	99	7	8	8,1
Mechanical engineering technicians	5	–	–	–
Messengers, porters and deliverers	92	–	4	4,3
Motor vehicle drivers	54	–	4	7,4
Motorised farm and forestry plant operators	132	–	8	6,1
Natural sciences related	12	–	1	8,3
Nature conservation and oceanography related technicians	122	1	6	4,9
Other administrative and related clerks and organisers	402	37	23	5,7
Other administrative policy and related officers	126	2	6	4,8
Other information technology personnel	5	1	–	–
Photographic, lithographic and related workers	3	1	–	–

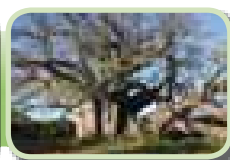


TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2010 to 31 March 2011 (cont.)

Occupation	Number of employees per occupation as on 1 April 2010	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Printing and related machine operators	15	–	1	6,7
Printing planners and production controllers	–	–	–	–
Quantity surveyors and related professionals	1	–	–	–
Rank: Minister	1	–	–	–
Rank: Deputy Minister	1	–	–	–
Regulatory inspectors	216	75	8	3,7
Risk management and security services	4	–	–	–
Road trade workers	10	–	2	20,0
Safety, health and quality inspectors	38	1	–	–
Secretaries and other keyboard operating clerks	99	8	5	5,1
Security guards	403	–	18	4,5
Security officers	165	–	12	7,3
Senior managers	73	4	2	4,1
Social sciences related	1	–	–	–
Statisticians and related professionals	21	–	1	4,8
Trade labourers	457	10	32	7,0
Veterinarians	24	2	2	8,3
Veterinary assistants	5	6	–	–
Water, plant and related operators	11	–	–	–
Total	6 403*	286	375	5,9

* Number of employees, including the Minister and Deputy Minister

Table 5.3 identifies the major reasons as to why staff members leave the department.

TABLE 5.3 Reasons why staff members leave the department

Termination type	Number	% of total
Death	70	18,6
Resignation	58	15,4
Discharged because of ill health	2	0,5
Dismissal: misconduct	8	2,1
Retirement	132	35,1
Transfers	75	20,0
Severance packages	–	–
Contract expiring	31	8,3
Head of department: contract expiring	–	–
Total	376	100,0

TABLE 5.4 Granting of employee-initiated severance package

No employee-initiated severance packages were granted.

TABLE 5.5 Promotions by critical occupation

Occupation	Employees as at 1 April 2010	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Administrative related	145	9	6,2	103	71,0
Agricultural, animal, oceanography, forestry and other sciences	170	14	8,2	107	62,9
Agriculture related	311	23	7,4	215	69,1
Aircraft pilots and related associate professionals	1	–	–	–	–
All artisans in the building, metal, machinery trade, etc.	40	–	–	34	85,0
Appraisers, valuers and related professionals	16	–	–	8	50,0
Auxiliary and related workers	135	4	3,0	84	62,2
Biochemistry, pharmacology, zoology and life science technicians	42	–	–	18	42,9
Building and other property caretakers	62	–	–	55	88,7
Bus and heavy vehicle drivers	26	–	–	20	76,9
Chemists	1	–	–	–	–
Civil engineering technicians	2	–	–	–	–
Cleaners in offices, workshops, hospitals, etc.	105	–	–	63	60,0
Client information clerks (switchboard, reception and information clerks)	12	–	–	10	83,3
Communication and information related	10	–	–	9	90,0
Community development workers	3	–	–	3	100,0
Computer system designers and analysts	9	–	–	7	77,8
Economists	61	1	1,6	33	54,1
Engineering sciences related	2	–	–	–	–
Engineers and related professionals	4	–	–	–	–
Farmhands and labourers	182	–	–	121	66,5
Farming, forestry advisors and farm managers	68	–	–	37	54,4
Finance and economics related	26	–	–	16	61,5
Financial and related professionals	25	1	4,0	8	32,0
Financial clerks and credit controllers	121	5	4,1	48	39,7
Food services aids and waiters	23	–	–	20	87,0
Forestry labourers	1 549	–	–	1 286	83,0
General, legal, administration and related professionals	3	–	–	1	33,3
Geologists, geophysicists, hydrologists and related professionals	1	–	–	1	100,0
Head of department/Chief Executive Officer	–	1	–	–	–
Health sciences related	5	–	–	2	40,0
Horticulturists, foresters, agricultural and forestry technicians	328	16	4,9	197	60,1
Household and laundry workers	16	–	–	8	50,0
Housekeepers, laundry and related workers	2	–	–	–	–

