



FEBRUARY 2008

Strategic Plan

for the Department of Agriculture

2008/09–2010/11



agriculture

Department:
Agriculture
REPUBLIC OF SOUTH AFRICA

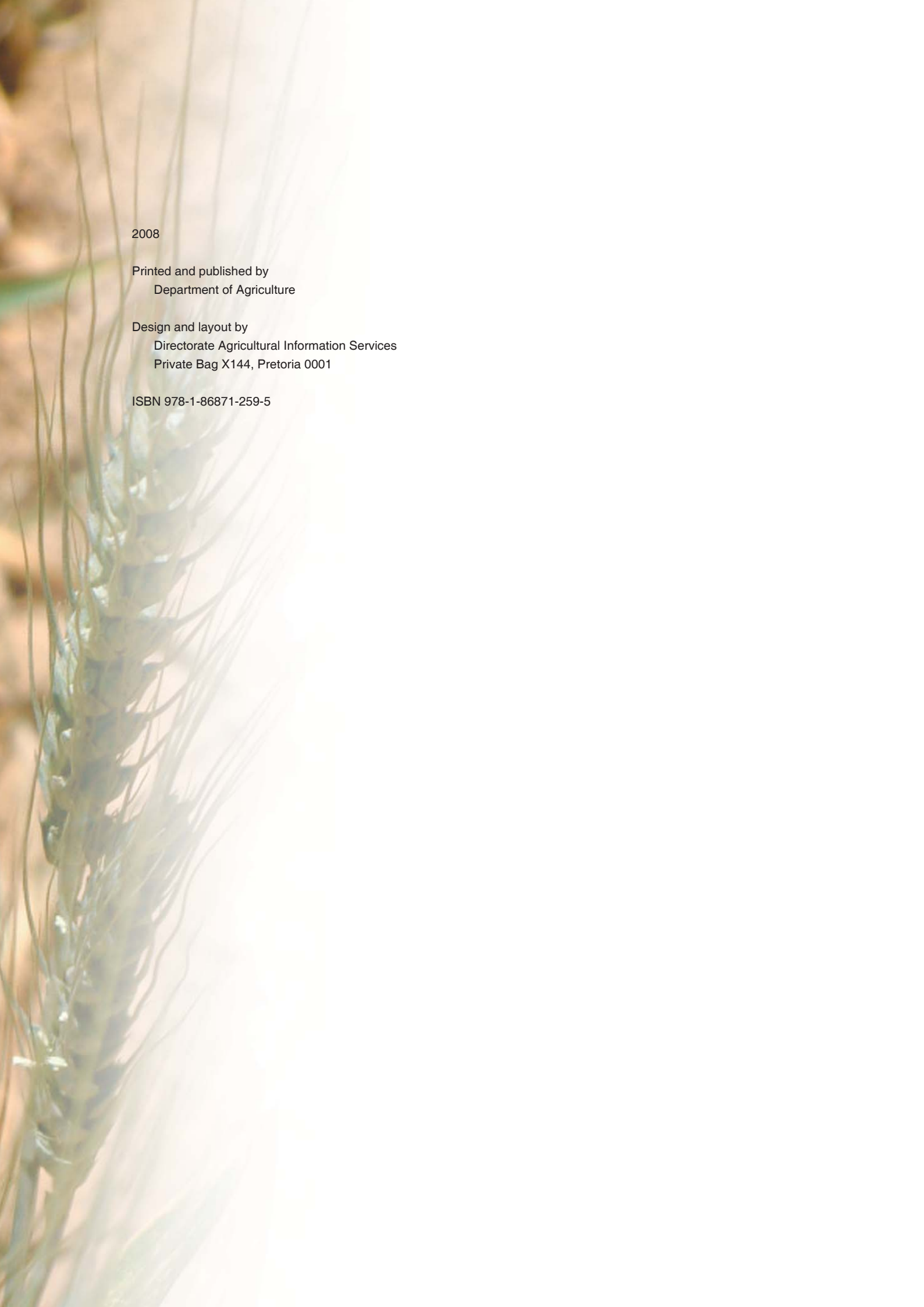


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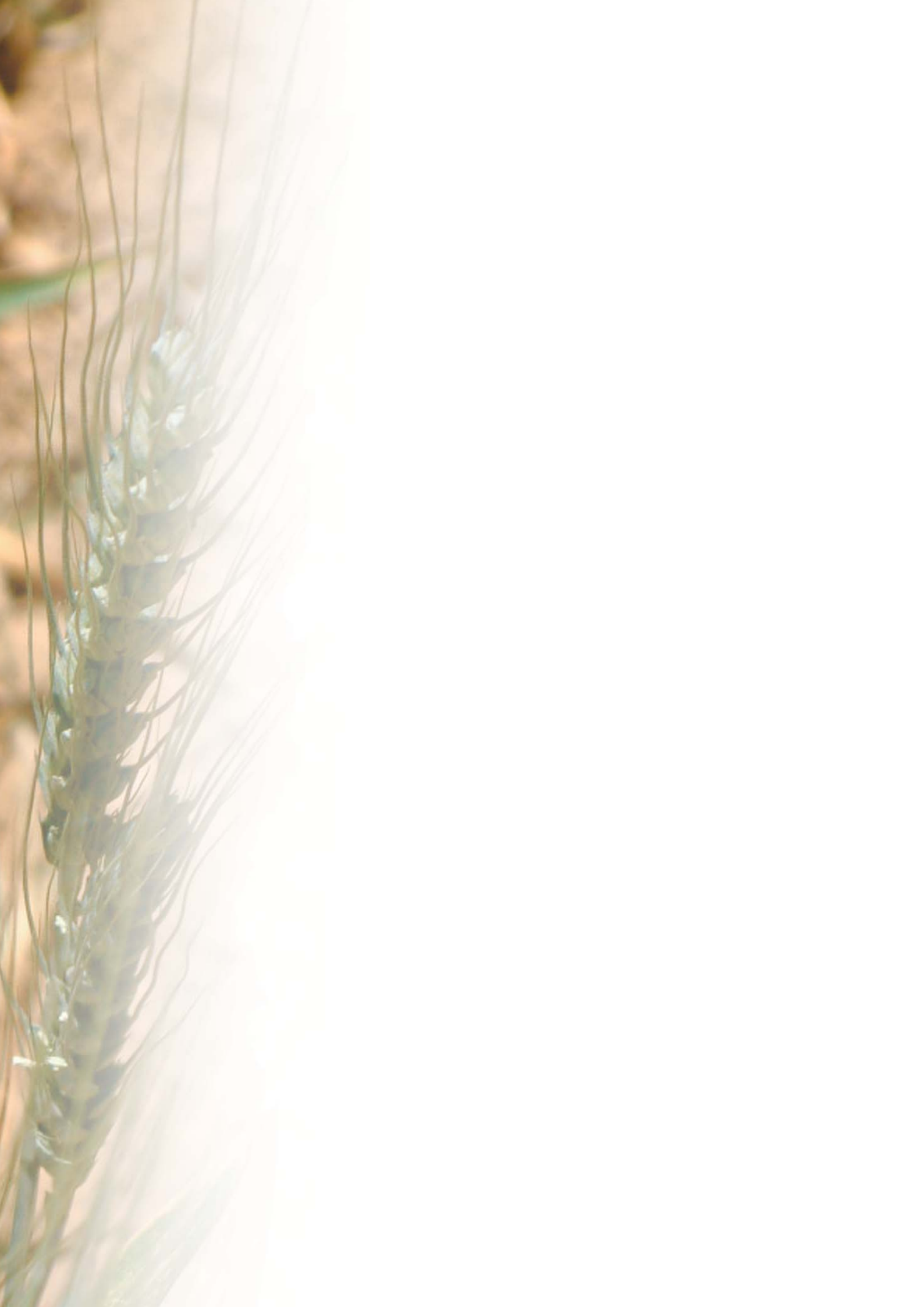
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Acronyms

