



Annual report 2011/12



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA



DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

Annual report

2011/12

2012

Published by
Department of Agriculture, Forestry and Fisheries

Design and layout by
Directorate Communication Services

Obtainable from
Resource Centre
Directorate Knowledge and Information Management
Private Bag X388
Pretoria
0001

Printed in the Republic of South Africa by
UVO Communication, Design and Print
Hatfield, Pretoria

ISBN 978-0-621-41118-8
RP234/2012





agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Ms Tina Joemat-Pettersson

Minister of Agriculture, Forestry and Fisheries

ANNUAL REPORT: 2011/12

I have the honour of submitting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2011 to 31 March 2012.

A handwritten signature in black ink, appearing to be 'S. Ntombela'.

Mr Sipho Ntombela

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



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Acronyms

A

ABET	Adult Basic Education and Training
AIDS	acquired immune deficiency syndrome
AgriBEE	Agricultural Black Economic Empowerment
AgriSETA	Agricultural Sector Education and Training Authority
AMESD	African Monitoring of Environment for Sustainable Development
ARC	Agricultural Research Council
ASRDC/STC	Joint Agriculture and Sustainable Rural Development and Science and Technology Committee (DEXCO subcommittee)
ATI	agricultural training institution

B

BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BRA	behavioural risk audit
BRICS	Brazil, Russia, India, China and South Africa
BRM	behavioural risk management
BRS	business requirement specifications

C

CASP	Comprehensive Agricultural Support Programme
CD	Chief Director
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFOR	Centre for International Forestry Research
COMESA	Common Market for Eastern and Southern Africa
COMPAS	Computerised Plantation Analysis System
COP	Conference of Parties
CPD	Corporation for Public Deposits
CRDP	Comprehensive Rural Development Programme

D

DAFF	Department of Agriculture, Forestry and Fisheries
DBSA	Development Bank of Southern Africa
DDG	Deputy Director-General
DEXCO	Departmental Executive Committee
DG	Director-General
DoJCD	Department of Justice and Constitutional Development
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
DPW	Department of Public Works
dti	Department of Trade and Industry

E

EAC	East African Cooperation
EAF	ecosystems approach to fisheries
EAP	Employee Assistance Programme
EDD	Economic Development Department

EDTM	Economic Development, Trade and Marketing
ENE	Estimates of National Expenditure
EPMDS	Employee Performance Management and Development System
ERA	ecological risk assessment
EU	European Union

F

FAO	Food and Agriculture Organization
FARM	Framework for Aquaculture Research Management
FIETA	Forest Industries Education and Training Authority
FIFO	first-in-first-out
FMD	foot-and-mouth disease
FMP	Fishery Management Plan
FoodBev SETA	Food Beverage Sector and Training Authority
FPA	Fire Protection Association
FPE	fish processing establishment
FTE	full-time equivalent
FSCC	Forest Sector Carter Council

G

GAAP	Generally Accepted Accounting Practice
GADI	Grootfontein Agricultural Development Institute
GCIS	Government Communication and Information System
GDP	gross domestic product
GGP	gross geographic product
GMO	genetically modified organism
GOPC	Governance and Operational Policy Committee

H

HIV	human immunodeficiency virus
HCT	HIV Counselling and Testing
HOA	home owner's allowance
HoD	Head of Department
HR	human resources
HRD	Human Resources Development
HRM	Human Resources Management

I

IBSA	India, Brazil and South Africa
ICT	information and communication technology
IEC	information, education and communication
IFSNTT	Integrated Food Security and Nutrition Task Team
IFSS	Integrated Fisheries Security Strategy
IGDP	Integrated Growth and Development Plan
IPAP	Industrial Policy Action Plan
IT	information technology
ITCAFF	Intergovernmental Technical Committee for Agriculture, Forestry and Fisheries

K

KIM	Knowledge and Information Management
KZN	KwaZulu-Natal

L

Logis	Logistical Information System
-------	-------------------------------

M

Mafisa	Micro-agricultural Financial Institutions of South Africa
MAST	Marine Administration System
M&E	Monitoring and Evaluation
MTEF	Medium Term Expenditure Framework
MLRA	Marine Living Resources Act
MLRF	Marine Living Resources Fund
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTSF	Medium Term Strategic Framework
MSP	Master Systems Plan
MTO	Mountain to Ocean

N

NAC	National Agro-meteorological Committee
NAMC	National Agricultural Marketing Council
NASF	National Aquaculture Strategic Framework
Nedlac	National Economic Development and Labour Council
NFA	National Forests Act
NGP	New Growth Path
NPoA	National Plan of Action
NRF	National Revenue Fund
NSFAS	National Student Financial Aid Scheme
NWGA	National Wool Growers' Association

O

OBP	Onderstepoort Biological Products
ODC	Organisation Development Committee
OIE	International Office of Epizootics
OMP	operational management procedure
OSD	Occupational Specific Dispensation

P

PDA	Provincial Department of Agriculture
PCI&S	principle, criteria, indicators and standards
PDI	previously disadvantaged individual
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PPECB	Perishable Products Export Control Board
PSR	Public Service Regulations

Q

Q1/Q2/Q3/Q4	Quarter 1/2/3/4
QRM	Quarterly Review Meeting

R

RAMP	Repairs and Maintenance Project
RDP	Reconstruction and Development Programme
REDD+	Reduction in Emissions, Deforestation and Degradation

S

SADC	Southern African Development Community
SABS	South African Bureau of Standards
SACU	Southern African Customs Union
SAFCOL	South African Forestry Company Limited
SAMTRAC	Safety, Health and Environment Management Training Course
SANParks	South African National Parks
SAPS	South African Police Service
Sasco	South African Students Congress
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SETA	Sector Education and Training Authority
SG	strategic goal
SITA	State Information Technology Agency
SLA	service level agreement
SMME	small, medium and micro enterprises
SMS	Senior Management Service
SO	strategic objective
SOE	state-owned entity
SPS	sanitary and phytosanitary
SWG	Scientific Working Group

T

TAC	total allowable catch
TAE	total allowable estimate
TFR	Transnet Freight Rail
ToR	Terms of Reference

U

UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
USA	United States of America

V

VCT	Voluntary Counselling and Testing
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W

WC	Western Cape
WCRL	West Coast rock lobster
WEF	World Economic Forum
WFFP	Working for Fisheries Programme
WFP	World Food Programme
WSP	Work Skills Programme
WTO	World Trade Organization
WWF	World Wildlife Fund

Directorates of the department

D: AAEMER	Directorate: Americas, Australasia, Europe and Middle East Relations
D:AIC	Directorate: Agriculture Inputs Control
D:AP	Directorate: Animal Production
D:APS	Directorate: Agro-processing Support
D:BR	Directorate: Budgets and Reporting
D:CF	Directorate: Commercial Forestry
D:ER	Directorate: Employee Relations
D:FacM	Directorate: Facilities Management
D:FIES	Directorate: Food Import and Export Standards
D:FMEC	Directorate: Forestry Management (Eastern Cape)
D:FMKZN	Directorate: Forestry Management (KwaZulu-Natal)



D:FMMpuLim	Directorate: Forestry Management (Mpumalanga and Limpopo)	D:PSPM	Directorate: Provincial and SOEs Performance Monitoring
D:FSQA	Directorate: Food Safety and Quality Assurance	D:SF	Directorate: Subsistence Farming
D:GADI	Grootfontein Agricultural Development Institute	D:SSFor	Directorate: Small-scale Forestry
D:GR	Directorate: Genetic Resources	D:SP	Directorate: Strategic Planning
D:InSS	Directorate: Infrastructure Support	D:SHD	Directorate: Smallholder Development
D:IS	Directorate: Inspection Services	D:SS	Directorate: Security Services
D:ITR	Directorate: International Trade	D:SSFor	Directorate: Small-scale Forestry
D:LUSM	Directorate: Land Use and Soil Management	D:STGM	Directorate: Sector Transformation and Gender Mainstreaming
D:M	Directorate: Marketing	D: VS	Directorate: Veterinary Services
D:PH	Directorate: Plant Health	D:WUID	Directorate: Water Use and Irrigation Development
D:PRS	Directorate: Policy Research Support		





Foreword by the Minister

Ms Tina Joemat-Pettersson

In presenting the 2011/12 Annual report of the Department of Agriculture, Forestry and Fisheries (DAFF) it is important to highlight that our main focus during this period was on alleviating poverty, creating employment and improving food security. Added to this, we focused on the conservation and sustainable use of our natural resources in the agricultural, forestry and fisheries sectors in terms of the key outcomes of government.

During his State of the Nation Address on 9 February 2012, President Jacob Zuma emphasised that despite the progress made in the country, more should be done to grow the country's economy, to address the triple challenge of unemployment, poverty and inequality. In this regard, our aim has been to address food insecurity and inequality by means of increased productivity, to stimulate rural and economic growth and ultimately, job creation.

FOOD SECURITY

Food security and food safety are key priority areas for the department against the background of an increasing population, high price volatility in agricultural commodity markets, macroeconomic issues and climate-induced natural disasters. Devastating floods, droughts, cold spells and heat waves had a severe impact on our agricultural production systems during the last couple of years.

Empowering people to grow their own food for subsistence or income generation will provide nourishment and potential income to many in the country. The Zero Hunger Strategy has been developed to boost productivity and sustainability among smallholder producers and improve the lives of communities in terms of access to food and provide markets for products.

CLIMATE CHANGE

Climate change does not only threaten agricultural production and food security, but also our plantation resources. Specifically deforestation and the decrease in wild fish stock because of changes in sea temperature levels. Adaptation plans are being developed to adjust production systems to address climate change, which will ultimately increase productivity and maintain yields sustainably.

Animal disease outbreaks such as avian influenza, foot-and-mouth disease (FMD), Rift Valley fever, Newcastle disease, African horse sickness and African swine fever have also increased and had a negative impact on animal production and the export of animals and animal products, but more importantly, affected the livelihoods of some communities. Control and eradication measures have been implemented and negotiations about resuming meat exports are ongoing. Managing the outbreak of diseases effectively remains a challenge for the department.



At the 17th Conference of the Parties (COP17) to the United Nations Convention on Climate Change, held in Durban in December 2011, three proposals for inclusion in the final text were made by South Africa, which related to adaptation issues, mitigation actions in the sector and a programme of work under the Reduction in Emissions, Deforestation and Degradation (REDD+), which considers agriculture as one of the key drivers of deforestation. Although a decision on agriculture was deferred to COP18 (scheduled for Qatar in 2012), agriculture has, for the first time, been put on the agenda of a COP summit.

JOB CREATION

Unemployment has been a serious concern and escalated over the past years mainly because of the global economic recession and lack of investment in rural infrastructure. However, investment in the food-processing and agro-industries contributed towards the creation of 25 000 jobs in the third quarter and another 6 000 in the fourth quarter of 2011/12. Through the New Growth Path (NGP) and the Industrial Policy Action Plan 2 (IPAP2), our focus is on the promotion of agro-processing and manufacturing in the forestry and fisheries sectors.

Increasing the number of smallholder producers will further contribute to alleviating poverty, creating jobs and opening up access to formal retail markets. Government support programmes to develop smallholder producers to become commercially viable will further stimulate and rejuvenate the rural economy and promote job creation.

SUSTAINABLE USE OF NATURAL RESOURCES

The agriculture, forestry and fisheries sectors are potential growth sectors in the South African economy with the ability to contribute towards sustainable rural development and management of our natural resources. This includes the management of limited land resources, expansion of the forest estate and conservation of fisheries resources. The development of aquaculture production is regarded as a viable solution to increase the production of fish, thereby decreasing the pressure on natural fish resources. Rehabilitation programmes to rebuild depleted fish stocks will further contribute towards job creation and sustainable livelihoods.

INTERNATIONAL RELATIONS

The department is committed to participate in a meaningful way as member of the Brazil, Russia, India, China and South Africa (BRICS) group of countries. As part of the BRICS' Action Plan for 2012–2016, South Africa will coordinate the group's effort to reduce the harmful effects of climate change on food security. This will include adapting agricultural practices to climate change.

We have strong and mutually dependent economic links with countries in the Southern African region through the Southern African Development Community (SADC) and Southern African Customs Union (SACU). We will continue to expand our trade relations with other countries on the African continent and other countries in the world through bilateral cooperation agreements.

On the international front, South Africa has reaffirmed the Doha Development Mandate, which is as relevant today as it was ten years ago. Our fundamental priority remains to redress the imbalances and inequities that continue to be a disadvantage to developing countries. Agriculture remains at the centre of the multilateral trade negotiations of the Doha Round (of the World Trade Organization) and will determine the desired outcome.

CONCLUSION

I wish to thank my Deputy Minister, Dr Pieter Mulder, for his contribution and support towards the agriculture, forestry and fisheries sectors. Secondly, I would like to express my gratitude to the chairpersons and members of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries in the National Assembly and the National Council of Provinces for their leadership. Thirdly, I wish to extend my appreciation to the agricultural industry, organised agriculture and our agribusiness partners for their commitment towards the sector. Finally, a word of thanks is due to the department, provincial departments and state-owned entities for their support and spirit of cooperation. By working together, we will strive towards realising our vision of creating a better life for all South Africans!



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





Statement by the Deputy Minister

Dr Pieter Mulder

The agriculture, forestry and fisheries sectors are of utmost importance and are the backbone of socio-economic development in South Africa. However, these sectors are facing immense challenges. Climate change, the growth and urbanisation of the population, skills shortages and shifts in the global economy and the markets are among these eminent challenges.

The department's key priorities are therefore aligned to effectively address food security and safety amid an ever changing environment and the growth in population.

The support of the state-owned entities (SOEs) in the sector is a partnership that has evolved over decades and in some instances, has gone through a century. The diverse South African sector, more than ever, requires a committed partnership between the private and all the public sector organs. We must strive to keep this vertical and horizontal partnership aligned in order to realise the objective of "vibrant, equitable and sustainable rural communities, with food security for all".

It is key that we base our decisions and policy making on facts and do so in the best interest of South Africa.

Century old lessons point to the recognition of the capabilities of food producers to save a nation. It should all begin with research and development.

I thank the Minister for her commitment, as well as 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

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



PART

1

General information





Overview by the Acting Director-General

Mr Sipho Ntombela

During the 2011/12 financial year the department focused on the implementation of the new approved macro structure to ensure maximum performance of deliverables in terms of the Medium Term Strategic Framework (MTSF) priorities. Our service delivery targets were guided by the outcomes-based performance management approach of government over the Medium Term Expenditure Framework (MTEF) period.

Our report focuses on the progress made with the implementation of programmes and plans in the 2011/12 financial year. At all times the department was guided by the *Strategic plan for the Department of Agriculture, Forestry and Fisheries 2011/12 to 2014/15*, as approved by Parliament in March 2011. We continued to work towards predetermined targets and assessed our performance on a quarterly basis to ensure that the DAFF's performance status was in line with planned deliverables for the 2011/12 financial year.

To improve the lives of our people required that our programmes should be directed towards creating employment, reducing poverty and food security. Focusing on higher production, increased productivity and inequality, we aim to address rural and economic growth. We also focused on the sustainable use and management of natural resources through the promotion of the LandCare Programme, the conservation of fisheries because of limited natural resources and the expansion of the forest estate.

The Integrated Growth and Development Plan (IGDP) developed for agriculture, forestry and fisheries will contribute towards achieving key government priorities and outcomes. The IGDP aims to address equity and transformation, economic growth and competitiveness, environmental sustainability and good governance.

JOB CREATION

Unemployment in real terms remains a challenge. The department will address unemployment by increasing the number of participants in the agriculture, forestry and fisheries sectors, and develop and expand the number of smallholder producers. This will be achieved through the Smallholder Development Support Programme, aimed at developing markets and providing comprehensive farmer support, stimulating economic growth and creating job opportunities. Most natural forests, commercial plantations and woodlands are based in rural areas and job creation in these areas can make a significant contribution towards poverty relief. Through the Comprehensive Rural Development Programme (CRDP) we also aim to generate employment and economic growth in rural areas and the services sector.

FOOD SECURITY

During 2011, food inflation with severe hikes in the price of basic food plunged many of the poor deeper into poverty.

Price volatility is one of the issues representing a major threat to food security in developing countries, including South Africa. More than 11 million people are already estimated to be food insecure.

Because of climate change, we have been facing untimely droughts, floods, severe cold spells and the increasing occurrence of animal and plant diseases. This had an impact on our production systems and research and technology development will be essential to increase sector productivity and resilience towards weather and climate change, resource scarcity and feeding a growing population.

Increasing the productive capacity of some of the poorest parts of the country is one of the most effective ways of mitigating the effects of high food prices. This can be achieved by means of sustainable land management practices. By implementing climate-smart agriculture, proven practical techniques and approaches can help us to achieve increased productivity, make yields more resilient to climate change and increase carbon storage on farmland.

ANIMAL DISEASES AND VETERINARY SERVICES

Following the outbreak of FMD in KwaZulu-Natal in 2011, the export of all cloven-hoofed animals and their products was suspended. Control measures were implemented and steps are being taken to re-establish South Africa's FMD-free status as soon as surveillance reports are available.

The export of ostrich meat to the European Union (EU) was suspended after an outbreak of avian influenza in the Western Cape. A surveillance campaign was conducted and thousands of ostriches were culled in an effort to control the disease. Exports will be resumed after shortcomings have been addressed and recommendations implemented.

To address the serious shortage in the field of veterinary services, compulsory community service will be introduced for veterinarians. The Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982) will be amended and veterinarians will be placed in rural areas throughout the country where there is the greatest need. We believe that this will alleviate the pressure on state veterinarians and contribute towards improved animal disease control and risk mitigation measures.

CAPACITY DEVELOPMENT

Through the Extension Recovery Plan, 2 962 extension officers received training in various programmes to enable them to transfer knowledge and skills to newly established smallholder producers in the sector. Altogether 818 extension officers registered for upgrading their qualifications.

A total of 33 141 members of the community, including smallholder farmers, the youth and women received training to sustain and increase agriculture, forestry and fisheries production levels and to improve access to markets.

FARMER REGISTRATION PROCESS

In November 2011 we launched the national farmer registration process in the KwaZulu-Natal Province. This census style register will be extended to cover the entire country to establish an accurate database of all agricultural producers. Information will be obtained regarding ownership, demographics, employment, production capacity and the type of products produced per geographical area. Through the Farmer Register the department will be able to measure the performance of the sector, setting priorities and allocating resources more effectively.

FORESTRY

Pressures such as rapid population growth and land-use change, a greater competition for resources, deepening inequalities and climate change have a huge impact on forestry and forest management. The expansion of our forest resources therefore remains one of our main objectives to ensure growth, transformation and sustainability of the sector and will be achieved through identified afforestation projects in the Eastern Cape and KwaZulu-Natal.

Forests play a major role in carbon sequestration. In this way, forests act as a carbon store and are vital in mitigating the negative effects of climate change. We therefore need to protect and expand our forests areas.

To promote tree planting, the department runs the annual Arbor Week campaign, which encourages communities to plant trees. The aim of the "Million Trees Programme" is to plant one million trees a year, and adds impetus to the drive towards greening and halting deforestation.

The COP17, held in Durban from 28 November to 11 December 2011, emerged with some key decisions on the Green Climate Fund, adaptation, technology and support on developing country action. The department hosted and participated in three high-level events, namely Agriculture and Rural Development Day, Forest Day 5 and Climate-Smart Agriculture as



well as three technical side events in the form of interactive seminars held in parallel with COP17 at the Climate Change Response Expo. Although agriculture was not on the negotiations programme, we believe it will be included in the future.

FISHERIES

As a natural resource the fisheries sector is recognised as a potential area for economic growth. The mandate for fisheries management includes fresh water and inland fisheries as well as aquaculture. Broadening the scope of aquaculture will provide the opportunity to increase the production of fish and other aquatic food species, thereby decreasing the pressure on natural fish resources. Through the National Aquaculture Strategic Framework we aim to ensure effective stakeholder engagement and management, as well as advance the transformation agenda in the sector.

CONCLUSION

I wish to thank the Minister, the Deputy Minister and the Chairpersons of the Parliamentary Committees for their leadership and oversight. I would like to extend my appreciation to the agricultural state-owned entities, the agribusiness community and farmers' organisations for their cooperation and guidance. Lastly, I would like to thank my management team and all the staff members in the department for their efforts in rendering a service to the citizens of our country.



Mr Sipho Ntombela

ACTING DIRECTOR-GENERAL: AGRICULTURE, FORESTRY AND FISHERIES

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 relating 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, including speeches
- Providing leadership and motivation for management, staff and partners in agriculture, forestry and fisheries
- Executing constitutional and legislative mandates.

MINISTERIAL VISITS TO FOREIGN COUNTRIES

Minister

During the period under review, the Minister undertook six official visits to foreign countries.

Date	Country	Purpose
31 May to 3 June 2011	Brazzaville, Congo	Represented President Jacob Zuma at the Heads of State Summit for the Three Rain Forest Basin Countries.
22–23 June 2011	France, Paris	G20 Ministers of Agriculture developed an action plan to be endorsed by the G20 Heads of States Summit to be held in Cannes towards the end of 2011.
25 June to 2 July 2011	Rome, Italy	Ministers of Agriculture discussed issues regarding “the vital role of women in agriculture and rural development”.
2–10 July 2011	Seoul, South Korea	Attended bilateral meetings between South Africa (DAFF) and the Ministry of Agriculture (South Korea) to strengthen bilateral cooperation between the two countries.
21 September 2011	Beijing, People’s Republic of China	Represented Minister Ebrahim Patel at the BRICS International Competition Conference.
28 October to 1 November 2011	Chengdu, People’s Republic of China	Attended the second BRICS Ministers of Agriculture and Agrarian Development meeting.

Deputy Minister

The Deputy Minister undertook two official visits during the same period.

Date	Country	Purpose
4–7 April 2011	Buenos Aires, Argentina	Ministers/Deputy Ministers of Sub-Saharan Africa and Argentina discussed developing countries’ strategies to boost food production and to agree on guidelines for effective bilateral and regional co-operation as laid down by the Africa-South America Summit.
5–11 September 2011	Saskatoon, Canada	Attendance of the Cairns Group Ministerial Meeting.

PUBLIC ENTITIES REPORTING TO THE MINISTER

The following public entities report directly to the Minister:

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



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), as an agricultural research institution. It is a schedule 3A Public Entity, as specified under the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999). The ARC conducts fundamental and applied research with partners to generate knowledge, develop human capital and foster innovation in agriculture through technology development and transfer, and the dissemination and commercialisation of research results.

ARC 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 Branch: Fisheries Management. The mandate and core business of the fund is to manage the development and sustainable use of South Africa's marine resources and protect the integrity and quality of the marine ecosystem.

MLRF 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 PFMA.

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) to provide strategic advice to the Minister on all agricultural marketing issues, to improve market efficiency and market access by all participants, optimise export earnings, and enhance the viability of the agricultural sector.

NAMC 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 schedule 3B company in terms of the PFMA. The company has a mandate to perform development functions on identified land administered by the DAFF. The service centre at Ncera Farms provides agricultural extension services, supports the mechanisation of agricultural production, trains and advises farmers on crop, vegetable and animal production, markets agricultural products, and supports animal improvement schemes targeting nearby farmers and communities.

Ncera Farms' 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) as a company with the government as the initial shareholder. The purpose of corporatisation was to ensure financial viability that would sustain the strategic capabilities in manufacturing veterinary vaccines for future generations. The mandate of OBP Ltd is to prevent and control animal diseases that impact on food security, human health and livelihoods.

OBP accountability arrangements

In terms of section 55 of the PFMA, OBP Ltd, 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) is an official certification agency operating on behalf of government to control all perishable export products. The PPECB was established in terms of section 2 of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983) and the Act requires the board to ensure the orderly export of perishable products and monitor the maintenance of a continuous cold chain. In terms of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990), the board is further required to monitor minimum quality standards and bilateral agreements with importing countries.

PPECB 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.



DAFF's 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

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



Ms Tina Joemat-Pettersson
MINISTER



Dr Pieter Mulder
DEPUTY MINISTER



Mr Sipho Ntombela
ACTING DIRECTOR-GENERAL

CHIEF FINANCIAL OFFICER	DEPUTY DIRECTOR-GENERAL: Economic Development, Trade and Marketing
DEPUTY DIRECTOR-GENERAL: Corporate Services	DEPUTY DIRECTOR-GENERAL: Food Security and Agrarian Reform
DEPUTY DIRECTOR-GENERAL: Stakeholder Relations, Communication and Legal Services	DEPUTY DIRECTOR-GENERAL: Agricultural Production, Health and Food Safety
DEPUTY DIRECTOR-GENERAL: Policy, Planning and Monitoring and Evaluation	DEPUTY DIRECTOR-GENERAL: Forestry and Natural Resources Management
	DEPUTY DIRECTOR-GENERAL: Fisheries Management



The legislative mandate of the Department of Agriculture, Forestry and Fisheries covers the agricultural, forestry and fisheries value chains from inputs, production and value-adding to retailing. The mandate is derived from section 27(1)(b) of the Constitution of South Africa. The department is primarily responsible for Acts relating to agriculture, forestry and fisheries.

DAFF'S LEGISLATIVE MANDATE

The following Acts reflect the department's encompassing 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, 2011 (Act No. 6 of 2011)

LEGISLATION TABLED IN PARLIAMENT

No legislation was tabled in Parliament during the 2011/12 financial year.

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 2011. Aggregates are compared with the period 1 January to 31 December 2010.

Gross farming income

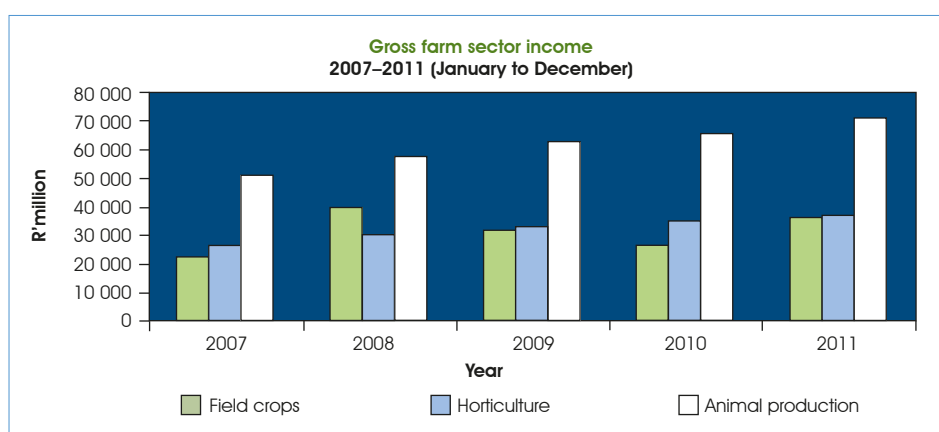
Gross farming income refers to the part of agricultural production that is marketed, together with the part that is produced for own consumption (both valued at basic prices).

Gross farming income for 2011 from all agricultural products amounted to R144 603 million, which is 11,5% higher than the income realised during 2010. This increase is mainly the result of better prices that farmers received for products in general, but in particular prices of field crops, which improved by 25,5% and those of animal products, which were 9,2% higher.

Gross farming income from field crops increased by 29,8% and amounted to R35 798 million. Income from maize, sunflower seed, soya beans and wheat increased by 22,9%, 121,9%, 57,6% and 53,4% respectively, while income from cotton increased by 128,5% and tobacco by 20,9%.

The income from horticultural products increased by 3,4%, from R35 787 million to R37 020 million. Income for citrus, deciduous fruit, vegetables and viticulture increased by 6,7%, 0,8%, 6,9% and 3,1%, respectively.

Income from animal products showed an increase of 8,1% and amounted to R71 785 million. This was mainly the result of increases in income from slaughtered cattle and calves (17,2%), poultry meat (5,5%), egg production (4,4%) and wool (45,7%). However, producers earned 1,9% less from milk production.



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 2011, expenditure on intermediate goods and services increased by 13,0% to R84 793 million. Expenditure on dips and sprays rose by 19,0%, seeds and plants by 18,0%, packing material by 17,2%, maintenance and repairs by 16,8%, farm services by 15,2%, building and fencing material by 9,4%, fertilisers by 9,0%, farm feeds by 8,2% and fuel by 6,1%.

Expenditure on farm feeds remained the biggest expenditure item, accounting for 22,0% of total expenditure, followed by fuel (13,8%), farm services (12,9%), maintenance and repairs (11,0%), seeds and plants (8,9%), dips and sprays (8,3%), packing material (7,0%) and fertilisers (6,9%).

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

On average, prices received by farmers for their products increased by 12,4%.

The weighted average price of field crops increased by 25,5 %, mainly because of increases in the prices of summer grains, winter grains, oilseeds, sugar cane, dry beans, cotton and tobacco, which increased by 48,5%, 33,5%, 11,2%, 10,1%, 8,0%, 7,9% and 1,8%, respectively. The price of hay decreased by 8,7%.

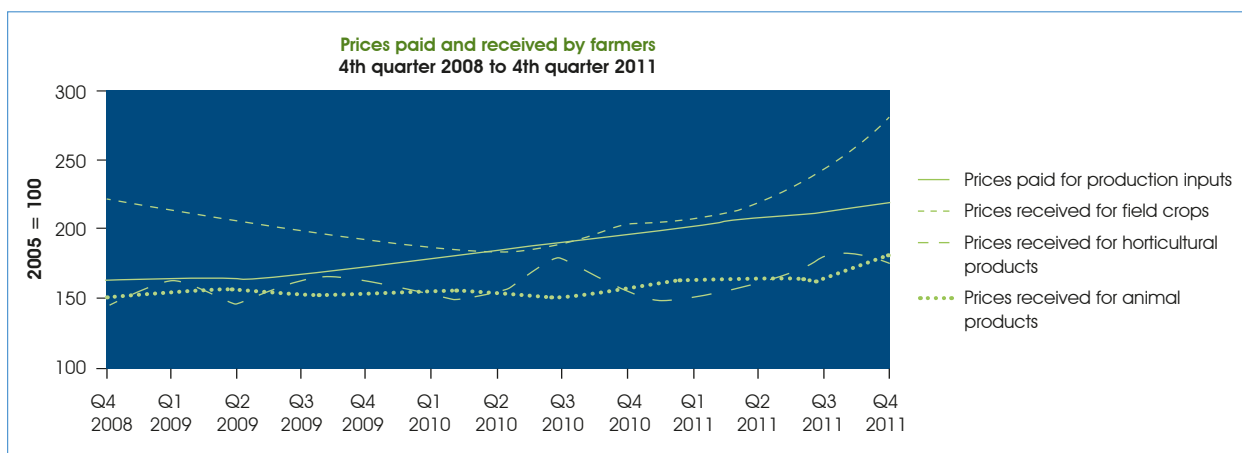


Prices of horticultural products increased by 4,2%. Prices of fruit, vegetables and viticultural products increased by 4,9%, 3,7% and 2,7%, respectively.

The weighted average price of animal production increased by 9,2%. Prices of pastoral products, slaughtered stock and poultry increased by 37,9%, 21,3% and 2,3%, respectively. Prices of dairy products decreased by 2,0%.

The prices paid for farming requisites, including machinery and implements, material for fixed improvements as well as intermediate goods, increased by 12,7%, compared to 12,1% in the previous year. Prices paid for fertilisers increased by 23,5%, trucks 15,5%, seeds 14,5%, maintenance and repairs 14,2%, both tractors and packaging material 14,0% and feeds 12,5%.

The increase in prices received (12,4%) compared to the increase in prices paid by farmers (12,7%) resulted in the weakening of the domestic terms of trade by 1,1%.



Net farming income, cash flow and farming debt

An increase of 11,5% in gross farming income against an increase of 13,0% in expenditure on intermediate production inputs resulted in an increase of 14,6% in farming profit, to R39 930 million. Interest payments increased by 1,6%. Rent payments and labour remuneration rose by 8,7% and 3,5%, respectively.

The total farming debt at the end of December 2011 is estimated at R79 364 million, compared to R69 972 million at the end of 2010—an increase of 13,4%.

Imports and exports of agricultural products

The value of imports during 2011 came to approximately R44 920 million, compared to R34 618 million in 2010—an increase of 29,8%. The value of exports showed an increase of 10,5%, from R46 130 million in 2010 to about R50 994 million in 2011.

According to the 2011 agricultural export figures, citrus fruit (R7 067 million); maize (R6 038 million); wine (R5 492 million); grapes (R3 398 million); and apples, pears and quinces (R3 337 million) were the five most important export products in terms of value.

With regard to agricultural imports during 2011, wheat and meslin (R4 346 million); rice (R3 687 million); palm oil (R2 992 million); poultry meat (R2 734 million) and soya-bean oil (R2 712 million) were the five major import products in terms of value.

During 2011, the Netherlands, the United Kingdom, Zimbabwe, Mexico and Mozambique were the five largest trading partners of South Africa in terms of exports of agricultural products, with export values of R5 348 million, R4 296 million, R3 986 million, R2 828 million and R2 457 million, respectively.

The five largest trading partners from whom South Africa imported agricultural products during 2011 were Argentina, Brazil, the United States, Thailand and Germany, with import values of R5 596 million, R3 596 million, R3 013 million, R2 899 million and R2 638 million, respectively.

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 South African 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

- 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

- 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 provinces
- Implementation of the Forestry Afforestation Strategy
- The planting of trees on 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 of the commercial fishing sector during 2010 of 630 878 tons was more or less the same as during the previous year (631 058 tons), while the free-on-board monetary value increased from R5,8 billion to approximately R7 billion. The increase in the monetary value was mainly due to better catches and very good prices in the pelagic and west coast rock lobster sectors, while the prices obtained for fish and fish products in most sectors increased by at least 10% in comparison with the previous year when prices were in general under severe pressure because of the global economic crisis. The economic crisis still had a negative impact on trading during 2010, but trading was considerably better than during 2009. The annual catches usually vary between 600 000 and 800 000 tons per annum.

In terms of the monetary value of production, the fishing sector is still dominated by the demersal and pelagic fisheries, which contribute approximately 68% of the total value of the sector. In terms of the GDP, the sectors total output (production) typically represents less than 0,5%. There is also not much scope for the sector 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. Furthermore, the profitability of the fishing sector is largely determined by factors beyond its immediate control. These factors include 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.



At local level (in the Western Cape), the contribution of the monetary value of production in the sector to the economy is more important and it contributes approximately 2,4% 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 who are heavily involved in fishing and they have few alternative sources of employment. The contribution of fisheries to overall economic activity in the other provinces is negligible.

In its totality, the fishing industry is a significant employer of mainly unskilled and semi-skilled labourers (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 sector. Unlike most other sectors, 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 can 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 54% 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. The total value of the exports during 2010 was approximately R3,2 billion.

At the moment, there are 2 601 rights holders utilising 1 769 vessels in 21 different fisheries. During 2002, there were 1 868 vessels in the sector, which means that there has been a reduction of approximately 5% in the number of fishing vessels over the past eight 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 increased by 7,0% to 1 992 tons in 2010, in comparison with 2009. The production of oysters showed the biggest increase of 24%, followed by abalone, which increased by 11%. Mussels increased by 3%. The finfish sector did not produce anything during 2010, while the single prawn farm was also not operational during 2010. Seaweed production showed an improvement of 6% over the past year.

The production of abalone is the largest industry in the sector, with a production of 1 015 tons during 2010, representing a value of R355 million. Mussel production totals approximately 700 tons, with a value of R9 million, while oyster production totals approximately 276 tons, with a value of R14 million. The total number of people employed in this sector at present is 1 556.

The marine aquaculture sector contributes approximately 5% to the value of production in the fishing sector. 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

- 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 sector is largely determined by factors such as international prices, exchange rates, fuel prices, quota allocations and the actual biomass of fish present. There are at the moment a number of fishing companies that are under pressure to either sell their rights or to consolidate it and the process must be managed in such a way that it does not have a negative impact on the current state of transformation in the sector.
- To finalise the small-scale fisheries policy and to start implementing it.
- To develop the policy for the allocation of fishing rights in certain fisheries during 2013, and to ensure that the correct structures are put in place during 2012 to ensure the integrity of the allocation process.
- The further development of the subsistence sectors and to finalise 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 improve the consultation process and the administration of the recreational sector.
- To control illegal fishing in all sectors and ensuring that specific fish species, which are already over-exploited, recover to their former pristine levels.

Opportunities for action in the fisheries sector

- To identify and to develop more new or experimental fisheries.
- To assist new small rights holders in the development of their businesses.
- Rehabilitation programmes, such as the rebuilding of depleted fish stocks, which contribute to job creation and a sustainable livelihood for people.
- 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.



PART

2

Performance



Overall performance

VOTED FUNDS

Appropriation	Main appropriation	Adjusted appropriation	Actual amount	Underspending
	R'000			
Estimates of national expenditure	4 719 741	4 964 449	4 928 273	36 176
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 THE VOTE

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

STRATEGIC OUTCOME ORIENTED GOALS

In this performance information report, the department presents its performance status against planned deliverables as reflected in Part B and Annexure 1 of its Strategic Plan. This report has been compiled in accordance with section 195 of the Constitution and other government legislative prescripts that guide performance management in the public sector to display and promote transparency and accountability to stakeholders and the general public.

Strategic goals and objectives

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

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 implementation of quality standards, Batho Pele (people first) principles, and the general legislative mandate.
- SO 5: Provide leadership and manage communication and information.