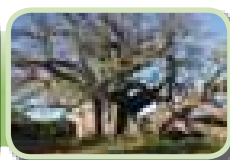


TABLE 5.5 Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2010	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Human resources, organisation development and related professionals	34	–	–	25	73,5
Human resources clerks	87	7	8,0	49	56,3
Human resources related	11	–	–	7	63,6
Information technology related	1	–	–	–	–
Language practitioners, interpreters and other communicators	25	–	–	13	52,0
Legal related	4	–	–	1	25,0
Librarians and related professionals	3	–	–	2	66,7
Library, mail and related clerks	73	–	–	36	49,3
Light vehicle drivers	20	–	–	10	50,0
Logistical support personnel	42	2	4,8	19	45,2
Material-recording and transport clerks	99	4	4,0	52	52,5
Mechanical engineers	5	–	–	1	20,0
Messengers, porters and deliverers	92	–	–	73	79,3
Motor vehicle drivers	54	–	–	31	57,4
Motorised farm and forestry plant operators	132	–	–	106	80,3
Natural sciences related	12	–	–	1	8,3
Nature conservation and oceanography related technicians	122	2	1,6	42	34,4
Other administrative and related clerks and organisers	402	8	2,0	264	65,7
Other administrative policy and related officers	126	11	8,7	50	39,7
Other information technology personnel	5	–	–	1	20,0
Photographic, lithographic and related workers	3	–	–	1	33,3
Printing and related machine operators	15	–	–	3	20,0
Quantity surveyors and related professionals	1	–	–	–	–
Rank: Minister and Deputy Minister	2	–	–	–	–
Regulatory inspectors	216	2	1,0	110	50,9
Risk management and security services	4	1	25,0	3	75,0
Road trade workers	10	–	–	9	90,0
Safety, health and quality inspectors	38	1	2,6	21	55,3
Secretaries and other keyboard operating clerks	99	4	4,0	68	68,7
Security guards	403	–	–	347	86,1
Security officers	165	1	0,6	126	76,4
Senior managers	73	2	2,7	8	11,0
Social sciences related	1	–	–	–	–
Statisticians and related professionals	21	–	–	7	33,3
Trade labourers	457	–	–	375	82,1

TABLE 5.5 Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2010	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Veterinarians	24	–	–	13	54,2
Veterinary assistants	5	–	–	2	40,0
Water, plant and related operators	11	–	–	9	81,8
Total	6 403*	118	1,8	4 399	68,7

* Number of employees, including the Minister and Deputy Minister

TABLE 5.6 Promotions by salary band

Salary band	Employees as at 1 April 2010	Promotions to another salary level	Salary band promotions as a % of employees by salary band	Progressions to another notch within salary level	Notch progressions as a % of employees by salary band
Lower skilled (levels 1–2)	1 584	–	–	1 244	78,5
Skilled (levels 3–5)	2 163	13	0,6	1 658	76,7
Highly skilled production (levels 6–8)	1 645	60	3,6	923	56,1
Highly skilled supervision (levels 9–12)	921	43	4,7	565	61,4
Senior Management (levels 13–16)	88	3	3,4	9	10,2
Total	6 401*	118	1,8	4 399	68,7

* Number of employees, excluding the Minister and Deputy Minister

6. EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act, 1998 (Act No. 55 of 1998).

TABLE 6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories, as on 31 March 2011

Occupational category (Sasco)**	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	32	6	–	5	19	2	–	5	69
Professionals	306	30	10	125	258	29	18	89	865
Technicians and associate professionals	498	112	15	116	358	43	6	59	1 207
Clerks	203	32	2	15	411	61	7	173	904
Service and sales workers	419	3	1	15	107	3	–	1	549
Craft and related trade workers	45	7	–	10	–	–	–	–	62
Plant, machine operators and assemblers	205	8	–	1	5	–	–	–	219
Elementary occupations	1 125	133	1	7	1 066	35	–	3	2 370
Total	2 833	331	29	294	2 224	173	31	330	6 245*
Employees with disabilities	3	3	–	4	3	1	–	9	23

* Number of employees, excluding the Minister and Deputy Minister

** South African Students Congress (Sasco)

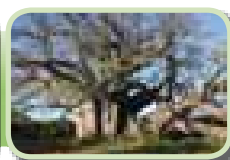


TABLE 6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands, as on 31 March 2011

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	4	–	–	–	2	–	–	–	6
Senior management	38	6	1	7	19	2	2	8	83
Professionally qualified and experienced specialists and middle management	381	31	13	146	248	29	13	90	951
Skilled technical and academically qualified workers, junior management, supervisors, foremen	559	109	13	113	638	65	15	169	1 681
Semi-skilled and discretionary decision-making	1 051	139	1	27	663	52	1	62	1 996
Unskilled and defined decision-making	800	46	1	1	654	25	–	1	1 528
Total	2 833	331	29	294	2 224	173	31	330	6 245*