AADP	African Agricultural Development Programme	FIVIMS	Food Insecurity and Vulnerability Information Mapping System
AADP	African Agricultural Development Programme	FS	Farmer Settlement
AAP	Animal and Aqua Production	FSQA	Food Safety and Quality Assurance
ABET	Adult Basic Education and Training	GDP	Gross Domestic Product
ADF	Agricultural Development Finance	GMO	genetically modified organism
AES	Agricultural Engineering Services	GR	Genetic Resources
AET	Agricultural Education and Training	HOD	Head of Department
AgriBEE	Agricultural Broad-Based Agricultural Black Economic Empowerment	HFPP	Household Food Production Programme
APIS	Agricultural Product Inspection Services	IBSA	India, Brazil South Africa Co-operation
APoA	Agricultural Programme of Action	ICT	Information and Communication Technology
APP	annual performance plan	IFSNP	Integrated Food Security and Nutrition Programme
ARC	Agricultural Research Council	IFSNTT	Integrated Food Security and Nutrition Task Team
AS	Agricultural Statistics	IGC	International Grains Council
ASGISA	Accelerated and Shared Growth Initiative South Africa	IPPC	International Plant Protection Convention
AU	African Union	IRPS	International Relations, Peace and Security
BBBEE	Broad-based Black Economic Empowerment	ISODA	Import System of Department of Agriculture
BED	Business and Entrepreneurial Development	ITCA	Intergovernmental Technical Committee for Agriculture
BEE	Black Economic Empowerment	ITCAL	Intergovernmental Technical Committee on Agriculture and Land Affairs
BS	Biosafety	ITIL	Information Technology Infrastructure Library
CAADP	Comprehensive African Agricultural Development Programme	ITR	International Trade
CARA	Conservation of Agricultural Resources Act	KIMS	Knowledge and Information Management Systems
CASP	Comprehensive Agricultural Support Programme	KRA	key result area
CDI	Co-operative Development Initiative	KZN	KwaZulu-Natal
CEO	Chief Executive Officer	LARP	Land and Agrarian Reform Project
CGIAR	Consultative Group on International Agricultural Research	LPD	Leadership Development Programme
CODAS	Co-operative Data Analysis System	LRAD	Land Redistribution for Agricultural Development
CSIR	Council for Scientific and Industrial Research	LS	Land Settlement
DEAT	Department of Environmental Affairs and Tourism	LUSM	Land Use and Soil Management
DMC	Departmental management Committee (DEXCO subcommittee)	Mafisa	Micro-agricultural Financial Institutions of South Africa
DoA	Department of Agriculture	MDG	Millennium Development Goal
DLA	Department of Land Affairs	M&E/ME	Monitoring and Evaluation
DPLG	Department of Provincial and Local Government	MEC	Member of the Executive Council
DPSA	Department of Public Service and Administration	MIP	Massified Induction Programme
DRC	Democratic Republic of the Congo	MoU	Memorandum of Understanding
DST	Department of Science and Technology	MPO	Milk Producers' Organisation
dti	Department of Trade and Industry	MSP	Master Systems Plan
DWAF	Department of Water Affairs and Forestry	MTEF	Medium Term Expenditure Framework
ECM	Electronic Content Management	NAET	National Agricultural Education and Training
EFTA	European Free Trade Association	NAMC	National Agricultural Marketing Council
EPMS	Employee Performance Management System	NARF	National Agricultural Research Forum
ETES	Education, Training and Extension Services	NARS	National Agricultural Research System
EU	European Union	NEPAD	New Partnership for Africa's Development
FAnGR	Farm Animal Genetic Resources	Nerpo	National Emergent Red Meat Producers' Organisation
FAO	Food and Agriculture Organization	NGO	nongovernmental organisation
FARA	Forum for Agricultural Research in Africa	NWGA	National Wool Growers' Association

PDA	provincial department of agriculture	SDIP	Service Delivery Improvement Plan
PDI	previously disadvantaged individual	SEDA	Small Enterprise Development Agency
PGRFA	Plant Genetic Resources for Food and Agriculture	SHG	self-help groups
PH	Plant Health	SM	Senior Manager
PMU	Project Management Unit	SMME	small and medium enterprise
PP	Plant Protection	SMS	Senior Management Service
PR	public relations	SO	Strategic objective
PRE	Production and Resource Economics	SOE	State-owned enterprise
QRM	Quarterly Review Meeting	SONA	State of the Nation Address
R&D	research and development	SOP	standard operating procedure
RPL	Recognition of Prior Learning	SP	Strategic Planning
RSA	Republic of South Africa	SPS	sanitary and phytosanitary
SA	South Africa	TB	tuberculosis
SACU	Southern African Customs Union	TOR	Terms of Reference
SADC	Southern African Development Community	UN	United Nations
SAMDI	South African Management and Development Institute	VS	Veterinary Services
SAMIC	South African Meat Industry Company	VSAT	Virtual Satellite
SAPA	Southern African Poultry Association	WG	Working Group
SAQA	South African Qualifications Authority	WRC	Water Research Commission
		WTO	World Trade Organisation
		WUID	Water Use and Irrigation Development



1 *Introduction*

Foreword by the Minister

As we present the *Strategic Plan for the Department of Agriculture* for the Medium Term Expenditure Framework (MTEF) period 2008/09–2010/11, we note that next year will conclude the term of the Government that started in 2004 and we will chart in the term of the new Government towards 2014 where we will assess our performance against our commitment on the Millennium Development Goals (MDGs).

We have undertaken major milestones from 2004 to date to realise our objectives as set out in *The Strategic Plan for South African Agriculture*. One of these was the re-establishment of the Agricultural Credit Scheme by the President in his 2004 State of the Nation Address within the Department of Agriculture (DoA) to leave the Land Bank to focus on commercial activities. Cabinet approved a 2-year pilot project of the Agricultural Credit Scheme, which was renamed Micro-agricultural Financial Institutions of South Africa (Mafisa) and rolled out in Limpopo, KZN and Eastern Cape in January 2005. This year Mafisa will be scaled up across the country.

Another milestone was the eventual funding for the Comprehensive Agricultural Support Programme (CASP) in 2004, 3 years after the Land Redistribution for Agricultural Development Programme (LRAD) had received its funding. From 2004 onwards, the DoA faced challenges of aligning its CASP to the LRAD of the Department of Land Affairs (DLA). Both the DoA and the DLA undertook a protracted process to align land delivery with comprehensive agricultural support from 2006, which resulted in the Land and Agrarian Reform Programme (LARP) that is today part of the Presidential Apex Priority Projects.



Ms Lulu Xingwana (MP)

MINISTER FOR AGRICULTURE AND LAND AFFAIRS

Yet another milestone was the launch in July 2004 of the Broad-based Black Economic Empowerment (BBBEE) Charter process in the agricultural sector (or AgriBEE). This entailed involving all stakeholders by the department and its key stakeholder partner organisations through protracted, complex and difficult processes to canvass inputs from their respective constituencies in order to produce a final draft AgriBEE Charter. At the end of November 2007, I submitted a final draft document to the Minister of Trade and Industry for publication in the *Government Gazette* as an agriculture charter.

Industry plans have been another major achievement in the implementation of the *Sector Plan*. These plans were precursors to the AgriBEE Charter that embraced the entire sector. They entailed intensive discussions around detailed issues of the roadmap to the future that major players of all colours and scale wanted to see coming out of their industry. Industry plans that have been concluded, include cotton, wine, grains, sugar, fruit and livestock.

Then there were events that truly tested our capacity and resources to manage the outbreak of animal diseases in our country and the pests on our continent. The outbreak of avian flu immediately affected our export markets, threatened businesses in the poultry industries and the livelihoods of working people and consumers of those products. Fortunately, the combined forces of farmers,

the national and provincial departments of agriculture (PDAs), together with international partners were equal to the task because we successfully brought these diseases under control in our country. As a result, our major trading partners and the international community restored the status of South Africa to re-engage in export trade. We continue to engage industry through the Chief Executive Officers (CEOs) Forum to address the challenges facing agriculture, so that together as Government (national, provincial) and sector players we can find solutions that place us on a growth trajectory.