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

The period of approval of the new structure in the last quarter of 2010/11 coincided with the preparation of the 2011/12 Strategic Plan for approval. This therefore, resulted in some business unit interventions not being reflected and in those that were reflected, the coordination of implementation among the different business units not being clear in terms of the commitment indicated in the plan. These had an impact on the timeous finalisation/achievement of some of the planned deliverables.

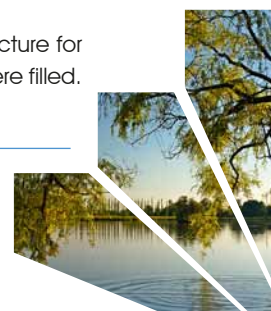
The launch of the Delivery Forum was held on 16 March 2012, at St Georges Hotel. Senior Management Members (SMS) were allocated to district municipalities across the country to monitor and verify the performance of projects aligned to sector priorities. Altogether 36 505 beneficiaries were supported through the Comprehensive Agricultural Support Programme (CASP) during the first three quarters of 2011/12, creating 10 062 jobs.

A total of 99 245 farmers were supported during the first three quarters of 2011/12 through Ilima/Letsema, creating 11 498 jobs in the process. An amount of R24 million was transferred to the Land Bank towards clearing production loans incurred by distressed farmers. A total of 58 cooperatives were registered during the 2011/12 financial year. Vulnerable Workers' Delivery Units have been established in four provinces.

Cabinet approved the amendment of the Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982) through the Veterinary and Para-veterinary Professions Amendment Bill, 2011. The DAFF hosted and participated in three high-level events, namely, Agriculture and Rural Development Day, Forest Day 5 and Climate-Smart Agriculture as well as three technical side-events in the form of interactive seminars held in parallel with COP17 at the Climate Change Response Expo. The National Aquaculture Strategic Framework (NASF) and Action Plan were approved by the Departmental Executive Committee (DEXCO).

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

As a result of the reconfiguration of the agriculture, forestry and fisheries functions, a new macro-organisational structure for the DAFF was implemented with effect from 1 April 2011. During the period under review, 31 positions at SMS level were filled.



The Organisation Development Committee (ODC) was established as a departmental committee that facilitates and fast-tracks organisation refinement and post-establishment management, as well as job creation in the DAFF. This committee is also responsible for monitoring the management of vacancies in the department with a view of minimising the current vacancy rate. During the period under review, the vacancy rate, however, increased from 11,3% to 13,4%, mainly as a result of the expansion of two directorates and the implementation of personnel suitability checks (vetting).

KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

Policy developments

To address government's broad national challenges in terms of the MTSF priorities, the focus of the DAFF has been on contributing towards three of the 12 key outcomes identified for government. The three outcomes that the DAFF contributes to directly 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.

In support of the outcomes-based approach, several new policy initiatives have been developed, targeting especially, smallholder producers in the agriculture, forestry and fisheries sectors.

Job creation

Through the NGP agriculture was identified as a key sector with the potential for large-scale job creation. The agriculture value chain is one of the priority sectors in government's IPAP2 for economic growth and job creation. With the implementation of agro-processing initiatives under this plan, as well as plans to elevate agriculture as one of the priority sectors in the NGP, the department will attempt to reverse the declining employment trends over the medium to long term. Resources will be directed to smallholder farmer support programmes, as well as extension services, training and market access support.

The DAFF will continue to facilitate the contribution of the sector to economic growth and development through increased growth, income, private and public investment, as well as access to domestic and international markets for South African agricultural, forestry and fisheries products. Sustainable job opportunities in the value chain will ensure improved social working conditions in the sector.

Food security

Government's food security initiative aims to improve production systems by promoting efficient production, handling and processing of food, fibre and timber. By coordinating the provision of training and extension support, the department will ensure increasingly profitable production of food, fibre and timber products by subsistence, smallholder and commercial producers.

Protecting the country's biodiversity

The department is working towards the sustained management of natural agricultural, forestry and fisheries resources by promoting environmentally sustainable production systems and the efficient use of natural resources to ensure the protection of indigenous, genetic resources and to improve livelihoods.

The current national regulatory services and risk management systems will be improved by establishing and maintaining effective early-warning and mitigation systems to manage the risks associated with food, diseases, pests, natural disasters and trade effectively.

Legislative changes

No legislation was tabled in Parliament during the period under review.

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

Collection of departmental revenue

The department's collected revenue exceeds the estimated amount mainly because of an increase in the sales of goods and services. Revenue derived from the sale of goods and services includes statutory services, the registering of plant breeders, stock remedies, agricultural remedies and wood products sales. Financial transactions in assets and liabilities include an amount of R28,350 million being a refund of unspent conditional grants received from the provincial departments, compared to the R2,746 million refunded during the 2010/11 financial year.

Detail of departmental receipts	2008/09 Actual R'000	2009/10 Actual R'000	2010/11 Actual R'000	2011/12 Target R'000	2011/12 Actual R'000	% deviation from target
Non-taxable revenue						
Sales of goods and services other than capital assets	103 778	108 887	127 001	93 621	128 012	36,73
Sales by market establishment	1 430	2 843	2 864	1 910	3 774	97,59
Administrative fees	55 498	75 143	88 226	60 133	94 402	56,99
Sales of goods and services	46 844	30 897	35 883	31 570	29 829	(5,52)
Sales of scrap, waste and other used current goods	6	4	28	8	7	(12,5)
Transfers received	29	9	9	0	3	3
Other governmental units	29	9	9	0	3	3
Fines, penalties and forfeits	10	53	43	30	54	80
Interest, dividends and rent on land	18 960	12 519	8 130	11 930	9 387	(21,32)
Interest	18 594	11 758	7 240	11 230	8 101	(27,86)
Rent on land	366	761	890	700	1 286	83,71
Sales of capital assets (capital revenue)	500	1 605	513	500	116	(76,6)
Other capital assets	500	1 605	513	500	116	(76,6)
Financial transactions (recovery of loans and advances)	140 000	127 461	21 265	15 930	39 796	(149,82)
Total departmental receipts	263 277	250 534	156 961	122 011	177 368	45,37

Departmental expenditure

The department closed off with a surplus of R36,2 million, which accounts for 0,7% of the total appropriated funds amounting to R4,9 billion. Savings were recorded under the following cost centres: compensation of employees R282 000; goods and services R817 000; transfer payments R10,0 million and capital expenditure R24,9 million. The department put forward a submission to the National Treasury, requesting that an amount of R5,2 million be rolled over to the 2012/13 financial year in respect of the replacement and procurement of IT related equipment which was not concluded in 2011/12 for R3,2 million; the development of a Master Systems Plan that was not completed in the 2011/12 financial year for R1,1 million; and a transfer payment to the international organisation: World Organization for Animal Health for a membership fee that was not paid in 2011/12 to an amount of R870 000.

Programmes	Voted for 2011/12 R'000	Roll-overs and adjustments R'000	Virements R'000	Total voted R'000	Actual expenditure R'000	Variance R'000
1. Administration	1 296 958	33 024	15 764	1 345 746	1 339 756	5 990
2. Agricultural Production, Health and Food Safety	891 923	42 324	(25 597)	908 650	889 347	19 303
3. Food Security and Agrarian Reform	1 244 195	9 745	420	1 254 360	1 249 371	4 989
4. Trade Promotion and Market Access	191 766	13 632	(11 776)	193 622	190 185	3 437
5. Forestry	770 711	124 639	14 750	910 100	907 662	2 438
6. Fisheries	324 188	21 344	6 439	351 971	351 952	19
Total	4 719 741	244 708	–	4 964 449	4 928 273	36 176

Transfer payments

The tables indicate the amounts that were transferred to the provinces as conditional grants in terms of the Division of Revenue Act, 2011 (Act No. 6 of 2011) and include the CASP, LandCare, Ilima/Letsema projects and agricultural disasters.



The CASP makes provision for agricultural support to targeted beneficiaries of the Land and Agrarian Reform Programme, including the Extension Recovery Programme and colleges. LandCare on the other hand, addresses the degradation problems of 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 transfers were made to the primary banking account of each province in accordance with the provisions of the Division of Revenue Act, 2011 (Act No. 6 of 2011) 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

Province	Amount transferred R' 000	Estimated expenditure R' 000
<i>Conditional grants</i>		
Eastern Cape	230 226	213 441
Free State	164 290	167 460
Gauteng	66 962	51 691
KwaZulu-Natal	233 935	233 192
Limpopo	211 540	181 730
Mpumalanga	148 130	148 752
Northern Cape	270 269	141 985
North West	192 565	168 418
Western Cape	133 812	133 849
Total	1 651 729	1 440 518

Transfers to local government

Name of institution	Amount transferred R' 000	Estimated expenditure R' 000
Transfers to various local governments in respect of vehicle licences	472	472

Transfers to public entities

Name of institution	Amount transferred R' 000	Estimated expenditure R' 000
National Agricultural Marketing Council	36 049	36 049
Agricultural Research Council	755 510	755 510
National Student Financial Aid Scheme	12 038	12 038
Public Service Education and Training Authority	1 272	1 272
Marine Living Resources Fund	201 173	201 173
Perishable Products Export Control Board	600	600
Total	1 006 642	1 006 642

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 council provides the Minister with strategic advice on agricultural marketing issues; undertakes investigations on agricultural marketing and marketing policy; and does annual reviews of all statutory levies collected by the various industries in accordance with the Act.

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 STUDENT FINANCIAL AID SCHEME

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

PUBLIC SERVICE EDUCATION AND TRAINING AUTHORITY

The DAFF contributes 0,1% of its personnel budget to this entity in respect of training.

MARINE LIVING RESOURCES FUND

The MLRF is a national public entity and is listed in schedule 3: Part A of the PFMA. It 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.

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 operates as an assignee for the department in terms of the requirements of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990).

Transfers to public corporations

Name of public corporation	Amount transferred R' 000	Estimated expenditure R' 000
Ncera Farms (Pty) Ltd	4 291	4 291
Forest Sector Charter Council	3 042	3 042
Land and Agricultural Bank of South Africa	30 000	30 000
Total	37 333	37 333

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 for settled farmers and neighbouring communities in the East London area to enable them to become self-sufficient.

FOREST SECTOR CHARTER COUNCIL

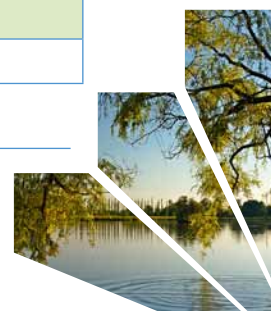
The Forest Sector Charter Council (FSCC) was established in terms of the BBBEE Act, 2003 (Act No. 53 of 2003) during the process of developing the Forestry Sector Charter/Codes. The FSCC is a registered section 21 company and was founded in 2009. In terms of the founding documents of the FSCC section 21 company, both the private sector and government have to fund the operations of the FSCC annually and their contributions are based on the principle of 40% and 60%, respectively.

LAND AND AGRICULTURAL BANK OF SOUTH AFRICA (LAND BANK)

The Land Bank operates as a development finance institution within the agricultural and business sectors and is regulated by the Land and Agricultural Development Bank Act, 2002 (Act No. 15 of 2002). It is an entity under the control of the Minister of Finance and manages the Micro-agricultural Financial Institutions of South Africa (Mafisa) and Agricultural Black Economic Empowerment (AgriBEE) funds transferred by the DAFF.

Transfers to foreign governments and international organisations

Name of institution	Amount transferred R' 000	Estimated expenditure R' 000
Foreign rates and taxes—office accommodation	79	79



Name of institution	Amount transferred R' 000	Estimated expenditure R' 000
<i>Membership fees</i>		
International Union for the Protection of New Varieties of Plants	447	447
Office International des Epizooties	3	3
Organisation for Economic Cooperation and Development	428	428
International Grains Council	126	126
Office International de la Vigne et du Vin	575	575
Food and Agriculture Organization of the United Nations	10 212	10 212
Consultative Group on International Agricultural Research	3 410	3 410
Commonwealth Agricultural Bureau International	137	137
International Dairy Federation	50	50
International Seed Testing Association	61	61
Food and Agriculture Organization of the United Nations: Capacity building	13 483	13 483
International Cotton Advisory Council	142	142
International Fund for Agricultural Development	2 750	2 750
Total	31 903	31 903

Transfers to non-profit institutions

Name of institution	Amount transferred R' 000	Estimated expenditure R' 000
Sterile Insect Technique	6 906	6 906
Forestry South Africa	3 200	3 200
School Support: Agriculture students' tuition fees and books	1 675	1 675
Total	11 781	11 781

Transfers to households

Purpose	Amount transferred R' 000	Estimated expenditure R' 000
Social benefits	8 714	8 714
Claims against the state	51	51
Bursaries (non-employees)	1 262	1 262
Avian influenza	49 368	49 368
Total	59 395	59 395

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT

Capital investment

It has been confirmed by the Department of Public Works (DPW) that the outstanding site clearance certificate, as previously reported on, will be issued to this department during December 2012.

An agrochemical store was constructed at the Stellenbosch Plant Health Quarantine Station in compliance with the applicable legislation during the period under review.

Maintenance

The Repairs and Maintenance Project (registered by the DPW) at an office building at Head Office in Pretoria, has been delayed because of the theft of copper cables, which further delayed the finalisation of the coolers in the building. The theft was reported to the South African Police Service and preventative measures have been taken by the contractor to minimise the risk of theft and vandalism in this regard. General day-to-day maintenance is being managed on request in terms of departmental procurement prescripts.

Asset management

The consolidation of office accommodation per province or per town, through the DPW as custodian of immovable assets within government, is still ongoing in order to reduce the number of outside offices. A User Asset Management Plan as

required by the Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) has been submitted to the DPW, addressing office accommodation matters in terms of this department's Strategic Plan.

The asset holding of the department has changed over the period under review, as moveable capital assets to the value of R10,474 million and minor assets to the value of R3,395 million have been disposed of.

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 11 412 major moveable assets, of which 62,24% are in a good condition, 30,02% in a fair condition and 7,74% in a poor condition.



Programme performance

In this programme performance report, the department reports on its performance for the 2011/12 financial year, indicating the performance status against planned deliverables as reflected in Part B and Annexure 1 of its Strategic Plan. Highlights of additional achievements in some areas that may not have been part of the Strategic Plan, but are important deliverables for the sector, are reflected. This report is in line with the organisational structure because reporting and performance monitoring have been following the organisational performance reporting structure. It is, however, important to raise the fact that the organisational structure was approved after the budget structure, but in time for developing the Strategic Plan document. It therefore resulted in a difference between the organisational structure and the budget structure. The restructuring process also took longer than anticipated and resulted in some of the business units not being fully reflected in the Strategic Plan of 2010/11 in comparison to 2011/12. This is therefore, one of the major reasons for not having baseline information (2010/11) achievements against all deliverables.

The activities of the department are organised into the following programmes:

- Programme 1: Administration
- Programme 2: Economic Development, Trade and Marketing
- Programme 3: Food Security and Agrarian Reform
- Programme 4: Agricultural Production, Health and Food Safety
- Programme 5: Forestry and Natural Resources Management
- Programme 6: Fisheries Management

PROGRAMME 1: ADMINISTRATION

Purpose

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

The programme comprises Corporate Services; the Chief Financial Office; Policy, Planning and Monitoring and Evaluation; and Stakeholder Relations, Communication and Legal Services.

- **Corporate Services:** Renders sound human resources management and development, security and information management.
- **Chief Financial Office:** Provides the department with sound financial services.
- **Policy, Planning and Monitoring and Evaluation:** Directs the provision of policy analysis, formulation, planning and monitoring and evaluation in order to facilitate the improvement of the department's performance.
- **Stakeholder Relations, Communication and Legal Services:** Provides the department with legal and communication services and promote intergovernmental and stakeholder relations.

The programme continued to play the role of a strategic partner to other departmental branches in order to effectively achieve planned priorities. In this regard, training of officials has been offered according to the Human Resources Development (HRD) Strategy. Fisheries management is fully integrated into the departmental information and communication technology (ICT) system. The programme is responding to government's outcome 7, in providing support to smallholders and subsistence farmers, and has managed to support 25 047 and 13 455 smallholders and subsistence farmers respectively within the first three quarters, resulting in the creation of 14 226 jobs, which include seasonal and permanent jobs. Strengthening coordination in planning and monitoring and evaluation (M&E) is critical for the effective use of resources at the disposal of the sector to respond to all targeted priorities. In this regard, integrated planning sessions between national and provincial departments were held. The consolidated output of these sessions is being discussed at an outcomes review process to be ready for implementation in the new financial year. The successful launch of the Delivery Forum was held on 16 March 2012, at St Georges Hotel. The drafting of the Terms of Reference (ToR) for structured bilateral engagements with intergovernmental relations structures was successfully coordinated and facilitated. A database of intergovernmental partners has been approved and posted on the departmental intranet. All DAFF projects have been aligned to the presidential outcomes and other government priorities. The DAFF SMS members have been allocated to district municipalities across the country to monitor and verify the performance of projects aligned to the sector priorities.

Strategic objectives

- Coordinate government food security initiative.
- Increase equity, ownership and participation of PDIs.
- Establish and strengthen cooperative governance and functional relations with local and international stakeholders.
- Strengthen policy, planning, monitoring, evaluation, reporting and sector information.
- Provide effective audit, investigative and legal, human resources and financial risk management.
- Improve departmental service excellence through implementation of quality standards, Batho Pele principles and general legislative mandate.
- Provide leadership and manage communication and information.

Performance indicators and targets

Subprogramme: Human Resources Management and Development

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Percentage of Performance Management and Development System (PMDS) adhered to		80% adherence to PMDS	50% of employees adhered to the Employee Performance Management Development System (EPMDS) during the period under review.	The Directorate: Employee Relations is engaged in a continuous process of monitoring compliance and rendering assistance to directorates as required.
Percentage reduction in vacancy rate	The vacancy rate at the end of the fourth quarter was 11%.	12%	The percentage reduction in the vacancy rate is at 13,4% for the year under review.	The increase in the vacancy rate resulted from delays in the verification of qualifications by the South African Qualifications Authority and the citizenship and criminal checks by the State Security Agency. These personnel suitability checks need to be conducted before an appointment can be made.
Percentage of SMS members trained on disciplinary procedures	None	60% SMS members trained	30% of SMS members were trained on disciplinary procedures by the end of the 2011/12 period. The attained percentage includes the agriculture and forestry entities.	The scheduled training course for 20–23 March 2012, as facilitated by the Directorate: Employee Development was not presented because of other urgent matters that needed to be attended to during the same period. The training will be rearranged for the next financial year.
Percentage of employees trained and developed on HRD Strategy	The following number (percentages) of targeted staff were trained and developed during the period under review: Q1 = 23% Q2 = 74% Q3 = 65% Q4 = 52%	30% of HRD Strategy implemented	A total of 1 597 employees were trained in various skills and competencies for the period under review. The set annual target was 2 992 (Work Skills Plan 2011/12) of which only 53,3% was attained.	Unavailability of funds mainly during the first and the last quarter usually poses a challenge. Negotiations are taking place on the proposal for decentralising the budget for training.



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of service points established		One service point per province (1 official)	Post has already been established in the Western Cape and posts will still be established in other provinces.	Only 1 out of 8 service points was established. This was the result of the fact that a request was sent to the Chief Director (CD): Forestry Operations to abolish a post on the establishment of the forestry branch and create 8 posts for the Employee Health and Wellness Unit. The request was approved.
Percentage reduction on disease burden (communicable and non-communicable diseases, etc.)	27 employees took part in the HIV counselling and testing campaign and 30% tested positive. Further services via local clinics recommended. A total of 26 employees took part in other screening tests. The number of targeted offices for the quarter was achieved by 80%. 15% 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. Two employees presented with chronic illnesses and 1 employee with a chronic communicable illness. Services were rendered at 100%. During Q4, 25,9% of DAFF employees received services as per strategy implementation.	Reduced by 10%	Various awareness campaigns have been held in terms of health promotions.	

Subprogramme: Fisheries Operation Support

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Percentage of SMS members trained on disciplinary procedures		60% SMS members trained	SMS training on the chairing of disciplinary enquiries was conducted from 6–9 March 2012. A total of 4 SMS members were trained on disciplinary procedures.	The target was not attained owing to schedules of SMS members clashing with other pressing urgent organisational priorities. The subprogramme will develop measures that will enforce compliance and adherence of SMS members.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Percentage reduction in vacancy and turnover rate		12%	The percentage reduction in vacancy and turnover rate for fisheries management is at 16% for the period under review.	The factors that contributed to the non-attainment of the set target are as follows: • 24 posts are less than 4 months old • 18 posts are SMS positions, which are dealt with by Senior Management • 9 employees were promoted • 9 Fisheries Control Officers were appointed permanently on contract.
Percentage of employees trained and developed on HRD Strategy		Branch Work Skills Programme (WSP) developed and implemented	Fisheries Management Branch WSP was approved and 30% of training interventions were implemented and funded from the line function directorates' budget.	
Employee health and wellness customised programmes for fisheries staff in place		Conduct behavioural risk management (BRM) audit	A service provider was appointed to conduct a BRM audit for the fisheries branch. During Q3 2011/12 a BRM survey was conducted with a 39% response rate and a consolidated report was received from the appointed service provider. Conducted 8 wellness clinics with a total of 312 employees (24 employees from forestry). Voluntary Counselling and Testing (VCT): 124 employees were tested. Occupational Health and Safety training included the Introduction to Safety, Health and Environment Management Training Course (SAMTRAC): 2 employees; SAMTRAC: 1 employee; and First Aid: 3 employees. Behavioural risk audit (BRA) study completed and report compiled. BRA feedback presentation to SMS members	



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Integrated ICT systems		Design and develop IT system for fisheries	The work is still in progress for the set target.	The set target was not achieved because approval of technical design specifications for transgressions and monitoring is still being awaited.
		Integrate and consolidate catch systems in the Marine Administration System (MAST)	The set target was not achieved for the period under review. Fisheries integration is completed. Technical committee has reviewed proposals from suppliers to date for MAST.	The branch is awaiting feedback from the State Information Technology Agency (SITA) on progress of the process. Vendor contract with SITA expired on 31/3/2011.
		Enhanced functionality in MAST and Oracle financials	A total of 52 change requests were implemented for the period under review and 3 data requests were implemented.	
Master Systems Plan (MSP) approved and implemented		Integrate and review MSP	The MSP proposal was approved by the Director-General (DG).	The revised project plan was submitted by SITA and approved by the Chief Information Officer. The work will still continue in 2012/13.

Office of the Director-General

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Improved adherence to Security Policy and systems	None	Review Security Policy	The draft Security Policy was presented to DEXCO on 15 March 2012.	The policy was not adopted as it was referred back to amend the proposed/ suggested inputs. This deliverable will be a carry-over to 2012/13.

Subprogramme: Chief Information Office

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Integrated ICT systems	Internet, e-mail and telephone policies were presented to the Governance and Operational Policy Committee (GOPC) during March 2011. The policies were to be returned during April 2011, after proposals had been presented to the directorate.	100% migration and integration	Fisheries management is fully integrated and Forestry phase 2 is 100% complete.	

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Integrated ICT systems (<i>cont.</i>)	Other IT-related policies, identified by the Office of the Auditor-General, were 100% complete.			
MSP approved and implemented	None	Integrate and review MSP	As at the end of the period under review, the percentage of directorates to be interviewed is 40%.	The project started late (January 2012 instead of October 2011) because of the unavailability of resources from SITA.
Knowledge and Information Management (KIM) Strategy approved and implemented	None	Review and implement phase 1 of KIM Strategy	The first draft of the KIM Strategy has been completed and the consultation processes have been completed.	The strategy has not been approved or implemented because the unit manager was appointed late and the strategy has to follow various processes before it can be approved.

Subprogramme: Development Finance

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of smallholder and subsistence farmers accessing financial services		Financial funding model developed	The Wholesale Financing Facility Model has been developed and approved. An amount of R20 million has already been committed and transferred to the Land Bank for implementation purposes.	
		10 000 smallholder farmers accessing financial services	A total of 72 856 smallholder farmers received support through the CASP and Ilima/Letsema conditional grants during 2011/12. Q1: A total of 1 448 clients received Mafisa loans. Q2: A total of 1 261 clients received Mafisa loans. Q3: An amount of R18,8 million Mafisa loans was disbursed to 1 354 clients. Q4: A total of R23,3 million Mafisa loans were disbursed to 1 247 clients. In total an amount of R66 million was disbursed to 5 310 clients in the 2011/12 financial year.	



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of smallholder and subsistence farmers accessing financial services (<i>cont.</i>)		10 000 subsistence farmers accessing financial services	A total of 47 818 subsistence farmers received support through the CASP and Ilima/Letsema conditional grants during 2011/12.	Details on farmers supported are not complete as the CASP and Ilima/Letsema report will be available in June 2012.
Number of successful PDI farmers		284 distressed farmers financed and supported	An amount of R24 million was transferred to the Land Bank for purposes of clearing the production debts of farmers in distress, in order to enable these farmers to be eligible for further assistance.	Provincial departments provide assistance to farmers in distress in their respective jurisdictions, but do not necessarily report the activities to DAFF. The information provided does not include such activities.

Subprogramme: Monitoring and Evaluation

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
M&E systems coordinated	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 DAFF was completed and published as Annexure 2 to the Strategic Plan.	Monitor and assess the performance of DAFF, provincial departments of agriculture (PDAs) and state-owned entities (SOEs)	The subprogramme participated in the integrated planning sessions with provinces to ensure usage of a mutual approach. Strengthening of working groups is also one approach the subprogramme is focusing on to achieve coordinated M&E systems. PDAs and DAFF reports are analysed on a quarterly basis. The subprogramme engaged with SOEs to review their quarterly performance and strategic plans.	
Comprehensive economic reports for the sector	None	Reports on economic indicators and sector trends	12 reports on economic indicators and trends for the sector were compiled.	
Comprehensive statistical database for the sector	None	National statistical information and reports	In total, 20 reports analysing the trends and the statistical performance of the sector were compiled. The reports included: crop estimates, food security bulletins, livestock statistics, <i>Crops and markets</i> (publication), <i>Statistics on fresh produce markets</i> (publication) and the <i>Economic review of the South African agriculture</i> (publication).	

Subprogramme: Policy Development and Planning

Indicator	Baseline	Actual performance against target		Reason for variance
		Target	Actual	
Effective planning system for the sector	The <i>Strategic Plan for the Department of Agriculture, Forestry and Fisheries 2011/12–2014/15</i> was tabled in Parliament.	Align national and provincial plans with presidential outcomes and targets.	An aligned process of facilitating integrated planning with the provinces to respond to the presidential outcomes was undertaken during January 2012. A draft Integrated Strategic Plan to this effect has been discussed at outcomes forums, where the review and adoption of new plans are planned to be finalised within Q1 of the next financial year.	The process has to fit in with the process of outcomes review that is facilitated by the Presidency and is still in progress.
Aligned strategic, business and implementation plans	The <i>Strategic Plan for the Department of Agriculture, Forestry and Fisheries 2011/12–2014/15</i> was tabled in Parliament.	Continuous programme planning support	All DAFF projects have been aligned to the presidential outcomes and other government priorities. DAFF SMS members have been allocated to district municipalities across the country to monitor and verify the performance of projects aligned to sector priorities.	
Existing policies reviewed	Approved departmental policy development framework	Review existing policies	The process for the review of the ARC Act was halted owing to finalisation of the policy on research.	Stakeholders recommended at the workshop held on 18–19 January 2012 not to proceed with the review of the ARC Act until the research policy is finalised. This is because, when finalised, the research may have an impact on the Act.
Targeted research and development (R&D) Programme developed	Service level agreements (SLAs) on targeted and priority research projects were signed with the ARC for implementation during the 2011/12 financial year.	Implement targeted R&D Programme	Targeted R&D Programme coordinated through engagement with the segments of the National Agricultural Research Forum culminated in the development of SLAs with the ARC to carry out the R&D projects.	

Subprogramme: Legal Services

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
MLRA reviewed and implemented	None	Review of the MLRA and alignment of departmental policies	The status is that the MLRA Draft Bill has been submitted to line functions for comment.	



Subprogramme: Stakeholder Relations and Communications

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
30% of farmers organised into producer associations	None	8%	Work is in progress and meetings with smallholder farmers are ongoing.	There is ongoing work in progress with smallholder farmers.
Number of commodity structures established	None	9	Work in progress with both the Milk Producers' Organisation and the cotton industry. An MoU was entered into with the National Wool Growers' Association (NWGA).	Waiting for the action plan from the NWGA before the department can commence with the project.
Approved communication strategies	None	Develop and implement communication strategies.	Provided leadership in drafting media plans. The national Communication Strategy was submitted to Government Communication and Information System (GCIS).	

Subprogramme: Fisheries Partnerships Management

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Percentage of interactions with Cooperative Governance and Traditional Affairs and other spheres of government	None	100%		
Number of prescribed MLRA structures established	None	One consultative advisory forum	Significant progress has been made by preparing a draft <i>Government Gazette</i> notice to invite nominations to serve on the Consultative Advisory Forum, prescribed in the MLRA.	Preparations are underway to have it approved by the Fisheries Branch Executive Committee before it is taken to DEXCO.
Number of small-scale fishers organised into community-based entities	None	5	Progress is dependent on finalising the Small-scale Fisheries Policy, which the Task Team is currently dealing with.	
Enhanced stakeholder participation	None	Develop and implement Stakeholder Strategy	The development of the departmental overall Stakeholder Strategy is in progress.	
International, multi-lateral and bilateral fisheries agreements implemented	None	Develop International Fisheries Strategy Develop Inter-governmental Fisheries Strategy—100%		

Service delivery achievements

The outputs of the programme, as specified in the *Strategic Plan 2011/12 to 2014/15*, are reported on per quarter.

Quarter 1

The 2010/11 Annual performance report was published and PDAs' performance indicators were approved by Heads of Departments (HoDs). The review of the provincial programme budget structure and performance indicators in line with the national mandate was completed by May 2011 and the approved document was submitted to Treasury.

The following reports were compiled: Quarterly economic review, Price watch (bimonthly report), Crop estimates (three monthly reports), Livestock statistics (one report), Food security bulletin (three reports), *Crops and markets* (one) and Abstract of agricultural statistics (one report). The National Forestry Research and Development Strategy was finalised and was due for tabling at DEXCO.

A total of 454 employees participated in wellness campaigns. Altogether 1 448 clients received Mafisa loans and 284 farmers in distress were financed and supported. A total of 6 001 smallholder farmers and 5 382 subsistence farmers received support through the CASP and Ilima/Letsema conditional grants. A total of 2 022 jobs were also created through CASP and Ilima/Letsema.

Two media plans were finalised and approved for the National Assembly Budget Vote and National Council of Provinces Budget Vote. Participation of the department in the Deputy President's visit to Msinga in KwaZulu-Natal as part of the War on Poverty Campaign was successfully facilitated.

Quarter 2

The Organisational performance report for quarter 2 was discussed at the Quarterly Review Meeting.

PDAs' performance indicators were submitted to the National Treasury for gazetting. The following reports were issued: Crop estimates (three monthly reports), Food security bulletin (three reports), Livestock statistics (one report), *Crops and markets* (one), *Fresh produce markets* (one) and *Economic review of the South African agriculture* (one). The first draft of the DAFF Strategic Plan 2012/13–2016/17 was developed and submitted to Treasury for assessment.

A workshop was arranged with the Department of Public Service and Administration (DPSA) and relevant DAFF directorates to streamline reporting on the current plan and to facilitate the development of the new departmental SDIP. All DAFF projects have been aligned to the presidential outcomes and other government priorities. Scoping, screening and prioritising R&D proposals were done in conjunction with the appropriate commissioning directorates. The ToR for research support policies were approved by the Deputy Director-General (DDG) concerned.

Three media plans were finalised and approved. This included media plans for the Matsila Community Project in Makhado Local Municipality, Limpopo Province; Arbor Week, 1–7 September 2011; and the Climate-Smart Agriculture Conference (African Ministers), 13–14 September 2011. The database of intergovernmental partners has been developed.

The inputs and recommendations made to the Security Policy were consolidated during the quarter under review. The Recruitment and Selection Policy was ratified and approved for roll-out and implementation. Roll-out for the WSP is still continuing and is monitored on a monthly basis. Four awareness campaigns, i.e. HIV Counselling and Testing; Tuberculosis; Policy and Procedure on Incapacity Leave and Ill-health Retirement; and Youth Day, were held with regard to health promotion.

The Fisheries Employee Health and Wellness Plan was also approved during the period under review.

The ICT MSP proposal was approved. A total of 852 clients received Mafisa loans and R24 million was transferred to the Land Bank towards clearing production loans incurred by farmers in distress. A total of 4 260 smallholder farmers and 3 556 subsistence farmers received support through the CASP and Ilima/Letsema conditional grants. A total of 4 079 jobs were created through CASP and Ilima/Letsema.

Quarter 3

The PDA quarter 3 and mid-term reports based on actual data were compiled. The department's Organisational performance report for quarters 1 and 2 was presented to the Portfolio Committee.

The second draft of the *Strategic Plan 2012/13* was submitted to Treasury for further analysis and assessment.

Six DAFF officials attended a workshop organised by the DPSA for all national departments to initiate the development of the new SDIP for the 2012/13–2014/15 cycle. Service Level Agreements on R&D projects have been prepared and sent to the ARC for countersigning.



One media plan was finalised and approved for World Food Day on 16 October 2011 in Mqanduli, Eastern Cape Province. Two external workshops were held with stakeholders for the purpose of getting a clearer understanding of why transfers of commercial rights are taking place within the fishing industry.

The EPMDS was successfully rolled out and a total of 279 employees were trained. Of these, 103 were trained on short courses and 176 on accredited courses. A total of 533 employees participated in screening tests, including HIV.

An amount of R18,8 million Mafisa loans was disbursed to 1 354 clients during the period under review. The Value Chain Financing Model was developed and approved by Cabinet during this period. A total of 2 138 temporary and 845 jobs were created, resulting in a total of 2 983 jobs during the quarter under review.

Quarter 4

The departmental Organisational performance report for quarter 3 was presented at the Portfolio Committee. The *DAFF Strategic Plan 2012/13–2016/17* was tabled in Parliament in March 2012. Strategic and operational planning was presented at GOPC and ready for presentation at DEXCO for approval. The editing and printing processes of the 2012/13 Service Catalogue are also in progress. The consultation sessions with provincial programmes were undertaken from 16 to 20 January 2012. Working groups were established per programme and the draft preliminary DAFF SMS deployment meetings were held on 1 March and 11 April 2012, finalising the last project visits report and planning for 2012. Preliminary information has been compiled for further consultations. The approved SDIP was published as Annexure 2 of the *Strategic Plan 2012/13–2016/17*.

Two media plans were finalised and approved for the Female Entrepreneur of the Year Awards and the National Assembly Budget Vote 2012. Inserts were broadcast on Morning Live (SABC TV) on the Female Entrepreneur of the Year Awards which was celebrated on 26 March 2012. A total of 146 publications were sold. Six media releases were issued.

The Delivery Forum was launched at St Georges Hotel on 16 March 2012. The event was coordinated and facilitated successfully and the ToR for structured bilateral engagements with intergovernmental relations structures was drafted. A database of intergovernmental partners has been approved and posted on the departmental intranet.

The following reports were published: Quarterly economic review (one), Price watch report (weekly), Crop estimates (three), Livestock statistics (one), *Crops and markets* (one quarterly), *Abstract of agricultural statistics* (one report), Food security bulletin (one quarterly).

PROGRAMME 2: ECONOMIC DEVELOPMENT, TRADE AND MARKETING

Purpose

To ensure value chain integration and facilitation of market access for agriculture, forestry and fisheries products in support of economic growth, job creation and development.

The programme comprises three subprogrammes, namely International Relations and Trade; Agro-processing and Marketing; and Cooperatives and Rural Enterprises Development.

- **International Relations and Trade:** Facilitates, coordinates and supports international relations and international trade for the agriculture, forestry and fisheries sectors through the development and implementation of appropriate policies and programmes.

The subprogramme together with the Gauteng Provincial Department and the City of Tshwane hosted a successful Agribusiness Export Awareness Workshop for the purpose of informing governmental and non-governmental service providers, agricultural trade service providers, agribusinesses, farmers and potential exporters on all aspects relating to export support services, export processes and export opportunities. The tripartite free trade area negotiation was launched by heads of state or government during the Tripartite Summit that took place in June 2011. No offer for agriculture could be finalised at the second tripartite trade negotiating forum meeting held in March 2012, as there was no consensus on all the principles underlying the negotiations.

Three Inter-Africa agreements have been drafted, but could not be signed because of delays in receiving comments from two of the countries on the drafts and delay in the other country's final comment on the translated version of the agreement. In terms of international agreements, two draft proposals have been received, Thailand is ready for signing and negotiations are ongoing with Indonesia for the purposes of formulating a joint working group. As part of implementing the signed India, Brazil and South Africa (IBSA) agreement, a revised action plan was signed.

- **Cooperatives and Rural Enterprise Development:** Facilitates and supports the implementation of programmes and initiatives to ensure the promotion and participation of the agriculture, forestry and fisheries sectors in the economic development of businesses.