* Number of employees, excluding the Minister and Deputy Minister

TABLE 6.3 Recruitment for the period 1 April 2010 to 31 March 2011

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	1	–	–	–	2	–	–	–	3
Professionally qualified and experienced specialists and middle management	9	1	1	2	12	1	2	4	32
Skilled technical and academically qualified workers, junior management, supervisors, foremen	68	19	–	7	52	9	1	4	160
Semi-skilled and discretionary decision-making	11	4	–	1	39	3	–	–	58
Unskilled and defined decision-making	23	–	–	–	9	–	–	–	32
Total	113	24	1	10	114	13	3	8	286

TABLE 6.4 Promotions for the period 1 April 2010 to 31 March 2011

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	2	–	–	–	–	–	–	–	2
Senior management	3	–	–	–	–	–	–	–	3
Professionally qualified and experienced specialists and middle management	20	1	–	1	15	4	–	2	43
Skilled technical and academically qualified workers, junior management, supervisors, foremen	20	5	–	1	30	4	–	–	60
Semi-skilled and discretionary decision-making	6	1	–	–	3	3	–	–	13
Unskilled and defined decision-making	–	–	–	–	–	–	–	–	–
Total	51	7	–	2	48	11	–	2	121

TABLE 6.5 Terminations for the period 1 April 2010 to 31 March 2011

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	1	–	–	–	–	1
Senior management	–	–	–	3	–	–	–	1	4
Professionally qualified and experienced specialists and middle management	18	1	–	11	12	2	–	8	52
Skilled technical and academically qualified workers, junior management, supervisors, foremen	33	4	–	5	30	2	3	17	94
Semi-skilled and discretionary decision-making	71	6	–	1	34	2	1	3	118
Unskilled and defined decision-making	55	5	–	–	46	1	–	–	107
Total	177	16	–	21	122	7	4	29	376

TABLE 6.6 Disciplinary action taken for the period 1 April 2010 to 31 March 2011

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	35	2	–	5	10	–	–	3	55

TABLE 6.7 Skills development for the period 1 April 2010 to 31 March 2011

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	30	1	–	5	22	2	–	12	72
Professionals	135	13	–	14	190	19	6	16	393
Technicians and associate professionals	105	10	9	17	117	11	34	14	317
Clerks	126	7	–	7	246	60	3	104	553
Service and sales workers	96	–	1	80	65	–	–	6	248
Craft and related trade workers	108	11	10	17	117	12	33	14	322
Plant, machine operators and assemblers	25	4	–	1	6	2	2	–	40
Elementary occupations	235	122	–	2	34	19	6	–	418
Total	860	168	20	143	797	125	84	166	2 363
Employees with disabilities	–	–	–	–	1	–	–	2	3

7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 7.1 Signing of performance agreements by SMS members, as on 30 September 2010

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as a % of the total number of SMS members per level
Director-General	1	1	–	–
Salary level 15	8	5	4	80,0
Salary level 14	23	18	16	88,9
Salary level 13	77	65	59**	90,8
Total	109*	89*	79	88,8

* Does not include SMS members additional to the staff establishment

** Three employees on level 13 posts: two out of adjustment and one on contract for six months

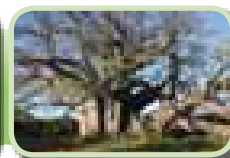


TABLE 7.2 Reasons for not having concluded performance agreements for all SMS members, as on 30 September 2010

Internal transfers of SMS members during this period had an impact on the conclusion of performance agreements.

TABLE 7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements, as on 30 September 2010

N/A

8. FILLING OF SMS POSTS

TABLE 8.1 Information on SMS posts, as on 31 March 2011

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General	1	1	100,0	–	–
Salary level 15	8	5	62,5	3	37,5
Salary level 14	23	18	78,3	5	21,7
Salary level 13	77	65**	84,4	12	15,6
Total	109*	89*	81,7	20	18,3

* Does not include SMS members additional to the staff establishment

** Three employees on level 13 posts: two out of adjustment and one on contract for six months

TABLE 8.2 Advertising and filling of SMS posts, as on 31 March 2011

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised within 6 months of becoming vacant	Number of vacancies per level filled within 6 months after becoming vacant	Number of vacancies per level not filled within 6 months, but filled within 12 months
Director-General	1	–	1
Salary level 15	1	–	2
Salary level 14	1	–	2
Salary level 13	2	2	5
Total	5	2	10

TABLE 8.3 Reasons for not having complied with the filling of funded vacant SMS posts: advertised within 6 months and filled within 12 months after becoming vacant

Reasons for vacancies not advertised within six months
Due to the restructuring of the organisational structure of the department, which came into effect on 1 April 2011, a moratorium had been placed on posts on the structure before 1 April 2011.
Reasons for vacancies not filled within 12 months
No suitable candidates could be obtained: posts were readvertised and in some cases headhunting took place.