The capacity and resources of South African agricultural expertise and resources were summoned and performed in an excellent manner to provide advice, logistical support and material resources against the outbreak of the locusts in the Sahel region countries of Morocco, The Gambia, Niger, Senegal, Cape Verde, Chad, Burkina Faso and Tunisia. Guided by our African Agricultural Development Programme (AADP), the DoA under the leadership of the Department of Foreign Affairs provided spraying aircraft, pilots and chemicals to a total value of R10 million to cover 12 000 ha in Mali alone. Within the Southern African Development Community (SADC) subregion, South Africa made a second donation of R100 million to the six countries of Swaziland, Mozambique, Zambia, Malawi, Namibia and Lesotho that were still suffering as a result of drought and food insecurity. This donation was allocated in the following manner: 30% for immediate food relief, 60% for food production recovery and 10% for the establishment of the Food Insecurity and Vulnerability Information Mapping System (FIVIMS).

Government had to allocate a total of up to R248 million to assist livestock farmers with fodder, fodder transportation, drilling and repair of boreholes in areas that were heavily stricken by drought. This was followed by a steady decline of grain prices of especially maize to as low as R500 per ton coupled by rising carry-over stocks in the country. Many in the maize industry called for Government intervention to rescue adversely affected farmers. Many farmers also left the industry and a considerable number of jobs were lost as a result of these low maize prices owing to surplus production. Subsistence and small-scale farmers were also affected severely. Surviving farmers from this difficult period emerged stronger and more competitive. It was against this backdrop that the department made an appeal to its social partners to join it in producing a grain industry strategy to, amongst others, deal with price risk management strategies.

Government has acknowledged that it cannot succeed in meeting its objectives without paying focused attention to the development of our human capital. To that end we launched the Agricultural Education and Training (AET) Strategy in 2005 to contribute towards growth and transformation in the sector and established the National and Provincial Agricultural Education and Training Forums made up of a range of agricultural stakeholders to ensure co-ordination and integration of quality agricultural education. The National Agricultural Education and Training Forum Executive Committee that has been established will ensure implementation of the AET Strategy. It has commissioned, amongst others, a study to identify barriers to access for AET with a focus on youth.

While challenges with our extension services still remain, major inroads have been made in creating a basis for an effective and efficient extension service in our country. We are now ready to roll out an extension recovery plan which will see provinces recruiting an additional 350 extension personnel, the upgrading of the skills of 560 extension staff members and the provision of information and communication technology (ICT) equipment and other resources to 365 extension officers.

The bursary scheme remains the main vehicle for skills development for both extension officers as well as for attracting new entrants into the agricultural sector. Supplementary to this is a capacity-building initiative that has been initiated with the Food and Agriculture Organization (FAO) to equip officials in the agricultural field in agricultural aid management skills as well as exposing them to working within a multilateral organisation environment.

In support of priorities as outlined in the International Relations Peace and Security Cluster, the AADP was developed to provide technical assistance to African countries, encourage transfer of technology and promote trade as part of the implementation of bilateral agreements. Through this facility we have been able to train officials from Swaziland in milch goat production and we introduced a programme for skills development for South Africa and Lesotho nationals on sheep shearing in partnership with the South African National Wool Growers' Association. We continue to work with Mozambique and the Democratic Republic of the Congo on programmes reported in our past annual reports and our engagements with India and Brazil continue.

Our Comprehensive African Agricultural Development Programme (CAADP) contributing to the New Partnership for Africa's Development (NEPAD), is in the area of poultry development. The Southern African Poultry Association (SAPA) together with the DoA provides exposure to NEPAD partners to the full range of the South African poultry sector, including poultry breeds, equipment, remedies, feeds, potential markets and training opportunities.

As regards matters of international trade, we are confident that the World Trade Organisation (WTO) negotiations will be concluded with positive results.

On the whole, the agricultural sector has performed remarkably well to continue to provide our people with food, fibre, income, jobs and an environmentally friendly sector. Many industries are successfully meeting the globalisation challenges, while others have still some way to go to improve their operations and performance. To this end, Government is ready and willing to partner industries to improve their capacity, performance and competitiveness.

However, most farming households are still characterised by poverty, hunger, poor remuneration, under employment as well as unemployment. Rural areas continue to lack economic activities closer to communities that need these most. Limited access to employment opportunities is a further limiting factor to the potential of most communities to create and sustain rural economic growth. As a result, there are frequent incidents of social strife, the eviction of farm dwellers, attacks on farmers and farmworkers, stolen and mutilated livestock and abandoned and/or ransacked farms. Where these incidents occur, farming life is extremely difficult and the image of the agricultural sector to the public is particularly unfavourable.

As we begin with 2008/09, it is therefore imperative that the department should set the following as the strategic performance areas for itself, the PDAs and its social partners:

- (i) Join the DLA to speedily and vigorously implement all the critical five pillars of the LARP, especially the settlement of new farmers, provision of services and promotion of increased production and productivity.
- (ii) Improve and strengthen its capacity and organisation to be permanently vigilant and to decisively deal with all biosecurity threats posed by natural disasters, diseases and pests to our plant life, livestock and people.
- (iii) Further strengthen intergovernmental relations protocol issues that will enable the department and PDAs to act as a united force in implementing LARP and the Agricultural Programme of Action (APoA).
- (iv) Continue to issue the critical reports from the FIVIMS to strengthen the implementation, monitoring and evaluation capacity of the Integrated Food Security and Nutrition Programme (IFNSP).
- (v) Continue to integrate all engagements of South Africa in the field of agriculture into the AADP of the International Agricultural Strategy of the DoA.
- (vi) Convene an agricultural summit and launch the revision of *The Agricultural Sector Plan*.

Finally, I would like to thank my Deputy Minister, Adv. Dirk du Toit, for wisdom, knowledge and experience on land and agricultural matters. I would also like to thank the Chairperson and Members of the Portfolio Committee on Agriculture and Land Affairs in the National Assembly as well as the Chairperson and Members of the Select Committee on Land and Environmental Affairs of the National Council of Provinces for their wise hand of stewardship given to the departments of Agriculture and Land Affairs. I am also grateful to my colleagues, the MECs for Agriculture, with whom I share the difficult task of charting the land and agriculture waters to eradicate hunger and poverty. Let me thank the DoA and its entire staff under the leadership of the Director-General, Mr Masiphula Mbongwa, for their tireless and dedicated work. I would also like to thank the heads of the PDAs who bear the primary responsibility of implementing the LARP. Lastly but not least, I would like to thank State-owned entities and our social partners in the sector for contributing so immensely to the gains made in meeting our mutual objectives for the sector.



Ms Lulu Xingwana (MP)

MINISTER FOR AGRICULTURE AND LAND AFFAIRS

Statement by Deputy Minister

During 2008, several pieces of legislature and policies will support the DoA and further create an enabling environment in which the sector economic activities will develop and grow, once again assisting our country to overcome poverty, hunger and unemployment.

The priority Bills below will be presented to Cabinet before the June 2008 recess in preparation of the 2009 elections.

LIQUOR PRODUCTS AMENDMENT BILL

The objective of this Bill is to provide for the reconstitution and the renaming of the Wine and Spirit Board to ensure representativeness of the industry. In addition, it will make provision for the compliance with international obligations on the Wine and Spirit Agreements between the European Union (EU) and South Africa.

AGRICULTURAL DEBT MANAGEMENT BILL

This Bill will amend the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), and therefore transfer the Agricultural Debt Account to National Treasury.



Adv. Dirk du Toit (MP)

DEPUTY MINISTER FOR AGRICULTURE AND LAND AFFAIRS

GROOT CONSTANTIA STATE ESTATE CONTROL BILL

The Groot Constantia State Estate Control Bill will repeal the current Groot Constantia Trust Act, 1993 (Act No. 58 of 1993) in order to provide for the establishment of a board to control and manage the estate. The Bill further provides for the board's constitution, functions and the financial management and to have the assets of the Trust reverted to the State.

Other bills will be presented in the following financial year for the next term of government.

Dirk C. du Toit

Adv. Dirk du Toit (MP)

DEPUTY MINISTER FOR AGRICULTURE
AND LAND AFFAIRS

Director-General's overview

I am pleased to submit the *Strategic Plan* of the department for 2008/09 to 2010/11 to the Minister for approval to table it in Parliament. This *Strategic Plan* complies with the guidelines set by National Treasury and the Department of Public Service and Administration.