The AgriBEE section 9 Sector Code was approved by the Minister of Trade and Industry and published as a Notice to invite public comments. During the period under review, a total of 58 cooperatives were established, a further 63 cooperatives were trained on the Farmtogether Agricultural Cooperatives Programme and a number of commodity groups were identified throughout South Africa. The process of developing an integrated SMME Strategy for the department was put on hold, as a result of the amendment of the SMME Strategy by the Department of Trade and Industry (dti).

- **Agro-processing and Marketing:** Ensures the conversion/transformation of primary agriculture, forestry and fisheries product commodities into value-added products and ensures domestic and international market access.

Two bills were submitted for tabling at the Portfolio and Cabinet committees, i.e. the Marketing of Agricultural Products Amendment Bill and the Agricultural Produce Agents Amendment Bill. The Agro-processing Strategy was completed and approved, which is aligned with the dti and Economic Development Department (EDD) programmes. For the financial year a total of 410 farmers were trained on marketing skills programmes.

Strategic objectives

- Coordinate government food security initiative.
- Provide comprehensive support towards rural development.
- Increase growth, income and sustainable job opportunities in the value chain.
- Increase the level of public and private investment for agricultural, forestry and fisheries products.
- Increase market access for South African and African agricultural, forestry and fisheries products domestically and internationally.
- Establish and strengthen cooperative governance and functional relations with local and international stakeholders.

Performance indicators and targets

Subprogramme: International Relations and Trade

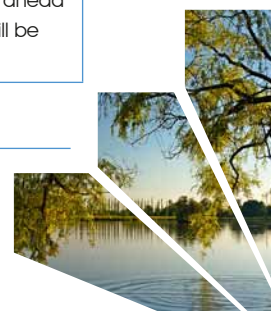
Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Sector strategies developed and implemented	None	Trade strategy in place to provide importer and exporter readiness training to 20 developing farmers	Registration for participation in the second phase of the International Trade Centre training has been completed and the first session of the second phase commenced in April 2012. An Export Awareness Workshop for 150 farmers, extension officers and traders was held on 23 February 2012.	It was realised during implementation that the target should in fact have been formulated differently.
Increased intra-Africa trade	None	Tripartite (SADC, EAC, COMESA) free trade area offer for agriculture	The offer for agriculture has not been finalised as yet. The second meeting of the Tripartite Trade Negotiating Forum took place from 12–14 March 2012. The tripartite free trade area negotiation was launched by heads of state or government during the Tripartite Summit that took place from 8–12 June 2011. Internal preparations were concluded by the end of December 2011.	During the meeting there was not consensus on all the principles underlying the negotiations. The necessary data on tariffs and trade of all member/partner states involved in the negotiations have not been received as yet.



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Cooperation agreements signed and implemented	None	Three inter-Africa agreements signed (Mali, Senegal and Gabon)	<i>Senegal:</i> Negotiations with the Senegalese counterparts have been finalised. The draft English and French versions are with the State lawyers for clearance. <i>Mali and Gabon:</i> The draft is still with counterparts and their comments are still awaited.	<i>Senegal:</i> The English version was only translated into French in December 2011 for Senegal's final comment. <i>Mali and Gabon</i> have been contacted through their embassies in Pretoria, but no response from their capitals has been received.
		Five international agreements signed (Thailand, Philippines, Indonesia, Saudi Arabia and Iran)	<i>Thailand</i> is ready for signing. <i>Philippines:</i> Both sides have not yet agreed on a final draft. <i>Indonesia</i> signed in 2007. Negotiations are ongoing for a possible date for the visit to Indonesia to formulate the Joint Working Group (last meeting was in October 2011). <i>Saudi Arabia:</i> Draft proposal was received from Saudi Arabia. It will be sent to technical directorates for their inputs. <i>Iran:</i> Proposal agreement on agricultural cooperation was received from Iran.	Negotiations are ongoing on lifting the ban on South African fruit. The positive outcome of these negotiations will then determine the signing of the agreement. Hosted a delegation from Thailand to conduct SPS inspections in the week of 19–23 March 2012. Still awaiting the response from our counterpart. Our office in Beijing is making follow-ups with the counterparts. Implementation will start once the formation of the working group is agreed upon.
		Monitor DAFF's participation in IBSA	As part of implementing the signed agreement, a revised action plan was signed. An intensive workshop was hosted by India from 12–30 March 2012 and DAFF was a participant.	The draft agreement is available.
		Develop DAFF's strategic approach to BRICS	There was a BRICS Summit in India, New Delhi on 29 March 2012 and inputs were made for the briefing in preparation for the summit.	The draft agreement has been received.

Subprogramme: Cooperatives and Rural Enterprise Development

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
30% of smallholder farmers organised into commodity associations and cooperatives	None 241	12 commodity associations established 90 cooperatives established	15 commodity groups have been identified and organised. A total of 91 cooperatives were registered for this financial year.	
Sector charters implemented	None	Implementation of the AgriBEE (10 AgriBEE deals facilitated) Forestry charters implemented Study on the status of transformation within the fisheries sector	Eight project proposals were received and are in the process of being visited to verify facts before a decision can be made to approve funding. This is an ongoing process in which the government and the industry are expected to deliver on their undertakings. The Forestry Charter Council (a vehicle to implement the charter), is operative and regular meetings are taking place to discuss progress on the status of transformation in the sector. The government has given the council a budget to facilitate the implementation of the charter. The council has agreed on a plan of action to ensure the implementation of the charter. This work is in progress. There have been several engagements to initiate the process. Several meetings to craft a process and to do some work took place.	Because there has been a reform process of the disbursement of the AgriBEE fund, there were delays in finalising the new agreements with the Land Bank. Up to now there are still some outstanding logistical issues to attend to before finalising the processes. Another challenge is that the quality of proposals is not clear enough to enable us to make a decision without visiting the projects to verify the facts. This is a process that requires information collection, research, negotiations and consultations, so it is practically impossible to finalise it as quickly as was anticipated.
Sector strategies developed and implemented	Draft Agricultural SMME Strategy approved	SMME Strategy developed	The process of developing a strategy was abandoned.	Because of the reform of the SMME Strategy by the dti it was not advisable to move ahead with the strategy. This will be revisited.



Subprogramme: Agro-processing and Marketing

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Value chain networks established and institutionalised	None	Grain value chain network established	Concept document was approved by DEXCO and the Minister recommended that it be tabled at the Minexco meeting before approval.	
Sector strategies developed and implemented	None	400 farmers trained on marketing skills Business cases for the establishment of marketing infrastructure to facilitate marketing of fresh produce developed	A total of 410 farmers were trained. None developed.	No financial resources to support the development of business cases.
Agro-processing job creation initiatives and strategies implemented	None	DAFF, the dti and EDD agro-processing plans and strategies aligned	The Agro-processing Strategy was completed and approved by DEXCO. It is aligned with the dti and EDD programmes.	

Service delivery achievements

The outputs of the programme, as specified in the Strategic Plan 2011/12 to 2014/15, are reported on per quarter.

Quarter 1

The tripartite free trade area was launched by heads of state during the June Tripartite Summit.

Meetings were facilitated between the milling industry, government and farmers for the purposes of initiating marketing linkages. A brochure has been developed with regard to accessing the AgriBEE Fund. Draft Business Requirement Specifications (BRS) for the AgriBEE IT portal have been developed.

The following two bills were submitted for tabling at the Portfolio and Cabinet committees: Marketing of Agricultural Products Amendment Bill and the Agricultural Produce Agents Amendment Bill. A total of 162 export and import permits were issued with an income of R74 405.

Quarter 2

The Agribusiness Analysis Tool was fully accredited by the Agricultural Sector Education and Training Authority (AgriSETA). Partnership agreements with the Land Bank and the Small Enterprise Development Agency have been concluded.

The Minister has signed the submission for publishing the AgriBEE Charter in the *Government Gazette*. The BRS document has been signed and the development of the portal by the Directorate: Information and Communication Technology is in progress. The concept proposal on the establishment and institutionalisation of value chain networks was approved. A total of 203 export and import permits were issued with an income of R95 410.

Quarter 3

The first meeting of the Tripartite Trade Negotiating Forum took place, with the following being agreed upon: ToR for the forum; the rules of procedure; the exchange of data and the format for the tripartite negotiations. Approval was granted for the opening of missions in Japan, Brazil, India and Russia.

Two commodity groups have been identified in the North West and Eastern Cape provinces. A total of 18 cooperatives have been trained on the Farmtogether Agricultural Cooperative Programme. The AgriBEE IT portal is at an advanced stage with the first phase of the testing already completed.

The concept proposal on the establishment and institutionalisation of value chain networks was approved by DEXCO. Altogether 17 trade inquiries were responded to within a time frame of three days. A total of 523 export and import permits were issued with an income of R245 810.

Quarter 4

The Coordination Centre for Research and Agricultural Development of Southern Africa Charter was signed. The first step of the implementation for the Comprehensive African Agricultural Development Programme Compact was completed.

A total of 18 small businesses have been supported through the Agribusiness Assessment Tool. Altogether 107 participants were trained on the Train-the-trainer Programme. Altogether 45 cooperatives have been trained on the Farmtogether Agricultural Cooperative Programme.

The AgriBEE section 9 Sector Code was approved by the Minister of Trade and Industry and published as a Notice in the *Government Gazette* for a 60-day period for inviting public comments. The concept proposal on the establishment and institutionalisation of value chain networks was recommended for tabling at Minexco before approval by the Minister. A total of 176 export and import permits were issued with an income of R88 880.

PROGRAMME 3: FOOD SECURITY AND AGRARIAN REFORM

Purpose

The programme facilitates and promotes food security and agrarian reform programmes and initiatives. It comprises three subprogrammes, namely Food Security; Sector Capacity Development; and National Extension Support Services.

- **Food Security:** Provides national frameworks to promote sustainable household food security programmes through improving the production systems of subsistence and smallholder farmers in the agriculture, forestry and fisheries sectors to achieve food security livelihoods and facilitate the provision of inputs, implements and infrastructure support.

In providing national frameworks to promote sustainable household food security programmes through improving the production systems of subsistence and smallholder farmers in the agriculture, forestry and fisheries sectors, the subprogramme has facilitated the development of the Food Security Policy as well as the Zero Hunger Programme. The two documents have been subjected to all the internal and interdepartmental cluster and approval processes. The documents will be resubmitted for the Cabinet approval process. The conditional grants for Ilima/Letsema and CASP have been aligned to support the outcomes of the Zero Hunger Programme during the ensuing financial year 2012/13.

The subprogramme managed to identify 21 192 potential smallholder producers to be linked to support mechanisms. The commodity farmers associations are also involved in this process through the provision of skills and expertise of the various industries.

The Mechanisation Programme was finalised with the delivery of 504 tractors and related implements, which were distributed to seven provinces. The Mechanisation Policy is being developed in consultation with the provincial departments, which culminated in a workshop to finalise the internal process. The policy will be submitted to the interdepartmental process in the next financial year. The targeted three production technologies could not be finalised because of a lack of capacity in the unit responsible. However, capacitation of the unit is underway to mitigate the above. These performance indicators are all aimed at increasing profitable production of food, fibre and timber products by all categories of producers.

- **Sector Capacity Development:** Facilitates the provision of agriculture, forestry and fisheries education and training in support of sustainable growth and equitable participation in the sector. This will be achieved by facilitating and supporting education and training skills, promoting the development of centres of excellence on skills training and developing, managing and coordinating the sector transformation policy and strategy in line with the government objectives for the department.

In facilitating the provision of agriculture, forestry and fisheries education and training in support of sustainable growth and equitable participation in the sector, the subprogramme managed to train a total of 33 141 members of the community in various training programmes. The trained beneficiaries include new producers, the youth and women. The training programmes conducted, provided beneficiaries with the necessary skills and training crucial in sustaining and increasing agriculture, forestry and fisheries production levels and access to markets in line with Government outcome 5 and 7.

The process of developing the Agriculture Training Institutions (ATIs) Policy has been concluded and it is ready for consultation with stakeholders. The policy will provide the most needed impetus to enforce the approved norms and standards for agricultural training institutes and the Governance and Financing Framework to ensure that colleges of agriculture



operate as centres of excellence in addressing acute skills gaps in the sector. The concept document on agri-villages has been finalised. The Sexual Harassment Policy, Policy Framework on Women Empowerment in Agriculture, Forestry and Fisheries and the Gender Policy have been finalised and are awaiting DEXCO approval. The approval and finalisation of these documents will fast track empowerment and protection of vulnerable farm workers in line with government objectives on the transformation of the sector.

- **National Extension Support Services:** Provides national extension policies, norms and standards on research and technology development. The subprogramme will provide strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector. It will also provide leadership and strategic support in the implementation of norms and standards for extension.

The subprogramme has a strategic goal of providing leadership and support to research, training and extension in the sector. In achieving this, the subprogramme, through its Extension Recovery Plan, managed to train 2 962 extension officers in various training programmes. The latter will contribute to the development of newly established smallholder producers in the sector and is in fulfilment of outcome 7. The subprogramme also managed to develop a position paper on the establishment of the extension professional body and reviewed norms and standards for extension and advisory services (2005). Furthermore, a position paper on the development of a national policy on extension has been developed as well. The paper and the reviewed norms and standards document will provide the basis for the development of the national extension policy.

Strategic objectives

- Coordinate government food security initiative.
- Provide leadership and support to research, training and extension in the sector.
- Improve departmental service excellence through the implementation of quality standards, Batho Pele principles and general legislative mandate.

Performance indicators and targets

Subprogramme: Food Security

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Approved Food Security Policy	A draft Food Security Policy was completed.	Develop and approve the Food Security Policy	The policy was developed and underwent all internal processing for approval.	Lengthy Cabinet processes led to the policy being temporarily withdrawn.
Approved Zero Hunger Strategy	A draft Zero Hunger Strategy and Implementation Plan were completed.	Develop, approve and implement the Zero Hunger Strategy	The strategy was developed and underwent all internal processes for approval.	Lengthy Cabinet processes led to the policy being temporarily withdrawn.
Number of producers receiving comprehensive production support	Farmers received support worth R50 000 each in grants 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 were grown owing to the pilot project. In the Free State 7 projects received assistance, with a total of 12 beneficiaries, 5 of whom were females (youth was not involved). In North West Province 8 projects were supported and 23 beneficiaries benefited, including 7 females and 8 youths.	15 000	A total of 21 192 new smallholder producers have been identified during the year 2011/12 as follows: 1 692 in the Free State; 193 in Gauteng; 2 766 in KwaZulu-Natal; 2 009 in North West; 5 889 in Mpumalanga; 7 124 in Limpopo; 686 in the Eastern Cape; 734 in the Western Cape and 99 in the Northern Cape.	It turned out that the phrase support in an indicator is not in line with the subprogramme's focus because the funds for support are in a different branch. It ensures identification and coordination, but this has been rectified in the 2012/13 Strategic Plan.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of producers receiving comprehensive production support (<i>cont.</i>)	A total of 52 state farms (obtained through financial assistance and land administration) were supported through farm visits, renewed lease contracts, caretaker agreements and permissions to occupy. Two lease agreements were renewed (Lot 3 of Riet River Settlement in the Free State and Rietfontein farm in the Western Cape). 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).			
Approved Policy on Mechanisation Support Model	None	Develop and approve Policy on Mechanisation Support Model	The model was developed and a workshop with provinces and the Agriculture and Sustainable Rural Development and Science and Technology Committee (ASRDC/STC) meeting was held on 9 March 2012. Inputs have been received from three provinces and the document is currently being improved to reflect the issues raised at the meeting. This will be finalised in quarter 1 of the 2012/13 financial year.	Comments from all role players have not been received and will be included in the document as soon as they are received.
Number of production technologies with norms and standards	None	3	The documents are in progress. Could not be delivered because of a lack of capacity.	The norms and standards will be concluded with 3 others in the next financial year. Posts for 2 Chief Engineers and 7 Engineers will be advertised in May 2012.

Subprogramme: Sector Capacity Development

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of new producers completing training programmes	A total of 31 474 members of the community, including smallholder farmers, the youth and women, received various forms of training, namely:	14 targeted programmes	A total of 33 141 members of the community, including smallholder farmers, the youth and women, received 50	The target has been achieved and exceeded. The cause of the variance is the result of additional producers trained by



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of new producers completing training programmes (cont.)	AgriSETA: 8 859; FoodBev SETA: 3 334; FIETA: 3 891; CASP: 7 127; colleges of agriculture: 973; universities/universities of technology: 7 250; Grootfontein Agricultural Development Institute (GADI): 40.		different forms of training during 2011/12 as follows: AgriSETA: 4 244; FoodBev SETA: 3 639; CASP: 18 126; Red Meat Abattoir Association: 3 993; GADI: 383.	provinces from funds sourced additionally to the normal CASP training fund.
Approved ATIs Green Paper	None	ATIs Green Paper consultation concluded	The development of the ATIs Green Paper has been concluded and was consulted with the State Law Advisors. The process to further engage stakeholders for further consultation has also commenced.	Delay in the appointment of a service provider. Engagements are continuing with the Directorate: Supply Chain Management to fast-track the process.
Norms and standards approved by HoDs	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. Glen (Free State), Taung (North West) and Fort Cox (Eastern Cape) have also progressed in the implementation of norms and standards. 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 mainly with extension matters.	3	The three additional colleges, namely Isolo (Eastern Cape), Taung (North West) and Glen (Free State) have made strides in the implementation of norms and standards. The ATIs' norms and standards were approved by the Intergovernmental Technical Committee for Agriculture, Forestry and Fisheries (ITCAFF) in May 2011 and are ready to be publicised and launched by the national Minister. A sum of R50 million was allocated and subdivided among colleges to address their revitalisation plans. National Treasury has made available additional funding of R150 million over the 2012/13–2014/15 MTEF in support of the Revitalisation Programme of ATIs.	
Approved concept plan on number of villages (on agriculture, forestry and fisheries vulnerable workers)	A draft document on the establishment of agri-villages in support of vulnerable workers on farms and in forestry and fisheries was finalised and tabled at the relevant structures within the DAFF.	4 villages	The concept paper on agri-villages has been developed and will be tabled at the ASRDC/STC during quarter 1 of 2012/13 and tabled further at DEXCO.	During the Parys Quarterly Review Meeting (QRM), this target was revised and was removed from the Strategic Plan. Only the concept paper on agri-villages was left as the target.
Transformed sector	The following reports and policies on departmental and sectoral transformation were	Implement findings of the DAFF audit report	The concept plan on agri-villages, Sexual Harassment Policy, Policy	The development of appropriate policies as mentioned reflects on the

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Transformed sector (cont.)	finalised and tabled at the relevant structures within the DAFF: - The draft concept plan on the establishment of agri-villages for vulnerable 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.		Framework on Women Empowerment in Agriculture, Forestry and Fisheries and the Gender Policy as a response to the DAFF audit report will be tabled at the right DEXCO subcommittees for noting and approval.	implementation of the findings of the DAFF audit report on sector transformation and gender mainstreaming (both within DAFF and in the sector). However, work will continue in the new financial year as the target cannot be achieved completely in one financial year. The policies and/or frameworks developed so far represent good achievement for the 2011/12 financial year.
Overall coordination on the resolutions of the workers' summit	Once the ToR for its establishment had been adopted, the National Delivery Forum for Vulnerable Workers on Farms and in Forestry and Fisheries was established.	Establishment of vulnerable workers' delivery forums/units in all provinces	Vulnerable workers' delivery units have been established in 4 provinces (Eastern Cape, Western Cape, Limpopo and Free State).	Vulnerable workers' delivery units could not be established in 5 provinces (Northern Cape, Gauteng, KwaZulu-Natal, North West and Mpumalanga) because of budgetary constraints. The process is deferred to the 2012/13 financial year.

Subprogramme: National Support Services

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of extension personnel who received training	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 skills training programmes.	1 500 extension personnel receive training Develop appropriate policies towards improvement of extension services	A total of 2 143 extension officers were trained during the 2011/12 financial year—97 of these extension officers were trained in Extension Suite Online. Position paper on establishment of extension professional body developed. The norms and standards for extension and advisory services were reviewed.	The target for training (1500) was exceeded because it is not only confined to qualification upgrading and on-line training but also includes skills programmes training. Draft Policy on National Extension and Advisory Services will be developed in the 2012/13 financial year because of inadequate resources as the contract appointments of three policy development specialists were not approved by the ODC.



Service delivery achievements

The outputs of the programme, as specified in the *Strategic Plan 2011/12 to 2014/15*, are reported on per quarter.

Quarter 1

The draft document on the Food Security Policy was developed and presentations were made to the Integrated Food Security and Nutrition Task Team (IFSNTT); Social and Protection Cluster and the Food Lab (experts in food security interventions). The draft strategy on Zero Hunger was completed and presented to the Science and Technology Committee, IFSNTT, Social and Protection Cluster, Western Cape-IFSNTT and the Senior Management of the Northern Cape. The draft Smallholder Development Strategic Plan was completed.

A number of smallholder farmers attached to government priority programmes as beneficiaries in the provinces underwent training in beef production, goat production, financial management, pig production, soil preparations and planting, vegetable production and routine slaughter training. The concept document on the establishment of agri-villages has been finalised. A National Vulnerable Workers' Delivery Forum meeting was held on 19 May 2011 and an agreement was reached on how to establish both the vulnerable workers' delivery units and forums in the provinces. The current consultation processes, with regard to the development of the Food Security Policy for South Africa, will determine the development of the adherence plan to the Food Security Policy Framework.

Quarter 2

The ToR for the establishment of a National Smallholder Task Team have been completed and a workshop was held on 14 July 2011 with the provinces. A draft Food Security Policy and the Zero Hunger Programme have both been tabled at the MinMec and the Social and Protection Cluster as part of the intergovernmental approval process. A Zero Hunger National Planning Workshop was held involving the provinces, the departments of Social Development, Health, Rural Development and Land Reform and the Food Bank.

A total of 1 965 smallholder producers were identified for support in this quarter. These were as follows: Free State (234), Limpopo (408), KwaZulu-Natal (46), Mpumalanga (152), Western Cape (151), Gauteng (3), North West (971), Eastern Cape (0) and Northern Cape (0). Three draft policies have been compiled, these policies are: Guidelines on Prevention and Management of Sexual Harassment and Violence, Gender Equality and Framework on Women Development in Agriculture, Forestry and Fisheries. The position paper on the establishment of the extension council has been developed. A total of 36 producers (34 PDIs) received training in quarter 2.

Quarter 3

Altogether 10 199 smallholder producers were identified for support: Free State (131), Limpopo (6 318), KwaZulu-Natal (82), Mpumalanga (1 816), Western Cape (229), Gauteng (53) North West (857), Eastern Cape (614) and Northern Cape (99). A total of 150 extension officers were trained in Extension Suite Online and 818 extension officers registered for qualification upgrading.

Quarter 4

A total of 33 141 members of the community, including smallholder farmers, the youth and women received 50 different forms of training during 2011/12. A total of 2 962 extension officers were trained during the 2011/12 financial year, 97 of these were trained in Extension Suite Online. Norms and standards for ATIs were approved by ITCAFF in May 2011. A total of 202 students registered at GADI for the 2012 academic year and by the end of the first quarter of the academic year, 196 remained. The position paper on the establishment of the extension professional body was developed. The norms and standards for extension and advisory services were reviewed.

PROGRAMME 4: AGRICULTURAL PRODUCTION, HEALTH AND FOOD SAFETY

It should be noted that this programme was referred to as Programme 2 in the 2011/12 Estimates of National Expenditure (ENE) for the DAFF, however, the programme performance was done in line with the 2011/12 Strategic Plan. It was amended in the 2012/13 Strategic Plan and all the programmes are now aligned to the departmental ENEs.

Purpose

The programme manages the risks associated with animal diseases, plant pests, genetically modified organisms (GMOs) and registration of products used in agriculture, promotes food safety and creates an enabling environment for increased and sustainable agricultural production.



It comprises three subprogrammes, namely Plant Production and Health; Animal Production and Health; and Inspection and Laboratory Services.

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

To support the sustainable use of genetic resources for food and agriculture, repatriation plans were developed to improve the livestock populations in two municipalities in the North West and Free State provinces. These repatriation plans include clear recommendations on approaches to reintroduce appropriate animal genetic resources into the specific production environments. The application of these plans would contribute to the improvement of indigenous farm animals and, ultimately, the conservation of farm animal genetic resources.

- **Animal Production and Health:** Aims to improve livestock production through the implementation of animal production and health strategies, projects and programmes founded on sound animal disease risk management principles, an informed extension service and sustainable natural resource management.
- **Inspection and Laboratory Services:** Focuses on the provision of leadership, guidance and support in ensuring compliance with agricultural legislation and regulatory frameworks and overseeing the effective implementation of risk management strategies and plans for regulated agricultural products.

The subprogramme provides leadership, guidance and support in ensuring compliance with agricultural legislation and other regulatory frameworks which serve to ensure effective risk management for regulated agricultural products. In this respect, legislation in the form of the Fertilizer and Feeds Bill has been processed and certified by the State Law Advisor, which will ensure that the Bill can be tabled in Parliament at a later stage. The Bill will improve the regulation of fertiliser, animal (farm) feeds in the interest of food security and ensure that such food also meets safety criteria. The Liquor Products Amendment Bill has been expanded in scope to incorporate the regulation of beer and traditional beer (prepared for sale) as part of protecting consumers from the sale of inferior and unsafe products. This legislation will be published for public consultation and will from thereon, be processed and finalised through Parliament in the coming year. Our visibility and vigilance at ports of entry in the interest of ensuring the compliance of visitors and imported products have been monitored and reported on. This critical component of law enforcement provides feedback that is used to improve our regulatory frameworks, thereby ensuring that the risks associated with unsafe food, diseases and pests are managed.

Strategic objectives

- Coordinate government food security initiative.
- Promote safe food by managing the level of risks associated with food, diseases, pests and natural disasters.
- Increase the level of public and private investment for agricultural, forestry and fisheries products.

Performance indicators and targets

Subprogramme: Plant Production and Health

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of commodity strategies implemented	<i>Review of cotton and fruit strategies:</i> 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.	Two key commodity strategies implemented	The implementation plans for the Grain Strategy as well as the Fruit Strategy were developed and finalised. These plans were approved by the Chief Director. Implementation of these strategies will be at provincial level. Provinces that started implementing elements of these strategies are Mpumalanga, Limpopo and the Free State.	



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of support interventions implemented	Plant Breeders' Rights Amendment 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.	Regulatory support (phytosanitary measures, early warning systems, legislative compliance)	<i>Plant Health Policy:</i> The draft Plant Health Policy was submitted for the Minister's approval to have it published in the <i>Government Gazette</i> for public comment. <i>The Plant Protection Bill:</i> The Plant Health (phytosanitary) Bill recirculated within the National Plant Protection Organisation of South Africa for final consideration before the Bill will be submitted for Ministerial approval to have it published in the <i>Government Gazette</i> for public comment. <i>Amended Table 1 in terms of Plant Breeders' Rights Act:</i> A total of 28 taxa were declared as plants for which plant breeders' rights may be obtained. Minister approved declarations on 25 May 2011 and 14 October 2011. Amended regulations were published in the <i>Government Gazette</i> of 17 June 2011 and 18 November 2011. <i>GMO consignment threshold:</i> A draft risk matrix was presented to the Executive Council on 25 October 2011. A draft guidance document that corresponds to the draft matrix was presented to the Executive Council on 29 February 2012. The Executive Council was requested to provide further inputs. The draft framework document has not been approved yet by the Executive Council. Assessment of the draft document now raises concerns that the development of thresholds may be	The draft policy was approved for publication by the Minister on 11 April 2012 and will be published on 26 April 2012. Progress of the Plant Protection Bill is linked to the development and progress of the draft Plant Health (phytosanitary) Policy. Publication of the draft Bill for public comment is planned for Q2, 2012/13. The draft framework document was due to be discussed at the Executive Council meeting on 20 March 2012. The meeting did not take place because of the absence of a quorum.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of support interventions implemented (<i>cont.</i>)		Technical support (norms, standards and guidelines) Promotion and awareness	<i>ultra vires</i> to the GMO Act. A formal legal opinion is awaited in this regard. <i>Repatriation plans (indigenous livestock) for North West and Free State provinces:</i> The restocking plans for both provinces have been developed. Targeted areas are: Dr Kenneth Kaunda and Dr Ruth Segomotsi Mompati district municipalities in North West and Thabo Mofutsanyana and Motheo district municipalities in the Free State. In North West, 635 indigenous animals kept by farmers were characterised while 950 indigenous animals were characterised in the Free State. <i>Prioritisation mechanism/tool/system for phytosanitary export markets:</i> The draft document was discussed with the Directorate: International Trade and still needs to be provided to different directorates within DAFF and other DAFF stakeholders for further discussion in order to decide on the way forward. <i>Onfarm Conservation Project established in KwaZulu-Natal:</i> The repatriation and planting of 49 accessions of indigenous crops were completed. The verification and monitoring of the project sites were concluded. The registration of the beneficiaries of this project on the Logis system was finalised and incentives were paid accordingly, which amounted to R24 500, i.e., R500 per crop.	Prioritisation mechanism/tool/system for phytosanitary export markets could not be finalised because of complex, strategic economic and political dimensions. This requires multistakeholder involvement.



Subprogramme: Animal Production and Health

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of animal schemes implemented and monitored	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.	9	Two schemes were implemented and monitored: • <i>Dairy schemes</i>: 538 dairies participated in the Milk Recording and Improvement Scheme, of which 38 are from the subsistence sector. • <i>Kaonafatso ya Dikgomo Scheme</i>: 1 376 subsistence beef cattle farmers participated in the Kaonafatso ya Dikgomo Animal Recording and Improvement Scheme. The following schemes are being finalised: • <i>Game Meat Scheme</i>: Ministerial approval for publishing for public comment pending. • <i>Abattoir Rating Scheme</i>: Feedback from Legal Support is being attended to in finalising the submission for ministerial approval.	Unfortunately, the target was not realistic—this was realised during implementation and reporting.
Implemented commodity strategies (red meat, milk, poultry and pigs)	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.	1	A draft document was developed and two meetings were held to include inputs from the relevant sectors. The draft document is being finalised for broader consultation.	Coordinating stakeholder inputs has been difficult as a result of the non-availability of people.
Percentage of veterinary graduates deployed for compulsory community service	None	Compulsory Community Service Framework completed	Amendment of the Veterinary and Para-veterinary Professions Act, 1982 through the Veterinary and Para-veterinary Professions Amendment Bill, 2011. Cabinet approved the amendment of the Bill.	
Number of animal identification marks issued	None	32 000	A total of 23 273 identification marks were registered up to the end of Q4.	As the target was chosen/predicted outside the control of the Directorate: Veterinary Public Health, applications received during the year were well predicted and the service to the public was well executed.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of export facilities inspected	None	20	26 audits at export facilities up to the end of Q4.	It is not easy to accurately set a target for a service—the demand during the year dictated that extra audits (than were initially planned) be undertaken.
Number of laboratories approved by the DAFF	None	24	DAFF approval certificates were issued for 12 veterinary laboratories. The DAFF approval of two veterinary laboratories was renewed for another 2-year period. The continual DAFF approval of two veterinary laboratories was recommended on condition that identified non-conformances be cleared. Several laboratories could not be approved by the DAFF because of identified non-conformances that have to be addressed.	The Directorate: Animal Health has no control over the willingness or the ability of veterinary laboratories to conform to auditing standards, or to address non-conformances that were identified.
Surveillance reports published	None	2	The final document for the 2009 national pig survey was produced, and will be used for the self-declaration of freedom from certain pig diseases to be submitted to the International Office of Epizootics (OIE). Designed a prevalence surveillance study for the proposed FMD protection zone in KwaZulu-Natal to determine the number of FMD serological reactors in the area. The survey was conducted, however, a final report has not been produced. The planning of a national FMD survey has been done and must still be approved by the Directorate: Animal Health. The survey will commence as soon as approval is given.	The surveillance actions embarked on, and the subsequent reports that are produced, are outside of the control of the Directorate: Animal Health, and are the result of serious disease outbreaks that occur.



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Disease reports submitted	None	4	Four quarterly disease reports for use within the DAFF were produced. 40 reports were sent to the OIE and 10 reports (March to December 2011) were sent to SADC. <i>OIE reporting:</i> • The second six-monthly report for 2010. • The Annual report for 2010. • The first six-monthly report for 2011. • The OIE Wildlife report for 2011. • Five immediate reports and 31 follow-up reports (weekly reports) were submitted on diseases like African horse sickness, Rift Valley fever, highly pathogenic avian influenza, FMD, contagious equine metritis and epizootic ulcerative syndrome (red-spot disease). <i>SADC reporting:</i> • Disease reports for March to December 2011 (10 reports) were submitted.	

Subprogramme: Inspection and Laboratory Services

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of reports on regulatory compliance and monitoring interventions	None	4	Q1—4 reports on regulatory compliance and monitoring interventions were compiled.	
Approved regulatory framework instruments	Fertilizer and Feeds 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.	Fertilizer and Feeds Bill	The Bill has been approved by Cabinet for tabling in Parliament.	The reason for variance is that the department is still waiting for the Bill to be certified by the State Law Advisor of the DoJCD. Hence, the Bill has not been tabled in Parliament.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Approved regulatory framework instruments (<i>cont.</i>)	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.	Liquor Products Act	Liquor Products Amendment Bill has been submitted to the Minister of Agriculture, Forestry and Fisheries for public comment.	The delay was caused by further meetings held with role players to resolve different views on beer and cider.

Service delivery achievements

The outputs of the programme, as specified in the Strategic Plan 2011/12, are reported on per quarter.

Quarter 1

A Cabinet submission regarding deployment of veterinary graduates was drafted. A total of 7 660 animal identification marks were registered. The Fertilizer and Feeds Bill was sent to the DoJCD for vetting. The draft Regulations for the amendment of the Liquor Products Act, 1989 (Act No. 60 of 1989) were submitted to Legal Services for vetting.

A workshop on revising the Plant Protection Bill was held from 11 to 13 May 2011 and the comments and inputs received were evaluated and incorporated into an amended draft. A briefing session with officials on repatriation plans (indigenous livestock) took place in the Free State during June 2011 and the briefing meetings for the North West Province were confirmed for July 2011.

Quarter 2

The preliminary inputs and comments on the draft Plant Protection Bill were received from the Chief State Law Advisor. Altogether 7 202 animal identification marks were registered during this quarter. A Prevalence Surveillance Plan for the FMD protection area of KwaZulu-Natal was designed. Altogether 14 645 laboratory samples were analysed.

Quarter 3

The repatriation and planting of 49 accessions of indigenous crops were completed. A total of 20 746 animal identification marks were registered. Altogether 97 reproduction operators were registered. For avian influenza disease control purposes, 35 366 birds were slaughtered and owners paid a total of R47 million. Nationwide surveillance indicated that a total of 19 stallions were affected by contagious equine metritis and these were put under quarantine and treated. A notice for the amendment to the export standards and requirements for canned fruit was published in the *Government Gazette* on 23 December 2011.

A total of 280 418 temporary import permits for animals for purposes of feedlot/slaughter/pasture/resale/shows and 422 permanent import permits were issued. A total of 747 agro-chemicals were processed and registered (stock remedies 23; agricultural remedies 85; fertilisers 142; pest control operators 116; farm feeds 262; advertisements 19; import permits 51; free sale certificates 42 and pack sizes 7). Ten new taxa were declared as plants for which plant breeders' rights may be obtained. The Minister approved the declaration (Lists of declared plants) and amended regulations were published in the *Government Gazette* of 18 Nov 2011. A total of 31 certificates under the Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976) were issued within the agreed standards. Altogether 47 GMO import and 34 export permits were also issued within the prescribed period. Interventions implemented in quarter 3 included those for avian influenza, FMD, corridor disease and contagious equine metritis. A Corridor Disease Controlled Area was created in Limpopo.

Quarter 4

During the quarter under review, a total of 153 427 inspections were conducted at ports of entry. A further 2 386 applications for new registration, amendments, daughter/transfer, for agricultural remedies, stock remedies, and farm feeds, fertiliser and pest control operators were finalised. The implementation plans for the Grain Strategy and Fruit Strategy were finalised. A total of 18 new taxa were declared as plants for which plant breeders' rights may be obtained. The Minister approved the declaration (Lists of declared plants) on 14 October 2011. Amended regulations were published in the *Government Gazette* of 18 November 2011. During the financial year, a total of 32 868 laboratory samples were analysed and 2 139 inspections



were conducted by the Directorate: Agriculture Inputs Control. The Guidelines for the registration of plant growth regulants and the Guidelines for the registration of seed treatment were finalised and are ready for publication. The literature review on the Guidelines for the registration of a swimming pool has been conducted. Draft Guidelines for the residue of agricultural remedies were also finalised. The General guidelines for the registration processes of farm feeds are in the final stages—changes that were suggested in the workshop held with the industry in August 2011, are being incorporated. The Policy on Plant Improvement was discussed at the ASRDC/STC.

PROGRAMME 5: FORESTRY AND NATURAL RESOURCES MANAGEMENT

Purpose

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

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

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

The subprogramme could only facilitate the afforestation of 499,37 ha of land, because of the fact that the department does not own land for afforestation and this only happens on private sector and communal land. Funding was secured from Sappi for three afforestation projects in the Eastern Cape Province. Over 700 000 trees were planted in support of the department's Greening Strategy.