TABLE 8.4 Disciplinary steps taken for not complying with the prescribed time-frames for filling SMS posts within 12 months

N/A

9. PERFORMANCE REWARDS

To encourage good performance, the department granted the performance rewards listed below during the period under review. The information is presented in terms of race, gender and disability (Table 9.1); salary band (Table 9.2); and critical occupation (Table 9.3).

TABLE 9.1 Performance rewards by race, gender and disability, 1 April 2010 to 31 March 2011

Race, gender and disability	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Total cost (R'000)	Average cost per employee
African, female	691	2 221	31,1	7 256	10 501
African, male	887	2 830	31,3	9 414	10 613
Asian, female	5	31	16,1	129	25 800
Asian, male	10	29	34,5	312	31 200
Coloured, female	56	172	32,6	804	14 357
Coloured, male	70	328	21,3	773	11 043
White, female	206	285	72,3	4 407	21 393
White, male	128	326	39,3	3 431	26 805
Employees with disabilities	8	23	34,8	150	18 750
Total	2 061	6 245*	33,0	26 674	12 942

* Number of employees, excluding the Minister and Deputy Minister

TABLE 9.2 Performance rewards by salary band for staff members below SMS levels, 1 April 2010 to 31 March 2011

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1–2)	376	1 528	24,6	1 796	4 777	1,1
Skilled (levels 3–5)	706	1 996	35,4	4 476	6 340	2,2
Highly skilled production (levels 6–8)	576	1 681	34,3	9 389	16 300	2,4
Highly skilled supervision (levels 9–12)	403	951	42,4	11 013	27 328	3,4
Total	2 061	6 156	33,5	26 674	12 942	2,4

TABLE 9.3 Performance rewards by critical occupation, 1 April 2010 to 31 March 2011

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administrative related	69	138	50,0	1 773	25 696
Agricultural, animal, oceanography, forestry and other sciences	77	255	30,2	1 532	19 896
Agriculture related	144	352	40,9	3 469	24 090
Aircraft pilot and related associate professionals	1	1	100,0	31	31 000

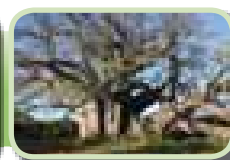


TABLE 9.3 Performance rewards by critical occupation, 1 April 2010 to 31 March 2011 (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
All artisans in the building, metal, machinery trade, etc.	17	38	44,7	205	12 059
Appraisers, valuers and related professionals	8	18	44,4	183	22 875
Auxiliary and related workers	57	135	42,2	581	10 193
Biochemistry, pharmacology, zoology and life science technicians	23	39	59,0	550	23 913
Building and other property caretakers	26	107	24,3	138	5 308
Bus and heavy vehicle drivers	12	21	57,1	71	5 917
Chemists	–	3	–	–	–
Civil engineering technicians	–	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	54	79	68,4	377	6 982
Client information clerks (switchboard, reception and information clerks)	3	11	27,3	36	12 000
Communication and information related	7	8	87,5	252	36 000
Computer system designers and analysts	6	8	75,0	251	41 833
Economists	29	60	48,3	693	23 897
Engineers and related professionals	4	4	100,0	163	40 750
Farmhands and labourers	48	190	25,3	295	6 146
Farming, forestry advisors and farm managers	36	77	46,8	427	11 861
Finance and economics related	15	28	53,6	593	39 533
Financial and related professionals	12	223	5,4	209	17 417
Financial clerks and credit controllers	40	125	32,0	463	11 575
Food services aids and waiters	15	24	62,5	92	6 133
Forestry labourers	368	1 443	25,5	1 562	4 245
General legal administration and related professionals	–	1	–	–	–
Geologists, geophysicists, hydrologists and related	1	1	100,0	10	10 000
Head of department/Chief Executive Officer	–	1	–	–	–
Health sciences related	2	5	40,0	37	18 500
Horticulturists, foresters, agricultural and forestry technicians	66	321	21,0	1 052	15 939
Household and laundry workers	3	16	18,8	22	7 333
Human resources and organisational development and related professionals	13	34	38,2	301	23 154
Human resources clerks	35	98	35,7	496	14 171
Human resources related	8	15	53,3	345	43 125
Information technology related	–	1	–	–	–
Language practitioners, interpreters and other communicators	10	24	41,7	171	17 100
Legal related	2	5	40,0	60	30 000
Librarians and related professionals	1	4	25,0	13	13 000
Library, mail and related clerks	39	63	61,9	471	12 077
Light vehicle drivers	3	18	16,7	18	6 000
Logistical support personnel	7	28	25,0	115	16 429
Material-recording and transport clerks	24	109	22,0	227	9 458
Mechanical engineering technicians	1	3	33,3	13	13 000
Messengers, porters and deliverers	45	83	54,2	296	6 578
Meteorologists	–	1	–	–	–
Motor vehicle drivers	14	55	25,5	92	6 571
Motorised farm and forestry plant operators	42	102	41,2	207	4 929
Natural science related	1	1	100,0	34	34 000