The *Strategic Plan* is structured in five parts. Part 1 provides the political context from the Minister, Ms Lulu Xingwana and the Deputy Minister, Adv. Dirk du Toit.

Part 2 focuses on the sectoral overview within the context set internationally and nationally on socio-economic factors. For the period up to 2010/11 and beyond, the agricultural sector will be operating in an environment of high and escalating food and agricultural prices.

Factors that influence food and agricultural prices, point to declining local production and high global demands. This worldwide process of soaring prices of basic food stuffs is impacting adversely on the political and social stability of some countries. Some governments are being forced to artificially control the cost of bread, maize, rice and dairy products.

Towards the end of 2007, the UN FAO reported basic food inflation of between 10 and 18 % in countries across the world. From an agricultural production perspective, this situation presents economic benefits to farmers, provided

their production costs rise slower than their income growth rate. Critical to this will be the inclusion of especially subsistence, small and medium-scale farmers as beneficiaries to ensure the widest possible equitable distribution of income.

On the other hand, high food and agricultural prices will adversely affect buyers, the majority of which are the poor people in rural and urban areas. Subsistence and small-scale farmers who tend to be buyers of staple food products will be affected.

Part 3 provides insight into the DoA mandate, vision, mission, strategic objectives, implementation plan and capacity of the department. This strategy reaffirms our business philosophy for the coming 3 to 5 years.

In 2008, together with the DLA, we will accelerate the Presidential Priority Apex Project 7 on land and agrarian reform. Within the department, all programmes have aligned their key deliverables to LARP ensuring tangible positive outcomes in the short and medium terms.

The LARP principles are focused on service excellence and delivery with a thrust on creating synergies and complementarities between land reform, agriculture and agribusiness; the alignment of comprehensive support to cater for multisectoral requirements; seeking to utilise partnerships to exploit the strengths and capacities of non-governmental stakeholders; decentralising decision making and implementation at the lowest possible level; co-operative govern-



Mr Masiphula Mbongwa
DIRECTOR-GENERAL: AGRICULTURE

ment with the establishment of joint planning, budgeting, approval and implementation procedures between government departments; and ensuring sustainability of projects through measurements of success through quantitative indicators and milestones.

Funding of all programmes is outlined in Part 4. Where additional funding is required, processes as outlined by the standard operating procedures, the successful instrument of engaging national and provincial treasuries and national and provincial departments of agriculture forums to identify specific spending pressures will be followed. These governance structures will further ensure effective and efficient clean governance processes that take into account the budgetary utilisation of provinces and are aligned with National Treasury processes.

The programme of work and budgets for the MTEF cycle is reflected in Part 4 in the five budgetary programmes of the department as prescribed by National Treasury prescripts. The section outlines the extent of resource requirements of the DoA allocated by National Treasury.

Lastly, Part 5 contains the annual performance plan with specific deliverables per quarter from the operational plans of five budgetary programmes presented in relation to each strategic objective of all the programmes of the department. This section also reflects the manner in which the five programmes contribute to the strategic priorities and goals.

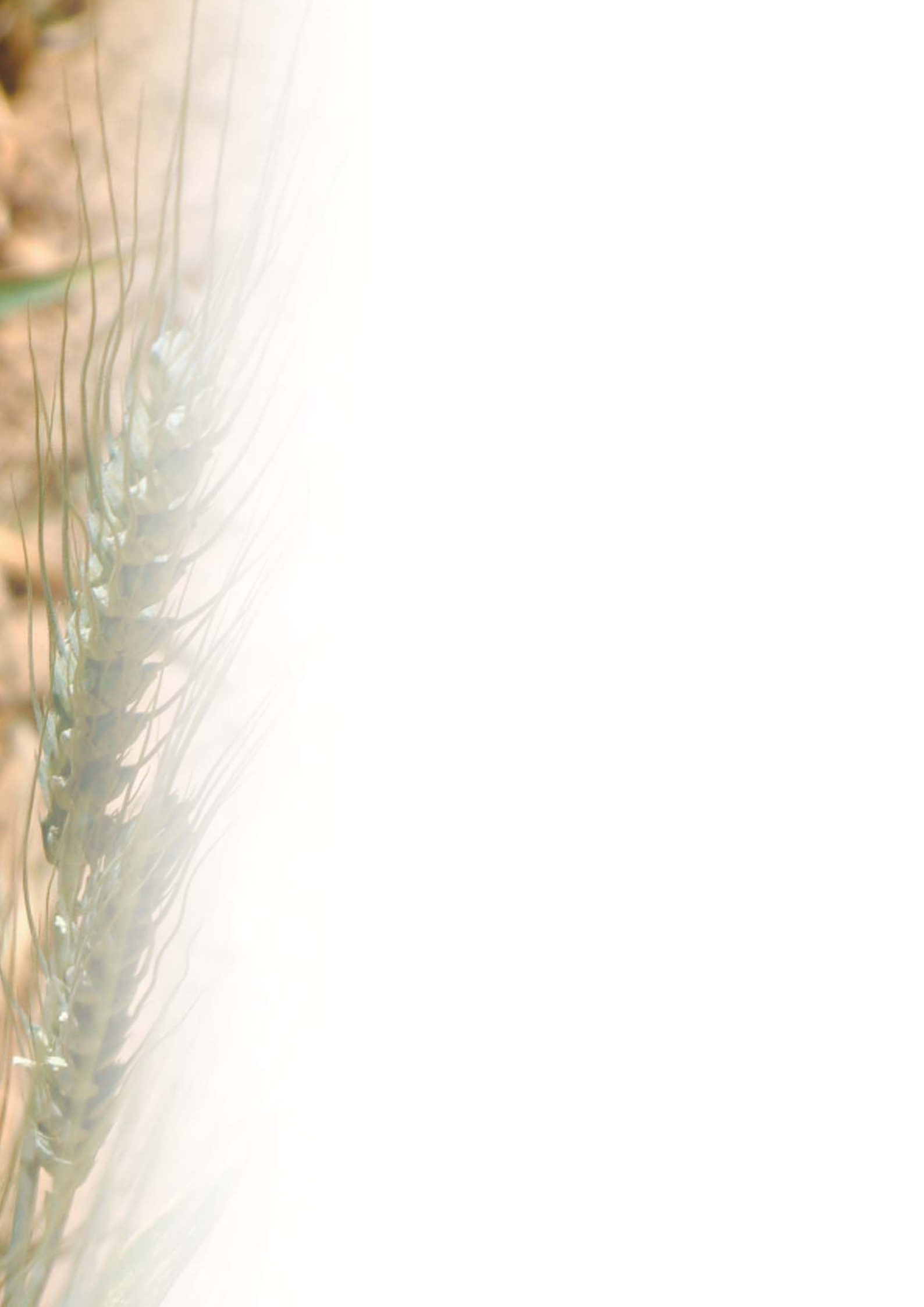
The challenges facing us are many and varied. However, we are confident that—with the policies, strategies and programmes that we have developed, and that will be implemented vigorously—we will ultimately succeed in realising our vision of *a united and prosperous agricultural sector*.

I take the opportunity to express my gratitude to the Minister, the Deputy Minister and the Chairpersons of the Parliamentary Committees for their leadership, oversight and support. Secondly, I would like to extend my appreciation to the leadership and staff of agricultural State-owned enterprises, the agribusiness community and farmer organisations for their contribution. Lastly, I would like to thank my management team and all the staff in the department for their hard work in contributing to the development and implementation of this *Strategic Plan*.



Mr Masiphula Mbongwa

DIRECTOR-GENERAL: AGRICULTURE



The background of the slide features a soft-focus photograph of a river. On the left side, there are tall, green reeds or grasses. In the center, a faint rainbow is visible, arching across the sky. The water in the river is calm, reflecting the light. The overall color palette is soft and natural, with greens, blues, and the pastel colors of the rainbow.

2 sectoral overview

Sector performance

ECONOMIC SETTING

A new era of high and rising food prices has come to stay. This era replaced the one that was characterised by low agricultural and food prices and high volumes of surpluses from the developed countries. In an article entitled *Global food crisis looms as climate change and food shortage bite*, *The Guardian* on Saturday 3 November 2007 stated that:

"Soaring prices for basic foods are beginning to lead to political instability, with governments being forced to step in to artificially control the cost of bread, maize, rice and dairy products."