- **Forestry Development and Regulations:** Ensures effective development of policies for forestry regulation and oversight by promoting the optimum development of arboriculture, commercial and urban forestry and the development of small-scale forestry.

A total of 2 898 small growers were supported by the subprogramme through technical assistance or by means of linkages to potential funders. The subprogramme facilitated the forming of a Charcoal Producers' Forum, which was trained by Sasol on charcoal making and whose products were tested and met the standards of the South African Bureau of Standards (SABS).

- **Natural Resources Management:** Will facilitate the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests, the efficient development and revitalisation of irrigation schemes and water use. The subprogramme will facilitate climate change mitigation and adaptation, risk and disaster management as well as promote, regulate and coordinate the sustainable use of natural resources (land and soil).

The subprogramme successfully facilitated the hosting of the World Conference on Climate Change in Durban, KwaZulu-Natal. Only 650,70 ha of land could be rehabilitated, because of budget constraints. The subprogramme developed a draft Climate Change Sector Plan, revitalised three irrigation schemes with a total area of 265 ha and created a total of 1 971 job opportunities, which is equivalent to 924 full-time equivalents (FTEs).

Strategic objectives

- Coordinate government food security initiative.
- Increase the level of public and private investment for agricultural, forestry and fisheries products.
- Ensure the sustainable management and efficient use of natural resources.
- Promote environmentally sustainable production systems.

Performance indicators and targets

Subprogramme: Forestry Operations

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of hectares planted (Forest Sector Transformation Charter)	None	10 000 ha	A total of 499,37 ha of land were afforested.	The DAFF does not have land or the funds to do afforestation. Afforestation takes place on private sector land and communal land only. The DAFF only facilitates afforestation.

Subprogramme: Forestry Development and Regulations

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of small growers supported	None	2 500	A total of 2 898 small growers were reportedly supported, though the evidence received indicated that 71 growers were supported.	

Subprogramme: Natural Resources Management

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of jobs created	None	1 300 FTEs	Through the LandCare Programme, 1 971 job opportunities were created, which translated into 924 FTEs.	Limited budget, as this target was set on the possibility of the expansion of the Land-Care Programme
Disaster risk mitigation strategies implemented	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. 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.	A disaster risk management system was developed.	The document on coping strategies for floods has been approved by the National Agro-meteorology Committee (NAC). A progress report on the functioning of consultative structures, such as the National Agricultural Risk Management Committee and the National Disaster Task Team was submitted to ASRDC for presentation. Implementation of the Flood Assistance Scheme by the province is underway and monitoring and evaluation of the scheme was conducted by Climate Change and Disaster Management in February 2012. A progress report on the implementation of the Western Cape Flood Disaster Relief Scheme is available and awaits approval by DEXCO.	Rescheduling of ASRDC meetings
Number of government irrigation schemes revitalised for smallholder farmers	The Policy Framework on Irrigation in South Africa was presented in the Eastern Cape, Free State, Limpopo and Mpumalanga. The ToR and the minutes of the inaugural meeting by the Chief Executive Officers' Forum Task Team on Water Quality were circulated to all stakeholders.	0,5%	The Makhathini Irrigation Scheme, an area of 150 ha, has been revitalised. This included the construction and repair of the drainage canals, repair and replacement of mechanical and electrical components in pump stations and replacement of irrigation pipes and water meters. At the Taung Irrigation Scheme 115 ha have been refurbished through the construction of sub-surface drainage, and the replacement and repair of pump stations.	None



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of hectares rehabilitated	None	1% of 800 000 ha = 8 000 ha	A total of 31 302 ha of land were rehabilitated through LandCare (2 947,8 ha for soil protection, 12 078 ha for rangeland and 16 276,2 ha for the control of weeds and invader plants).	Could not achieve the target because insufficient funds were provided for the project. The Directorate: Woodlands and Indigenous Forest Management had to reprioritise funds to rehabilitate 650,70 ha
Climate change adaptation plans implemented	None	Climate change adaptation plans developed	The draft Climate Change Sector Plan has been developed and is currently being tabled at the ASRDC for further inputs and comment after inputs from stakeholders and directorates were incorporated. The plan is expected to be approved by DEXCO by quarter 1 of the 2012/13 financial year.	The Climate Change Sector Plan will serve as a baseline for the development of the climate change mitigation and adaptation plans for agriculture, forestry and fisheries for the 2012/13 financial year.

Service delivery achievements

The outputs of the programme, as specified in the *Strategic Plan 2011/12*, are reported on per quarter.

Quarter 1

During the period under review, a total of 223 temporary jobs and 104 jobs were created through wattle conversion. A total of 252 084 trees were planted by the department and other stakeholders nationally, including municipalities. A total of 453 growers were supported and two wetlands were rehabilitated in the Gauteng and Western Cape provinces. The National Agricultural Disaster Risk Management Committee meeting was held on 30 June 2011. Three NAC advisories, including their summarised versions, were issued to management and the sector.

The Agricultural Disaster Management Plan was sent to the Minister for gazetting. Disaster relief schemes in the Eastern Cape Province were monitored and evaluated. An orchard comprising 200 peach trees was established at Rekgotsofetse High School in the Free State.

A new LandCare booklet that includes the protection of trees was introduced. A Charcoal Producers' Forum was formed and members were trained by Sasol on the production of charcoal. Products were tested and met SABS standards. A total of 16 841,2 ha of land were rehabilitated through LandCare (21 ha for soil protection, 544 ha for rangeland and 16 276,2 ha for the control of weeds and invader plants). All these actions were for the purpose of reducing land degradation.

Quarter 2

A total of 148 afforestation licences were issued and 432 084 trees were planted during the period under review. A total of 700 small growers were supported and 717 jobs were created through commercial forestry and plantations. The establishment of four community nurseries in KwaZulu-Natal were facilitated through the Junior LandCare Programme. These nurseries are at Richmond, Cwaka, Mtubatuba and Mpendle.

Altogether 125 ha were revitalised (90 ha at Makhathini and 35 ha at the Taung Irrigation Scheme). One wetland was rehabilitated in the Western Cape. The research proposal for the development of the Policy on Protection of Agricultural Land was approved by the research committee and the SLA was also vetted by the State Law Advisors. Monitoring of the Post Disaster Assistance Scheme was conducted from 16 to 19 August 2011. The National Climate Change Conference for Agriculture, Forestry and Fisheries was held from 11 to 12 August 2011 and inputs have been consolidated into the draft Adaptation and Mitigation Plan for the sector. Three NAC advisories, including their summarised versions, were issued to the sector.



A total of 7 734 ha of land were rehabilitated through LandCare (1 820,5 ha for soil protection, 3 796 ha for rangeland and 2 117,1 ha for the control of weeds and invader plants). All these were for the purpose of reducing land degradation.

Quarter 3

During the period under review, 33 afforestation licences were issued and 11 593 trees were planted. A total of 183 growers were supported and 269 jobs were created through wattle jungle conversions and plantations. The Western Cape Flood Disaster Relief Scheme was implemented in the province. The SLA for the development of a policy to safeguard agricultural land was signed by the DG. Funding was secured from Sappi for three afforestation projects in the Eastern Cape. Three NAC advisories, including the summarised versions, have been issued to the sector.

The COP17, held in Durban from 28 November to 11 December 2011, emerged with some key decisions on the Green Climate Fund, adaptation, technology and support on developing country action. Although a decision on agriculture was deferred to COP18, agriculture has, for the first time, been put on the agenda of the Subsidiary Body for Scientific and Technological Advice to consider views related to agriculture at its 36th session, with the aim of exchanging views and the COP adopting a decision on this matter at COP18. The DAFF hosted and participated in the three high-level events, namely Agriculture and Rural Development Day, Forest Day 5 and Climate-Smart Agriculture, as well as three technical side-events in the form of interactive seminars held in parallel with COP17 at the Climate Change Response Expo.

A total of 11 264 ha of land were rehabilitated through LandCare (555,3 ha for soil protection, 2 113 ha for rangeland and 8 596 ha for the control of weeds and invader plants). All these were for the purpose of reducing land degradation.

Quarter 4

A total of 15 254 trees were planted nationally and 1 562 small growers were supported on technical advice and potential funding linkages. The department was involved in the planting of a total of 711 015 trees—of these the DAFF was directly responsible for 93 280 trees. The department and other stakeholders finalised the Business Plan for the Support of Charcoal Production in uMzimkhulu in KwaZulu-Natal. The edited version of the COP17 report was finalised. Three NAC advisories, including the summarised versions, were issued to the sector.

A total of 8 693 ha of land were rehabilitated through LandCare (551 ha for soil protection, 3 123 ha for rangeland and 5 019,1 ha for the control of weeds and invader plants). All these were for the purpose of reducing land degradation.

PROGRAMME 6: FISHERIES MANAGEMENT

Purpose

The programme promotes the development, management, monitoring and sustainable use of marine living resources and the development of South Africa's fisheries sectors. Sustainable livelihoods will be achieved through aquaculture growth and fisheries economic development.

It comprises four subprogrammes, namely Aquaculture and Economic Development; Fisheries Research and Development; Marine Resource Management; and Monitoring, Control and Surveillance.

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

In terms of ensuring aquaculture growth and fisheries economic development for sustainable livelihoods, the NASF and Action Plan were developed with the intent to guide and fast-track the development of an equitable, diverse, viable and competitive aquaculture sector through creating a harmonised enabling environment and scope for attainable government and private sector interventions during the period under the review.

The deliverable on the published report on the Status of the fisheries transformation was transferred to the Programme: Economic Development, Trade and Marketing (EDTM) (Directorate: BBBEE Charters Compliance), as it is the programme responsible for development of departmental charters. The proclamation of harbours was deleted according to the DEXCO agreement because the output was no longer relevant to the subprogramme. In moving forward, the subprogramme will focus only on the number of harbour projects implemented.

Two out of three fish farm projects were also implemented, with the third one being cancelled owing to the non-compliance by the service provider. The subprogramme will ensure that it strengthens its compliance mechanisms which are in place and all terms and conditions are adhered to.

Ten Working for Fisheries Programme (WFFP) projects were also implemented as planned with the purpose of promoting job creation for ensuring economic development and sustainable livelihoods. The Camdeboo Women's Trust was also



established in partnership with Camdeboo Bream. This was in relation to the establishment of smallholder associations. The subprogramme also contributes to outcome 10 as part of reporting on departmental outcome performance.

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

In working towards the sustained management of natural resources strategic goal, relevant and necessary scientific research was concluded regarding the inshore fisheries sectors. Scientific Working Group (SWG) meetings for inshore sectors (new fisheries, linefish, large pelagics and abalone) were conducted and SWG documents and *aide memoires* concerning research in this regard have been produced. Surveys and field trips were conducted to collect the necessary data.

The revised Framework for Aquaculture Research Management (FARM) was developed and approved during the period under review. The purpose is to provide an encompassing strategic framework for aquaculture and technology in South Africa, provide specific guidance for research and development activities as well as guide other government departments, research institutions, funding agencies and the private sector on aquaculture research focus areas in order to channel resources.

The subprogramme has also continued to give recommendations and advice on ecosystem considerations in annual catch limits for 22 fisheries sectors where relevant.

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

In ensuring the sustainable management and efficient use of natural resources, the abalone, hake and the West Coast rock lobster (WCRL) recovery plans were approved on the total allowable catch (TAC). This is also to ensure that all fisheries stocks are recovered and sustained for future generations. The Recovery Plan for Line Fish was also approved in total allowable estimate (TAE).

The Small-scale Fisheries Policy and implementation was not approved as planned owing to wide consultation and lengthy political processes. The draft policy was presented at the National Economic and Labour Council (Nedlac). Bids will be invited in the 2012/13 financial year as the review and revised rights allocation in affected sectors target was not achieved. The DG approved the outsourcing of the policy, but delays were experienced with obtaining signatures and in following the supply chain management procedures.

The development of the policy and regulatory framework for the management of the recreational sector was also not attained. The ToR were finalised and adopted and work is ongoing and will continue in 2012/13. The draft Guideline for the managing and allocation process for fish processing establishments (FPEs) is currently being finalised. Delays were experienced with consultations and discussions. The National Plan of Action (NPoA) for sharks will be implemented in 2012/13 as there were delays in obtaining inputs from stakeholders.

The draft Fisheries Management Plan for the Offshore Sector (large pelagics) was completed and the inshore sector one (i.e. line fish) was not achieved as it is dependent on the offshore one. The database for small-scale fishers has been developed and data of registered fishers have also been captured. Social and economic indicators of small-scale fishers have been designed and information was captured for the 2012 fishing season.

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

The Strategy for Hake, WCRL and Line Fish was incorporated into the Integrated Fisheries Security Strategy (IFSS). The IFSS was developed but not approved and implemented. The decision was taken at DEXCO that the strategy be updated and presented in 2012/13 before it is finalised and implemented.

In continuing to protect and promote the sustainable use of marine living resources, the subprogramme has inspected vessel landings as well as sea-based vessels in five key fisheries (hake, abalone, squid, line fish and rock lobster). Rights holders have also been investigated during the period under review for the five key fisheries. This is also with the aim to intensify law enforcement and compliance.

Strategic objectives

- Coordinate government food security initiative.
- Increase the level of public and private investment for agricultural, forestry and fisheries products.
- Ensure the sustainable management and efficient use of natural resources.
- Establish and strengthen cooperative governance and functional relations with local and international stakeholders.



Performance indicators and targets

Subprogramme: Aquaculture and Economic Development

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Approved strategy		NASF and Action Plan	NASF and Action Plan approved by DEXCO.	
Approved Fisheries Charter		Conduct a study on transformation in fisheries	The function was moved to another branch/ programme (EDTM) and this deliverable will be reported on by that branch.	All the transformation charters are now under one branch (EDTM).
Increase number of fish farms from 84 to 124		3	Two projects were implemented. The third project was cancelled because of non-compliance.	Strengthen measures for compliance and adherence by implementers. The sub-programme continued to plan for new establishment and revitalisation of farms for the 2012/13 Strategic Plan.
Number of small-holder producer associations established		1	The Marine Finfish Farmers' Association was established and the notice gazetted. The Camdeboo Women's Trust was established in partnership with Camdeboo Bream. It is an 18-member registered trust and non-profit organisation, serving as an independent body which facilitates the implementation of the Camdeboo Satellite Aquaculture Project.	
Increase number of fish processing facilities from 60 to 70		2	Specifications for advertisement finalised for procurement of three containers. Adverts were finalised and forwarded for publication.	Supply chain processes
Increase proclaimed fishing harbours from 12 to 19		3	The deliverable was reviewed for the 2012/13 plan as number of harbour projects implemented.	The deliverable was removed during the review process at the QRM.
Number of community projects implemented through the WFFP		10	10 projects were implemented as planned. They were as follows: • Western Cape marine anti-poaching • Fishing harbour facilities management • KwaZulu-Natal catch data monitors	



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of community projects implemented through the WFFP (cont.)			• Western Cape catch data monitors • Eastern Cape catch data monitors • Western Cape Kleinmond fishermen's heritage • Eastern Cape development of processing facilities • Doringbaai Fish Farm • Port Nolloth and Hondeklip Bay Harbour • Cedarberg fish processing facility	

Subprogramme: Fisheries Research and Development

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Resource assessments and catch limit recommendations for 22 fisheries sectors	None	Research on fish stocks for 22 fisheries sectors	<i>Inshore research</i> Relevant and necessary scientific research has been conducted. SWG meetings for the inshore sectors (new fisheries, line fish, large pelagics, and abalone) have been conducted and SWG documents and aide research memoires have been produced. Relevant inshore surveys and field trips (line fish, WCRL, South Coast rock lobster, abalone, seaweed) have been conducted to collect data. Survey reports and relevant documents have been submitted. <i>Offshore research</i> Demersal research trawl survey completed in January/February for West Coast. Data crucial to the management of demersal trawl (inshore and offshore) and longline sectors were collected. However, the March/April survey has been cancelled, which will compromise the recommendations for all 3 sectors.	The current ship's management contract expires on 31 March 2012 and there is no capacity to man the research vessels going forward.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Resource assessments and catch limit recommendations for 22 fisheries sectors (cont.)			Not only will there be an immediate impact on the TACs for 2013, but it will have a long-term negative effect on the industry by compromising its Marine Stewardship Council certification, particularly as the scientific observer programme has also been terminated. Continued development of small pelagic OMP 13 and assessment models, working groups and task group meetings were held to advance fisheries research.	
Feasibility reports on potential new fisheries	2010/11 research was on two 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 DAFF to undertake aquaculture research were concluded. Sea urchins: completed larval settlement studies. Scallops: completed field grow-out studies in Saldanha Bay. The manuscript is currently being prepared.	Investigation of feasibility of two potential new fisheries	The target is still in progress.	<i>Inshore research</i> The new Fisheries SWG continues to meet regularly and assess applications and progress.
Revised FARM	None	Revise the Aquaculture Research Programme	The Aquaculture Research and Technology Development Programme was approved by DEXCO on 15 March 2012.	
Recommendations on ecosystem considerations in annual catch limit recommendations	None	Advice on ecological considerations included in catch limit advice for 22 fisheries sectors	<i>Offshore research</i> Data on which to base this advice comes almost exclusively from demersal trawl surveys for the sectors.	The ship's current management contract expires on 31 March 2012. There is no capacity to man the research vessels going forward.



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Recommendations on ecosystem considerations in annual catch limit recommendations (<i>cont.</i>)	None		This data are the longest running, most consistent data set. Continued work on penguin models for incorporation into OMP-13 testing by SWG-pelagic; listing of ecosystem objectives that will be considered in evaluation of alternative small pelagic OMPs.	

Subprogramme: Marine Resources Management

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Policy and regulatory framework implemented	Comments on the draft policy were collated.	Finalise and implement Small-scale Fisheries Policy	Draft policy presented at Nedlac, supported by Minister's Cluster, and submitted to Cabinet for approval. Bid to appoint service provider to develop a framework for implementation plan advertised. Bid documents screened.	Wide consultation and lengthy political and administrative processes.
Strategy implemented	None	Consult stakeholders and develop strategy	Strategy on Anchovy for Human Consumption has not been implemented yet.	Expert advice needed to determine an appropriate strategy.
Extent of the recovery of abalone, hake, West Coast rock lobster (WCRL) and line fish	<i>Abalone</i>: 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 East Coast abalone. The sampling of commercial catches is ongoing, as well as of confiscated and ranched products.	Develop recovery plan for abalone, hake, WCRL, and line fish.	<i>Abalone</i>: Recovery plan approved in TAC <i>Hake</i>: Recovery plan approved in TAC <i>WCRL</i>: Recovery plan approved in TAC <i>Line fish</i>: Recovery plan approved in TAE	
Commercial fishing rights holders' performance reviewed	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.	Implement, manage and control findings of current performance review process.	Review of rights holders completed. Public notice on the conclusion of the process issued.	Findings of the review process will be implemented during the new financial year as it will be a lengthy and ongoing process.

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Commercial fishing rights allocated	None	Revise rights allocation policies in affected sectors	Obtained DG's approval to outsource the policy review and allocations process. Sought DG's approval to appoint a specifications committee as well as an evaluation committee after which bids will be invited.	Delays were experienced with obtaining signatures and in following supply chain management procedures.
Policy and regulatory framework for the management of the recreational sector developed	None	Engagement with the Recreational Forum and other stakeholders	Policy is still in the process of development. The ToR have been finalised and adopted.	Work is ongoing and will be continued in the new financial year.
Framework for the management of the FPEs developed	None	Develop guidelines for managing an allocation process for FPEs	Draft guidelines are currently being finalised.	Ongoing. Delays were experienced with consultations and discussions. Further work will be done in 2012/13.
National Plan of Action (NPOA) for sharks and fleet capacity	None	Finalise and implement NPOA for sharks	Draft NPOA for sharks submitted for Minister's approval to be published in the <i>Government Gazette</i> for public comment.	There were delays in obtaining inputs from all stakeholders. Final NPOA for sharks to be implemented in new financial year.
Ecosystems approach to fisheries (EAF) considerations implemented in fisheries	None	Establish a Branch EAF Steering Committee and set priorities Review ecological risk assessments (ERAs) in relevant fishing sectors	Steering committee held meetings to prioritise ERAs to be conducted. EAF considerations implemented in all fisheries through permit conditions. Hake ERA report was approved by the DDG. ERAs for abalone, line fish, squid and WCRL completed.	
Fisheries Management Plans (FMPs)	None	Draft FMPs for one offshore and one inshore fishing sector	Draft Large Pelagic FMP has been updated. Draft to be circulated to CD: Fisheries Research and Development, CD: Monitoring, Control and Surveillance and industry for comment.	Only the draft FMP for the offshore sector (i.e. large pelagics) was completed. The draft FMP for the inshore sector (i.e. line fish) is dependent on the finalisation of the offshore plan.
Number of sector stakeholder forums in place	None	Improve existing stakeholder forums and establish small-scale fishing and recreational fishing forums	Held meeting with importers and exporters associations. Held meetings with stakeholders to determine a way forward on using anchovy for human consumption.	



Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
Number of sector stakeholder forums in place (<i>cont.</i>)			Management working groups are in place and functional. Recreational fishing forum was established and is functional.	

Subprogramme: Monitoring, Control and Surveillance

Indicator	Baseline (actual output) 2010/11	Actual performance against target		Reason for variance
		Target	Actual	
IFSS approved and implemented	None	Approve and implement the strategy	A draft IFSS has been developed. Elements of the draft strategy are being implemented with the support of relevant stakeholders.	The decision was taken at DEXCO to update the draft strategy and present it in the 2012/13 financial year for adoption.

Service delivery achievements

The outputs of the programme, as specified in the *Strategic Plan 2011/12*, are reported on per quarter.

Quarter 1

The NASF was developed and approved by DEXCO for the quarter under review. Despite severe resource and capacity constraints, relevant scientific research was carried out on all 22 fisheries sectors. During the quarter under review, an exploratory fishery for octopus was in the process of being established following on from an experimental fishery. An exploratory fishery for red bait was also under investigation.

The collaboration with the World Wildlife Fund (WWF) through the Benguela Current Committee was established to undertake ecological risk assessments. Ecological considerations were incorporated into TAC recommendations and completed during the quarter (final recommendations for small pelagic fisheries). Small pelagics road shows were conducted in May 2011. Inputs from management into large pelagics FMPs were also incorporated.

A total of 413 jobs were created through the WFFP. The inspections on five key fisheries (hake, abalone, squid, line fish and rock lobster) for number of vessel landings and sea-based vessels as well as investigations on the number of rights holders were conducted during the quarter under review.

Quarter 2

As one of the smallholder producer associations, the Camdeboo Women's Trust was established in partnership with Camdeboo Bream. It is an 18-member registered trust and a non-profit organisation, serving as an independent body which facilitates the implementation of the Camdeboo Satellite Aquaculture Project.

Individual rights holder reports were verified for Sector A and B and revised letters were also sent to the rights holders in Clusters C and D. The ERAs were done for hake and squid during the quarter under review. Demersal, West and South Coast rock lobster and KwaZulu-Natal prawn trawl road shows were conducted.

The inspections on five key fisheries (hake, abalone, squid, line fish and rock lobster) for the number of vessel landings and sea-based vessels as well as investigations on the number of rights holders continued to be conducted.

Quarter 3

The Marine Fish Farmers' Association was established and approved by the Minister. The Fishermen's Heritage project was also established to develop a fish processing plant in Kleinmond. A total of eight WFFPs were fully operational during the

quarter under review. A total of 1 017 jobs and 82 644 total person days of work were created through the WFFP along the Eastern Cape coastline, Western and Northern Cape coastline, KwaZulu-Natal coastline, in the Metropole fishing harbours (Gordon's Bay, Kalk Bay and Hout Bay), in the Overberg region (Western Cape), Eastern Cape and Kleinmond Fisheries Heritage.

These jobs were formed by monitoring fisheries catch data, maintenance cleaning, patrol, safety and control in the fishing harbours, development of processing facilities and the deployment of military veterans to enhance the enforcement capacity of DAFF. The consultation process for the development of the Small-scale Fisheries Policy was completed and a report was submitted to Nedlac. Approval was granted to appoint a service provider to develop an implementation plan.

The inspections on five key fisheries (hake, abalone, squid, line fish and rock lobster) for the number of vessel landings and sea-based vessels were continued. Investigations on the number of rights holders were also conducted.

Quarter 4

Two aquaculture farm projects were implemented and the third one was cancelled because of non-compliance. A total of ten WFFPs were implemented during the quarter under review. The draft NPoA for sharks was submitted for the Minister's approval and is yet to be published in the *Government Gazette* for public comments.

Relevant and necessary scientific research has been conducted regarding the inshore fisheries sectors. The revised FARM was approved by DEXCO.

The inspections on five key fisheries (hake, abalone, squid, line fish and rock lobster) for the number of vessel landings and sea-based vessels as well as investigations on the number of rights holders were conducted during the quarter under review.



PART

3

Financial statements



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Report of the Audit Committee

for the year ended 31 March 2012

We herewith present our report for the financial year ended 31 March 2012.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee comprised the three members listed hereunder and should meet four times annually, as per the approved Terms of Reference. During the year ended 31 March 2012, three meetings were held.

Permanent invitees	Date of appointment	Number of meetings attended
Mr R. Theunissen (Committee Chairperson)	11 June 2007	3
Mr M. Maliehe (Audit Committee member)	26 February 2010	2
Ms M. Mekkonen (Audit Committee member)	26 February 2010	2
Mr L. Zita (Director-General)	16 September 2010	1
Mr J. Hlatshwayo (CFO)	01 August 2010	1
Mr R. Reddy (CAE)	01 May 2004	0

Mr R.N. Theunissen was appointed as Chairman of the Committee on 25 May 2011. The department was not able to consummate Audit Committee appointments during the year, but one additional Audit Committee member was appointed after 31 March 2012.

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 Public Finance Management Act (PFMA), 1999 (Act No. 29 of 1999) and Treasury Regulations.

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, as far as possible. The external audit function, performed by the Auditor-General of South Africa, is independent of the department.

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 department has not completed a risk assessment 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.

Internal audits conducted were not addressed expeditiously, or in certain instances, not acted on at all, by management or the Accounting Officer as indicated in the table below.

Internal audit reports	Date signed by Director: Internal Audit	Status
1 Supply Chain Management: Demand Management 2010/11	24/06/2011	DG approved 31/05/12
2 Security Services 2010/11	06/09/2011	Outstanding
3 Veterinary Quarantine and Public Health: Kempton Park 2010/11	29/09/2011	DG approved 02/06/12
4 Land Use and Soil Management 2010/11	24/10/2011	Received from CFO 24/04/12
5 Animal Health: Disease Management 2011/12	13/02/2012	Outstanding
6 Supply Chain Management/Asset Management	08/05/2011	Outstanding
7 Follow-up Human Resource Management: Appointments and recruitments 2010/11	03/08/2010	DG approved 02/06/2012
8 Durban Office 2010/11	03/08/2010	DG approved 30/05/2012



Report of the Audit Committee

for the year ended 31 March 2012

The Chief Audit Executive did not effectively report, operationally and administratively, directly to the Accounting Officer.

The Chief Audit Executive was suspended on 22 July 2011, without any input from the committee and without the committee being apprised of the reasons for his suspension. The incumbent's suspension was then lifted on 18 June 2012, but to date, no charges have been brought against him.

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 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.

Attempts made by the Committee to meet with the Accounting Officer to address governance concerns, prior to his suspension, were unsuccessful. Further, attempts made by the Committee to meet with the Executive Authority, after the suspension of the Accounting Officer, were also unsuccessful.

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.

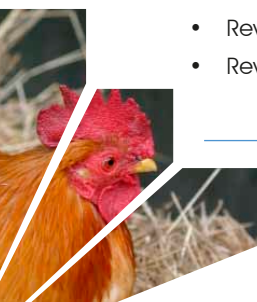
EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee, at its meeting held on 23 May 2012, resolved to recommend the approval of the Annual Financial Statements to the Accounting Authority. The Audit Committee wishes to indicate that it performed a review on the Annual Financial Statements focusing on:

- Significant financial reporting judgments and estimates contained in the Annual Financial Statements;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context;
- Quality and acceptability of, and any changes in, accounting policies and practices;
- Compliance with accounting standards and legal requirements;
- Significant adjustments and/or unadjusted differences resulting from the audit;
- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted;
- Reasons for major year-on-year fluctuations;
- Asset valuations and revaluations;
- Calculation and levels of general and specific provisions;
- Write-offs and reserve transfers; and
- The basis for the going concern assumption.

The 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.



Report of the Audit Committee

for the year ended 31 March 2012

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

This has been confirmed as per the previous year's Annual report.

The Audit Committee has requested, but has not had sight of forensic investigation reports commissioned by the department.

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 prior years, albeit that the risk management process still has to be tabled at an Audit Committee meeting, the Audit Committee considers the Internal Audit function to be under-resourced and Internal Audit cannot operate optimally, given its current resources, budget and other operational constraints, in order to address the risks pertinent to the department 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.



Mr R.N. Theunissen
CHAIRMAN OF THE AUDIT COMMITTEE

25 July 2012



Report of the Accounting Officer

for the year ended 31 March 2012

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

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1.1 Important policy decisions and strategic issues

The service delivery targets for the Medium Term Expenditure Framework (MTEF) period are guided by government's broad national challenges in terms of the Medium Term Strategic Framework (MTSF) priorities. Government identified twelve key outcomes to be implemented through intergovernmental cooperation over the MTEF period. The Department of Agriculture, Forestry and Fisheries (DAFF) contributes directly to three of the 12 outcomes to achieve related outputs. These three key 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

The planning for 2012/13 to 2016/17 was also guided by government's key policies, namely the New Growth Path (NGP), the Industrial Policy Action Plan 2 (IPAP2), the Comprehensive Rural Development Programme (CRDP) and the Integrated Growth and Development Plan (IGDP) for agriculture, forestry and fisheries.

Through the NGP, agriculture was identified as a key sector with the potential for large-scale job creation. The agriculture value chain is one of the priority sectors in government's IPAP2 for economic growth and job creation. The focus will be on agro-processing as a long-term growth strategy to create employment. The focus will also be on major social and economic challenges facing the agriculture, forestry and fisheries sectors, by means of actions to accelerate service delivery regarding employment creation, food security, rural development and skills development.

The strategic priorities are to:

- Create employment by increasing the number of participants in the agricultural, forestry and fisheries sectors through support for smallholders and processors
- Improve the food security initiative by coordinating production systems to increase the profitable production, handling and processing of food, fibre and timber products by all categories of producers
- Improve the income and conditions of farm workers, foresters and fishers
- Enhance exports by facilitating market access for agricultural, forestry and fisheries products
- Ensure the sustainable use of natural resources by means of promoting environmentally sustainable production systems and the efficient use of natural resources.

During 2011 global food prices increased sharply. Macroeconomic issues, such as the global economic recession, climate change-induced natural disasters, the deteriorating exchange rate of the Rand and rising of crude oil prices had a negative impact on the domestic economy, threatening food security of poor households and subsistence and smallholder producers in rural areas. Through the Zero Hunger Programme, the department intends to eradicate food insecurity to a large degree. Government will become the main buyer of food from smallholder producers, thereby ensuring access to food for the poor and vulnerable in society. This will contribute towards eradicating poverty, rejuvenating and stimulating the rural economy and creating jobs.

The department has adopted a strategic shift that attaches more focus to the development of smallholder producers, implementation of the Zero Hunger Programme and creation of jobs and broader levels of economic participation. Key to these will be the objectives on technical support, education, the smallholder



Report of the Accounting Officer

for the year ended 31 March 2012

producer and market development needs to be elevated to complement the efforts of rallying stakeholders around the strategic shift, while ensuring alignment to the mandate of the department and the national outcomes 4, 7 and 10.

1.2 Significant events that have taken place during the year:

- A total expenditure of R61,190 million was incurred in 2011/12 to combat the spread of highly pathogenic avian influenza (H5N2) outbreak in the Western Cape Province. The expense was funded from the department's budget for Prevention and Mitigation of Agricultural Disaster Risks. Furthermore, an additional amount of R7 million was allocated in the Adjustments Estimate.
- A total expenditure of R37,012 million was incurred in 2011/12 to combat the outbreak of foot-and-mouth disease in KwaZulu-Natal. The National Treasury allocated an additional amount of R26,609 million in the Adjustments Estimate. The balance of the expense was funded through a reprioritisation of the department's budget.
- Additional funds to the amount of R149,560 million were allocated to the department as unforeseeable and unavoidable expenditure for the agricultural disaster management grant: repair and replacement of flood damaged agricultural resources (infrastructure, damaged crops and animal losses).
- Furthermore, additional funds to the amount of R10,674 million have been allocated in the Adjustments Estimate for the replacement of accidentally damaged hydro-acoustic survey equipment essential for the surveying and setting of total allowable catches for sardine and anchovy resources. This allocation was transferred to the Marine Living Resources Fund.

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:		
Agriculture, forestry and fisheries		4 719 741
Plus: Adjustments estimate		244 708
Total amount appropriated		4 964 449
Less: Actual expenditure		4 928 273
Surplus		36 176

1.4 Actual expenditure

- In terms of input cost:

Compensation of employees	1 320 738	
Goods and services	674 205	
Interest and rent on land	547	
Transfers and subsidies	2 800 459	
Payment for capital assets	131 975	
Payment for financial assets	349	4 928 273



Report of the Accounting Officer

for the year ended 31 March 2012

	R'000	R'000
• In terms of Programmes:		
Programme 1: Administration	1 339 756	
Programme 2: Agricultural Production, Health and Food Safety	889 347	
Programme 3: Food Security and Agrarian Reform	1 249 371	
Programme 4: Trade Promotion and Market Access	190 185	
Programme 5: Forestry	907 662	
Programme 6: Fisheries Management	351 952	4 928 273

1.5 Spending trends

	2011/12 %	2010/11 %
• In terms of input cost as a percentage of total actual expenditure:		
Compensation of employees	26,8	30,9
Goods and services	13,7	14,7
Interest and rent on land	–	–
Transfers and subsidies	56,8	51,5
Payment for capital assets	2,7	2,9
Payment for financial assets	–	–
• In terms of programmes as a percentage of total actual expenditure:		
Programme 1: Administration	27,2	28,7
Programme 2: Agricultural Production, Health and Food Safety	18,0	15,9
Programme 3: Food Security and Agrarian Reform	25,4	27,2
Programme 4: Trade Promotion and Market Access	3,9	3,8
Programme 5: Forestry	18,4	17,7
Programme 6: Fisheries Management	7,1	6,7
• In terms of actual spending as a percentage of the total appropriated amount	99,3	97,4
• When specific services rendered by the department are 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 R755,5 million or 15,3%; the Marine Living Resources Fund to R201,2 million or 4,1%; the National Agricultural Marketing Council (NAMC) to R36,0 million or 0,7%; the Comprehensive Agricultural Support Programme (CASP) to R1,039 billion or 21,1%; Ilima/Letsema to R405,0 million or 8,2%; LandCare to R57,8 million or 1,2%; agricultural disasters to R149,6 million or 3,0%; animal health (excluding animal diseases) to R50,6 million or 1,0%; inspection services to R204,3 million or 4,1%; infrastructure support to R52,5 million or 1,1%; property management to R115,0 million or 2,3%; membership fees to international organisations to R31,8 million or 0,6% and social benefits to R8,7 million or 0,2%.

Report of the Accounting Officer

for the year ended 31 March 2012

- Virement

In total four virements, including the final virement, totalling R177,297 million were granted. Expenses funded through this process included forestry operations in Mpumalanga; fisheries sea going allowances and overtime; foot-and-mouth disease Limpopo overtime; the following events: Minister's Vote, Female Entrepreneur; World Food Day and Conduct Climate Smart. The shifting of funds was effected between all six programmes and was approved by either the National Treasury or the department's Chief Financial Officer.

1.6 Underspending

An amount of R4 964,4 million was appropriated by Parliament for the 2011/12 financial year of which an amount of R4 928,3 million was spent. This resulted in an under spending of R36,2 million or 0,7%. Reasons for the under spending are as follows:

- The procurement of IT related equipment to the amount of R3,349 million was not concluded in the 2011/12 financial year.
- The procurement of mobile veterinary clinics as part of the Primary Animal Health Care Programme was not concluded in the 2011/12 financial year—R18,781 million.
- Transfer payments not made mainly due to Memoranda of Understanding not finalised—R6,667 million.
- Transfer payments to the amount of R3,370 million to international organisations could not be concluded in the 2011/12 financial year.
- The procurement of capital assets for forestry operations not concluded in the 2011/12 financial year—R2,063 million.
- Other minor payments for capital assets to the amount of R781 000 as reflected in all programmes.

Taking the above into account, as well as the fact that the mentioned circumstances were beyond the control of the department, only an amount of R1,1 million or 0,2% of the total appropriation was not spent.

1.7 Departmental receipts

The department estimated its 2011/12 revenue to be R122,011 million against the 2010/11 actual receipts of R156,901 million. However, the actual receipts for 2011/12 amounted to R177,368 million. This increase was mainly because of an increase in the sales of goods and services. Revenue derived from the sale of goods and services includes statutory services, the registering of plant breeders, stock remedies, agricultural remedies and wood products sales. Financial transactions in assets and liabilities includes an amount of R28,350 million being a refund of unspent conditional grants received from the provincial departments, compared to R2,746 million refunded during the 2010/11 financial year.