TABLE 9.3 Performance rewards by critical occupation, 1 April 2010 to 31 March 2011 (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Nature conservation and oceanography related technicians	14	47	29,8	261	18 643
Other administrative and related clerks and organisers	198	389	50,9	2 175	10 985
Other administrative policy and related officers	41	134	30,6	856	20 878
Other information technology personnel	2	7	28,6	73	36 500
Photographic, lithographic and related	–	4	–	–	–
Printing and related machine operators	7	16	43,8	48	6 857
Printing planners and production controllers	–	–	–	–	–
Quantity surveyors and related professionals	–	3	–	–	–
Regulatory inspectors	10	228	4,4	172	17 200
Risk management and security services	4	6	66,7	177	44 250
Road trade workers	–	9	–	–	–
Safety, health and quality inspectors	34	39	87,2	847	24 912
Secretaries and other keyboard operating clerks	53	89	59,6	997	18 811
Security guards	98	359	27,3	457	4 663
Security officers	51	171	29,8	341	6 686
Senior managers	–	77	–	–	–
Social sciences related	–	1	–	–	–
Statisticians and related professionals	20	20	100,0	698	34 900
Trade labourers	112	415	27,0	640	5 714
Veterinarians	23	31	74,2	909	39 522
Veterinary assistants	3	5	60,0	83	27 667
Water, plant and related operators	3	17	17,6	14	4 667
Total	2 061	6 245*	33,0	26 674	12 942

* Number of employees, excluding the Minister and Deputy Minister

TABLE 9.4 Performance related rewards (cash bonus) by salary band for SMS

No performance rewards (cash bonuses) were paid to SMS members during the financial year 2010/2011. Assessments were only done in March 2010. Payments will be done in the next financial year.

10. FOREIGN WORKERS

The following tables summarise the employment of foreign nationals in the department, by salary band and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and in each major occupation.

TABLE 10.1 Foreign workers: 1 April 2010 to 31 March 2011, by salary band

Salary band	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	–	–	–	–	–	–
Skilled (levels 3–5)	–	–	1	11,1	1	12,5
Highly skilled production (levels 6–8)	–	–	–	–	–	–
Highly skilled supervision (levels 9–12)	–	–	7	77,8	7	87,5
Senior management (levels 13–16)	1	100,0	1	11,1	–	–
Total	1	100,0	9	100,0	8	100,0

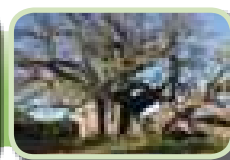


TABLE 10.2 Foreign workers, 1 April 2010 to 31 March 2011, by major occupation

Major occupation	1 April 2010		31 March 2011		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals and managers	1	100,0	2	22,2	1	12,5
Administrative related	–	–	2	22,2	2	25,0
Agricultural, animal, oceanography, forestry and other sciences	–	–	4	44,5	4	50,0
Other administrative and related clerks and organisers	–	–	1	11,1	1	12,5
Total	1	100,0	9	100,0	8	100,0

11. LEAVE UTILISED FOR THE PERIOD 1 JANUARY 2010 TO 31 DECEMBER 2010

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 (Table 11.1), and disability leave (Table 11.2). In both cases, the estimated cost of the leave is also provided.