Record world prices for most staple foods have led to 18 % food price inflation in China, 13 % in Indonesia and Pakistan, and 10 % or more in Latin America, Russia and India, according to the UN Food and Agriculture Organization (FAO). Wheat has doubled in price, maize is nearly 50 % higher than a year ago and rice is 20 % more expensive, says the UN. Next week the FAO is expected to say that global food reserves are at their lowest in 25 years and that prices will remain high for years"

In South Africa, the report of the National Agricultural Marketing Council (NAMC) entitled *The South African Food Cost Review: 2006* echoed *The Guardian* by stating that it found that: "Food price inflation between December 2005 and December 2006 averaged 7,88 %".

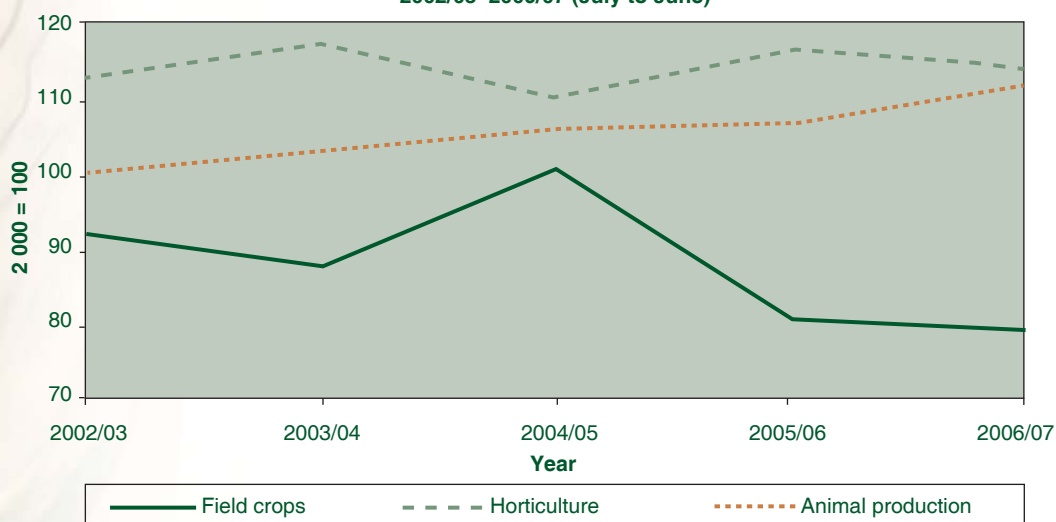
South Africa, with its high rate of urbanisation, racially unequal agricultural land distribution and the existence of "two agricultures", is going to have winners and losers resulting from the impact of high food prices and climate change. These two will certainly constitute one of the most binding constraints for accelerated and shared growth in agriculture in the coming 3 to 5 years.

PRODUCTION

During 2006/07 the estimated volume of agricultural production was 1,1 % higher than in 2005/06. The volume of field-crop production decreased slightly by 1,6 % as a result of a decrease in oilseeds and hay products. Horticultural production also decreased by 2,1 % because of a decrease in apricots, granadillas and cabbage production. However, animal production increased by 5,0 % as a result of an increase in poultry products and in cattle and calves slaughtered.

Factors such as weather conditions, stock levels, local, regional and world demand and prices as well as exchange rates will continue as never before to influence agricultural production in the country. The production of field crops is expected to increase slightly on the back of high commodity prices owing to the recent drought and high world

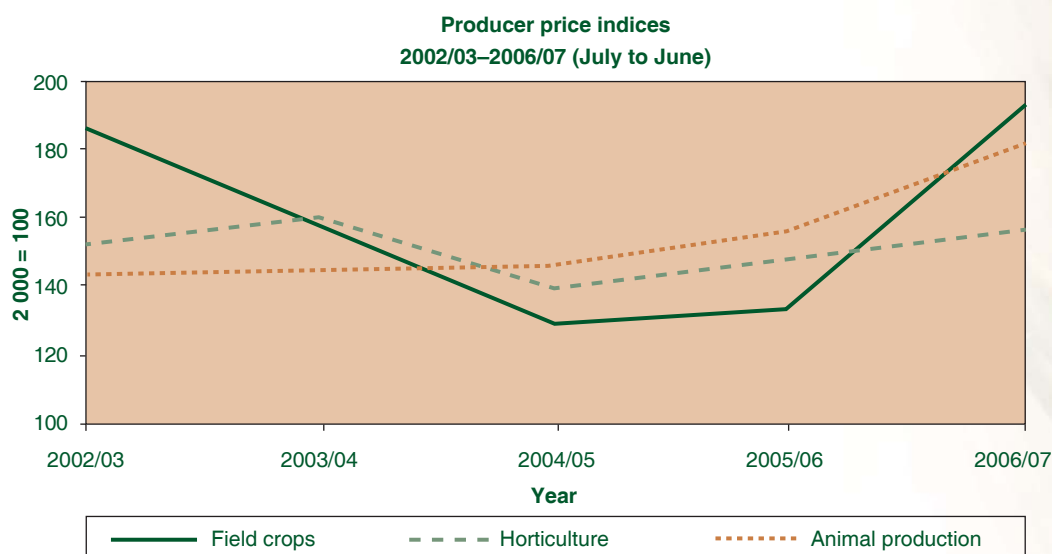
Volume index of agricultural production
2002/03–2006/07 (July to June)



prices. The area under field crops is projected to reach 4,4 million hectares, with a marginal increase in land use because of the introduction of the anticipated biofuel production from certain field crops. The demand for meat has grown at a tremendous pace over the past 3 years. Changing consumer preferences in terms of substituting grain products for meat and increasing real disposable income levels are projected to support the increase in demand for all types of meat products. However, high feed costs will put pressure on livestock production and the profitability of especially feed-lots, dairy farmers and pig producers. The horticultural sector is attractive and competitive and well positioned to achieve a reasonable growth rate over the next 3 years.

PRODUCER PRICES OF AGRICULTURAL PRODUCTS

Producer prices of agricultural products increased on average by 21,8% from 2005/06 to 2006/07. The combined producer price index of field crops rose by 42,6%, with prices for summer grains, oilseeds and sugar cane increasing by 99,4; 78,3 and 12,1 %, respectively. The combined producer prices of dry beans and of tobacco decreased by 35,0 and 12,4 %, respectively.



Producer prices of horticultural products rose by 5,1% from 2005/06. Prices of fruit, vegetables and viticultural products increased by 7,5; 3,7 and 2,1 %, respectively.

Producer prices of animal products were 16,3% higher than in 2005/06. Prices received for pastoral products, slaughtered stock and poultry increased by 28,6; 18,0 and 14,4 %, respectively. The price farmers received for dairy products was on average 14,8% higher.

Maize prices are expected to decrease in 2008 in response to increased supplies, but will then increase steadily over the next few years. Sunflower prices are also expected to drop in 2008 as production recovers, but will increase from 2008 onwards because of higher import parity prices of sunflower oil. The wheat price will increase constantly over the next 3 years in response to a depreciating exchange rate as well as relatively constant world prices in dollar terms. Soya-bean prices are expected to increase from 2008 onwards as world prices remain relatively high and the exchange rate depreciates over time. In the case of meat, the projected increase in the demand for all types of meat products will increase meat prices over the short term. Whereas lamb prices are expected to rise constantly, beef, pork and chicken prices will follow a cyclical trend.