2. SERVICES RENDERED BY DAFF

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

- Providing 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 estimate of livestock numbers



Report of the Accounting Officer

for the year ended 31 March 2012

- 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 of the sector
- Commodity statistics
- Farm profiles and sector demographics
- National computerised record system for farmers
- Veldt 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, transplanter and invocators
- Registration of a 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 from the country
- Variety listing
- Regulating the subdivision of agricultural land
- Control migratory pests
- Eradication of invasive weeds
- Drilling of boreholes
- Construction of key soil conservation works
- Construction of access roads for fire prevention
- Issuing of import/export permits (plants)
- Registration and approval of production units and pack houses for export of fresh fruit
- Developing early warning systems for the detection of exotic pests
- Issuing import/export permits (animals)
- 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 on plants and propagating material



Report of the Accounting Officer

for the year ended 31 March 2012

- Export certificates for liquor products
- Registration of fertilisers, farm feeds, agricultural remedies and/or stock remedies
- Soil, water and plant analysis
- 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 Fire Protection Associations (FPAs)
- Public education, training and awareness on the National Forests Act, 1998 (Act No. 84 of 1998) (NFA) and the National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
- Implementation of compliance and enforcement strategy for the two above-mentioned Acts
- Training of the judiciary on both pieces of legislation to ensure offenders are brought to book
- Publishing the list of protected champion trees and fire prohibition notices where applicable annually in the *Government Gazette*
- 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 removal of protected trees and commercial harvesting of firewood
- Participation in cross-border programmes aimed at managing cross-border fires effectively
- Providing fisheries advice 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, promote alternative livelihoods for coastal communities and the management of all the proclaimed fishing harbours
- Ensuring compliance with, and enforcement of the Marine Living Resources Act, 1998, regulations and fishing permit conditions, by conducting sea and land based patrols and inspections for 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 on Annual Financial Statements for the MLRF; and facilitating affirmative procurement.

2.2 Tariff policy

In terms of section 76(2)(f) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), 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



Report of the Accounting Officer

for the year ended 31 March 2012

National Treasury. Otherwise the tariffs are calculated according to the said structure. In terms of the 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: Infrastructure Support	
• Sighting, drilling and testing of boreholes	7 199
• Grootfontein Agricultural Development Institute	
• Farmer training	643
• Extension and outreach	2 055
	2 698

2.4 Inventories

Inventory items are managed by means of the Logistical Information System (Logis). The department has stores in Pretoria (Head Office), Grootfontein Agricultural Development Institute (GADI) (Middelburg/Eastern Cape) and 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 2012 was R1,59 million.

3. CAPACITY CONSTRAINTS

At year-end, the approved post establishment of the Department of Agriculture, Forestry and Fisheries consisted of 7 100 posts with a vacancy rate of 13,4%, that reflects an increase of 2,1% if compared with the 2010/11 financial year. The increase in the vacancy rate is the result of the expansion of the Directorate: Information and Communication Technology (20 posts) and the Directorate: Agriculture Inputs Control (21 posts), as well as the implementation of the personnel suitability checks (vetting strategy), which still creates constraints in terms of the filling of vacant posts. The Organisation Development Committee (ODC), which was established in 2006, still monitors the management of vacancies in the department on a monthly basis, with a view to downscale the vacancy rate.

4. UTILISATION OF DONOR FUNDS

Detail in respect of donor fund utilisation is reflected in Annexure 1J to the Annual Financial Statements.

5. PUBLIC ENTITIES

In terms of section 48(1) and Schedule 2 and 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999), the public entities that function within the sphere of the Department of Agriculture, Forestry and Fisheries, are classified as follows:

- The Agricultural Research Council (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 CEO and Board to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.



Report of the Accounting Officer

for the year ended 31 March 2012

- The National Agricultural Marketing Council (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.
- The Onderstepoort Biological Products Ltd (OBP), which is a national government business enterprise and listed in Schedule 3: Part B.
The OBP was established in accordance with 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 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 Board Act, 1983 (Act No. 9 of 1983), and must ensure that perishable products from South Africa, intended for export, meet the 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 small farmers in the Kidd's Beach area of the Eastern Cape by rendering various services, including advice, extension, ploughing, training and more. 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 Resources Act, 1998 (Act No. 18 of 1998). The fund is the main source of funding for marine fisheries and coastal management, which is 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 the marine and coastal ecosystems.

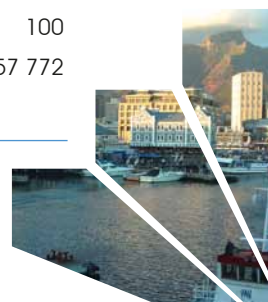
The following transfer payments were made by the department to these public entities:

	Voted R'000	Actual R'000
Agricultural Research Council	755 510	755 510
National Agricultural Marketing Council	36 049	36 049
Ncera Farms (Pty) Ltd	4 291	4 291
Marine Living Resources Fund	201 173	201 173
PPECB	600	600
	997 623	997 623

6. TRANSFER PAYMENTS MADE

The department made the following transfer payments excluding the ones mentioned in 5 above:

Vehicle licences	498	472
Arbor City Awards	100	100
LandCare	57 772	57 772



Report of the Accounting Officer

for the year ended 31 March 2012

	Voted R'000	Actual R'000
CASP projects	680 507	680 507
CASP Extension Recovery Plan	308 890	308 890
CASP colleges for infrastructure	50 000	50 000
Agricultural disasters	149 560	149 560
Ilima/Letsema	405 000	405 000
Public Service Education and Training Authority	1 273	1 272
National Student Financial Aid Scheme	12 038	12 038
Water Research Commission	1 200	–
University of Fort Hare	1 712	–
University of KwaZulu-Natal	500	145
University of Pretoria	500	–
Foreign rates and taxes	80	79
Membership fees to international organisations	21 710	18 341
FAO capacity-building	13 483	13 483
Land and Agricultural Bank of South Africa	30 000	30 000
Red Meat Industry Forum	1	–
Claims against the State—private enterprises	776	759
Sterile Insect Technique	6 906	6 906
School support: agriculture students tuition fees and books	2 000	1 675
Forest Sector Charter Council	5 350	3 042
Forestry South Africa	3 200	3 200
Centre for International Forestry Research	100	100
International Wildland Fire Conference	100	100
Social benefit	8 747	8 714
Claims against the State—households	55	51
Bursaries (Non-employees)	1 262	1 262
Avian influenza	49 553	49 368
	1 812 873	1 802 836

7. 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 Public Finance Management Act, 1999 (Act No. 1 of 1999). 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 and the responses of management on risk management in the department.

Report of the Accounting Officer

for the year ended 31 March 2012

8. NEW ACTIVITIES

Through the MTEF process, and with the approval of the Cabinet, additional funds were allocated over the MTEF period for spending on the following policy priority areas:

- R400,0 million for the Comprehensive Agricultural Support Programme
- R151,0 million for Forestry, Mpumalanga forestry plantation operations
- R125,0 million for Fisheries, Marine Living Resources Fund vessel maintenance
- R100,0 million for fencing of agricultural projects
- R12,0 million for upgrading of the Information Technology System.

9. PERFORMANCE INFORMATION

Performance information is provided in Part 2 of this report.

10. ASSET MANAGEMENT

The department disposed of assets totalling R10,474 million in Pretoria, Stellenbosch and at the GADI during the 2011/12 financial year. Losses during the period under review amounted to R121 000. All other requirements were adhered to and milestones were reached.

11. AGRICULTURAL DEBT

- 11.1 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).
- 11.2 This debt consists of debt that resulted from loan assistance to farmers granted by the former Agricultural Credit Board until 1997, for example the payment of debt, purchasing of farms, farming equipment and production inputs and other debt, emanating from certain special financial assistance measures to farmers at the time. A portion of this debt is still secured by means of mortgage bonds over immovable property and memoranda of agreement/notarial bonds, where movable assets such as livestock, vehicles and farming implements were taken as collateral for the loans granted.
- 11.3 The status of this debt as at 31 March 2012, was as follows:
- | | |
|---------------------------------|-------------------|
| Total debt outstanding: | R155, 015 million |
| Number of debtors: | 839 |
| Number of accounts: | 1 131 |
| Net amount recovered (2011/12): | R17,173 million |
- 11.4 In 1998, when this type of financial assistance was finally phased out, the debt amounted to R1 140,7 million, the number of debtors was 9 614 and the number of accounts totalled 16 432.

12. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Auditor-General's findings on the annual performance report and material non-compliance with laws and regulations, were captured on a matrix and progress/corrective measures were monitored by the office of the Chief Financial Officer throughout the financial year. Due care was taken not to repeat the material misstatement, in respect of biological assets in the previous financial year.



Report of the Accounting Officer

for the year ended 31 March 2012

13. INTERIM FINANCIAL STATEMENTS

In terms of Practice Note 31 dated 30 March 2011, issued by the Accountant-General, the department submitted Interim Financial Statements for the periods ended: 30 June 2011, 30 September 2011, 31 December 2011 and 31 March 2012.

14. INVESTIGATIONS

The investigations in respect of irregular as well as fruitless and wasteful expenditure, were reported in 2010/11 and are reflected in Disclosure Note 26. The follow-up of the findings is still in process.

15. SCOPA RESOLUTION

The department did not appear before SCOPA during the 2011/12 financial year.

16. APPROVAL

The Annual Financial Statements set out on pages 87 to 156 have been approved by the Chief Financial Officer on behalf of the Accounting Officer in terms of the delegations granted.



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

31 May 2012



Report of the Auditor-General to Parliament

on Vote No. 26: Department of Agriculture, Forestry and Fisheries

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Agriculture, Forestry and Fisheries set out on pages 87 to 140, which comprise the appropriation statement, the statement of financial position as at 31 March 2012, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with the *Departmental financial reporting framework* prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999), and for such internal control as the accounting officer 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. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence of the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Forestry and Fisheries as at 31 March 2012, and 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 the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999).

Additional matters

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

Financial reporting framework

8. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework, and not that they 'present fairly'. Section 20(2)(a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.



Report of the Auditor-General to Parliament

on Vote No. 26: Department of Agriculture, Forestry and Fisheries

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

10. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 18 to 65 of the annual report.
11. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury's Framework for managing programme performance information. The reliability of the information in respect of the selected programmes, is assessed to determine whether it reflects the facts adequately (i.e. whether it is valid, accurate and complete).
12. The material findings are as follows:

Usefulness of the information

Reasons for major variances not explained

13. A total of 46% of major variances between planned and actual achievements were not explained in the annual performance report for the year under review as per the National Treasury's annual report preparation guide. This was due to limited review of the presentation of the annual performance report by management.

Reported indicators and targets not consistent with planned indicators and targets

14. Section 40(3)(a) of the PFMA requires that the actual achievements against all planned indicators and targets must be reported on annually. The annual performance report submitted for audit purposes did not include the actual performance of 56% of all planned indicators and targets specified in the strategic and annual performance plan for the year under review. This was due to lack of monitoring of the completeness of reporting documents by management.

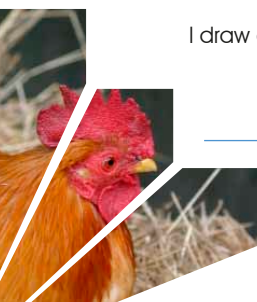
Reliability of the information

Reported indicators and targets not supported by sufficient appropriate evidence

15. The National Treasury Framework for managing programme performance information (FMPPi) requires that processes and systems which produce the indicator should be verifiable. It further requires that the indicator be accurate enough for its intended use and respond to changes in the level of performance. The framework also requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. I was unable to obtain sufficient, appropriate audit evidence to satisfy myself as to the validity, accuracy and completeness of the actual performance reported in the annual performance report. This was due to the lack of a document management system and the institution's records did not permit the application of alternative audit procedures regarding the validity, accuracy and completeness of the reported performance information.

Additional matter

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



Report of the Auditor-General to Parliament

on Vote No. 26: Department of Agriculture, Forestry and Fisheries

Material adjustments to the annual performance report

16. Material audit adjustments in the annual performance report were identified during the audit, of which some were corrected by management. Those that were not corrected are included in the paragraphs on material findings.

Achievement of planned targets

17. Of the total number of planned targets, only 43 targets were achieved during the year under review. This represents 51% of the total planned targets that were not achieved during the year under review. This was mainly due to the fact that indicators and targets were not suitably developed during the strategic planning process.

Compliance with laws and regulations

18. I performed procedures to obtain evidence that the entity has complied with the applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the *General Notice* issued in terms of the PAA are as follows:

Expenditure management

19. The accounting officer did not take effective steps to prevent irregular expenditure and fruitless and wasteful expenditure, as required by sections 38(1)(c)(ii) and 39(1)(b) of the PFMA.

Human resource management and compensation

20. The human resource plan was not in place as required by Public Service Regulations 1/III/B.2(d) for 11 months of the financial year. The plan was approved in March 2012.

Procurement and contract management

21. Goods and services with a transaction value of between R10 000 and R500 000 were procured without obtaining written price quotations from at least three different prospective providers as per the requirements of Treasury Regulations 16A6.1.

Annual financial statements, performance and annual report

22. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 40(1) of the PFMA. Material misstatements of irregular expenditure, fixed assets, commitments and contingent liabilities identified by the auditors were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Internal control

23. I considered internal control to be relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control 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.

Leadership

24. Management did not exercise oversight responsibility over reporting and internal controls. Control weaknesses reported were not in all cases analysed by management and appropriate follow-up actions were not taken to address the root causes impacting on the performance reporting.



Report of the Auditor-General to Parliament

on Vote No. 26: Department of Agriculture, Forestry and Fisheries

Financial and performance management

25. The department did not always prepare regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information. As a result, material adjustments were made to the financial statements submitted for audit and we could not verify the validity, accuracy and completeness of the performance information reported.

Governance

26. Due to inadequate resources within the internal audit function, ongoing monitoring and supervision were not undertaken to enable an assessment of the effectiveness of internal controls over compliance and performance reporting.

Auditor-General.

Pretoria

31 July 2012



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence



Appropriation Statement

for the year ended 31 March 2012

Appropriation per programme	2011/12							2010/11	
	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	551 838	(1 408)	5 130	555 560	555 308	252	100,0	476 423	442 565
Transfers and subsidies	759 326	175	422	759 923	757 585	2 338	99,7	630 223	629 607
Payment for capital assets	18 818	1 233	10 110	30 161	26 765	3 396	88,7	31 423	31 238
Payment for financial assets	–	–	102	102	98	4	96,1	89	84
2. Agricultural Production, Health and Food Safety									
Current payment	478 071	(560)	(31 515)	445 996	445 692	304	99,9	391 113	390 794
Transfers and subsidies	412 257	560	18 051	430 868	430 667	201	100,0	218 523	211 009
Payment for capital assets	43 919	–	(12 247)	31 672	12 877	18 795	40,7	11 147	10 302
Payment for financial assets	–	–	114	114	111	3	97,4	37	36
3. Food Security and Agrarian Reform									
Current payment	151 798	(320)	(2 265)	149 213	149 102	111	99,9	168 255	168 091
Transfers and subsidies	1 064 499	25	70	1 064 594	1 059 997	4 597	99,6	880 253	843 857
Payment for capital assets	37 643	295	2 575	40 513	40 232	281	99,3	41 274	36 416
Payment for financial assets	–	–	40	40	40	–	100,0	91	90
4. Trade Promotion and Market Access									
Current payment	103 651	(177)	(12 411)	91 063	90 918	145	99,8	84 013	83 586
Transfers and subsidies	100 787	2	289	101 078	98 206	2 872	97,2	69 488	60 928
Payment for capital assets	960	175	313	1 448	1 029	419	71,1	1 624	777
Payment for financial assets	–	–	33	33	32	1	97,0	43	42
5. Forestry									
Current payment	603 858	(2 041)	2 721	604 538	604 216	322	99,9	544 679	539 483
Transfer of subsidies	247 262	1 878	3 193	252 333	252 306	27	100,0	110 196	110 078
Payment for capital assets	44 230	163	8 762	53 155	51 072	2 083	96,1	35 832	32 568
Payment for financial assets	–	–	74	74	68	6	91,9	–	–



Appropriation Statement

for the year ended 31 March 2012

Appropriation per programme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6. Fisheries Management									
Current payment	144 359	–	5 912	150 271	150 254	17	100,0	130 858	130 845
Transfer of subsidies	201 173	–	527	201 700	201 698	2	100,0	128 270	128 268
Total	4 964 449	–	–	4 964 449	4 928 273	36 176	99,3	3 953 854	3 850 664

Reconciliation with statement of financial performance

Add:

Departmental receipts

(AFS) Note 2

Aid assistance

Annexure 1J

Actual amounts per statement of financial performance (total revenue)

Add:

Aid assistance

Actual amounts per statement of financial performance (total expenditure)

177 368	
4 614	
5 146 431	
	1 518
4 929 791	

156 961	
17 500	
4 128 315	
	16 250
3 866 914	



Appropriation Statement

for the year ended 31 March 2012

Appropriation per economic classification	2011/12							2010/11	
	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	1 296 769	(2 996)	27 247	1 321 020	1 320 738	282	100,0	1 190 848	1 189 923
Goods and services	734 981	(1 322)	(58 637)	675 022	674 205	817	99,9	603 113	564 246
Interest and rent on land	1 825	(188)	(1 038)	599	547	52	91,3	1 380	1 195
Transfers and subsidies									
Provinces and municipalities	1 652 183	44	–	1 652 227	1 652 201	26	100,0	1 167 334	1 126 110
Departmental agencies and accounts	1 007 843	–	–	1 007 843	1 006 642	1 201	99,9	793 545	792 928
Universities and technikons	2 712	–	–	2 712	145	2 567	5,3	2 100	–
Foreign governments and international organisations	35 238	–	35	35 273	31 903	3 370	90,4	38 207	29 629
Public corporations and private enterprises	39 923	–	495	40 418	38 092	2 326	94,2	8 896	8 337
Non-profit institutions	12 106	–	–	12 106	11 781	325	97,3	6 596	6 596
Households	35 199	2 496	21 922	59 617	59 395	222	99,6	19 975	19 947
Gifts and donations	100	100	100	300	300	–	100,0	300	200
Payments for capital assets									
Buildings and other fixed structures	43 032	(611)	11 823	54 244	54 227	17	100,0	51 826	47 121
Machinery and equipment	102 176	2 495	(2 242)	102 429	77 551	24 878	75,7	67 588	62 397
Biological assets	–	20	–	20	20	–	100,0	13	13
Software and other intangible assets	362	(38)	(68)	256	177	79	69,1	1 873	1 770
Payments for financial assets	–	–	363	363	349	14	96,1	260	252
Total	4 964 449	–	–	4 964 449	4 928 273	36 176	99,3	3 953 854	3 850 664



Details per programme 1: Administration

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Ministry									
Current payments	20 452	9 838	3 540	33 830	33 812	18	99,9	28 407	28 381
Transfers and subsidies	–	2	46	48	46	2	95,8	1 250	1 248
Payment for capital assets	263	–	416	679	624	55	91,9	2 119	2 116
Payment for financial assets	–	–	12	12	11	1	91,7	4	4
1.2 Department Management									
Current payments	19 190	6 070	4 614	29 874	29 852	22	99,9	19 731	19 714
Transfers and subsidies	–	–	51	51	49	2	96,1	1	–
Payment for capital assets	370	191	85	646	509	137	78,8	1 331	1 328
Payment for financial assets	–	–	3	3	3	–	100,0	–	–
1.3 Financial Administration									
Current payments	147 284	(23 754)	1 102	124 632	124 575	57	100,0	116 817	116 730
Transfers and subsidies	116	123	160	399	385	14	96,5	1 133	1 075
Payment for capital assets	1 426	651	358	2 435	2 095	340	86,0	1 960	1 935
Payment for financial assets	–	–	42	42	41	1	97,6	46	44
1.4 Internal Audit									
Current payments	7 296	(2 276)	(1 410)	3 610	3 606	4	99,9	8 764	8 759
Payment for capital assets	10	1	–	11	8	3	72,7	17	16
1.5 Corporate Services									
Current payments	115 310	(402)	(2 395)	112 513	112 458	55	100,0	96 873	96 813
Transfers and subsidies	1 392	13	138	1 543	1 537	6	99,6	1 218	1 202
Payment for capital assets	6 972	(39)	303	7 236	5 012	2 224	69,3	9 040	9 018
Payment for financial assets	–	–	26	26	24	2	92,3	6	5



Details per programme 1: Administration

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.6 Stakeholder Relations, Communication and Legal Services									
Current payments	39 462	252	(4 546)	35 168	35 142	26	99,9	47 462	46 730
Transfers and subsidies	–	10	11	21	18	3	85,7	33	33
Payment for capital assets	1 446	238	217	1 901	1 698	203	89,3	1 734	1 714
Payment for financial assets	–	–	–	–	–	–	–	11	10
1.7 Policy, Planning and Monitoring and Evaluation									
Current payments	100 531	(14 058)	10 872	97 345	97 298	47	100,0	74 849	54 349
Transfers and subsidies	757 818	27	16	757 861	755 550	2 311	99,7	626 588	626 049
Payment for capital assets	1 274	163	12	1 449	1 017	432	70,2	1 233	1 144
Payment for financial assets	–	–	19	19	19	–	100,0	22	21
1.8 Office Accommodation									
Current payments	102 313	22 922	(6 647)	118 588	118 565	23	100,0	83 520	71 089
Payment for capital assets	7 057	28	8 719	15 804	15 802	2	100,0	13 989	13 967
Total	1 329 982	–	15 764	1 345 746	1 339 756	5 990	99,6	1 138 158	1 103 494



Details per programme 1: Administration

for the year ended 31 March 2012

Economic classification	2011/12							2010/11	
	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	276 588	(669)	(12 035)	263 884	263 825	59	100,0	241 932	241 446
Goods and services	274 981	(732)	17 225	291 474	291 296	178	99,9	234 230	200 880
Interest and rent on land	269	(7)	(60)	202	187	15	92,6	261	239
Transfers and subsidies									
Provinces and municipalities	101	6	(55)	52	39	13	75,0	121	63
Departmental agencies and accounts	756 783	–	–	756 783	756 782	1	100,0	623 426	623 410
Public corporations and private enterprises	2 308	–	159	2 467	151	2 316	6,1	3 527	2 988
Households	134	169	318	621	613	8	98,7	3 049	3 046
Gifts and donations	–	–	–	–	–	–	–	100	100
Payments for capital assets									
Buildings and other fixed structures	7 057	28	8 719	15 804	15 802	2	100,0	12 500	12 482
Machinery and equipment	11 631	1 205	1 391	14 227	10 878	3 349	76,5	17 218	17 053
Software and other intangible assets	130	–	–	130	85	45	65,4	1 705	1 703
Payments for financial assets	–	–	102	102	98	4	96,1	89	84
Total	1 329 982	–	15 764	1 345 746	1 339 756	5 990	99,6	1 138 158	1 103 494



Details per programme

2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Management									
Current payment	1 868	12	230	2 110	2 107	3	99,9	1 899	1 897
Transfers and subsidies	–	–	20	20	20	–	100,0	–	–
Payment for capital assets	10	–	–	10	–	10	–	25	18
2.2 Inspection and Laboratory Services									
Current payment	247 183	7 644	(4 062)	250 765	250 584	181	99,9	212 668	212 513
Transfers and subsidies	6	546	1 040	1 592	1 583	9	99,4	2 041	2 034
Payment for capital assets	5 756	15	5 417	11 188	10 963	225	98,0	9 285	8 781
Payment for financial assets	–	–	88	88	87	1	98,9	30	30
2.3 Plant Production and Health									
Current payment	70 875	(8 450)	(2 072)	60 353	60 284	69	99,9	55 219	55 146
Transfers and subsidies	411 969	10	43	412 022	412 020	2	100,0	206 604	199 102
Payment for capital assets	1 037	(15)	(56)	966	767	199	79,4	1 138	941
Payment for financial assets	–	–	22	22	21	1	95,5	–	–
2.4 Animal Production and Health									
Current payment	158 145	234	(25 611)	132 768	132 717	51	100,0	121 327	121 238
Transfers and subsidies	282	4	16 948	17 234	17 044	190	98,9	9 878	9 873
Payment for capital assets	37 116	–	(17 608)	19 508	1 147	18 361	5,9	699	562
Payment for financial assets	–	–	4	4	3	1	75,0	7	6
Total	934 247	–	(25 597)	908 650	889 347	19 303	97,9	620 820	612 141



Details per programme

2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2012

Economic classification	2011/12							2010/11	
	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	301 328	(537)	23 732	324 523	324 454	69	100,0	282 994	282 927
Goods and services	176 530	(54)	(55 175)	121 301	121 084	217	99,8	108 032	107 805
Interest and rent on land	213	31	(72)	172	154	18	89,5	87	62
Transfers and subsidies									
Provinces and municipalities	405 010	23	61	405 094	405 090	4	100,0	200 060	192 557
Public corporations and private enterprises	281	–	263	544	539	5	99,1	1 018	1 015
Non-profit institutions	6 906	–	–	6 906	6 906	–	100,0	6 596	6 596
Households	60	537	17 727	18 324	18 132	192	99,0	10 849	10 841
Payment for capital assets									
Buildings and other fixed structures	5	–	–	5	–	5	–	–	–
Machinery and equipment	43 813	–	(12 247)	31 566	12 785	18 781	40,5	11 076	10 235
Software and other intangible assets	101	–	–	101	92	9	91,1	71	67
Payments for financial assets	–	–	114	114	111	3	97,4	37	36
Total	934 247	–	(25 597)	908 650	889 347	19 303	97,9	620 820	612 141



Details per programme 3: Food Security and Agrarian Reform

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Management									
Current payment	2 056	–	(1 293)	763	759	4	99,5	19 312	19 310
Transfers and subsidies	–	–	–	–	–	–	–	1	1
Payment for capital assets	8	–	–	8	–	8	–	–	–
3.2 Food Security									
Current payment	55 458	(20)	(2 371)	53 067	53 030	37	99,9	50 058	50 035
Transfers and subsidies	689 164	–	(49)	689 115	685 344	3 771	99,5	583 547	557 971
Payment for capital assets	37 107	–	2 517	39 624	39 496	128	99,7	40 829	36 024
Payment for financial assets	–	–	31	31	31	–	100,0	87	87
3.3 Sector Capacity Development									
Current payment	72 478	(320)	3 046	75 204	75 140	64	99,9	98 885	98 746
Transfers and subsidies	66 445	25	119	66 589	65 763	826	98,8	1 726	1 723
Payment for capital assets	528	295	58	881	736	145	83,5	445	392
Payment for financial assets	–	–	9	9	9	–	100,0	4	3
3.4 National Extension Support Services									
Current payment	21 806	20	(1 647)	20 179	20 173	6	100,0	–	–
Transfers and subsidies	308 890	–	–	308 890	308 890	–	100,0	294 979	284 162
Total	1 253 940	–	420	1 254 360	1 249 371	4 989	99,6	1 089 873	1 048 454



Details per programme 3: Food Security and Agrarian Reform

for the year ended 31 March 2012

Economic classification	2011/12							2010/11	
	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	90 929	(20)	(934)	89 975	89 950	25	100,0	78 336	78 324
Goods and services	60 810	(302)	(1 312)	59 196	59 114	82	99,9	89 897	89 748
Interest and rent on land	59	2	(19)	42	38	4	90,5	22	19
Transfers and subsidies									
Provinces and municipalities	1 039 664	5	3	1 039 672	1 039 671	1	100,0	862 580	828 921
Departmental agencies and accounts	13 838	–	–	13 838	12 638	1 200	91,3	10 825	10 224
Universities and technikons	2 712	–	–	2 712	145	2 567	5,3	2 100	–
Foreign governments and international organisations	500	–	–	500	–	500	–	20	–
Public corporations and private enterprises	4 292	–	29	4 321	4 318	3	99,9	2 823	2 809
Non-profit institutions	2 000	–	–	2 000	1 675	325	83,8	–	–
Households	1 493	20	38	1 551	1 550	1	99,9	1 905	1 903
Payment for capital assets									
Buildings and other fixed structures	33 605	–	2 443	36 048	36 042	6	100,0	39 288	34 639
Machinery and equipment	4 038	275	132	4 445	4 170	275	93,8	1 973	1 764
Biological assets	–	20	–	20	20	–	100,0	13	13
Payments for financial assets	–	–	40	40	40	–	100,0	91	90
Total	1 253 940	–	420	1 254 360	1 249 371	4 989	99,6	1 089 873	1 048 454



Details per programme

4: Trade Promotion and Market Access

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Management									
Current payment	2 336	109	(644)	1 801	1 799	2	99,9	1 240	1 232
Payment for capital assets	8	48	–	56	15	41	26,8	37	36
Payment for financial assets	–	–	33	33	32	1	97,0	–	–
4.2 International Relations and Trade									
Current payment	46 710	1 554	8 793	57 057	56 998	59	99,9	55 636	55 542
Transfers and subsidies	34 738	–	287	35 025	32 154	2 871	91,8	38 188	29 629
Payment for capital assets	398	38	313	749	638	111	85,2	298	265
Payment for financial assets	–	–	–	–	–	–	–	1	–
4.3 Cooperatives and Rural Business Development									
Current payment	42 190	(3 000)	(18 983)	20 207	20 197	10	100,0	17 029	16 963
Transfers and subsidies	30 000	2	2	30 004	30 003	1	100,0	106	105
Payment for capital assets	427	8	–	435	217	218	49,9	1 203	395
4.4 Agro-processing and Marketing									
Current payment	12 415	1 160	(1 577)	11 998	11 924	74	99,4	10 108	9 849
Transfers and subsidies	36 049	–	–	36 049	36 049	–	100,0	31 194	31 194
Payment for capital assets	127	81	–	208	159	49	76,4	86	81
Payment for financial assets	–	–	–	–	–	–	–	42	42
Total	205 398	–	(11 776)	193 622	190 185	3 437	98,2	155 168	145 333



Details per programme

4: Trade Promotion and Market Access

for the year ended 31 March 2012

Economic classification	2011/12							2010/11	
	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	56 734	–	1 781	58 515	58 495	20	100,0	48 720	48 698
Goods and services	46 898	(178)	(14 183)	32 537	32 413	124	99,6	35 280	34 884
Interest and rent on land	19	1	(9)	11	10	1	90,9	13	4
Transfers and subsidies									
Provinces and municipalities	–	2	–	2	1	1	50,0	101	101
Departmental agencies and accounts	36 049	–	–	36 049	36 049	–	100,0	31 194	31 194
Foreign governments and international organisations	34 738	–	35	34 773	31 903	2 870	91,7	38 187	29 629
Public corporations and private enterprises	30 000	–	8	30 008	30 008	–	100,0	3	1
Households	–	–	246	246	245	1	99,6	3	3
Payment for capital assets									
Machinery and equipment	931	195	313	1 439	1 029	410	71,5	1 624	777
Software and other intangible assets	29	(20)	–	9	–	9	–	–	–
Payments for financial assets	–	–	33	33	32	1	97,0	43	42
Total	205 398	–	(11 776)	193 622	190 185	3 437	98,2	155 168	145 333



Details per programme 5: Forestry

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Management									
Current payment	3 770	201	500	4 471	4 466	5	99,9	4 088	4 080
Transfers and subsidies	–	–	1	1	1	–	100,0	–	–
Payment for capital assets	198	12	–	210	185	25	88,1	44	17
5.2 Forestry Operations									
Current payment	354 424	(1 802)	5 796	358 418	358 240	178	100,0	365 990	364 026
Transfers and subsidies	368	1 728	2 651	4 747	4 730	17	99,6	1 205	1 195
Payment for capital assets	33 760	518	8 629	42 907	41 250	1 657	96,1	31 006	27 070
Payment for financial assets	–	–	52	52	48	4	92,3	–	–
5.3 Forestry Regulations and Oversight									
Current payment	48 001	(377)	6 407	54 031	54 000	31	99,9	38 515	38 968
Transfers and subsidies	6 342	125	103	6 570	6 568	2	100,0	4 092	3 990
Payment for capital assets	2 918	(618)	(1 610)	690	524	166	75,9	1 371	1 267
Payment for financial assets	–	–	1	1	–	1	–	–	–
5.4 Natural Resources Management									
Current payment	197 663	(63)	(9 982)	187 618	187 510	108	99,9	136 086	132 409
Transfers and subsidies	240 552	25	438	241 015	241 007	8	100,0	104 899	104 893
Payment for capital assets	7 354	251	1 743	9 348	9 113	235	97,5	3 411	4 214
Payment for financial assets	–	–	21	21	20	1	95,2	–	–
Total	895 350	–	14 750	910 100	907 662	2 438	99,7	690 707	682 129



Details per programme 5: Forestry

for the year ended 31 March 2012

Economic classification	2011/12							2010/11	
	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	426 831	(1 770)	8 791	433 852	433 760	92	100,0	408 008	407 683
Goods and services	175 762	(56)	(5 192)	170 514	170 298	216	99,9	135 674	130 929
Interest and rent on land	1 265	(215)	(878)	172	158	14	91,9	997	871
Transfers and subsidies									
Provinces and municipalities	207 408	8	(9)	207 407	207 400	7	100,0	104 472	104 468
Public corporations and private enterprises	3 042	–	36	3 078	3 076	2	99,9	1 525	1 524
Non-profit institutions	3 200	–	–	3 200	3 200	–	100,0	–	–
Households	33 512	1 770	3 066	38 348	38 330	18	100,0	3 999	3 986
Gifts and donations	100	100	100	300	300	–	100,0	200	100
Payment for capital assets									
Buildings and other fixed structures	2 365	(639)	661	2 387	2 383	4	99,8	38	–
Machinery and equipment	41 763	820	8 169	50 752	48 689	2 063	95,9	35 697	32 568
Software and other intangible assets	102	(18)	(68)	16	–	16	–	97	–
Payments for financial assets	–	–	74	74	68	6	91,9	–	–
Total	895 350	–	14 750	910 100	907 662	2 438	99,7	690 707	682 129



Details per programme 6: Fisheries Management

for the year ended 31 March 2012

Subprogramme	2011/12							2010/11	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Management									
Current payment	264	–	(159)	105	104	1	99,0	144	143
6.2 Aquaculture									
Current payment	24 620	–	(100)	24 520	24 517	3	100,0	23 643	23 641
Transfers and subsidies	–	–	460	460	459	1	99,8	52	51
6.3 Administrative Support Services									
Current payment	119 475	–	6 171	125 646	125 633	13	100,0	107 071	107 061
Transfers and subsidies	–	–	67	67	66	1	98,5	118	117
6.4 Marine Living Resources Fund									
Transfers and subsidies	201 173	–	–	201 173	201 173	–	100,0	128 100	128 100
Total	345 532	–	6 439	351 971	351 952	19	100,0	259 128	259 113

Economic classification	2011/12							2010/11	
	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	144 359	–	5 912	150 271	150 254	17	100,0	130 858	130 845
Transfers and subsidies									
Departmental agencies and accounts	201 173	–	–	201 173	201 173	–	100,0	128 100	128 100
Households	–	–	527	527	525	2	99,6	170	168
Total	345 532	–	6 439	351 971	351 952	19	100,0	259 128	259 113



Notes to the Appropriation Statement

for the year ended 31 March 2012

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

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

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

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

3. DETAILS ON PAYMENTS FOR FINANCIAL ASSETS

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

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

4.1 Per programme

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Administration	1 345 746	1 339 756	5 990	0,4
Agricultural Production, Health and Food Safety	908 650	889 347	19 303	2,1
Food Security and Agrarian Reform	1 254 360	1 249 371	4 989	0,4
Trade Promotion and Market Access	193 622	190 185	3 437	1,8
Forestry	910 100	907 662	2 438	0,3
Fisheries Management	351 971	351 952	19	0,0
Total	4 964 449	4 928 273	36 176	0,7

Administration

The procurement of IT related equipment was not concluded in the 2011/12 financial year. Funds requested to be rolled over.

Agricultural Production, Health and Food Safety

The procurement of mobile veterinary clinics as part of the Primary Animal Health Care Programme was not concluded in the 2011/12 financial year.

Food Security and Agrarian Reform

Transfer payments not made due to MoUs not being finalised.

Trade Promotion and Market Access

Transfer payments to international organisations could not be concluded in the 2011/12 financial year. Funds requested to be rolled over.

Forestry

The procurement of capital assets for forestry operations was not concluded in the 2011/12 financial year.