TABLE 11.1 Sick leave, 1 January 2010 to 31 December 2010

Salary band	Total days	% days with medical certification	Number of employees using sick leave	Number of employees per band	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	7 196	96,4	687	1 528	45,0	11	1 657
Skilled (levels 3–5)	11 880	92,5	1 249	1 996	62,6	10	3 299
Highly skilled production (levels 6–8)	11 022	78,6	1 328	1 681	79,0	8	6 024
Highly skilled supervision (levels 9–12)	4 854	77,9	662	951	69,6	7	4 673
Senior management (levels 13–16)	557	66,7	79	89	88,8	7	934
Total	35 509	86,6	4 005	6 245*	64,1	9	16 587

* Number of employees, excluding the Minister and Deputy Minister

TABLE 11.2 Disability leave (temporary and permanent), 1 January 2010 to 31 December 2010

Salary band	Total days taken	% days with medical certification	Number of employees using disability leave	Number of employees per band	% of total employees using disability leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	235	100,0	8	1 528	0,5	29	53
Skilled (levels 3–5)	157	100,0	14	1 996	0,7	11	48
Highly skilled production (levels 6–8)	83	100,0	4	1 681	0,2	21	38
Highly skilled supervision (levels 9–12)	70	100,0	3	951	0,3	23	90
Senior management (levels 13–16)	60	100,0	3	89	3,4	20	98
Total	605	100,0	32	6 245*	0,5	19	327

* Number of employees, excluding the Minister and Deputy Minister

Table 11.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2000, requires the management of annual leave in order to prevent paying out high levels of accrued leave at the time of termination of service.

TABLE 11.3 Annual leave, 1 January 2010 to 31 December 2010

Salary band	Total days taken	Average per employee
Lower skilled (levels 1–2)	28 264	21
Skilled (levels 3–5)	47 073	22
Highly skilled production (levels 6–8)	35 004	21
Highly skilled supervision (levels 9–12)	19 775	21
Senior management (levels 13–16)	2 744	22
Total	132 860	21

TABLE 11.4 Capped leave, 1 January 2010 to 31 December 2011

Salary band	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2010	Number of employees who took capped leave
Lower skilled (levels 1–2)	862	7	58	126
Skilled (levels 3–5)	974	7	91	144
Highly skilled production (levels 6–8)	251	4	64	58
Highly skilled supervision (levels 9–12)	207	6	71	35
Senior management (levels 13–16)	41	8	55	5
Total	2 335	6	74	368

TABLE 11.5 Leave payouts for the period 1 April 2010 to 31 March 2011

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

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Leave payout for 2010/11 due to non-utilisation of leave for the previous cycle	140	8	17 500
Capped leave payout on termination of service for 2010/11	1 622	300	5 407
Current leave payout on termination of service for 2010/11	406	56	7 250
Total	2 168	364	5 956

12. HIV AND AIDS AND HEALTH PROMOTION PROGRAMMES

TABLE 12.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Abattoir workers Agricultural machine users (farm workers, engineering services) Migrant workers (border posts and fence, quarantine stations and camps) projects (D: AES; D: WUID) Shift workers General workers (when coming into contact with body fluids) First-aiders Truck drivers (D: AES) Business travellers Plantations (Forestry Branch)	• Preventative strategies through awareness campaigns; HIV counselling and testing; and health education • Treatment through referrals • Care and support through home visits • Employee Assistance Programme • Provision of protective clothing and equipment

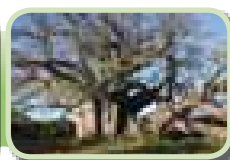


TABLE 12.2 Details of health promotion and HIV/AIDS programmes

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 Maria Sekgobela, Acting Director: Employee Development
2. Does the department have a designated unit or have you designated specific staff members to promote the health and wellbeing of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		Employee Health and Wellness Unit Ten employees Total Budget: R3,3 million
3. Has the department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of the programme.	√		Employee Assistance Programme • Stress management • Substance abuse information • Life skills orientation • Trauma management • Financial management • Counselling • Facilitation of antiretroviral treatment by a local clinic • Facilitation of family support • Faceless Health Promotion and HIV and AIDS • Lifestyle disease management • Disease management • HIV counselling and testing • Awareness campaigns • Health-related workshops • Weight management • Nutrition counselling • Intranet messages Policy and Procedure on Incapacity Leave and Ill-health Retirement • Liaison between DAFF and the Health Risk Manager • Assist employees regarding the correct completion of relevant documents • Training in person and during awareness campaigns
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.	√		Names of members of the Committee(s) and stakeholder(s) represented: Fillis M—D: GADI Booyesen R—D: GADI Brown K—D: GADI Nato J—D: GADI Ngwenani TP—D: GADI Van Staden M—D: GADI Wenaar A—D: GADI White A—D: GADI Mokale Q—D: SCM Mabe N—D: ES Molefe A—D: HRM Sema G—D: ETES Molako RN—D: GR Dube S—D: PP Kamanyane H—D: PP Mthimunya IH—D: GR Lifhiedi M—D: GR Mtshali S—D: ED Lukhele T—D: ED Africa S—D: HRM Arries P—D: FSQA

TABLE 12.2 Details of health promotion and HIV/AIDS programmes (cont.)