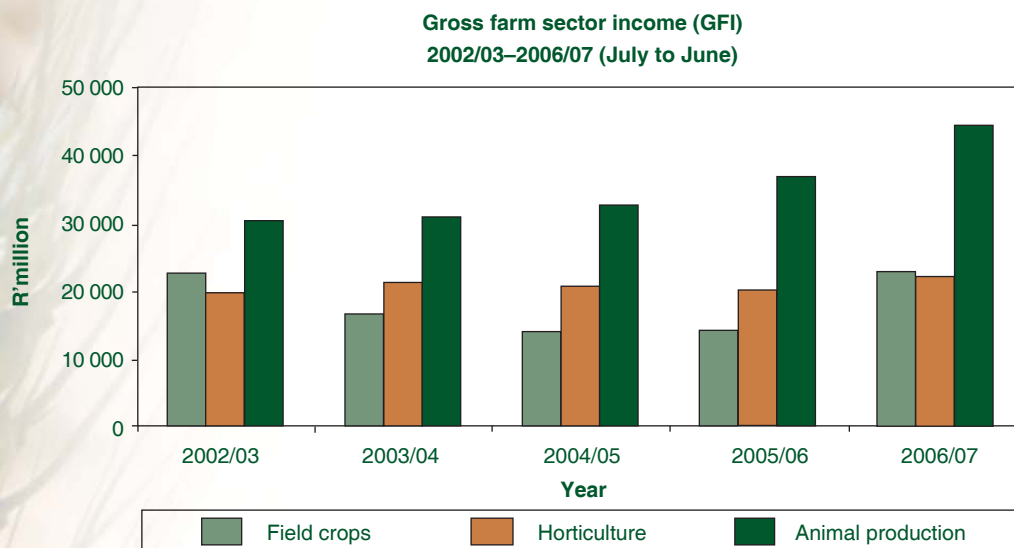
The projected depreciating exchange rate will partly mitigate the pressure of imports of meat products on the local meat prices. Dairy prices are also projected to increase over the short term. This increasing trend can be ascribed to lower fresh milk production owing to input prices rising faster than output prices, an increase in *per capita* consumption of dairy products and more expensive imports as a result of high world prices.

FARM SECTOR INCOME

The gross income of producers (the value of sales and production for other uses, plus the value of changes in inventories) for the year ended 30 June 2007, amounted to R89 005 million, compared to R71 255 million the previous year—an increase of 24,9%. The increase in income can mainly be ascribed to a marked improvement in the prices that farmers received for their products.

The gross income from field crops increased by 54,4% to R22 695 million for the year ended 30 June 2007. Income from maize showed a substantial increase of 102,4% to R12 726 million. On average, the prices that farmers received for maize were almost twice as high compared to the previous season. Farmers also delivered their maize earlier and at the end of June 2007, approximately 80% of the estimated crop had been delivered to buyers. Normally, about 50 % of the maize crop is delivered before the end of June.

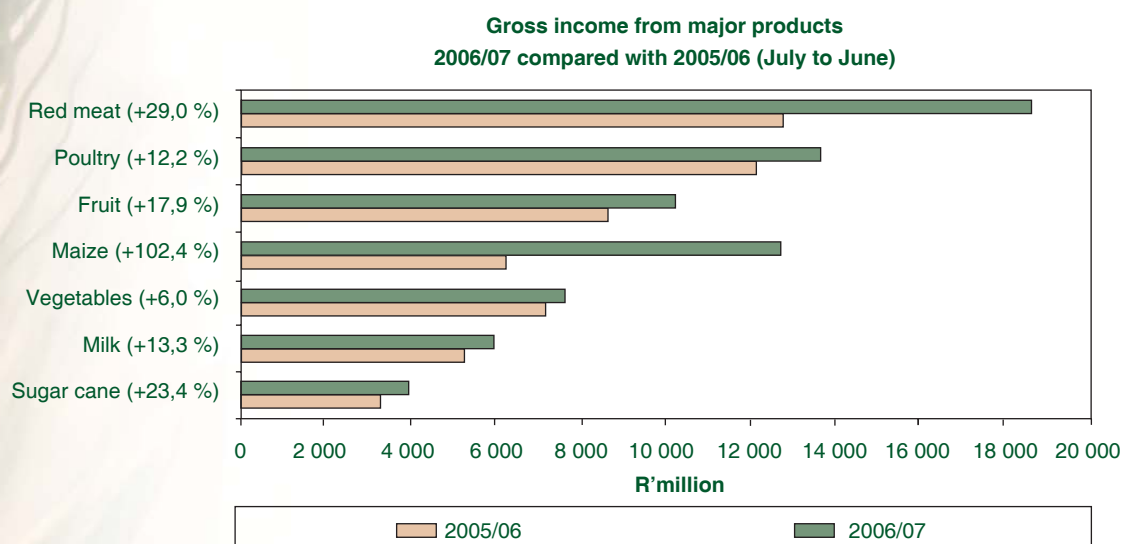
Income from soya-beans and sunflower seed, however, decreased by 47,0 and 30,6%, respectively, because of smaller crops. Income from tobacco and cotton showed decreases for the third consecutive season.



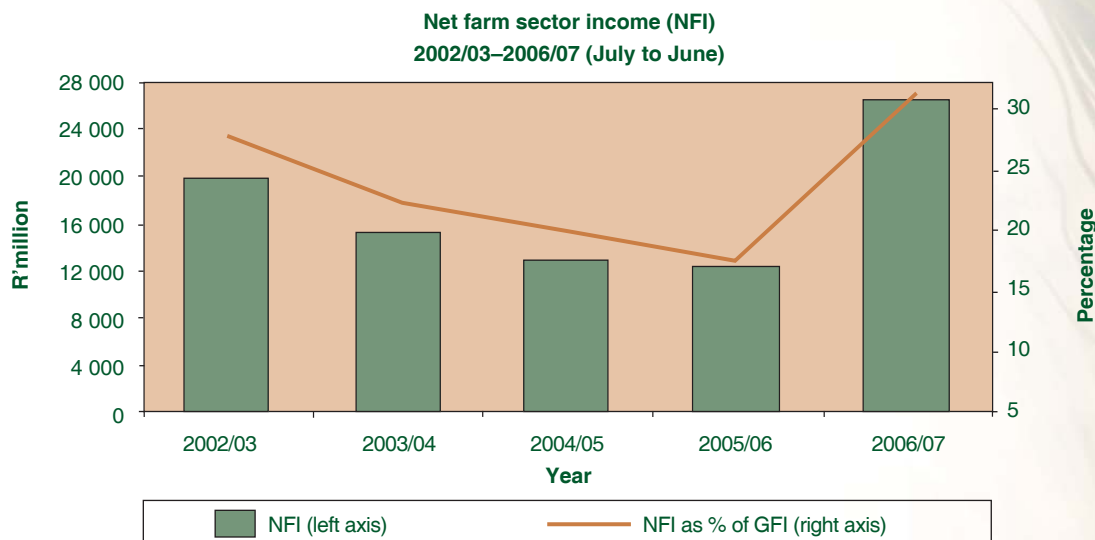
The gross income from horticultural products increased by 10,5% to R21 893 million, compared to R19 809 million for 2005/06. Income from deciduous fruit and citrus fruit rose by 24,0 and 15,7% to R5 515 million and R3 178 million, respectively, while income from subtropical fruit and viticulture increased by 3,9 and 1,2% to R1 555 million and R2 647 million, respectively. Income from vegetable production rose by 6,0% to R7 645 million.

The gross income from animal products was 20,9% higher, and amounted to R44 416 million, compared to R36 743 million during 2005/06. Producers earned R12 514 million from slaughtered cattle and calves, as against the previous R9 530 million—an increase of 31,3%. The income from slaughtered sheep increased by 19,9% and amounted to R2 301 million. The carcass prices of cattle and sheep rose by 18,0 and 15,9%, respectively. Income from poultry meat production increased by 12,2% to R13 689 million. Income from egg production was 40,9% higher compared to the previous year. Income from wool increased by 67,6% and came to R1 158 million.

The net farm income (after the deduction of all production expenditures, excluding expenditure on fixed assets and capital goods) rose by 107,3% during 2006/07 and amounted to R26 488 million. Payments for salaries and wages,



which represent 16,9% of the total farming costs, amounted to R10 320 million. Interest paid by farmers to banks and other financiers during the 12 months up to 30 June 2007, is estimated at R3 936 million or 6,1 % of total farming cost.