Notes to the Appropriation Statement

for the year ended 31 March 2012

4.2 Per economic classification

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Current payments				
Compensation of employees	1 321 020	1 320 738	282	0,0
Goods and services	675 022	674 205	817	0,1
Interest and rent on land	599	547	52	8,7
Subtotal	1 996 641	1 995 490	1 151	0,1
Transfers and subsidies				
Provinces and municipalities	1 652 227	1 652 201	26	0,0
Departmental agencies and accounts	1 007 843	1 006 642	1 201	0,1
Universities and technikons	2 712	145	2 567	94,7
Public corporations and private enterprises	40 418	38 092	2 326	5,8
Foreign governments and international organisations	35 273	31 903	3 370	9,6
Non-profit institutions	12 106	11 781	325	2,7
Households	59 617	59 395	222	0,4
Gifts and donations	300	300	–	0,0
Subtotal	2 810 496	2 800 459	10 037	0,4
Payments for capital assets				
Buildings and other fixed structures	54 244	54 227	17	0,0
Machinery and equipment	102 429	77 551	24 878	24,3
Biological assets	20	20	–	0,0
Software and other intangible assets	256	177	79	30,9
Subtotal	156 949	131 975	24 974	15,9
Payments for financial assets	363	349	14	3,9
Total	4 964 449	4 928 273	36 176	0,7



Statement of Financial Performance

as at 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
Revenue			
Annual appropriation	1	4 964 449	3 953 854
Departmental revenue	2	177 368	156 961
Aid assistance	3	4 614	17 500
Total revenue		5 146 431	4 128 315
Expenditure			
Current expenditure			
Compensation of employees	4	1 320 738	1 189 923
Goods and services	5	674 205	564 246
Interest and rent on land	6	547	1 195
Aid assistance	3	1 518	16 250
Total current expenditure		1 997 008	1 771 614
Transfers and subsidies			
Transfers and subsidies	8	2 800 459	1 983 747
Total transfers and subsidies		2 800 459	1 983 747
Expenditure for capital assets			
Tangible capital assets	9	131 883	109 531
Software and other intangible assets	9	92	1 770
Total expenditure for capital assets		131 975	111 301
Payments for financial assets	7	349	252
Total expenditure		4 929 791	3 866 914
Surplus for the year		216 640	261 401
Reconciliation of net surplus/(deficit) for the year			
Voted funds		36 176	103 190
Annual appropriation	14	36 176	103 190
Departmental revenue and NRF receipts	15	177 368	156 961
Aid assistance (Annexure IJ)	3	3 096	1 250
Surplus for the year		216 640	261 401



Statement of Financial Position

as at 31 March 2012

	<i>Note</i>	2011/12 R'000	2010/11 R'000
Assets			
Current assets		59 876	34 670
Cash and cash equivalents	10	53 407	25 250
Prepayments and advances	11	2 808	4 201
Receivables	12	3 661	5 219
Non-current assets		180 963	218 030
Investments	13	180 963	218 030
Total assets		240 839	252 700
Liabilities			
Current liabilities		58 869	33 159
Voted funds to be surrendered to the Revenue Fund	14	36 176	26 582
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	18 497	5 537
Payables	16	1 118	1 040
Aid assistance unutilised	3	3 078	–
Non-current liabilities			
Payables	17	180 966	218 032
Total liabilities		239 835	251 191
Net assets		1 004	1 509
Represented by:			
Recoverable revenue		1 004	1 509
Total		1 004	1 509



Statement of Changes in Net Assets

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
Recoverable revenue			
Opening balance		1 509	2 216
Transfers:		(505)	(707)
Irrecoverable amounts written off	7.1	(237)	(226)
Debts recovered (included in departmental receipts)		(1 497)	(2 468)
Debts raised		1 229	1 987
Closing balance		1 004	1 509
Total		1 004	1 509



Cash-flow Statement

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
Cash flow from operating activities			
Receipts		5 146 315	4 051 194
Annual appropriated funds received	1.1	4 964 449	3 877 246
Departmental revenue received	2	177 252	156 448
Aid assistance received	3	4 614	17 500
Net increase/decrease in working capital		3 029	21 117
Surrendered to Revenue Fund		(190 990)	(192 953)
Surrendered to Reconstruction and Development Programme (RDP) Fund/donor		(18)	(1 250)
Current payments		(1 997 008)	(1 771 614)
Payments for financial assets		(349)	(252)
Transfers and subsidies paid		(2 800 459)	(1 983 747)
Net cash flow available from operating activities	18	160 520	122 495
Cash flows from investing activities			
Payments for capital assets	9	(131 975)	(111 301)
Proceeds from sale of capital assets	2.4	116	513
Increase/decrease in investments		37 067	8 345
Net cash flows from investing activities		(94 792)	(102 443)
Cash flows from financing activities			
Increase/decrease in net assets		(505)	(707)
Increase/decrease in non-current payables		(37 066)	(8 346)
Net cash flows from financing activities		(37 571)	(9 053)
Net increase/decrease in cash and cash equivalents		28 157	10 999
Cash and cash equivalents at beginning of period		25 250	14 251
Cash and cash equivalents at end of period	19	53 407	25 250



Accounting Policies

for the year ended 31 March 2012

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.



Accounting Policies

for the year ended 31 March 2012

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

No accrual is made for the amount receivable from the last receipt date to the end of the 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 under current liabilities 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 of 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).



Accounting Policies

for the year ended 31 March 2012

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.

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 statements 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.



Accounting Policies

for the year ended 31 March 2012

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.

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.



Accounting Policies

for the year ended 31 March 2012

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.

SUBSEQUENT RECOGNITION

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital assets". 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 and Natural Resources Management

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 and Natural Resources Management 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 and Natural Resources Management

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.



Accounting Policies

for the year ended 31 March 2012

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 the Statement of Financial Position.

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 commitments are 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 Statement.

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.



Accounting Policies

for the year ended 31 March 2012

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 2012

1. ANNUAL APPROPRIATION

1.1 Annual Appropriation

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

	Final appropriation	Actual funds received	Appropriation received 2010/11
	R'000	R'000	R'000
Administration	1 345 746	1 345 746	1 112 072
Agricultural Production, Health and Food Safety	908 650	908 650	613 279
Food Security and Agrarian Reform	1 254 360	1 254 360	1 064 202
Economic Development, Trade and Marketing	193 622	193 622	146 108
Forestry and Natural Resources Management	910 100	910 100	682 483
Fisheries Management	351 971	351 971	259 102
Total	4 964 449	4 964 449	3 877 246

2. DEPARTMENTAL REVENUE

	Note	2011/12 R'000	2010/11 R'000
Sales of goods and services other than capital assets	2.1	128 012	127 001
Fines, penalties and forfeits	2.2	54	43
Interest, dividends and rent on land	2.3	9 387	8 130
Sales of capital assets	2.4	116	513
Transactions in financial assets and liabilities	2.5	39 796	21 265
Transfer received	2.6	3	9
Total revenue collected		177 368	156 961
Departmental revenue collected		177 368	156 961

Note 2.5 Financial transactions in assets and liabilities included an amount of R28,350 million being a refund of unspent conditional grants received from the provincial departments, compared to R2,746 million refunded during the 2010/11 financial year.

2.1 Sales of goods and services other than capital assets

2

Sales of goods and services produced by the department	128 005	126 973
Sales by market establishment	3 774	2 864
Administrative fees	94 402	88 226
Other sales	29 829	35 883
Sales of scrap, waste and other used current goods	7	28
Total	128 012	127 001



Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
2.2 Fines, penalties and forfeits	2		
Penalties		54	43
Total		54	43
2.3 Interest, dividends and rent on land	2		
Interest		8 101	7 240
Rent on land		1 286	890
Total		9 387	8 130
2.4 Sale of capital assets	2		
Tangible assets		116	513
Machinery and equipment	32	116	513
Total		116	513
2.5 Transactions in financial assets and liabilities	2		
Receivables		10 576	10 621
Stale cheques written back		2	–
Other receipts, including recoverable revenue		29 218	10 644
Total		39 796	21 265
2.6 Transfers received	2		
Public corporations and private enterprises		3	9
Total		3	9
3. AID ASSISTANCE			
3.1 Aid assistance received in cash from RDP			
Foreign			
Opening balance		–	–
Revenue		4 614	17 500
Expenditure		(1 518)	(16 250)
Current		(1 518)	(16 250)
Surrendered to the RDP		(18)	(1 250)
Closing balance		3 078	–
3.2 Total assistance			
Opening balance		–	–
Revenue		4 614	17 500
Expenditure		(1 518)	(16 250)
Current		(1 518)	(16 250)
Surrendered/transferred to retained funds		(18)	(1 250)
Closing balance		3 078	–

Notes to the Annual Financial Statements

for the year ended 31 March 2012

3.3 Analysis of balance

Aid assistance unutilised

RDP

Closing balance

2011/12 R'000	2010/11 R'000
3 078	–
3 078	–
3 078	–

The dti paid an amount of R3,078 million as donor money for the Smallholder Establishment Project. The DAFF did not incur any expenditure for the 2011/12 financial year towards this project.

4. COMPENSATION OF EMPLOYEES

4.1 Salaries and wages

Basic salary

Performance award

Service based

Compensative/circumstantial

Periodic payments

Other non-pensionable allowances

Total

872 840	790 094
29 511	29 843
1 928	2 084
32 999	37 717
24 287	9 256
185 122	162 355
1 146 687	1 031 349

4.2 Social contributions

Employer contributions

Pension

Medical

Bargaining council

Insurance

Total

110 497	101 667
63 022	56 577
327	330
205	–
174 051	158 574

Total compensation of employees

1 320 738	1 189 923
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Average number of employees

6 151	6 245
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The average number (6 151) of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries.

Compensation of employees—excluded R14,287 million as project costs.



Notes to the Annual Financial Statements

for the year ended 31 March 2012

5. GOODS AND SERVICES

	Note	2011/12 R'000	2010/11 R'000
Administrative fees		51 321	45 008
Advertising		14 804	13 630
Assets less than R5 000	5.1	2 891	4 727
Bursaries (employees)		2 565	2 332
Catering		1 798	2 593
Communication		25 000	23 421
Computer services	5.2	24 247	20 226
Consultants, contractors and agency/outsourced services	5.3	151 422	134 498
Entertainment		425	298
Audit cost—external	5.4	8 569	9 949
Fleet services		15 282	10 846
Inventory	5.5	64 184	55 989
Operating leases		54 907	20 443
Property payments	5.6	26 157	12 278
Rental and hiring		784	–
Transport provided as part of the departmental activities		–	566
Travel and subsistence	5.7	158 312	133 142
Venues and facilities		31 589	27 987
Training and staff development		29 107	37 740
Other operating expenditure	5.8	10 841	8 573
Total		674 205	564 246

Goods and Services—excluded R20,583 million as project costs

5.1 Assets less than R5 000

	5		
Tangible assets		2 881	4 655
Biological assets		–	172
Machinery and equipment		2 881	4 483
Intangible assets		10	72
Total		2 891	4 727

5.2 Computer services

	5		
SITA computer services		7 117	4 313
External computer service providers		17 130	15 913
Total		24 247	20 226

Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
5.3 Consultants, contractors and agency/outsourced services	5		
Business and advisory services		54 865	45 295
Infrastructure and planning		12 345	12 366
Laboratory services		478	337
Legal costs		4 185	1 979
Contractors		10 334	14 581
Agency and support/outsourced services		69 215	59 940
Total		151 422	134 498
5.4 Audit cost—external	5		
Regularity audits		8 569	9 949
Total		8 569	9 949
5.5 Inventory	5		
Learning and teaching support material		163	92
Food and food supplies		1 451	1 226
Fuel, oil and gas		3 047	2 294
Other consumable materials		41 878	24 378
Materials and supplies		3 679	6 226
Stationery and printing		13 157	13 242
Medical supplies		148	161
Medicine		661	8 370
Total		64 184	55 989
5.6 Property payments	5		
Municipal services		18 031	1 592
Other		8 126	10 686
Total		26 157	12 278
5.7 Travel and subsistence	5		
Local		141 270	113 901
Foreign		17 042	19 241
Total		158 312	133 142
5.8 Other operating expenditure	5		
Professional bodies, membership and subscription fees		955	130
Resettlement costs		1 991	2 298
Gifts		36	—
Other		7 859	6 145
Total		10 841	8 573



Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
6. INTEREST AND RENT ON LAND			
Interest paid		480	362
Rent on land		67	833
Total		547	1 195
7. PAYMENTS FOR FINANCIAL ASSETS			
Material losses through criminal conduct		24	–
Theft	7.2	24	–
Debts written off	7.1	325	252
Total		349	252
7.1 Debts written off	7		
Recoverable revenue written off			
Irrecoverable/uneconomical		325	171
Recovery would cause undue hardship		–	55
Total debt written off		325	226
7.2 Detail of theft	7		
Nature of theft			
Losses or damage through criminal acts or omission		24	–
Total		24	–
8. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	35, Annex 1A, Annex 1B	1 652 201	1 126 110
Departmental agencies and accounts	Annex 1C	1 006 642	792 928
Universities and technikons	Annex 1D	145	–
Foreign governments and international organisations	Annex 1F	31 903	29 628
Public corporations and private enterprises	Annex 1E	38 092	6 685
Non-profit institutions	Annex 1G	11 781	8 249
Households	Annex 1H	59 395	19 947
Gifts, donations and sponsorships	Annex 1K	300	200
Total		2 800 459	1 983 747



Notes to the Annual Financial Statements

for the year ended 31 March 2012

9. EXPENDITURE FOR CAPITAL ASSETS

	Note	2011/12 R'000	2010/11 R'000
Tangible assets		131 883	109 531
Buildings and other fixed structures	34	53 924	47 121
Machinery and equipment	32	77 939	62 397
Biological assets	32	20	13
Software and other intangible assets		92	1 770
Computer software	33	–	384
Patents, licences, copyright, brand names, trademarks	33	92	1 386
Total		131 975	111 301
The following amounts have been included as project costs in expenditure for capital assets:			
Compensation of employees		14 287	17 836
Goods and services		20 583	47 703
Total		34 870	65 539

9.1 Analysis of funds utilised to acquire capital assets—2011/12

	Voted funds R'000	Total R'000
Tangible assets	131 883	131 883
Buildings and other fixed structures	53 924	53 924
Machinery and equipment	77 939	77 939
Biological assets	20	20
Software and other intangible assets	92	92
Patents, licences, copyright, brand names, trademarks	92	92
Total	131 975	131 975

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

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	384	384
Patents, licences, copyright, brand names, trademarks	1 386	1 386
Total	111 301	111 301



Notes to the Annual Financial Statements

for the year ended 31 March 2012

10. CASH AND CASH EQUIVALENTS

Consolidated Paymaster General Account
Cash receipts
Cash on hand
Total

2011/12	2010/11
R'000	R'000
52 989	24 824
202	210
216	216
53 407	25 250

11. PREPAYMENTS AND ADVANCES

Travel and subsistence
Advances paid to other entities
Total

1 407	1 479
1 401	2 722
2 808	4 201

12. RECEIVABLES

	Note	Less than one year	One to three years	2011/12 Total	2010/11 Total
		R'000	R'000	R'000	R'000
Claims recoverable	12.1 Annex 4	846	–	846	185
Recoverable expenditure	12.2	50	235	284	1 633
Staff debt	12.3	9	–	9	88
Other debtors	12.4	1 398	1 123	2 522	3 313
Total		2 303	1 358	3 661	5 219

	Note	2011/12 R'000	2010/11 R'000
12.1 Claims recoverable	12		
National departments		764	184
Provincial departments		81	–
Public entities		1	1
Total		846	185
12.2 Recoverable expenditure (disallowance accounts)	12		
Disallowance: dishonoured cheques		153	1 256
Disallowance: miscellaneous		131	377
Total		284	1 633

Disallowance miscellaneous was originally (R2,947 million), but (R3,078 million) was restated as Aid assistance unutilised. See note 3.3.

Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
12.3 Staff debt	12		
Salaries: Deduction disallowance account		8	43
Salaries: Tax debt		1	32
Salaries: Reversal control		–	13
Total		9	88
12.4 Other debtors			
Debt account		2 522	3 313
Total		2 522	3 313
13. INVESTMENTS			
Non-current			
Shares and other equity			
Ncera Farms (Pty) Ltd		1	1
Onderstepoort Biological Products Ltd		1	1
Abattoir Industry Fund		16 855	17 475
National Abattoir Forestry Recreation and Access Trust		5 078	4 809
Forestry Lease Rental Trust Fund		159 028	195 744
Total non-current		180 963	218 030
Analysis of non-current investments			
Opening balance		218 030	226 375
Additions in cash		23 489	26 835
Disposals for cash		(60 556)	(35 180)
Closing balance		180 963	218 030
14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND			
Opening balance		26 582	35 423
Transfer from statement of financial performance		36 176	103 190
Voted funds not requested/not received		–	(76 608)
Paid during the year		(26 582)	(35 423)
Closing balance		36 176	26 582
15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND			
Opening balance		5 537	6 106
Transfer from Statement of Financial Performance		177 368	156 961
Paid during the year		(164 408)	(157 530)
Closing balance		18 497	5 537



Notes to the Annual Financial Statements

for the year ended 31 March 2012

	Note	2011/12 R'000	2010/11 R'000
16. PAYABLES—CURRENT			
Advances received	16.1	40	–
Clearing accounts	16.2	1 066	1 037
Other payables	16.3	12	3
Total		1 118	1 040
16.1 Advances received			
Other public entities		40	–
Total		40	–
16.2 Clearing accounts			
Salary: ACB recalls		38	36
Salary: Income tax		975	972
Salary: Pension fund		17	–
Salary: Deduction disallowance account		–	29
Salary: Bargaining councils		1	–
Salary: Reversal account		35	–
Total		1 066	1 037
16.2 Other payables			
Sport fees		12	3
Total		12	3

17. PAYABLES—NON-CURRENT

	Note	One to two years R'000	Two to three years R'000	More than three years R'000	2011/12 Total R'000	2010/11 Total R'000
Other payables	17.1	162 365	173	18 428	180 966	218 032
Total		162 365	173	18 428	180 966	218 032

17.1 Other payables

	2011/12 R'000	2010/11 R'000
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products Ltd	1	1
Abattoir Industry Fund	16 855	17 475
National Forestry Recreation & Access Trust	5 078	4 809
Forestry Lease Rental Trust Fund	159 031	195 746
Total	180 966	218 032



Notes to the Annual Financial Statements

for the year ended 31 March 2012

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

Note	2011/12 R'000	2010/11 R'000
Net surplus as per Statement of Financial Performance	216 640	261 401
Add back non-cash/cash movements not deemed operating activities	(56 120)	(138 906)
(Increase)/decrease in receivables—current	1 558	(1 490)
(Increase)/decrease in prepayments and advances	1 393	23 507
Increase/(decrease) in payables—current	78	(900)
Proceeds from sale of capital assets	(116)	(513)
Expenditure on capital assets	131 975	111 301
Surrenders to Revenue Fund	(190 990)	(192 953)
Surrenders to RDP Fund/donor	(18)	(1 250)
Voted funds not requested/not received	—	(76 608)
Net cash flow generated by operating activities	160 520	122 495

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

Consolidated Paymaster General account	52 989	24 824
Cash receipts	202	210
Cash on hand	216	216
Total	53 407	25 250



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

		Note	2011/12 R'000	2010/11 R'000
20.1 Contingent liabilities				
Liable to	Nature			
Housing loan guarantees	Employees	Annex 3A	530	1 313
Claims against the department		Annex 3B	68 481	14 912
Other departments (interdepartmental unconfirmed balances)		Annex 5	70 263	4 443
Other (OSD)		Annex 3B	258	13 188
Total			139 532	33 856

21. COMMITMENTS

Current expenditure

Approved and contracted

144 756

157 852

144 756

157 852

Capital expenditure

Approved and contracted

4 202

57

4 202

57

Total commitments

148 958

157 907

Thirteen percent of the commitments are for longer than a year.

22. ACCRUALS

	30 days R'000	30+ days R'000	2011/12 Total R'000	2010/11 Total R'000
Listed by economic classification				
Goods and services	37 664	19 281	56 945	12 401
Capital assets	271	51	322	326
Total	37 935	19 332	57 267	12 727

Listed by programme level

Administration
Agricultural Production, Health and Food Safety
Food Security and Agrarian Reform
Economic Development, Trade and Marketing
Forestry and Natural Resources Management

2011/12
R'000

2010/11
R'000

20 270

3 764

7 544

1 059

3 096

2 511

1 715

44

24 642

5 349

Total

57 267

12 727

The 2011/12 accruals include R13,379 million for PhakisaWorld Fleet Solution.

Confirmed balances with departments

Annex 5

3 052

133

Total

3 052

133

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

23. EMPLOYEE BENEFITS

	2011/12 R'000	2010/11 R'000
Leave entitlement	41 279	26 257
Service bonus (thirteenth cheque)	52 825	40 718
Performance awards	30 759	26 674
Capped leave commitments	122 369	123 234
Total	247 232	216 883

The number of negative leave totals to 831,72 days with the value of R172 556,00.

The negative leave records of employees will be audited. The outcome will be communicated to the affected employees. Corrections will be made against the current leave cycle and where no leave credits are available, leave without pay will be implemented.

24. LEASE COMMITMENTS

24.1 Operating leases expenditure

	Land R'000	Buildings and other fixed structures R'000	Total R'000
2011/12			
Not later than one year	1	120 022	120 023
Later than one year, but not later than five years	2	241 313	241 315
Later than five years	40	97 970	98 010
Total lease commitments	43	459 305	459 348
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

The lease commitments for lease of office accommodation/buildings/facilities/land were based on the actual lease tariff and escalation rate per annum, as outlined in the signed lease agreements/costs analyses per building/facility/land. The following lease agreements have expired and the DPW leases the facilities on a month-to-month basis: OR Thambo Sniffer Dog Facility, City Deep, Nelspruit Standard Bank Building, De Aar, Port Edward, Port St Johns, Port Alfred Harbour View Building, Port Elizabeth 21 Stanley Street, Kleinmond, Mossel Bay Prince Vincent Building & Plaza Aquada, Cape Town Paarden Island Centre and Vryburg Management. Fees for state-owned buildings are included for 2012/13. The following office accommodation is still being shared between the DWA and the DAFF, the DWA is the user department and is paying the rental: King William's Town, Mthatha, Port Elizabeth, Thohoyandou, Sekhukhune, Giyani (Mopani), Waterberg DWA, Capricorn DWA, Polokwane, Nelspruit, Bronkhorstspuit and Mafikeng.



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

24.2 Finance leases expenditure

	Machinery and equipment	Total
	R'000	R'000
2011/12		
Not later than one year	4 653	4 653
Later than one year, but not later than five years	4 497	4 497
Total lease commitments	9 150	9 150
LESS: Finance costs	535	535
Total present value of lease liabilities	8 615	8 615
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

The finance leases represent 213 photo copy machines and 37 departmental cellular devices.

The lease contract with PhakisaWorld Fleet Solution expired at the end of November 2011 and the DAFF lease the vehicles on a month-to-month basis. The average cost is R5,4 million per month.

25. RECEIVABLES FOR DEPARTMENTAL REVENUE

Sales of goods and services other than capital assets
Interest, dividends and rent on land
Transactions in financial assets and liabilities

Total

	2011/12	2010/11
	R'000	R'000
	9 053	7 332
	71 209	86 719
	85 943	108 303
Total	166 205	202 354
25.1 Analysis of receivables for departmental revenue		
Opening balance	202 354	236 586
Less: Amounts received	68 462	63 137
Add: Amounts recognised	32 396	28 931
Less: Amounts written off/reversed as irrecoverable	83	26
Closing balance	166 205	202 354
25.2 Receivables for department revenue written off		
Nature of losses		
Irrecoverable/uneconomical	83	9
Recovery would cause undue hardship	–	17
Total	83	26

Agricultural Debt Account debt to the amount of R17,842 million was written off during the year.

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

26. IRREGULAR EXPENDITURE

26.1 Reconciliation of irregular expenditure

	2011/12 R'000	2010/11 R'000
Opening balance	16 174	15 109
Add: Irregular expenditure—relating to prior year	28 616	–
Add: Irregular expenditure—relating to current year	6 135	1 065
Less: Amounts condoned	(1 464)	–
Irregular expenditure awaiting condonation	49 461	16 174
Analysis of awaiting condonation per age classification		
Current year	5 742	1 065
Prior years	43 719	15 109
Total	49 461	16 174

26.2 Details of irregular expenditure—current year

Incident	Disciplinary steps taken/criminal proceedings	2011/12 R'000
Non-compliance with Supply Chain Management procedures: Konica Minolco	None	24
Non-compliance with Supply Chain Management procedures: Jack and Jill Company	To be taken	20
Non-compliance with Supply Chain Management procedures: Mailmech Electronics	To be taken	81
Non-compliance with Supply Chain Management procedures: Masibambisane Project	None	268
Non-compliance with Supply Chain Management procedures: RL Enterprises	None	72
Non-compliance with Supply Chain Management procedures: Kaqala Media/IRR Training	To be investigated	39
Non-compliance with Supply Chain Management procedures: Valley of Life Suppliers	To be investigated	27
Non-compliance with Supply Chain Management procedures: Ezonsundu Trading	To be taken	467
Non-compliance with Supply Chain Management procedures: Manstrat Agriculture Intelligence Solution (Pty) Ltd	Action was instituted	4 707
Non-compliance with Supply Chain Management procedures: Ngaxamba Trading	To be taken	16
Non-compliance with Supply Chain Management procedures: Biz Afrika (Studio 88)	To be taken	57
Non-compliance with Supply Chain Management procedures: Highbury Safika Media	To be taken	50
Non-compliance with Supply Chain Management procedures: UT Grain Management (Pty) Ltd	To be taken	17
Non-compliance with Supply Chain Management procedures: Tsadu Logistics	To be taken	32
Contraventions of Supply Chain Management delegation: Hans Merensky	To be taken	258
Total		6 135
Details of irregular expenditure—relating to prior year		
Non-compliance with Supply Chain Management procedures: Manstrat Agriculture Intelligence Solutions (Pty) Ltd		27 967
Non-compliance with Supply Chain Management procedures: Labware Laboratory Information		646
Non-compliance with Supply Chain Management procedures: QD Fire Systems CC		3
Total		28 616



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

26.3 Details of irregular expenditure condoned

Incident

Non-compliance with Supply Chain Management procedures: Khanyisa Productions	Director-General
Non-compliance with Supply Chain Management procedures: Labware Laboratory Information	Director-General
Non-compliance with Supply Chain Management procedures: QD Fire Systems CC	Director-General
Non-compliance with Supply Chain Management procedures: Konica Minolco	Director-General
Non-compliance with Supply Chain Management procedures: Jack and Jill Company	Director-General
Non-compliance with Supply Chain Management procedures: Mailmech Electronics	Director-General
Non-compliance with Supply Chain Management procedures: Masibambisane Project	Director-General
Non-compliance with Supply Chain Management procedures: Forestry KZN	Director-General

Condoned by (condoning authority)

2011/12
R'000

Director-General	79
Director-General	646
Director-General	3
Director-General	24
Director-General	20
Director-General	81
Director-General	268
Director-General	343

Total

1 464

26.4 Details of irregular expenditure under investigation

Incident

Non-compliance with Supply Chain Management procedures: Audit findings in process
Non-compliance with Supply Chain Management procedures: Forestry Limpopo
Non-compliance with Supply Chain Management procedures: Audit findings in process

15 109
104
539

Total

15 752

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

Opening balance
Fruitless and wasteful expenditure—relating to prior year
Fruitless and wasteful expenditure—relating to current year
Less: Amounts condoned

2011/12
R'000
12 199
5
10
(7)

2010/11
R'000
12 197
–
3
(1)

Fruitless and wasteful expenditure awaiting condonement

12 207
12 199

27.2 Analysis of awaiting condonement per economic classification

Current
Capital

210
11 997

202
11 997

Total

12 207
12 199

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

Incident

Disciplinary steps taken/criminal proceedings

Courses not attended
No show—transport

To be investigated
None

2011/12
R'000

9
1

Total

10

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

2010/11

Rescheduling of the international audit at Roodeplaat due to unforeseen and unavoidable circumstances (condoned)	(1)
Interest charged on overdue accounts (condoned)	(2)

2009/10

Purchase of 33 GPS devices	200
Durban Quarantine Station: Purchase of site	6 413
Durban Quarantine Station: Cost incurred	5 584

28. RELATED PARTY TRANSACTIONS

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 Ltd
		3A	Marine Living Resources Fund

29. KEY MANAGEMENT PERSONNEL

	No. of individuals	2011/12 R'000	2010/11 R'000
Political office bearers (provide detail below)	2	3 468	3 303
Officials			
Levels 15 and 16	16	17 037	13 070
Level 14 (incl. CFO if at a lower level)	35	25 886	20 747
Total		46 391	37 120

30. IMPAIRMENT

	2011/12 R'000	2010/11 R'000
Debtors	2 322	590
Total	2 322	590

31. PROVISIONS

Agricultural Debt Account, debt that is not written off against savings on the vote	86 064	105 338
Total	86 064	105 338



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

32. MOVABLE TANGIBLE CAPITAL ASSETS

Movement in movable tangible capital assets per asset register for the year ended 31 March 2012

	Opening balance	Current year adjustments 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	261 608	(295)	36 137	9 979	287 471
Transport assets	83 411	(1)	12 687	6 233	89 864
Computer equipment	67 946	(34)	13 091	1 293	79 710
Furniture and office equipment	26 768	(18)	3 230	287	29 693
Other machinery and equipment	83 483	(242)	7 129	2 166	88 204
Specialised military assets	101	–	–	–	101
Specialised military assets	101	–	–	–	101
Biological assets	374 915	241	71 585	495	446 246
Biological assets	374 915	241	71 585	495	446 246
Total movable tangible capital assets	636 814	(54)	107 722	10 474	734 008

32.1 Additions

Additions to movable tangible capital assets per asset register for the year ended 31 March 2012

	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
Machinery and equipment	77 939	6 980	(48 465)	(317)	36 137
Transport assets	7 845	4 842	–	–	12 687
Computer equipment	12 546	658	–	(113)	13 091
Furniture and office equipment	2 986	244	–	–	3 230
Other machinery and equipment	54 562	1 236	(48 465)	(204)	7 129
Biological assets	20	71 565	–	–	71 585
Biological assets	20	71 565	–	–	71 585
Total additions to movable tangible capital assets	77 959	78 545	(48 465)	(317)	107 722

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

32.2 Disposals

Disposals of movable tangible capital assets per asset register for the year ended 31 March 2012

	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	419	9 560	9 979	116
Transport assets	419	5 814	6 233	116
Computer equipment	–	1 293	1 293	–
Furniture and office equipment	–	287	287	–
Other machinery and equipment	–	2 166	2 166	–
Biological assets	–	495	495	–
Biological assets	–	495	495	–
Total disposal of movable tangible capital assets	419	10 055	10 474	116

32.3 Movement for 2010/11

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

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Heritage assets	–	190	–	190
Heritage assets	–	190	–	190
Machinery and equipment	243 175	34 577	16 144	261 608
Transport assets	76 793	10 696	4 078	83 411
Computer equipment	63 961	9 061	5 076	67 946
Furniture and office equipment	21 143	6 496	871	26 768
Other machinery and equipment	81 278	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 assets	243 805	409 559	16 550	636 814



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

32.4 Minor assets

Movement in minor assets per asset register for the year ended as at 31 March 2012

	Specialised military assets R'000	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	9	5 358	49 992	1 411	56 770
Current year adjustments to prior year balances	1	(995)	6 592	–	5 598
Additions	–	17	4 209	1 854	6 080
Disposals	–	–	1 410	1 985	3 395
Total minor assets	10	4 380	59 383	1 280	65 053
Number of R1 minor assets	50	15	46 519	6	46 590
Number of minor assets at cost	8	2 086	42 644	1 407	46 145
Total number of minor assets	58	2 101	89 163	1 413	92 735

Movement in minor assets per the asset register for the year ended at 31 March 2011

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	50	15	46 519	6	46 590
Number of minor assets at cost	8	2 086	42 644	1 407	46 145
Total number of minor assets	58	2 101	89 163	1 413	92 735

32.5 Movable assets written off

Moveable assets written off for the year ended 31 March 2012

	Machinery and equipment R'000	Total R'000
Assets written off	121	121
	121	121

33. INTANGIBLE CAPITAL ASSETS

Computer software
Patents, licences, copyright, brand names, trademarks
Total intangible capital assets

Opening balance R'000	Additions R'000	Closing balance R'000
6 879	111	6 990
2 320	30	2 350
9 199	141	9 340

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

33.1 Additions

	Cash R'000	Non-cash R'000	Total R'000
Computer software	92	19	111
Patents, licences, copyright, brand names, trademarks	–	30	30
Total additions to intangible capital assets	92	49	141

33.2 Movement for 2010/11

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

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
Computer software	5 878	1 385	384	6 879
Patents, licences, copyright, brand names, trademarks	2 320	–	–	2 320
Total intangible capital assets	8 198	1 385	384	9 199

34. IMMOVABLE TANGIBLE CAPITAL ASSETS

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Buildings and other fixed structures	9 905	87	3 601	3 163	10 430
Dwellings	9 298	–	550	112	9 736
Non-residential buildings	580	87	–	–	667
Other fixed structures	27	–	3 051	3 051	27
Total immovable tangible capital assets	9 905	87	3 601	3 163	10 430

34.1 Additions

	Cash R'000	Non-cash R'000	(Capital work- in-progress current costs and finance lease payments) R'000	Total R'000
Building and other fixed structures	53 924	112	(50 435)	3 601
Dwellings	438	112	–	550
Other fixed structures	53 486	–	(50 435)	3 051
Total additions to immovable tangible capital assets	53 924	112	(50 435)	3 601



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

34.2 Disposals

Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2012

	Transfer out or destroyed or scrapped	Total disposals
	R'000	R'000
Buildings and other fixed structures	3 163	3 163
Dwellings	112	112
Non-residential buildings	–	–
Other fixed structures	3 051	3 051
Total immovable tangible assets	3 163	3 163

34.3 Movement for 2010/11

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

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	9 949	42 330	42 374	9 905
Dwellings	9 298	–	–	9 298
Non-residential buildings	624	(44)	–	580
Other fixed structures	27	42 374	42 374	27
Total immovable tangible assets	9 949	42 330	42 374	9 905

34.4 Immovable assets valued at R1

Immovable assets value at R1 in the asset register as at 31 March 2012

	Buildings and other fixed structures	Total
	R	R
R1 immovable assets	348	348
Total	348	348

Immovable assets value at R1 in the asset register as at 31 March 2011

R1 immovable assets	22	22
Total	22	22



Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

35. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

Name of province/grant	Grant allocation				Transfer			Spent		2010/11	
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department		% of available funds spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		%
Comprehensive Agricultural Support Programme											
	174 985	-	-	174 985	174 985	-	-	174 985	164 000	93,7	160 004
	102 932	-	-	102 932	102 932	-	-	102 932	106 102	103,1	75 772
	41 173	-	-	41 173	41 173	-	-	41 173	28 089	68,2	42 187
	164 691	-	-	164 691	164 691	-	-	164 691	164 691	100,0	135 804
	154 398	-	-	154 398	154 398	-	-	154 398	139 233	90,2	144 567
	102 932	-	-	102 932	102 932	-	-	102 932	103 554	100,6	81 947
	72 052	-	-	72 052	72 052	-	-	72 052	75 630	105,0	58 275
	133 812	10 076	-	143 888	143 888	-	-	143 888	121 126	84,2	100 745
	82 346	-	-	82 346	82 346	-	-	82 346	82 383	100,0	63 064
Subtotal	1 029 321	10 076	-	1 039 397	1 039 397	-	-	1 039 397	984 808	94,7	862 365



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Name of province/grant	Grant allocation			Transfer			Spent		2010/11		
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Infrastructure development and poverty relief (LandCare)	Eastern Cape	9 244	-	-	9 244	9 244	-	9 244	9 228	99,8	8 721
	Free State	4 622	-	-	4 622	4 622	-	4 622	4 622	100,0	4 360
	Gauteng	4 044	-	-	4 044	4 044	-	4 044	4 044	100,0	3 815
	KwaZulu-Natal	9 244	-	-	9 244	9 244	-	9 244	8 501	92,0	8 721
	Limpopo	8 667	-	-	8 667	8 667	-	8 667	8 311	95,9	8 176
	Mpumalanga	5 198	-	-	5 198	5 198	-	5 198	5 198	100,0	4 904
	Northern Cape	6 355	-	-	6 355	6 355	-	6 355	6 335	100,0	5 995
	North West	6 932	-	-	6 932	6 932	-	6 932	5 803	83,7	6 540
	Western Cape	3 466	-	-	3 466	3 466	-	3 466	3 466	100,0	3 270
Subtotal	57 772	-	-	57 772	57 772	57 772	-	57 772	55 528	96,1	54 502

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

[illegible]

Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2012

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

Name of province/grant	Grant allocation				Transfer			Spent		2010/11	
	Division of Revenue Act	Rollovers	Adjustments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of available funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Ilima/Letsema											
Eastern Cape	40 000	5 000	–	45 000	45 000	–	–	45 000	40 213	89,4	20 000
Free State	52 000	–	–	52 000	52 000	–	–	52 000	52 000	100,0	26 000
Gauteng	20 000	–	–	20 000	20 000	–	–	20 000	19 558	97,8	10 000
KwaZulu-Natal	60 000	–	–	60 000	60 000	–	–	60 000	60 000	100,0	30 000
Limpopo	40 000	–	–	40 000	40 000	–	–	40 000	34 186	85,5	20 000
Mpumalanga	40 000	–	–	40 000	40 000	–	–	40 000	40 000	100,0	20 000
Northern Cape	60 000	–	–	60 000	60 000	–	–	60 000	60 000	100,0	30 000
North West	40 000	–	–	40 000	40 000	–	–	40 000	40 000	100,0	20 000
Western Cape	48 000	–	–	48 000	48 000	–	–	48 000	48 000	100,0	24 000
Subtotal	400 000	5 000	–	405 000	405 000	–	–	405 000	393 957	97,3	200 000
Total	1 487 093	15 076	149 560	1 651 729	1 651 729	–	–	1 651 729	1 440 518	87,2	1 166 867

National departments are reminded of the DORA requirements to indicate any re-allocations by the National Treasury or the transferring department, to certify that all transfers in terms of this Act were deposited into the primary bank account of a province, or where appropriate, into the CPD account of a province as well as indicate the funds utilised for the administration of the receiving officer.

Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1B STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

Name of municipality	Grant allocation			Transfer		Spent		2010/11 Total available		
	Amount R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	% of available funds transferred %	Amount received by municipality R'000		Amount spent by municipality R'000	% of available funds spent by municipality %
City of Tshwane	384	-	64	448	426	95,1	426	426	100,0	395
Inxuba Yethemba	9	-	5	14	14	100,0	14	14	100,0	14
Khara Hais	-	-	1	1	-	-	-	-	-	1
Mgungundlovu	-	-	-	-	-	-	-	-	-	17
Bushbuckridge	-	-	-	-	-	-	-	-	-	38
Rustenburg	-	-	-	-	-	-	-	-	-	1
Lekwa-Teemane	-	-	-	-	-	-	-	-	-	1
Makhado	40	-	(40)	-	-	-	-	-	-	-
Witzenbeig	1	-	(1)	-	-	-	-	-	-	-
Msunduzi	20	-	(20)	-	-	-	-	-	-	-
Stellenbosch	-	-	2	2	1	50,0	1	1	-	-
Mbombela	-	-	32	32	31	96,9	31	31	100,0	-
Walseley	-	-	1	1	-	-	-	-	-	-
Total	454	-	44	498	472	94,8	472	472	100,0	467



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1C

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Department/ agency/ account	Transfer allocation				Transfer		2010/11
	Adjusted appropriation	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
National Agricultural Marketing Council	36 049	–	–	36 049	36 049	100,0	31 194
Agricultural Research Council	755 510	–	–	755 510	755 510	100,0	622 266
Water Research Commission	1 200	–	–	1 200	–	–	600
National Student Financial Aid Scheme	12 038	–	–	12 038	12 038	100,0	9 625
Public Service Education and Training Authority	1 273	–	–	1 273	1 272	99,9	1 160
Marine Living Resource Fund	201 173	–	–	201 173	201 173	100,0	128 100
Perishable Products Export Control Board	600	–	–	600	600	100,0	600
Total	1 007 843	–	–	1 007 843	1 006 642	99,9	793 545



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1D

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

University/ technikon	Transfer allocation				Transfer			2010/11
	Adjusted appropria- tion	Rollovers	Adjust- ments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropri- ation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Pretoria	500	–	–	500	–	500	–	900
University of Fort Hare	1 712	–	–	1 712	–	1 712	–	300
University of KwaZulu-Natal	500	–	–	500	145	355	29,0	900
Total	2 712	–	–	2 712	145	2 567	5,3	2 100



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1E

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/ private enterprise	Transfer allocation				Expenditure				2010/11
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
<i>Transfers</i>									
Ncera Farms (Pty) Ltd	4 291	–	–	4 291	4 291	100,0	–	–	2 800
Forest Sector Charter Council	5 350	–	–	5 350	3 042	56,9	–	–	2 188
Land and Agricultural Bank of SA	30 000	–	–	30 000	30 000	100,0	–	–	–
Subtotal	39 641	–	–	39 641	37 333	94,2	–	–	4 988
Private enterprises									
<i>Transfers</i>									
Claims against the state	281	–	495	776	759	97,8	–	–	3 907
Red Meat Industry Forum	1	–	–	1	–	–	–	–	1
Subtotal	282	–	495	777	759	97,7	–	–	3 908
Total	39 923	–	495	40 418	38 092	94,2	–	–	8 896

Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1F

STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANISATIONS

Foreign government/ international organisation	Transfer allocation			Expenditure		2010/11
	Adjusted Appropriation Act	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	%	R'000
Transfers						
Foreign rates and taxes	45	35	80	79	98,8	139
International Union for the Protection of New Varieties of Plants	430	18	448	447	99,8	385
Office International des Epizooties	1 050	–	1 050	3	0,3	814
Organisation for Economic Co-operation and Development	470	–	470	428	91,1	261
International Grains Council	170	–	170	126	74,1	179
Office International de la Vigne et du Vin	500	75	575	575	100,0	581
Food and Agriculture Organization of the United Nations	11 080	–	11 080	10 212	92,2	11 330
Consultative Group on International Agricultural Research	3 700	(93)	3 607	3 410	94,5	8 410
Commonwealth Agricultural Bureau International	170	–	170	137	80,6	168
International Dairy Federation	55	–	55	50	90,9	53
International Seed Testing Association	115	–	115	61	53,0	44
Food and Agriculture Organization of the United Nations: Capacity building	13 483	–	13 483	13 483	100,0	12 720
International Cotton Advisory Council	330	–	330	142	43,0	353
Commission Internationale du Genie Rural	–	–	–	–	–	20
International Fund for Agricultural Development	3 640	–	3 640	2 750	75,5	2 750
Total	35 238	35	35 273	31 903	90,4	38 207



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1G STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	Transfer allocation				Expenditure		2010/11
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Sterile Insect Technique	6 906	–	–	6 906	6 906	100,0	6 596
Forestry South Africa	3 200	–	–	3 200	3 200	100,0	–
School Support: Agriculture students—tuition and book fees	2 000	–	–	2 000	1 675	83,8	–
Total	12 106	–	–	12 106	11 781	97,3	6 596



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 1H STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation				Expenditure		2010/11
	Adjusted Appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Social benefits	1 056	–	7 691	8 747	8 714	99,6	9 705
Classical swine fever	–	–	–	–	–	–	8 509
Claims against the state	–	–	55	55	51	92,7	559
Bursaries (non-employees)	1 262	–	–	1 262	1 262	100,0	1 202
Avian influenza	32 881	–	16 672	49 553	49 368	99,6	–
Total	35 199	–	24 418	59 617	59 395	99,6	19 975



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 11 STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2011/12 R'000	2010/11 R'000
Received in cash			
<i>Current financial year: 2011/2012</i>			
SADC	Sponsorships for official trips to foreign countries	3	–
<i>Previous financial year: 2010/2011</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
Subtotal		3	9
Received in kind			
<i>Current financial year: 2011/2012</i>			
BKB (Pty) Ltd	GADI (Modern shearing platform to the existing shearing shed)	100	–
European Union: African Monitoring of Environment for Sustainable Development (AMESD)	Equipment to report fire emergencies	70	–
South African Brewery Limited	Gifts	16	–
Teambuilding day	Teambuilding day	86	–
Total South Africa	Arbor Week Campaign and the Million Trees Programme	2 350	–
World Bank	World Food Day 2011—Accommodation	1 708	–
Food and Agriculture Organization of the United Nations	African Minister's Conference—Accommodation	822	–
<i>Previous financial year: 2010/2011</i>			
Several donations	Sponsorships for official trips to foreign countries	–	391
Several gifts and donations	Teambuilding day	–	129
Several gifts and donations	Arbor Week	–	32
Subtotal		5 152	552
Total		5 155	561

The event for the Female Entrepreneur Awards took place on 23 March 2012. In terms of the sponsorship agreement, Total SA will directly pay the winners of the competition. These payments will be made during the 2012/13 financial year.



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

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					
Department of Trade and Industry	Food Security School Milk Programme	–	1 250	1 250	–
International Centre for Genetic					
Engineering and Biotechnology Italy	Biosafety workshop	–	158	140	18
National Research Foundation	Research of the ocean acidification of carbon dioxide increases	–	128	128	–
Department of Trade and Industry	Employment creation fund	–	3 078	–	3 078
Total		–	4 614	1 518	3 096



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

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 list material items, including name of organisation)	2011/12 R'000	2010/11 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
Arbor City Awards—Lephalale	100	–
Centre for International Forestry Research (CFOR)	100	–
International Wildland Fire Conference	100	–
Total	300	200



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 2A

STATEMENT OF INVESTMENTS IN, AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

Name of public entity	State entity's PFMA Schedule type (state year-end if not 31 March)	% held		Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(loss) for the year R'000		Losses guaranteed
		2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	2011/12	2010/11	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 Ltd	Manufacturing of vaccine and related products	–	–	1	1	–	–	–	–	–	–	No
Total		–	–	2	2	–	–	–	–	–	–	



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 3A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2012—LOCAL

Guarantor institution	Guarantee in respect of housing	Original guaranteed capital amount	Opening balance 1 April 2011	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ re-leased during the year	Revaluations	Closing balance 31 March 2012	Guaranteed interest for year ended 31 March 2012	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	359	64	310	–	113	–	–
Nedbank	Housing	252	101	–	26	–	75	–	–
First Rand Bank FNB	Housing	425	38	–	26	–	12	–	–
Nedbank (Included BOE Bank)	Housing	59	31	–	19	–	12	–	–
ABSA	Housing	1 239	312	67	237	–	142	–	–
Peoples Bank (FBC FID)	Housing	84	81	–	34	–	47	–	–
Nedbank Ltd (NBS)	Housing	216	85	–	31	–	54	–	–
FNB (formerly Saambou)	Housing	521	14	–	14	–	–	–	–
Old Mutual Bank (Ned/ Perm)	Housing	454	186	–	166	–	20	–	–
Ithala Limited	Housing	23	23	–	23	–	–	–	–
VSB Mutual Bank	Housing	28	28	–	28	–	–	–	–
Free State Development Corporation	Housing	43	30	–	–	–	30	–	–
Old Mutual Fin Ltd	Housing	25	25	–	–	–	25	–	–
Total		4 056	1 313	131	914	–	530	–	–

Annexures to the Annual Financial Statements

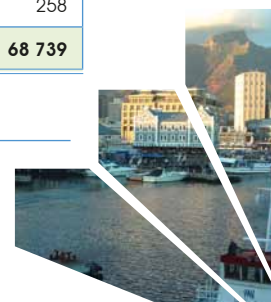
for the year ended 31 March 2012

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

Nature of liability	Opening balance 1 April 2011	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable (provide details hereunder)	Closing balance 31 March 2012
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Claims against the department	14 912	59 157	5 588	–	68 481
Subtotal	14 912	59 157	5 588	–	68 481
Other					
Occupation Specific Dispensation (OSD)	13 181	216	13 139	–	258
Subtotal	13 181	216	13 139	–	258
Total	28 093	59 373	18 727	–	68 739

Nature of liabilities recoverable	Opening balance 1 April 2011	Details of liability and recoverability	Movement during year	Closing balance 31 March 2012
	R'000		R'000	R'000
Vehicle accident—compensation	686	Claims: Motor vehicle accidents still under investigation	(203)	483
Compensation—other	30	Claims: Private items	(27)	3
Fire claim—CJ Rance	714	Fire claim	(714)	–
Fire claim—Amathole Forestry Company (High Court Eastern Cape)	978	Fire claim	(978)	–
Fire claim—Amathole Forestry Company (High Court North Gauteng)	–	Fire claim	978	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	5 600	Breach of contract	–	5 600
Suid-Kaapland Irrigation Board	13	Unpaid water levies	(13)	–
Suid-Kaapland Irrigation Board	27	Unpaid water levies	(27)	–
Suid-Kaapland Irrigation Board	29	Unpaid water levies	(29)	–
Suid-Kaapland Irrigation Board	37	Unpaid water levies	(37)	–
UniTech Development Initiative (Pty) Ltd	2 331	Liquidation	–	2 331
NTK Limpopo Agricultural (Pty) Ltd	227	Sale (goods sold and delivered)	–	227
Grassland Agriculture	966	Compensation (animal diseases)	(966)	–
Grassland Agriculture	–	Compensation (legal cost and interest)	359	359
Dr RP Mohlalane	–	Claim: damage suffered	50 000	50 000
Buffalo Conservation & D Ntshali	–	Prohibition of movement of animals	8 426	8 426
Occupation Specific Dispensation (OSD)	13 181	Compensation	(12 923)	258
Total	28 093		40 646	68 739



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 4 CLAIMES RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
National department						
Marine Living Resources Fund	–	–	752	73	752	73
Department of Public Works	–	–	–	111	–	111
Department of Health	–	–	12	–	12	–
Provincial departments						
Limpopo	17	–	–	–	17	–
North West	30	–	–	–	30	–
Mpumalanga	–	–	34	–	34	–
Subtotal	47	–	798	184	845	184
Other government entities						
Agricultural Research Council	1	–	–	1	1	1
Subtotal	1	–	–	1	1	1
Total	48	–	798	185	846	185



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 5 INTERGOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
<i>Current</i>						
Department of Justice and Constitutional Development	305	–	–	410	305	410
Department of Water Affairs	–	–	4	1 139	4	1 139
Department of Rural Development and Land Reform	–	–	–	24	–	24
Department of Environmental Affairs	–	–	–	38	–	38
Department of Public Works	2 086	–	69 568	–	71 654	–
Department of Home Affairs	–	–	200	–	200	–
Department of Defence	–	–	6	–	6	–
National Treasury	–	–	16	–	16	–
Department Economic Development	–	–	449	–	449	–
The Presidency	22	–	–	–	22	–
Provincial departments						
<i>Western Cape</i>						
Agriculture	480	–	–	41	480	41
<i>Eastern Cape</i>						
Agriculture and Rural Development	–	–	–	2 512	–	2 512
Department of Transport and Public Works	19	–	–	–	19	–
<i>Northern Cape</i>						
Agriculture, Land Reform and Rural Development	140	111	–	279	140	390
<i>Mpumalanga</i>						
Department of Finance	–	22	–	–	–	22
<i>Limpopo</i>						
Department of Education	–	–	20	–	20	–
Total	3 052	133	70 263	4 443	73 315	4 576



Annexures to the Annual Financial Statements

for the year ended 31 March 2012

ANNEXURE 6 INVENTORY

Inventory	Quantity	2011/12 R'000	Quantity	2010/11 R'000
Opening balance	66 723	1 460	85 440	1 960
Add/(less): Adjustments to prior year's balance	747	250	57	(170)
Add: Additions/purchases—cash	227 014	9 329	107 258	1 159
Add: Additions—non-cash	418	(15)	2 586	2
(Less): Disposals	—	—	(152)	(20)
(Less): Issues	(228 057)	(9 497)	(128 024)	(1 419)
Add/(less): Adjustments	9	65	(442)	(52)
Closing balance	66 854	1 592	66 723	1 460

The quantity of (10) and amount of (R55) for internal transfers are included in the adjustment, since the annexure does not make provision for the internal transfers separately.



PART

4

Human resources



On 31 March 2012, the post establishment of the department totalled 7 100 posts. During the period under review the vacancy rate on the establishment of the department rose from 11,3% to 13,4%. The increase in the vacancy rate is the result of the expansion of the Directorate: Information and Communication Technology (20 posts) and the Directorate: Agriculture Inputs Control (21 posts) as well as the implementation of the personnel suitability checks (vetting strategy) which still creates constraints in terms of the filling of vacant posts. The ODC, which was established in 2006, still monitors the management of vacancies in the department on a monthly basis, with a view to downscale the vacancy rate.

A total of 235 new staff members (appointments and transfers), including 13 members of the SMS, were employed during the period under review and a total of 142 employees, including 12 members of the SMS, were promoted to higher positions in the department. During the period under review six members of the Senior Management Service were relocated or placed on the same level in new positions. It brings the total of SMS posts filled during this period to a total of 31. A total of 339 employees, including five members of the SMS, left the service of the department as a result of resignations, transfers, deaths, retirements, dismissals/discharges and/or contract expiry. Most of the employees who left the department were on salary levels 3 to 5. The staff turnover rate for the period under review decreased from 5,9% to 5,4%.

The number of jobs that was subjected to job evaluation was 115, which resulted in the upgrading of the salary levels of 21 posts and the downgrading of the salary levels of six posts.

As a result of the amalgamation process of the department, 19 HR policies were aligned, adopted by the Departmental Bargaining Chamber and implemented.

Altogether 42 disciplinary hearings were held and 29 disputes were lodged. A total of 85 injuries on duty cases were addressed (97,6% of the cases required only basic medical attention). During the 2011/12 performance cycle, 44,7% employees qualified for performance rewards.



1. SERVICE DELIVERY

All departments are required to develop an 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
Issuing of licences (for consumptive activities) to ensure sustainable forest management	Forest industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, Sanral, Transnet, landowners, individual members of the public	Forest industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, Sanral, Transnet, landowners, individual members of the public	Issue according to provisions of the National Forests Act, 1998 (Act No. 84 of 1998)	Turn-around time to issue licence 150 days
Issuing registration certificates/approvals for stock and agricultural remedies to ensure effective and safe products	Agrochemicals industry	Agrochemicals industry	Evaluated, processed and finalised 2 400 registration applications	Turn-around times :- • Application containing new molecule 18 months • Generic applications 12 months • Label amendments 12 months • Formulation change 1–12 months • Additional source/ manufacture 3 months (stock remedies and 6 months for agricultural remedies) • Administrative applications 3 months • Packaging 3 months • Change of shelf life 3 months • Import permits 1 month • Advertisement 1 month
Processing of all permits and licence applications (except fishing effort and vessel change and fish-processing establishments)	Fishing industry, fishing rights holders, recreational fishers, foreign and local vessel owners, fish import and export industry	Fishing industry, fishing rights holders, recreational fishers, foreign and local vessel owners, fish import and export industry	±1 500 applications received per month	85% of applications processed per month
Issuing import permits (plants, plant products and other regulated articles)	Importers	Importers	Processing turn-around time	Permit issued within 30 days after receipt of application, usually if pest risk analysis was completed. If the pest risk analysis still needs to be conducted it can take a few months to 3 years.

TABLE 1.2 – Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
Telephone, e-mail, site inspections and verification through DAFF regional offices	Forest industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, Sanral, Transnet, landowners, individual members of the public	Forest industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, Sanral, Transnet, landowners, individual members of the public	Licence issued

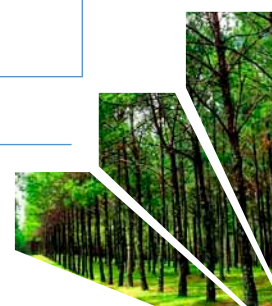


TABLE 1.2 – Consultation arrangements with customers (cont.)

Type of arrangement	Actual customers	Potential customers	Actual achievements
Quarterly liaison meetings held with stakeholders	Agrochemicals industry	Agrochemicals industry	Permit issued
One-on-one intensive stakeholder collaboration, working group meetings and road shows	Fishing industry, fishing rights holders, recreational fishers, foreign and local vessel owners, fish import and export industry	Fishing industry, fishing rights holders, recreational fishers, foreign and local vessel owners, fish import and export industry	Licence and permits issued
Directorate: Plant Health tel: 012 319 6102/6396	Importers	–	Provides pest-risk-analysis-based authorisation to import plant propagation material. Permit issued within 30 days after receipt of application, usually if pest risk analysis was completed. If the pest risk analysis still needs to be conducted it can take a few months to 3 years.

TABLE 1.3 – Service delivery access strategy

Access strategy	Actual achievements
Client access forms from head office and regional offices, or through e-mail and fax	Issued licence for consumptive purposes
Walk-in customer, Service Centre share-call telephone number, e-mail, faxes and letters	Ensure effective and safe products
Fishery control offices along the coast, walk-in customer, Service Centre	Fishing licences issued

TABLE 1.4 – Service information tool

Types of information tool	Actual achievements
Pamphlets at PDA and 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

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 bands within the department.

TABLE 2.1 – Personnel costs by programme 2011/12

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
1 Administration	1 339 756	263 825	3 059	22 895	19,7	41
2 Agricultural Production, Health and Food Safety	889 347	324 453	2 370	6 056	36,5	51
3 Food Security and Agrarian Reform	1 249 371	104 237	2 145	1 362	8,3	16
4 Trade Promotions and Market Access	190 185	58 495	151	12 288	30,8	9
5 Forestry	907 662	433 760	1 591	29 273	47,8	68
6 Fisheries	351 952	150 255	–	–	42,7	24
Total	4 928 273	1 335 025	9 316	71 874	27,1	210

TABLE 2.2 – Personnel costs by salary bands 2011/12

Salary bands	Personnel expenditure (R'000)	% of total personnel costs	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	125 654	9,4	98
Skilled (levels 3–5)	258 157	19,3	122
Highly skilled production (levels 6–8)	396 740	29,7	236
Highly skilled supervision (levels 9–12)	402 419	30,1	415
Senior management (levels 13–16)	83 410	6,2	763
Contract (levels 1–2)	245	–	242
Contract (levels 3–5)	9 393	0,7	59
Contract (levels 6–8)	16 407	1,2	213
Contract (levels 9–12)	12 312	0,9	451
Contract (levels 13–16)	17 339	1,3	1 008
Periodical remuneration	12 937	1,0	29
Abnormal appointments	12	–	6
Total	1 335 025	100,0	194

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

The following tables provide a summary per programme (Table 2.3) and salary bands (Table 2.4), of expenditure incurred as a result of salaries, overtime, (HOA 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, HOA and medical assistance by programme 2011/12

Programme	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical assistance as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
1 Administration	194 662	72,2	1 678	0,6	8 067	3,0	12 208	4,5
2 Agricultural Production, Health and Food Safety	232 267	68,6	3 972	1,2	11 217	3,3	16 115	4,8
3 Food Security and Agrarian Reform	66 083	56,4	548	0,5	3 578	3,1	4 845	4,1
4 Trade Promotions and Market Access	37 194	72,0	23	0,1	1 359	2,6	1 952	3,8
5 Forestry	298 381	66,0	4 388	1,0	25 578	5,7	21 301	4,7
6 Fisheries	109 559	72,4	7 109	4,7	3 313	2,2	7 055	4,7
Total	938,146	68,0	17 718	1,3	53 112	3,8	63 476	4,6

TABLE 2.4 – Salaries, overtime, HOA and medical assistance by salary band 2011/12

Salary bands	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical assistance as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Lower skilled (levels 1–2)	84 407	65,7	922	0,7	11 005	8,6	6 721	5,2
Skilled (levels 3–5)	170 926	64,2	4 957	1,9	18 092	6,8	16 151	6,1



TABLE 2.4 – Salaries, overtime, HOA and medical assistance by salary band 2011/12 (cont.)

Salary bands	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount	Salaries as a % of personnel cost	Amount	Overtime as a % of personnel cost	Amount	HOA as a % of personnel cost	Amount	Medical assistance as a % of personnel cost
	(R'000)		(R'000)		(R'000)		(R'000)	
Highly skilled production (levels 6–8)	272 286	67,0	9 109	2,2	13 750	3,4	24 665	6,1
Highly skilled supervision (levels 9–12)	293 545	69,5	2 376	0,6	7 531	1,8	14 348	3,4
Senior management (levels 13–16)	65 776	76,9	190	0,2	2 270	2,7	1 226	1,4
Contract (levels 1–2)	232	95,9	–	–	–	–	–	–
Contract (levels 3–5)	8 895	86,1	58	0,6	36	0,3	82	0,8
Contract (levels 6–8)	15 599	95,1	90	0,5	9	0,1	9	0,1
Contract (levels 9–12)	11 006	86,0	16	0,1	123	1,0	127	1,0
Contract (levels 13–16)	15 474	86,2	–	–	296	1,6	147	0,8
Total	938 146	68,0	17 718	1,3	53,112	3,8	63 476	4,6

3. EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff members who are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.1), salary band (Table 3.2) and critical occupations (Table 3.3). Departments have identified critical occupations that have to be monitored. Table 3.3 provides establishment and vacancy information for the key critical occupations of the department.

The vacancy rate reflects the percentage of posts that are not filled.

TABLE 3.1 – Employment and vacancies by programme, 31 March 2012

Programme	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
1 Administration	1 098	897	18,4	160
2 Agricultural Production, Health and Food Safety	1 514	1 351	10,8	7
3 Food Security and Agrarian Reform	472	416	11,9	14
4 Trade Promotions and Market Access	162	142	12,3	–
5 Forestry	3 251	2 828	15,0	33
6 Fisheries	603	517	14,3	8
Total	7 100*	6 151	13,4	222

* Number of posts, including Minister and Deputy Minister

TABLE 3.2 – Employment and vacancies by salary bands, 31 March 2012

Salary band	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Lower skilled (levels 1–2)	1 712	1 500	12,4	11
Skilled (levels 3–5)	2 037	1 861	8,6	159
Highly skilled production (levels 6–8)	1 953	1 673	14,3	26
Highly skilled supervision (levels 9–12)	1 264	1 012	20,0	18
Senior management (levels 13–16)	132	103	22,0	8
Total	7 098*	6 149	13,4	222

* Number of posts, excluding Minister and Deputy Minister



TABLE 3.3 – Employment and vacancies by critical occupation at 31 March 2012

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Administrative related	164	134	18,3	3
Agricultural animal, oceanography, forestry and other science	318	259	18,6	2
Agriculture related	371	306	17,5	7
Aircraft pilots and related associate professionals	1	1	–	–
All artisans in the building, metal, machinery, etc.	43	42	2,3	–
Appraisers-valuers and related professionals	20	19	5,0	1
Auxiliary and related workers	153	136	11,1	8
Biochemistry, pharmacology, zoology and life science technicians	37	30	18,9	–
Building and other property caretakers	114	107	6,1	–
Bus and heavy vehicle drivers	22	21	4,5	–
Chemists	2	2	–	–
Cleaners in offices, workshops, hospitals, etc.	107	86	19,6	–
Client information clerks (switchboard, reception and information clerks)	12	10	16,7	1
Communication and information related	11	9	18,2	–
Computer system designers and analysts	12	8	33,3	–
Economists	78	65	16,7	–
Engineering sciences related	1	–	100,0	–
Engineers and related professionals	12	3	75,0	7
Farmhands and labourers	214	197	7,9	–
Farming forestry advisors and farm managers	99	79	20,2	15
Finance and economics related	36	32	11,1	–
Financial and related professionals	29	22	24,1	–
Financial clerks and credit controllers	155	134	13,5	1
Food services aids and waiters	25	20	20,0	–
Forestry labourers	1 514	1 357	10,4	10
General legal administration and related professionals	1	1	–	–
Geologists, geophysicists, hydrologists and related professionals	1	–	100,0	–
Head of department/chief executive officer	1	1	–	–
Health sciences related	5	5	–	–
Horticulturists, foresters, agricultural and forestry technicians	413	368	10,9	–
Household and laundry workers	16	16	–	–
Human resources and organisational development and related professionals	40	36	10,0	–
Human resource clerks	103	93	9,7	–
Human resources related	19	14	26,3	–
Information technology related	1	1	–	–
Language practitioners, interpreters and other communicators	29	23	20,7	–
Legal related	8	4	50,0	–
Librarians and related professionals	5	2	60,0	–
Library mail and related clerks	77	64	16,9	3
Light vehicle drivers	21	18	14,3	–
Logistical support personnel	32	29	9,4	–



TABLE 3.3 – Employment and vacancies by critical occupation at 31 March 2012 (cont.)

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Material-recording and transport clerks	126	109	13,5	–
Mechanical engineering technicians	9	3	66,7	–
Messengers, porters and deliverers	87	85	2,3	–
Meteorologists	1	1	–	–
Motor vehicle drivers	57	52	8,8	–
Motorised farm and forestry plant operators	109	97	11,0	–
Natural sciences related	4	1	75,0	–
Nature conservation and oceanographically related technicians	66	51	22,7	–
Other administrative and related clerks and organisers	457	385	15,8	143
Other administrative policy and related officers	154	135	12,3	2
Other information technology personnel	32	8	75,0	1
Photographic, lithographic and related workers	4	3	25,0	–
Printing and related machine operators	16	14	12,5	–
Printing planners and production controllers	1	1	–	–
Quantity surveyors and related professionals	3	3	–	–
Rank: Minister	1	1	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	273	231	15,4	–
Risk management and security services	7	6	14,3	–
Road trade workers	9	8	11,1	–
Safety, health and quality inspectors	47	40	14,9	–
Secretaries and other keyboard operating clerks	127	94	26,0	2
Security guards	376	340	9,6	–
Security officers	173	159	8,1	–
Senior managers	127	98	22,8	8
Social sciences related	1	1	–	–
Statisticians and related professionals	23	21	8,7	4
Trade labourers	428	400	6,5	1
Veterinarians	35	28	20,0	3
Veterinary assistants	5	5	–	–
Water, plant and related operators	19	16	15,8	–
Total	7 100*	6 151	13,4	222

* Number of posts, including Minister and Deputy Minister

The information in each case reflects the situation as on 31 March 2012. For an indication of changes in staffing patterns over the year 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 his or her organisation. 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 by 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 year 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 2012

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	1 712	9	0,5	9	7,8	–	–
Skilled (levels 3–5)	2 037	21	1,0	9	7,8	1	0,9
Highly skilled production (levels 6–8)	1 953	39	2,0	3	2,6	5	4,3
Highly skilled supervision (levels 9–12)	1 264	46	3,6	–	–	–	–
Senior Management Service Band A	93	–	–	–	–	–	–
Senior Management Service Band B	29	–	–	–	–	–	–
Senior Management Service Band C	9	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
Total	7 100*	115	1,6	21	18,3	6	5,2

* Number of posts, excluding 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 are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

TABLE 4.2 – Profile of employees whose positions were upgraded owing to their posts being upgraded, 1 April 2011 to 31 March 2012

Beneficiaries	African	Asian	Coloured	White	Total
Female	5	–	1	1	7
Male	4	–	1	1	6
Total	9	–	2	2	13

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

TABLE 4.3 – Employees whose salary level exceeds the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (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	12	14	Job evaluation
Appraisers, valuers and related professionals	1	11	12	Job evaluation
Senior managers	2	14	15	Personal
Senior managers	2	13	14	Personal
Library mail and related clerks	1	8	11	Personal
Library mail and related clerks	1	7	8	Job evaluation
Library mail and related clerks	1	4	5	Job evaluation
Library mail and related clerks	1	4	6	Job evaluation
Finance and economics related	1	11	12	Retention
Finance and economics related	2	9	10	Job evaluation
Other administrative and related clerks and organisers	5	5	6	Job evaluation
Other administrative and related clerks and organisers	1	7	8	Job evaluation



TABLE 4.3 – Employees whose salary level exceeds the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3) (cont.)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Other administrative and related clerks and organisers	1	4	6	Job evaluation
Other administrative and related clerks and organisers	1	4	5	Job evaluation
Other administrative and related clerks and organisers	1	4	7	Job evaluation
Other administrative and related clerks and organisers	1	6	7	Job evaluation
Administrative related	1	11	12	Job evaluation
Administrative related	2	10	12	Job evaluation
Administrative related	2	9	10	Job evaluation
Building and other property caretakers	1	4	5	Job evaluation
Other administrative policy and related officers	1	7	8	Job evaluation
Communication and information related	1	11	12	Job evaluation
Agriculture related	2	11	12	Retention
Farmhands and labourers	1	4	5	Job evaluation
Auxiliary and related workers	14	5	6	Job evaluation
Economists	2	10	11	Job evaluation
Economists	1	8	9	Job evaluation
Statisticians and related professionals	1	9	11	Job evaluation
Health sciences related	1	9	10	Retention
Secretaries and other keyboard operating clerks	1	7	8	Reinstatement
Secretaries and other keyboard operating clerks	1	6	7	Job evaluation
Agricultural animal, oceanography, forestry and other sciences	1	9	10	Job evaluation
Agricultural animal, oceanography, forestry and other sciences	1	11	12	Retention
Veterinarians	1	11	12	Retention
Nature conservation and oceanography related technicians	1	9	10	Transfer to other station
Total number of employees whose salaries exceeded the level determined by job evaluation in 2010/11				59
Percentage of total employment				1,0

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

TABLE 4.4 – Profile of employees whose salary level exceeded the grade determined by job evaluation, 1 April 2011 to 31 March 2012 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	10	–	3	17	30
Male	17	–	6	6	29
Total	27	–	9	23	59
Employees with a disability	–	–	–	–	–
Percentage of total employment	0,5	–	1,8	3,9	1,0

5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band (Table 5.1) and by critical occupations (Table 5.2).



TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2011 to 31 March 2012

Salary band	Number of employees per band as on 1 April 2011	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	1 528	79	89	5,8
Skilled (levels 3–5)	1 996	49	119	6,0
Highly skilled production (levels 6–8)	1 681	77	82	4,9
Highly skilled supervision (levels 9–12)	951	17	44	4,6
Senior Management Service Band A	65	10	1	1,5
Senior Management Service Band B	18	2	2	11,1
Senior Management Service Band C	5	1	2	40,0
Senior Management Service Band D	1	–	–	–
Total	6 245*	235	339	5,4

* Number of employees, excluding Minister and Deputy Minister

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012

Occupation	Number of employees per occupation as on 1 April 2011	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administrative related	138	6	10	7,2
Agricultural animal, oceanography, forestry and other sciences	255	6	6	2,4
Agriculture related	352	6	16	4,5
Aircraft pilots and related associate professionals	1	–	–	–
All artisans in building, metal, machinery, etc.	38	1	1	2,6
Appraisers, valuers and related professionals	18	–	–	–
Auxiliary and related workers	135	7	3	2,2
Biochemistry, pharmacology, zoology and life science technicians	39	4	3	7,7
Building and other property caretakers	107	6	5	4,7
Bus and heavy vehicle drivers	21	–	–	–
Chemists	3	–	–	–
Civil engineering technicians	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	79	10	1	1,3
Client information clerks	11	–	1	9,0
Communication and information related	8	1	–	–
Computer system designers and analysts	8	–	2	25,0
Economists	60	7	3	5,0
Engineers and related professionals	4	–	–	–
Farmhands and labourers	190	14	11	5,8
Farming, forestry advisors and farm managers	77	1	2	2,6
Finance and economics related	28	2	–	–
Financial and related professionals	23	2	1	4,3
Financial clerks and credit controllers	125	12	6	4,8



TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012 (cont.)

Occupation	Number of employees per occupation as on 1 April 2011	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Food services aids and waiters	24	1	5	21,0
Forestry labourers	1 443	34	92	6,4
General legal administration and related professionals	1	–	–	–
Geologists, geophysicists, hydrologists and related professionals	1	–	–	–
Head of department/chief executive officer	1	–	–	–
Health sciences related	5	–	–	–
Horticulturists, foresters, agricultural and forestry technicians	321	19	14	4,4
Household and laundry workers	16	1	–	–
Human resources and organisational development and related professionals	34	6	5	14,7
Human resources clerks	98	1	4	4,1
Human resources related	15	–	3	20,0
Information technology related	1	–	–	–
Language practitioners, interpreters and other communicators	24	1	2	8,3
Legal related	5	–	1	20,0
Librarians and related professionals	4	–	3	75,0
Library, mail and related clerks	63	4	6	9,5
Light vehicle drivers	18	1	1	5,6
Logistical support personnel	28	1	1	3,6
Material-recording and transport clerks	109	7	6	5,5
Mechanical engineering technicians	3	–	–	–
Messengers, porters and deliverers	83	7	3	3,6
Meteorologists	1	–	–	–
Motor vehicle drivers	55	–	3	5,5
Motorised farm and forestry plant operators	102	–	4	3,9
Natural sciences related	1	–	–	–
Nature conservation and oceanography related technicians	47	4	6	12,8
Other administrative and related clerks and organisers	389	18	21	5,4
Other administrative policy and related officers	134	3	7	5,2
Other information technology personnel	7	2	–	–
Photographic, lithographic and related workers	4	–	–	–
Printing and related machine operators	16	–	1	6,3
Quantity surveyors and related professionals	3	–	–	–
Rank: Minister	1	–	–	–
Rank: Deputy Minister	1	–	–	–

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2011 to 31 March 2012 (cont.)

Occupation	Number of employees per occupation as on 1 April 2011	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Regulatory inspectors	228	5	4	1,8
Risk management and security services	6	–	–	–
Road trade workers	9	–	1	11,1
Safety, health and quality inspectors	39	–	–	–
Secretaries and other keyboard operating clerks	89	6	6	6,7
Security guards	359	–	17	4,7
Security officers	171	–	13	7,6
Senior managers	77	13	4	5,2
Social sciences related	1	–	–	–
Statisticians and related professionals	20	1	–	–
Trade labourers	415	14	29	7,0
Veterinarians	31	1	4	12,9
Veterinary assistants	5	–	–	–
Water, plant and related operators	17	–	1	5,9
Total	6 247*	235	338	5,4

* Number of employees, including Minister and Deputy Minister

Table 5.3 identifies the major reasons why staff members are leaving the department.