Questions	Yes	No	Details, if yes
			Van Wyk R—D: FSQA Langa L—D: AS Matlou L—D: AS Adonis J—D: GR Sadie J—D: GR Kungwane D—D: APIS Beckford S—D: AES Mitchell T—D: WUID Nkoana M—D: Sea Ports, Cape Town Fortune L—D: Sea Ports, Cape Town Ahmed H—D: PH Jacobs D—D: PH Chauhan R—D: PH Thomas G—D: PH Jam Jam M—D: APIS Tsako G—D: APIS Ludick J—D: PH Williams W—D: PH Isaacs M—D: PH Thomas J—D: PH Fernandez J—D: PH Marais B—D: PH Ntimane J—D: SS Bester M—D: SS Willemse F—D: FA Williams E—D: FA Adams O—D: SCM Oosterndorp C—D: SCM Martin D—D: ED Govender M—D: APIS Kearns E—D: APIS Makola F—D: APIS Shibambu R—D: APIS Fortune L—D: APIS Nkoana M—D: APIS Mandla M—D: APIS Andrews TC—D: APIS Cilliers JB—D: APIS Vakalisa T—D: APIS Mostert EJ—D: APIS Mphego A—D: APIS Khoza NS—D: APIS Phakedi KC—D: APIS Jacobs VK—D: APIS Luvhimbi NB—D: APIS Goilwang NE—D: APIS Moatshe RTJ—D: APIS Mvunelo T—D: APIS Mbongwe SR—D: APIS Ramashala MG—D: APIS
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		HIV and AIDS Policy, Occupational Health and Safety Policy, Employee Assistance Programme, Sexual Harassment Policy

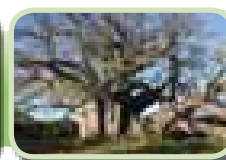


TABLE 12.2 Details of health promotion and HIV/AIDS programmes (cont.)

Questions	Yes	No	Details, if yes
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.	√		HIV and AIDS Policy Employment Equity Act, 1998 (Act No. 55 of 1998) Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		Accredited by the Department of Health in October 2005, improvement in participation The programme runs monthly Increased utilisation of HIV counselling and testing
8. Has the department developed measures/indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		Employee Development Conduct Impact Analysis Bi-annually in order to understand, evaluate and monitor the evolving epidemic and how it will impact in relation to the structure, operations, functions of, and knowledge and skills in the department

13. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the department.

TABLE 13.1 Collective agreements, 1 April 2010 to 31 March 2011

Subject matter	Date
No policies were adopted during the afore-mentioned period.	31 March 2011

The following table summarises the outcome of disciplinary hearings conducted within the department during the period under review.

TABLE 13.2 Misconduct and disciplinary hearings finalised, 1 April 2010 to 31 March 2011

Outcomes of disciplinary hearings	Number	% of total
Final written warning	6	22,2
Suspended without pay	7	26,0
Dismissal	9	33,3
Not guilty	1	3,7
Case withdrawn	4	14,8
Total	27	100,0

TABLE 13.3 Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	% of total
Misuse of government vehicles	4	14,3
Abscondment	9	32,1
Theft	3	10,7
Absent without authorisation	7	25,0
Alcohol abuse	1	3,6
Assault	4	14,3
Prejudicing the administration of the department	–	–
Performing remunerative employment without prior permission	–	–
Total	28	100,0

TABLE 13.4 Grievances lodged for the period 1 April 2010 to 31 March 2011

Number of grievances addressed	Number	% of total
Number of grievances resolved	28	62,2
Number of grievances not resolved*	17	37,8
Total number of grievances lodged	45	100,0

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

TABLE 13.5 Disputes lodged with councils for the period 1 April 2010 to 31 March 2011

Number of disputes addressed	Number	% of total
Number of disputes upheld	–	–
Number of disputes dismissed	–	–
Still pending	13	100,0
Total number of disputes lodged	13	100,0

TABLE 13.6 Strike actions for the period 1 April 2010 to 31 March 2011

Strike actions	Total
Total number of person working days lost	338
Total cost (R'000) of working days lost	204
Amount (R'000) recovered as a result of no work no pay	204

TABLE 13.7 Precautionary suspensions for the period 1 April 2010 to 31 March 2011

Precautionary suspensions	Total
Number of people suspended	3
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	80
Cost (R'000) of suspensions	125

14. SKILLS DEVELOPMENT

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

TABLE 14.1 Training needs identified for the period 1 April 2010 to 31 March 2011