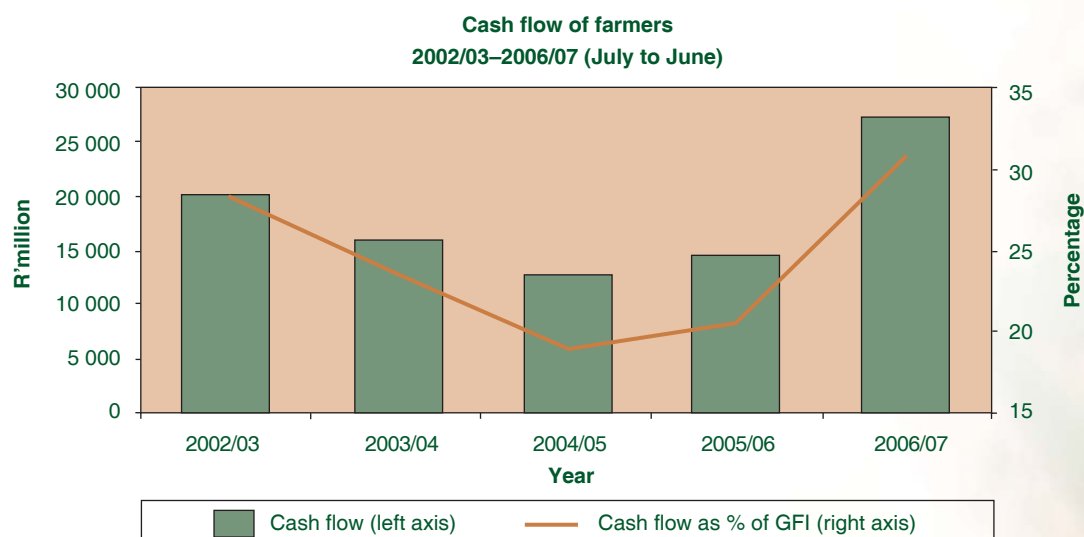
The gross income of the sector, which is derived from field crops, animal production and horticulture activities, has increased since 2006 because of the strong performance of the livestock sector and is projected to grow further. Real gross income is expected to grow at an average of 1,9% annually. Although the gross value of field crops displays significant variability in response to fluctuations in markets and climate, amongst others, the gross value is projected to grow marginally as a result of high world prices.

Animal production is the largest source of income for the sector and more than 40% of the gross income is derived from this activity. The real gross value of animal production indicates an upward trend for the past decade with typical livestock cycles and should peak in 2007/08 with high prices and slaughtering. Average growth is projected at 3% over the next 3 years.

CASH FLOW OF FARMERS

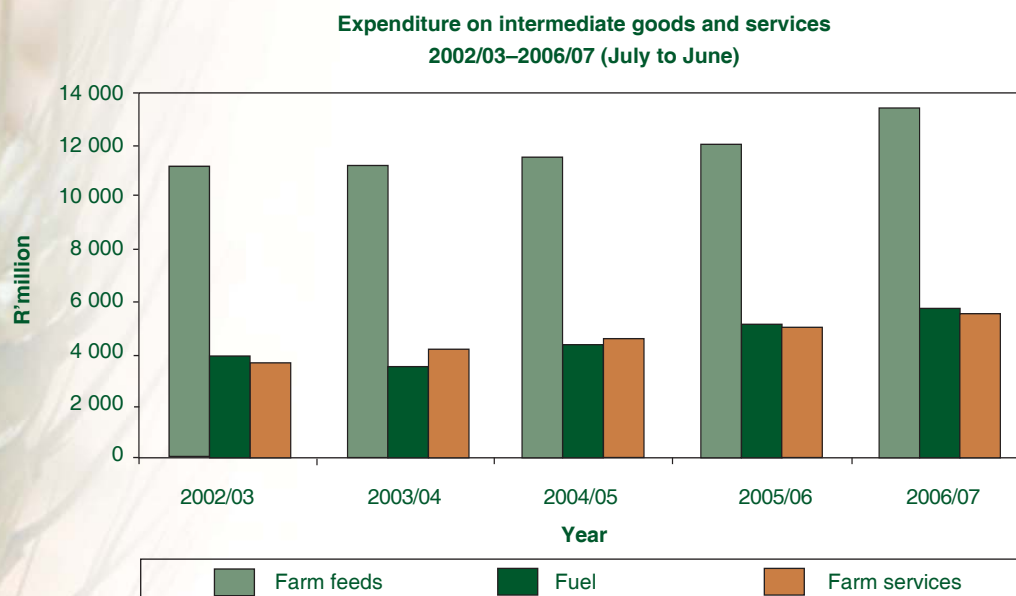
The cash flow of farmers amounted to R27 588 million for the year ended 30 June 2007, compared to the previous R14 447 million—an increase of 91,0%. This was the result of an increase in the gross income of producers.

Even though commodity prices should remain strong, higher interest rates, increased input costs, including logistical problems and the input price squeeze, will put pressure on the cash flow of farmers.



PRODUCTION COSTS

Intermediate expenditure refers to the value of goods and services that were purchased for consumption as inputs during the production process. Expenditure on intermediate goods and services during 2006/07 is estimated at R46 737 million, which represents an increase of 9,6%, from R42 637 million in 2005/06. Expenditure on fertilisers and farm services showed the biggest increases of 24, 4 and 12 %, respectively.



Expenditure on farm feeds remained the biggest intermediate expenditure item, accounting for 28,8% of total expenditure, even though it showed a relatively small increase of 4% from the previous 12 months compared to other expenditure items. Fuel, farming services, maintenance and repairs of machinery and implements, fertilisers, seeds and plants, dips and sprays, and packaging material contributed 12,2%, 11,95%, 10,1%, 8,6%, 6,8%, 6,6% and 5,8%, respectively, to total intermediate expenditure. Expenditure on electricity rose by 3,5% to R8 335 million and building and fencing material increased by 3%, from R1 805 million to R1 849 million. Generally, there was an increase in the prices of goods and services purchased for use during the production process.

The outlook for agricultural product prices is positive, but input prices are expected to increase sharply. A recent study by the NAMC shows the producer price of maize rose by 252,6% from 1990 to 2006, while the price of farm requisites increased by 255,7%, both at an average rate of 8,2%.

Superficially, maize prices apparently kept pace with input prices, however, between 1997 and July 2006, the maize price actually only increased by 5,2% annually. During the past year the costs of production inputs for field crops have increased by between 30 and 40% and feed costs have risen even more for the livestock sector. It is expected that the input price squeeze will tighten over the next 3 years as agribusinesses increase the costs of production inputs in an effort to retain their profits in the light of higher costs.

However, real intermediate input expenditure is projected to increase at an average rate of 2,3% annually over the next 3 years as a result of an expected increase in the demand for production inputs.

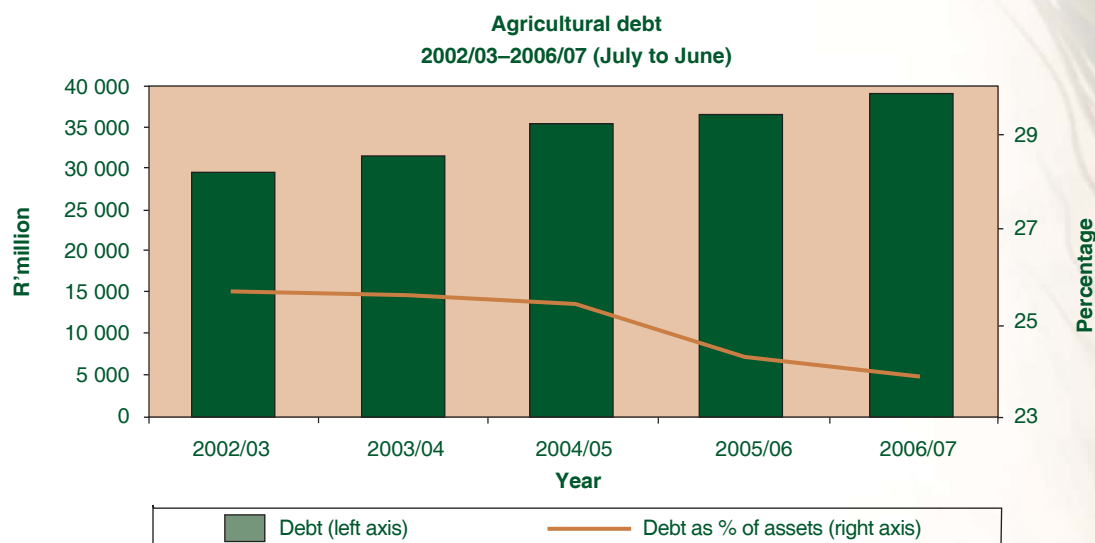
INVESTMENT

The value of capital assets in agriculture as at 30 June 2007 is estimated at R164 141 million, as against R150 996 million at the end of June 2006—an increase of 8,7%. Land and fixed improvements constituted R100 980 million, machinery and implements R28 732 million and livestock R34 429 million of the total value of capital assets. The gross investment in respect of fixed improvements for the year ended 30 June 2007 increased by 9,9% to R3 425 million. In the case of machinery, implements and vehicles, investment increased by 26,7% and amounted to R4 832 million. The livestock inventory decreased by R242 million compared to the previous year.