TABLE 5.3 – Reasons why staff members are leaving the department

Termination type	Number	% of total
Death	68	20,1
Resignation	35	10,3
Discharged because of ill health	1	0,3
Dismissal—misconduct	5	1,5
Retirement	141	41,5
Transfers	89	26,3
Severance package	–	–
Total	339	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 2011	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	138	5	3,6	124	89,9
Agricultural animal, oceanography, forestry and other sciences	255	5	2,0	147	57,6
Agriculture related	352	10	2,8	230	65,3
Aircraft pilots and related associate professionals	1	–	–	–	–



TABLE 5.5 – Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2011	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
All artisans in building, metal, machinery, etc.	38	–	–	37	97,4
Appraisers, valuers and related professionals	18	–	–	8	44,4
Auxiliary and related workers	135	1	0,7	98	72,6
Biochemistry, pharmacology, zoology and life science technicians	39	1	2,6	13	33,3
Building and other property caretakers	107	–	–	48	44,9
Bus and heavy vehicle drivers	21	–	–	19	90,5
Chemists	3	–	–	2	66,7
Civil engineering technicians	2	–	–	–	–
Cleaners in offices, workshops, hospitals, etc.	79	–	–	67	84,8
Client information clerks (switchboard, reception and information clerks)	11	–	–	9	81,8
Communication and information related	8	–	–	4	50,0
Computer system designers and analysts	8	–	–	6	75,0
Economists	60	1	1,7	41	68,3
Engineers and related professionals	4	–	–	1	25,0
Farmhands and labourers	190	1	0,5	121	63,7
Farming, forestry advisors and farm managers	77	1	1,3	33	42,9
Finance and economics related	28	3	10,7	16	57,1
Financial and related professionals	23	–	–	13	56,5
Financial clerks and credit controllers	125	7	5,6	67	53,6
Food services aids and waiters	24	–	–	19	79,2
Forestry labourers	1 443	25	1,7	1 132	78,4
General, legal, administration and related professionals	1	–	–	1	100,0
Geologists, geophysicists, hydrologists and related professionals	1	–	–	1	100,0
Head of department/chief executive officer	1	–	–	–	–
Health sciences related	5	–	–	4	80,0
Horticulturists, foresters, agricultural and forestry technicians	321	17	5,3	263	81,9
Household and laundry workers	16	–	–	11	68,8
Human resources, organisation development and related professionals	34	1	2,9	24	70,6
Human resource clerks	98	5	5,1	62	63,3
Human resources related	15	1	6,7	9	60,0
Information technology related	1	–	–	–	–
Language practitioners, interpreters and other communicators	24	1	4,2	17	70,8
Legal related	5	–	–	–	–

TABLE 5.5 – Promotions by critical occupation (cont.)

Occupation	Employees as at 1 April 2011	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
Librarians and related professionals	4	–	–	2	50,0
Library, mail and related clerks	63	1	1,6	39	61,9
Light vehicle drivers	18	–	–	9	50,0
Logistical support personnel	28	3	10,7	25	89,3
Material-recording and transport clerks	109	5	4,6	40	36,7
Mechanical engineer	3	–	–	3	100,0
Messengers, porters and deliverers	83	–	–	73	88,0
Meteorologists	1	–	–	–	–
Motor vehicle drivers	55	–	–	35	63,6
Motorised farm and forestry plant operators	102	3	2,9	98	96,1
Natural sciences related	1	–	–	–	–
Nature conservation and oceanography related technicians	47	8	17,0	38	80,9
Other administrative and related clerks and organisers	389	9	2,3	274	70,4
Other administrative policy and related officers	134	9	6,7	55	41,0
Other information technology personnel	7	–	–	1	14,3
Photographic, lithographic and related workers	4	–	–	1	25,0
Printing and related machine operators	16	–	–	4	25,0
Printing planners and production controller	–	1	–	1	100,0
Quantity surveyors and related professionals	3	–	–	1	33,3
Rank: Minister and Deputy Minister	2	–	–	–	–
Regulatory inspectors	228	–	–	134	58,8
Risk management and security services	6	–	–	3	50,0
Road trade workers	9	–	–	8	88,9
Safety, health and quality inspectors	39	–	–	20	51,3
Secretaries and other keyboard operating clerks	89	1	1,1	79	88,8
Security guards	359	4	1,1	321	89,4
Security officers	171	–	–	124	72,5
Senior managers	77	12	15,6	4	5,2
Social sciences related	1	–	–	1	100,0
Statisticians and related professionals	20	–	–	19	95,0
Trade labourers	415	1	0,2	344	82,9
Veterinarians	31	–	–	9	29,0
Veterinary assistants	5	–	–	–	–
Water, plant and related operators	17	–	–	7	41,2
Total	6 247*	142	2,3	4 419	70,7

* Number of employees, including Minister and Deputy Minister



TABLE 5.6 – Promotions by salary band

Salary band	Employees as at 1 April 2011	Promotions to another salary level	Salary band promotions as a % of employees by salary band	Progressions to another notch within salary level	Notch progression as a % of employees by salary band
Lower skilled (levels 1–2)	1 528	–	–	972	63,6
Skilled (levels 3–5)	1 996	47	2,4	1 720	86,2
Highly skilled production (levels 6–8)	1 681	53	3,2	1 067	63,5
Highly skilled supervision (levels 9–12)	951	30	3,2	656	69,0
Senior Management (levels 13–16)	89	10	11,2	4	4,5
Total	6 245*	140	2,2	4 419	70,7

* Number of employees, excluding 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 2012

Occupational category (Sasco**)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	36	5	–	5	16	1	–	5	68
Professionals	312	24	11	121	266	28	15	82	859
Technicians and associate professionals	491	100	13	104	406	38	8	62	1 222
Clerks	209	31	3	16	397	61	6	158	881
Service and sales workers	386	3	1	15	98	3	–	1	507
Craft and related trade workers	31	7	–	13	–	–	–	2	53
Plant, machine operators and assemblers	200	10	–	1	9	–	–	–	220
Elementary occupations	1 115	142	1	6	1 028	43	–	3	2 338
Total	2 780	322	29	281	2 220	174	29	313	6 148*
Employees with disabilities	3	3	–	4	3	1	–	9	23

* Number of employees, excluding Minister and Deputy Minister

** South African Students' Congress

TABLE 6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2012

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	4	–	–	–	1	–	–	–	5
Senior management	48	5	1	6	26	2	2	8	98
Professionally qualified and experienced specialists and mid-management	395	36	13	142	288	36	12	91	1 013

TABLE 6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2012 (cont.)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Skilled technical and academically qualified workers, junior management, supervisors, foremen	546	104	14	116	642	58	14	179	1 673
Semiskilled and discretionary decision making	997	130	–	16	629	53	1	34	1 860
Unskilled and defined decision making	790	47	1	1	635	25	–	1	1 500
Total	2 780	322	29	281	2 221	174	29	313	6 149*

* Number of employees, excluding Minister and Deputy Minister

TABLE 6.3 – Recruitment for the period 1 April 2011 to 31 March 2012

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	6	1	–	–	4	1	–	–	12
Professionally qualified and experienced specialists and mid-management	6	–	–	2	9	1	–	–	18
Skilled technical and academically qualified workers, junior management, supervisors, foremen	28	1	–	2	44	–	–	1	76
Semiskilled and discretionary decision making	20	3	–	–	26	–	–	–	49
Unskilled and defined decision making	45	3	–	–	29	2	–	–	79
Total	106	8	–	4	112	4	–	1	235

TABLE 6.4 – Promotions for the period 1 April 2011 to 31 March 2012

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	7	–	–	–	3	–	1	–	11
Professionally qualified and experienced specialists and mid-management	13	1	–	–	12	1	–	3	30
Skilled technical and academically qualified workers, junior management, supervisors, foremen	24	1	–	–	23	2	–	3	53
Semiskilled and discretionary decision making	29	1	–	–	16	1	–	–	47
Total	74	3	–	–	54	4	1	6	142



TABLE 6.5 – Terminations for the period 1 April 2011 to 31 March 2012

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	1	–	–	–	2
Senior management	1	–	–	–	1	1	–	–	3
Professionally qualified and experienced specialists and mid-management	17	–	–	11	10	2	1	3	44
Skilled technical and academically qualified workers, junior management, supervisors, foremen	27	2	–	4	33	4	–	12	82
Semiskilled and discretionary decision making	60	10	–	–	49	–	–	–	119
Unskilled and defined decision making	49	1	–	–	38	1	–	–	89
Total	154	13	–	15	132	8	1	15	339

TABLE 6.6 – Disciplinary action for the period 1 April 2011 to 31 March 2012

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	32	3	1	7	10	1	–	1	55

TABLE 6.7 – Skills development for the period 1 April 2011 to 31 March 2012

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	56	4	1	3	52	3	–	13	132
Professionals	113	9	4	20	101	18	6	24	295
Technicians and associate professionals	359	76	3	86	270	23	6	7	830
Clerks	131	19	–	5	248	66	6	71	546
Service and sales workers	134	–	–	89	78	–	–	5	306
Plant, machine operators and assemblers	92	4	–	19	–	–	–	–	115
Elementary occupations	480	57	–	1	31	23	–	–	592
Total	1 365	169	8	223	780	133	18	120	2 816
Employees with disabilities	1	–	–	–	3	–	–	2	6

7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 7.1 – Signing of performance agreements by SMS members as on 30 April 2011

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as % of total number of SMS members per level
Director-General	1	1	1	100,0
Salary level 15	9	5	–	–
Salary level 14	29	19	16	84,2
Salary level 13	92	62	56	90,3
Total	131	87	73	83,9

TABLE 7.2 – Reasons for not having concluded performance agreements for all SMS members as on 30 April 2011

The placement of SMS members in the new structure 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 April 2011

N/A

8. FILLING OF SMS POSTS

TABLE 8.1 – Information on SMS as on 31 March 2012

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	9	4	44,4	5	55,6
Salary level 14	29	22	75,9	7	24,1
Salary level 13	93	76	81,7	17	18,3
Total	132	103	77,3	29	22,7

TABLE 8.2 – Advertising and filling of SMS posts as on 31 March 2012

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General	–	–	–
Salary level 15	5	–	–
Salary level 14	16	7	2
Salary level 13	35	9	13
Total	56	16	15

TABLE 8.3 – Reasons for not having complied with the filling of funded vacant SMS posts—advertised within six months and filled within 12 months of becoming vacant

Reasons for vacancies not advertised within six months
All the vacancies were advertised within six months of becoming vacant.
Reasons for vacancies not filled within 12 months
No suitable candidates could be obtained—Posts were re-advertised 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 has granted the following performance rewards during the year 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).

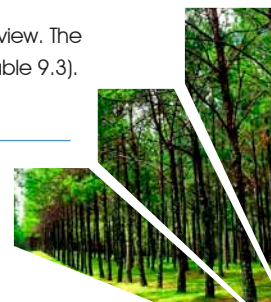


TABLE 9.1 – Performance rewards by race, gender and disability, 1 April 2011 to 31 March 2012

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	893	2 218	40,3	7 961	8 915
African, male	1 212	2 777	43,6	10 829	8 935
Asian, female	10	29	34,5	254	25 400
Asian, male	15	29	51,7	312	20 800
Coloured, female	73	173	42,2	1 056	14 466
Coloured, male	124	319	38,9	1 625	13 105
White, female	243	304	79,9	4 798	19 745
White, male	170	277	61,4	3 652	21 482
Employees with disabilities	12	23	52,2	272	22 667
Total	2 752	6 151*	44,7	30 759	11 177

* Number of employees, excluding Minister and Deputy Minister

TABLE 9.2 – Performance rewards by salary band for personnel below SMS levels, 1 April 2011 to 31 March 2012

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)	431	1 500	28,7	1 512	3 508	1,2
Skilled (levels 3–5)	963	1 861	51,7	4 603	4 780	1,8
Highly skilled production (levels 6–8)	726	1 673	43,4	9 508	13 096	2,4
Highly skilled supervision (levels 9–12)	608	1 012	60,1	13 735	22 590	3,4
Total	2 728	6 046	45,1	29 358	10 762	2,5

TABLE 9.3 – Performance rewards by critical occupation, 1 April 2011 to 31 March 2012

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	101	134	75,4	2 592	25 663
Agricultural animal, oceanography, forestry and other sciences	82	259	31,7	1 302	15 878
Agriculture related	221	306	72,2	4 214	19 068
Aircraft pilot and related associate professionals	1	1	100,0	19	19 000
All artisans in building, metal, machinery, etc.	25	42	59,5	278	11 120
Appraisers, valuers and related professionals	10	19	52,6	255	25 500
Auxiliary and related workers	59	136	43,4	577	9 780
Biochemistry, pharmacology, zoology and life science technicians	23	30	76,7	513	22 304
Building and other property caretakers	103	107	96,3	345	3 350
Bus and heavy vehicle drivers	17	21	81,0	67	3 941
Chemists	–	2	–	–	–
Cleaners in offices, workshops, hospitals, etc.	51	86	59,3	289	5 667
Client information clerks (switchboard, reception and information clerks)	6	10	60,0	66	11 000
Communication and information related	8	9	88,9	227	28 375
Computer system designers and analysts	8	8	100,0	316	39 500

TABLE 9.3 – Performance rewards by critical occupation, 1 April 2011 to 31 March 2012 (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Economists	30	65	46,2	569	18 967
Engineers and related professionals	3	3	100,0	117	39 000
Farmhands and labourers	49	197	24,9	210	4 286
Farming, forestry advisors and farm managers	56	79	70,9	563	10 054
Finance and economics related	34	32	106,3	782	23 000
Financial and related professionals	15	22	68,2	257	17 133
Financial clerks and credit controllers	45	134	33,6	466	10 356
Food services aids and waiters	20	20	100,0	109	5 450
Forestry labourers	460	1 357	33,9	1 476	3 209
General legal administration and related professionals	1	1	100,0	42	42 000
Geologists, geophysicists hydrologists and related	2	–	–	14	7 000
Head of department/chief executive officer	–	1	–	–	–
Health sciences related	3	5	60,0	62	20 667
Horticulturists, foresters, agricultural and forestry technicians	73	368	19,8	1 123	15 384
Household and laundry workers	4	16	25,0	23	5 750
Human resources and organisational development and related professionals	23	36	63,9	552	24 000
Human resource clerks	54	93	58,1	627	11 611
Human resources related	10	14	71,4	398	39 800
Information technology related	1	1	100,0	60	60 000
Language practitioners, interpreters and other communicators	14	23	60,9	192	13 714
Legal related	1	4	25,0	81	81 000
Librarians and related professionals	2	2	100,0	30	15 000
Library, mail and related clerks	44	64	68,8	470	10 682
Light vehicle drivers	7	18	38,9	27	3 857
Logistical support personnel	13	29	44,8	175	13 462
Material-recording and transport clerks	20	109	18,3	154	7 700
Mechanical engineering technicians	–	3	–	–	–
Messengers, porters and deliverers	63	85	74,1	397	6 302
Meteorologists	–	1	–	–	–
Motor vehicle drivers	38	52	73,1	191	5 026
Motorised farm and forestry plant operators	58	97	59,8	181	3 121
Natural science related	1	1	100,0	54	54 000
Nature conservation and oceanography related technicians	20	51	39,2	389	19 450
Other administrative and related clerks and organisers	182	385	47,3	1 678	9 220
Other administrative policy and related officers	83	135	61,5	1 347	16 229
Other information technology personnel	4	8	50,0	100	25 000
Photographic, lithographic and related	2	3	66,7	36	18 000
Printing and related machine operators	11	14	78,6	64	5 818
Printing planners and production controllers	1	1	100,0	10	10 000
Quantity surveyors and related professionals	–	3	–	–	–
Regulatory inspectors	46	231	19,9	761	16 543
Risk management and security services	5	6	83,3	132	26 400
Road trade workers	6	8	75,0	32	5 333
Safety, health and quality inspectors	34	40	85,0	689	20 265
Secretaries and other keyboard operating clerks	67	94	71,3	958	14 299
Security guards	121	340	35,6	406	3 355
Security officers	42	159	26,4	282	6 714
Senior managers	14	98	14,3	800	57 143
Social sciences related	1	1	100,0	14	14 000
Statisticians and related professionals	24	21	114,3	696	29 000
Trade labourers	206	400	51,5	1 051	5 102

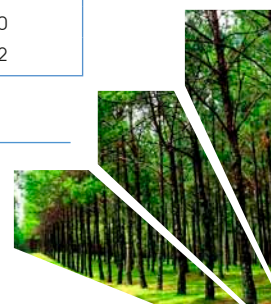


TABLE 9.3 – Performance rewards by critical occupation, 1 April 2011 to 31 March 2012 (cont.)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Veterinarians	18	28	64,3	723	40 167
Veterinary assistants	5	5	100,0	123	24 600
Water, plant and related operators	1	16	6,25	7	7 000
Total	2 752	6 151*	44,7	30 759	11 177

* Number of employees, excluding Minister and Deputy Minister

TABLE 9.4 – Performance related rewards (cash bonus) by salary band for SMS

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	20	76	26,3	1 126	56 300	2,1
Band B	4	22	18,2	275	68 750	1,4
Band C	–	4	–	–	–	–
Band D	–	1	–	–	–	–
Total	24	103	23,3	1 401	58 042	0,1

10. FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

TABLE 10.1 – Foreign workers, 1 April 2011 to 31 March 2012, by salary band

Salary band	1 April 2011		31 March 2012		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	6	75,0	–1	100,0
Senior management (levels 13–16)	1	11,1	1	12,5	–	–
Total	9	100,0	8	100,0	–1	100,0

TABLE 10.2 – Foreign workers, 1 April 2011 to 31 March 2012, by major occupation

Major occupation	1 April 2011		31 March 2012		Change	
	Number	% of total	Number	% of total	Number	% change
Agriculture related	1	11,1	1	12,5	–	–
Administrative related	2	22,2	1	12,5	–1	100,0
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	–	–
Veterinarians	1	11,1	1	12,5	–	–
Total	9	100,0	8	100,0	–1	100,0

11. LEAVE UTILISED FOR THE PERIOD 1 JANUARY 2011 TO 31 DECEMBER 2011

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 2011 to 31 December 2011

Salary band	Total days taken	% 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)	5 418	100,0	614	1 500	41,0	8,8	1 367
Skilled (levels 3–5)	10 226	97,2	1 227	1 861	66,0	8,3	3 138
Highly skilled production (levels 6–8)	9 991	79,6	1 340	1 673	80,0	7,5	6 000
Highly skilled supervision (levels 9–12)	4 487	81,7	664	1 012	65,6	6,8	4 640
Senior management (levels 13–16)	574	39,2	90	102	88,2	6,4	1 011
Total	30 696	88,7	3 935	6 148*	64,0	7,8	16 156

* Number of employees, excluding Minister and Deputy Minister

TABLE 11.2 – Disability leave (temporary and permanent), 1 January 2011 to 31 December 2011

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)	13	100	1	1 500	0,07	13	3
Skilled (levels 3–5)	205	100	9	1 861	0,48	23	67
Highly skilled production (levels 6–8)	563	100	14	1 673	0,84	40	315
Highly skilled supervision (levels 9–12)	98	100	6	1 012	0,59	16	107
Senior management (levels 13–16)	–	–	–	102	–	–	–
Total	879	100	30	6 148*	0,49	29	492

* Number of employees, excluding Minister and Deputy Minister

Table 11.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent paying out high levels of accrued leave at the time of termination of service.

TABLE 11.3 – Annual leave, 1 January 2011 to 31 December 2011

Salary band	Total days taken	Average per employee
Lower skilled (levels 1–2)	24 296	20
Skilled (levels 3–5)	44 546	21
Highly skilled production (levels 6–8)	34 394	20
Highly skilled supervision (levels 9–12)	19 288	20
Senior management (levels 13–16)	2 724	19
Total	125 248	20

TABLE 11.4 – Capped leave, 1 January 2011 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 2011	Number of employees who took capped leave
Lower skilled (levels 1–2)	559	8	57	73
Skilled (levels 3–5)	1 029	8	87	136
Highly skilled production (levels 6–8)	266	6	65	47
Highly skilled supervision (levels 9–12)	247	10	67	26
Senior management (levels 13–16)	25	6	49	4
Total	2 126	7	73	286



TABLE 11.5 – Leave payouts for the period 1 April 2011 to 31 March 2012

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 2011/12 because of non-utilisation of leave for the previous cycle	53	3	17 667
Capped leave payouts on termination of service for 2011/12	1 716	343	5 003
Current leave payout on termination of service for 2011/12	183	41	4 463
Total	1 952	387	5 044

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/forestry machine operators (farm workers, trades man aids, D:InSS) Migrant workers (border posts and fence, quarantine stations and camps) projects (D:InSS, D:WUID) Shift workers (security officers, agricultural food and quarantine technicians) General workers and housekeeping executives (when coming into contact with body fluids) First aiders Truck drivers (D:InSS) Business travellers Chainsaw operators, forest service aids (estate/plantations—Forestry Branch)	- Preventative strategies through awareness campaigns, HIV counselling and testing, health screening tests, health education, condom distribution, electronic messages and IEC material - Treatment through referrals - Care and support through home visits, Employee Assistance Programme (EAP) - Provision of personal protective 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—Deputy 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 9 employees - Total budget: R3,3 million
3. Has the department introduced an employee assistance or health promotion programme for its employees? If so, indicate the key elements/services of the programme.	✓		EAP Programmes - Stress management - Substance abuse information - Life skills orientation - Trauma management - Financial management - Counselling - Facilitation of ARV treatment through a local clinic - Facilitation of family support - Faceless Health Promotion and HIV and AIDS - Lifestyle disease management - Disease management - HIV counselling and testing

TABLE 12.2 – Details of Health Promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes																																																																																																																																																																								
3. (cont.)			- Awareness campaigns - Health related workshops - Physical fitness and weight management - Diet and nutrition - Intranet messages Policy and procedure on Incapacity Leave and Ill-health Retirement - Liaise 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.	√		<table> <tr> <td>Hefer, R.</td><td>D:AIC</td><td>Sekgala, M.</td><td>D:FIES</td></tr> <tr> <td>Kabini, O.</td><td>D:AIC</td><td>Sigida, M.</td><td>D:FIES</td></tr> <tr> <td>Mochela, T.</td><td>D:BR</td><td>Nkwane, E.</td><td>D:IS</td></tr> <tr> <td>Mathonsi, L.</td><td>D:BR</td><td>Masemene, R.</td><td>D:LUSM</td></tr> <tr> <td>Molefe, M.A.</td><td>D:ER</td><td>Davies, A.</td><td>D:AP</td></tr> <tr> <td>Sefuli, L.L.</td><td>D:ER</td><td>Hangwahi, T.</td><td>D:FSQA</td></tr> <tr> <td>Smith, W.</td><td>D:FacM</td><td>Morare, M.M.</td><td>D:SF</td></tr> <tr> <td>Mailula, P.</td><td>D:FacM</td><td>Shinga, R.</td><td>D:SP</td></tr> <tr> <td>Dubazane, K.</td><td>D:FSQA</td><td>Nkosi, J.</td><td>D:SHD</td></tr> <tr> <td>Aphane, M.</td><td>D:FSQA</td><td>Maja, J.</td><td>D:PH</td></tr> <tr> <td>Mathabo, N.</td><td>D:FSQA</td><td>Mokwele, J.</td><td>D:PH</td></tr> <tr> <td>Ngoepe, R.</td><td>D:GR</td><td>Mahlangu, L.</td><td>D:PRS</td></tr> <tr> <td>Mokhothi, S.</td><td>D:GR</td><td>Mangani, C.</td><td>D:STGM</td></tr> <tr> <td>Ranphabana, M.T.</td><td>D:ITR</td><td>Mahamba, T.</td><td>D:M</td></tr> <tr> <td>Madzivhe, S.H.</td><td>D:ITR</td><td>Baloyi, J.</td><td>D:LUSM</td></tr> <tr> <td>Kgari, O.</td><td>D:PSPM</td><td>Skosana, E.</td><td>D:WUID</td></tr> <tr> <td>Mabogoane, D.N.</td><td>D:PSPM</td><td>Mitchell, M.</td><td>D:WUID</td></tr> <tr> <td>Matthews, C.</td><td>D:SHD</td><td>Bennet, R.</td><td>D:GADI</td></tr> <tr> <td>Tshikungulu, A.A.</td><td>D:GADI</td><td>Mroro, N.</td><td>D:GADI</td></tr> <tr> <td>Fillis, M.</td><td>D:GADI</td><td>Matetela, O.</td><td>D:LUSM</td></tr> <tr> <td>Wennaar, A.</td><td>D:GADI</td><td>Mazwi, P.</td><td>D:LUSM</td></tr> <tr> <td>Reeners, J.</td><td>D:GADI</td><td>Hlongwane, K.</td><td>D:LUSM</td></tr> <tr> <td>Wennaar, A.</td><td>D:GADI</td><td>Mahlatji, L.</td><td>D:LUSM</td></tr> <tr> <td>McDonald, S.</td><td>D:GADI</td><td>Mashabela, F.</td><td>D:LUSM</td></tr> <tr> <td>Monkongwana, E.</td><td>D:GADI</td><td>Mukwebo, M.</td><td>D:LUSM</td></tr> <tr> <td>Nengwenani, P.</td><td>D:GADI</td><td>Vukaya, M.</td><td>D:LUSM</td></tr> <tr> <td>Mbotiy, S.</td><td>D:GADI</td><td>Masanya, S.</td><td>D:LUSM</td></tr> <tr> <td>Louw, G.</td><td>D:GADI</td><td>Andrews, T.C.</td><td>D:IS</td></tr> <tr> <td>Venter, H.</td><td>D:GR</td><td>Cilliers, J.B.</td><td>D:IS</td></tr> <tr> <td>Vakele, P.</td><td>D:GR</td><td>Nkwanyana, L.</td><td>D:IS</td></tr> <tr> <td>Moilo, W.T.</td><td>D:IS</td><td>Vakalisda, T.</td><td>D:IS</td></tr> <tr> <td>Munyai, A.P.</td><td>D:IS</td><td>Tinkane, P.</td><td>D:IS</td></tr> <tr> <td>Mvunelo, T.</td><td>D:IS</td><td>Majiyezi, N.</td><td>D:FMEC</td></tr> <tr> <td>Shibambu, R.</td><td>D:IS</td><td>Kungwane, D.</td><td>D:IS</td></tr> <tr> <td>Maduluni, N.P.</td><td>D:IS</td><td>Matikinca, K.</td><td>D:FMEC</td></tr> <tr> <td>Maphalle, M.M.</td><td>D:IS</td><td>Mrashula, M.</td><td>D:FMEC</td></tr> <tr> <td>Sidina, C.</td><td>D:FMEC</td><td>Matshaka, N.</td><td>D:FMEC</td></tr> <tr> <td>Diphore, E.</td><td>D:FMKZN</td><td>Donkrag, L.</td><td>D:FMEC</td></tr> <tr> <td>Botes, O.</td><td>D:FMKZN</td><td>Gwala, J.N.</td><td>D:FMKZN</td></tr> <tr> <td>Sitshinga, C.N.</td><td>D:FMEC</td><td>Sangcozi, Z.Z.</td><td>D:FMEC</td></tr> <tr> <td>Nqabeni, N.</td><td>D:FMEC</td><td>Betiwe, T.E.</td><td>D:FMEC</td></tr> <tr> <td>Magingxa, N.</td><td>D:FMEC</td><td>Luthuli, V.</td><td>D:FMEC</td></tr> </table>	Hefer, R.	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TABLE 12.2 – Details of Health Promotion and HIV/Aids programmes (cont.)

Questions	Yes	No	Details, if yes
4. (cont.)			Nodada, B.N. D:FMEC Gcelu, S. D:FMEC Mandlana, N.S. D:FMEC Ndondose, P.P. D:FMEC Pangomso, N.A. D:FMEC Mtshiki, L.P. D:FMEC Mredlana, N. D:FMEC Damane, P. D:FMEC Honitshwayo, N.D. D:FMEC Soyipha, N.S. D:FMEC Kakaza, N.A. D:FMEC Ndidnwa, N. D:FMEC Gqomo, R.M. D:FMEC April, T.P. D:FMEC Qalo, M. D:FMEC Maziko, M. D:FMEC Kilani, N.C. D:FMEC Mafestile, P. D:FMEC Qaba, S. D:MEC Tengani, A.K. D:FMEC Sineyi, N. D:FMEC Mbangi, N.E. D:FMEC Apleni, T.M. D:FMEC Bazi, M.C. D:FMEC Tontsi, Z.C. D:FMEC Ramncwana, N.W. D:FMEC Kupiso, N. D:FMEC Mohapi, K. D:FMEC Maboza, M. D:FMEC Saul, X. D:FMEC Mbita, N. D:FMEC Nhonho, N. D:FMEC Vayo, N. D:FMEC Bojana, N. D:FMEC Roto, N. D:FMEC Bingwa, S. D:FMEC Nkosintsha, N. D:FMEC Malindi, B. D:FMEC Fipaza, L. D:FMEC Mchashi, B. D:FMEC Mtiyane, A.M. D:FMKZN Mbangeni, A. D:FMEC Nyawo, D.Z. D:FMKZN Tose, P. D:FMEC Gumede, R. D:FMKZN Mhlongo, N.A. D:FMKZN Shezi, B.S. D:FMKZN Wessels, W.J.A. D:InSS Mhlongo, N.A. D:FMKZN Gouws, P.E. D:InSS Phori, M. D:FMKZN Beckford, S. D:InSS Zikhali, A.K. D:FMKZN Hoorniet, T. D:InSS Mokoena, M.S. D:FMMpuLim Mangojane, M.J. D:InSS Mahlaule, M.F. D:FMMpuLim Mogare, M.J. D:InSS Kubayi, T.F. D:FMMpuLim Nange, N.S. D:FMMpuLim Siobo, N.E. D:FMMpuLim Mokome, M.L. D:FMMpuLim Mukwevho, T.S. D:FMMpuLim Mashego, P.W. D:FMMpuLim Raseokgo, N.M. D:FMMpuLim Mashile, D.A. D:FMMpuLim Theto, N.S. D:FMMpuLim Moeng, G.N. D:FMMpuLim Shoba, T.P. D:FMKZN Mosoma, B.W. D:FMMpuLim Mtshenzi, E.K. D:FMKZN Malope, B.F. D:FMMpuLim Mathenjwa, M.N. D:FMKZN Neluvhola, T.E. D:FMMpuLim Pebane, M.R. D:FMMpuLim Leshabane, M.P. D:FMMpuLim Matshata, L.M. D:FMMpuLim Lebjaane, E. D:FMMpuLim Selani, M. D:FMEC Leshabane, M.P. D:FMMpuLim Valelo, N. D:FMEC Gali, N. D:FMEC Ngubo, G. D:FMEC Mdunana, M. D:FMEC Jongile, F. D:FMEC Qolo, Z. D:FMEC Sizani, M. D:FMEC Dungulu, M. D:FMEC Nfoto, G. D:FMEC
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

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 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, improved in participation. The programme runs monthly. Increased uptake of HCT, especially males.
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	✓		Employee Development and Performance Management conduct impact analysis (KAPB survey) biannually in order to understand, evaluate and monitor the evolving epidemic and how it will impact in relation to its structure, operations, functions, knowledge and skills.

13. LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the department.

TABLE 13.1 – Collective agreements, 1 April 2011 to 31 March 2012

Subject matter	Date
Overtime Policy	1/6/2011
Working Hours Policy	1/6/2011
Dress Code Policy	1/6/2012
Remunerative Work Outside the Employment of DAFF	1/6/2011
Exit Interview Policy	1/6/2011
Acting Policy	14/7/2011
Policy on Camping Facilities and Accommodation	14/7/2011
Employee Performance Management and Development System Policy	1/4/2011
Shift Work Policy	14/7/2011
Secondment Policy	14/7/2011
Recruitment and Selection Policy	14/7/2011
Guidelines on the Management of Leave	14/7/2011
Retention Policy	14/7/2011
Resettlement Policy	1/1/2012
Guidelines on Termination of Service	1/1/2012
Job Evaluation Policy	1/1/2012
Job Description Policy	1/1/2012
Guidelines on Probation	1/1/2012
Funeral Policy	1/1/2012

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

TABLE 13.2 – Misconduct and disciplinary hearings finalised, 1 April 2011 to 31 March 2012

Outcomes of disciplinary hearings	Number	% of total
Final written warning	3	7,1
Suspended without pay	6	14,3
Dismissal	27	64,3
Not guilty	5	11,9
Case withdrawn	1	2,4
Total	42	100,0



TABLE 13.3 – Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	% of total
Misuse of government vehicle	5	11,9
Abscondment	27	64,3
Theft	3	7,1
Absent without authorisation	–	–
Alcohol abuse	2	4,8
Assault	5	11,9
Prejudicing the administration of the department	–	–
Performing remunerative employment without prior permission	–	–
Total	42	100,0

TABLE 13.4 – Grievances lodged for the period 1 April 2011 to 31 March 2012

Number of grievances addressed	Number	% of total
Number of grievances resolved	28	26,7
Number of grievances not resolved*	77	73,3
Total number of grievances lodged	105	100,0

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

TABLE 13.5 – Disputes lodged with councils for the period 1 April 2011 to 31 March 2012

Number of disputes addressed	Number	% of total
Number of disputes upheld	17	58,6
Number of disputes dismissed	1	3,5
Still pending	11	37,9
Total number of disputes lodged	29	100,0

TABLE 13.6 – Strike actions for the period 1 April 2011 to 31 March 2012

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

TABLE 13.7 – Precautionary suspensions for the period 1 April 2011 to 31 March 2012

Precautionary suspensions	Total
Number of people suspended	7
Number of people whose suspension exceeded 30 days	7
Average number of days suspended	189,67
Cost of suspensions	R926 930,75

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 2011 to 31 March 2012

Occupational category	Gender	Number of employees as at 1 April 2011	Training needs identified at start of period under review			
			Learner-ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	26	–	68	–	68
	Male	43	–	64	–	64
Professionals	Female	394	–	149	–	149
	Male	471	–	146	–	146
Technicians and associate professionals	Female	466	–	306	–	306
	Male	741	–	524	–	524
Clerks	Female	652	–	391	–	391
	Male	252	–	155	–	155
Service and sales workers	Female	111	–	83	–	83
	Male	438	–	223	–	223
Craft and related trades workers	Female	–	–	–	–	–
	Male	62	–	–	–	–
Plant and machine operators and assemblers	Female	5	–	–	–	–
	Male	214	–	115	–	115
Elementary occupations	Female	1 104	–	54	–	54
	Male	1 266	–	356	182	538
Gender subtotals	Female	2 758	–	1 051	–	1 051
	Male	3 487	–	1 583	182	1 765
Total		6 245*	–	2 634	182	2 816

* Number of employees, excluding 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 2011	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	–	27	4	–	31
	Male	43	–	29	4	–	33
Professionals	Female	394	–	151	49	–	200
	Male	471	–	199	39	–	238
Technicians and associate professionals	Female	466	–	204	3	–	207
	Male	741	–	219	10	–	229
Clerks	Female	652	–	196	35	–	231
	Male	252	–	126	13	–	139
Service and sales workers	Female	111	–	4	–	–	4
	Male	438	–	6	2	–	8
Craft and related trades workers	Female	–	–	–	–	–	–
	Male	62	–	–	–	–	–
Plant and machine operators and assemblers	Female	5	–	1	1	–	2
	Male	214	–	24	5	–	29
Elementary occupations	Female	1 104	–	55	3	7	65
	Male	1 266	–	21	–	147	168
Gender subtotals	Female	2 758	–	638	95	7	740
	Male	3 487	–	624	73	147	844
Total		6 245*	–	1 262	168	154	1 584

* Number of employees, excluding Minister and Deputy Minister



15. INJURY ON DUTY

The following table provides basic information on injury on duty.

TABLE 15.1 – Injury on duty, 1 April 2011 to 31 March 2012

Nature of injury on duty	Number	% of total
Required basic medical attention only	83	97,6
Temporary total disablement	–	–
Permanent disablement	–	–
Fatal	2	2,4
Total	85	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: work days	Contract value in Rand
1. Rent review for Amathole and MTO Forestry Companies (D:CF)	2	120	237 490,50
2. Conduct surveys for Amathole plantations (D:CF)	1	30	175 502,55
3. Printing of the PCI&S manual (D:CF)	2	45	149 178,15
4. Assessment of forestry transport infrastructure requirements (D:SSFor)	6	210	1 550 583,62
5. Environmental impact assessment in the Northern Eastern Cape (D:SSFor)	1	365	4 108 840,00
6. Funding mobilisation, drafting and implementation of the DAFF Agro-processing Strategy (D:APS)	1	150	900 000,00
7. World congress for rural women report editing. (D:AAEMER)	1	6	80 250,00
8. Quantec system (disseminating data) (D:M)	1	365	42 636,00
9. Two line trading (D:M)	2	125	178 695,00
10. Fresh mark system (D:M)	1	365	125 860,00
11. Flash media group (D:M)	1	150	70 000,00
Total number of projects	Total individual consultants	Total duration: work days	Total contract value in Rand
11	19	1 931	7 619 035,82

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 that work on the project
1. Rent review for Amathole and MTO Forestry Companies (D:CF)	–	20,6	–
2. Conduct surveys for Amathole plantations (D:CF)	100,0	100,0	–
3. Printing of the PCI&S manual (D:CF)	100,0	100,0	–
4. Assessment of forestry transport infrastructure requirements (D:SSFor)	23,5	11,0	2
5. Environmental impact assessment in the Northern Eastern Cape (D:SSFor)	100,0	100,0	1
6. Funding mobilisation, drafting and implementation of the DAFF Agro-processing Strategy (D:APS)	–	–	–
7. World congress for rural women report editing. (D:AAEMER)	–	–	–
8. Quantec system (disseminating data) (D:M)	–	–	–
9. Two line trading (D:M)	–	–	–
10. Fresh market system (D:M)	–	–	–
11. Flash media group (D:M)	–	–	–

TABLE 16.3 – Report on consultant appointments using donor funds

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





ISBN 978-0-621-41118-8
RP234/2012