Occupational category	Gender	Number of employees as at 1 April 2010	Training needs identified at start of period under review			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	–	36	–	36
	Male	41	–	36	–	36
Professionals	Female	394	–	231	–	231
	Male	382	–	162	–	162
Technicians and associate professionals	Female	466	–	176	–	176
	Male	610	–	141	–	141
Clerks	Female	652	–	413	–	413
	Male	291	–	140	–	140
Service and sales workers	Female	111	1	70	–	71
	Male	678	2	175	–	177
Craft and related trades workers	Female	–	–	176	–	176
	Male	63	5	141	–	146
Plant and machine operators and assemblers	Female	5	5	5	–	10
	Male	229	13	17	–	30
Elementary occupations	Female	1 104	1	58	–	59
	Male	1 349	–	251	108	359
Gender subtotals	Female	2 758	7	1 165	–	1 172
	Male	3 643	20	1 063	108	1 191
Total		6 401*	27	2 228	108	2 363

* Number of employees, excluding the Minister and Deputy Minister

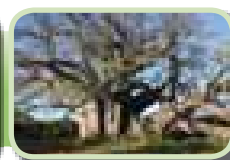


TABLE 14.2 Training provided for the period 1 April 2010 to 31 March 2011

Occupational category	Gender	Number of employees as at 1 April 2010	Training provided within the period under review				
			Learnerships	Skills programmes and other short courses	Other forms of training		Total
					Bursaries	ABET	
Legislators, senior officials and managers	Female	26	–	13	3	–	16
	Male	41	–	26	8	–	34
Professionals	Female	394	–	197	64	–	261
	Male	382	–	179	48	–	227
Technicians and associate professionals	Female	466	–	63	15	–	78
	Male	610	–	75	17	–	92
Clerks	Female	652	–	215	41	–	256
	Male	291	–	104	11	–	115
Service and sales workers	Female	111	1	14	–	–	15
	Male	678	2	44	9	–	55
Craft and related trades workers	Female	–	–	62	–	–	62
	Male	63	5	75	–	18	98
Plant and machine operators and assemblers	Female	5	5	2	–	–	7
	Male	229	13	11	–	–	24
Elementary occupations	Female	1 104	1	22	4	–	27
	Male	1 349	–	44	5	10	59
Gender subtotals	Female	2 758	7	588	127	–	722
	Male	3 643	20	558	98	28	704
Total		6 401*	27	1 146	225	28	1 426

* Number of employees, excluding the Minister and Deputy Minister

15. INJURIES ON DUTY

The following tables provide basic information on injuries on duty.

TABLE 15.1 Injuries on duty for the period 1 April 2010 to 31 March 2011

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

16. UTILISATION OF CONSULTANTS

TABLE 16.1 Report on consultant appointments, using appropriated funds

Project title	Total number of consultants who worked on the project	Duration: Working days	Contract value in Rand
1. Large pelagic rights allocation process (Fisheries Branch)	1	60	564 437,94
2. KwaZulu-Natal subsistence fisheries management programme (Fisheries Branch)	1	365	1 198 088,60
3. Catch monitoring programme (Fisheries Branch)	1	365	1 116 400,00
4. Training of farmers (D: M)	1	30	31 600,80
5. Training of farmers (Project 2) (D: M)	1	30	68 400,00
6. Nufarmer (advertising of export permits) (D: M)	1	30	9 804,00
Total number of projects	Total number of individual consultants	Total duration: Working days	Total contract value in Rand
6	6	880	2 988 731,34

TABLE 16.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)

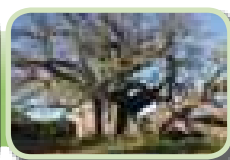
Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups who worked on the project
1. Large pelagic rights allocation process (Fisheries Branch)	–	–	1
2. KwaZulu-Natal subsistence fisheries management programme (Fisheries Branch)	–	–	1
3. Catch monitoring programme (Fisheries Branch)	–	–	1
4. Training of farmers (D: M)	–	–	1
5. Training of farmers (Project 2) (D: M)	–	–	1
6. Nufarmer (advertising of export permits) (D: M)	–	–	1

TABLE 16.3 Report on consultant appointments, using donor funds

Project title	Total number of consultants who worked on the project	Duration: Working days	Donor and contract value in Rand
1. EnAct International (Fisheries Branch)	1	365	158 960,68
2. Equillore dispute settlements (Fisheries Branch)	1	365	284 722,00
Total number of projects	Total number of individual consultants	Total duration: Working days	Total contract value in Rand
2	2	730	443 682,68

TABLE 16.4 Analysis of consultant appointments in terms of historically disadvantaged individuals (HDIs), using donor funds

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that worked on the project
1. EnAct International (Fisheries Branch)	–	–	1
2. Equillore dispute settlements (Fisheries Branch)	–	–	1





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