Agricultural land prices have virtually doubled since 2005, significantly increasing the capital assets in the sector. The producer prices have followed a similar increasing trend. As a result of the higher value of assets, the debt/asset ratio (debt as % of assets) has declined considerably and will continue to decline as the land prices increase.

FARM SECTOR DEBT

The total farming debt as at the end of June 2007 is estimated at R39 189 million (R36 686 million)—an increase of 6,8%.



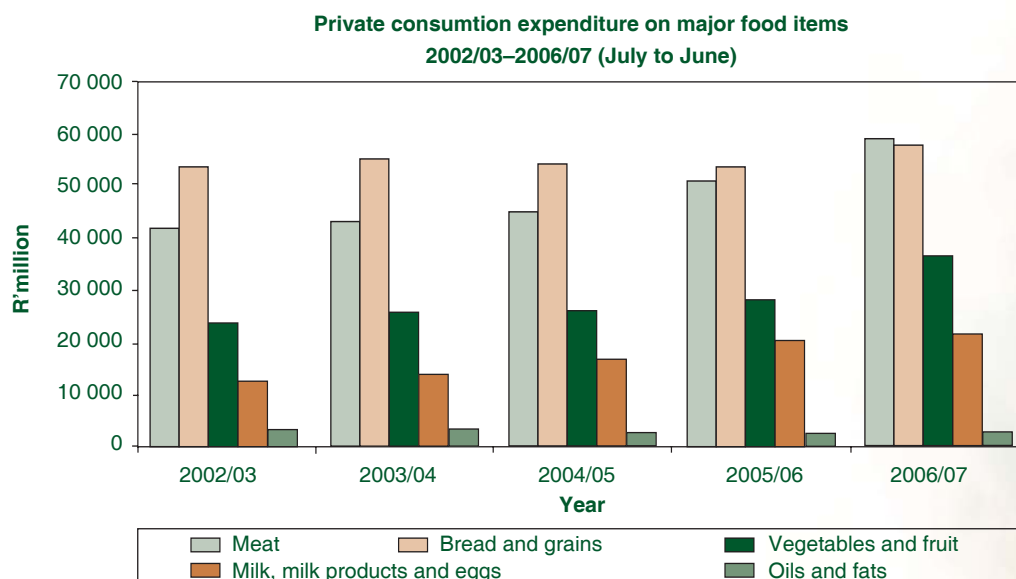
CONSUMER PRICES

The consumer price index of all items increased by 5,9% during the year ended 30 June 2007, that of food by 8,5% and that of nonfood items by 5,2%. Meat prices rose by 15,5%, while the prices of grain products reflected an increase of 8,1%. The consumer price of vegetables increased by 5,9% and fruit prices rose by 2,4%. In the case of dairy products and eggs, prices were 6,9% higher, and an increase of 6,3% was recorded for sugar and related products.

World agricultural market fundamentals have changed, resulting in higher commodity prices. For example, world food demand and the expected increase in food consumption that will come from economic and income growth, food demand which continues to change, urbanisation in South Africa with 60 % of the population living in towns and cities, supermarkets' power increasing, impact of climate change and global warming on food production, bio-fuels, low world/use stock ratios of important cereals, high oil prices and the financial crises in many countries, will result in higher consumer prices. Over the short term further food price increases at retail level are expected as there is still considerable upward pressure in the chain from farm to fork.

CONSUMPTION EXPENDITURE ON FOOD

The consumption expenditure on food for the year ended 30 June 2007 increased by 13,1% and amounted to R209 661 million, as against the R185 355 million of the previous year. Expenditure on meat rose by 15,8% to R60 142 million, on fruit and vegetables (including potatoes) by 28,7% to R37 196 million, on milk, milk products



and eggs by 4,4% to R21 939 million, on oils and fats by 8,5% to R3 259 million and on bread and grains by 6,9% to R58 578 million. Expenditure on sugar dropped by 0,4%, from R3 822 million to R3 805 million. Meat represented 28% of the expenditure on the food component, bread and grains 31%, fruit and vegetables 16% and milk, milk products and eggs 9%.

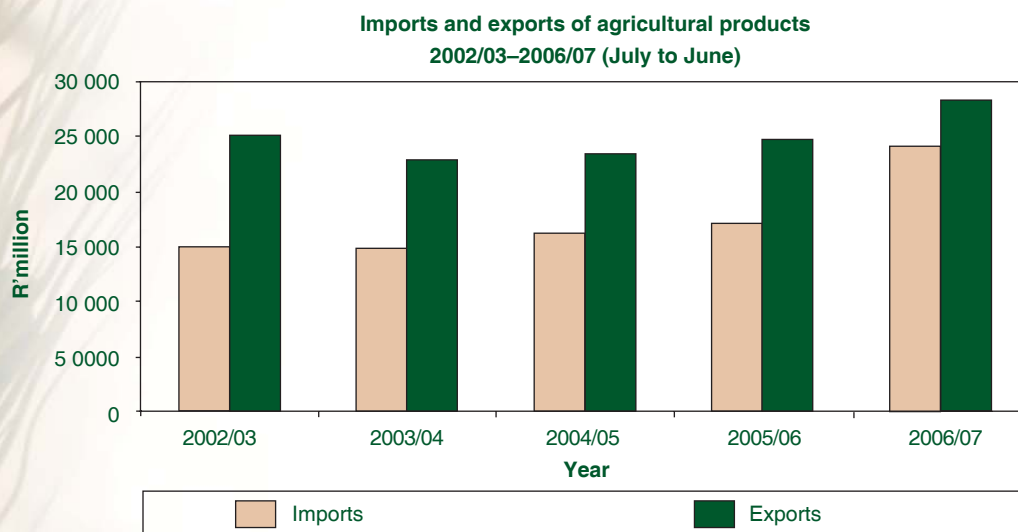
In view of the current relatively high domestic inflation, high food prices at retail level, high oil prices, exchange rate uncertainty and chronic power shortages together with the global economic slowdown, it is expected that consumer spending will slow down slightly in 2008, but the growth in income in the emerging middle class and possible higher grants to the low-income groups, will direct the local demand for agricultural products.

A slightly weaker rand to the US dollar can be expected and local product prices will not decrease as a weaker dollar will push up world product prices. Firmer world prices and a weaker rand will translate into higher local product prices.

The *per capita* consumption of maize meal is expected to decrease, while the *per capita* consumption of bread is expected to increase over the short term. This rise in bread consumption can mainly be attributed to urbanisation and the increase in disposable income for a larger sector of the population. Rice should be a strong substitute for maize meal and bread as consumer incomes increase and preferences change. The *per capita* consumption of beef is expected to rise marginally over the short term, however, the consumption of both chicken and milk will increase rapidly because of economic development and urbanisation. The consumption of dairy products has grown by 26% since 2003, outpacing the growth in consumption of all meat products.

IMPORTS AND EXPORTS OF AGRICULTURAL PRODUCTS

The value of imports for 2006/07 came to R24 110 million—an increase of 40,2% compared to R17 193 million for 2005/06. The value of exports rose by 14,4%, from R24 754 million to R28 330 million. According to the 2006/07 export values, wine (R4 282 million), citrus fruit (R3 804 million), grapes (R2 470 million), sugar (R2 284 million) and apples, pears and quinces (R2 284 million) were the most important agricultural export products. Rice (R1 892 million), undenatured ethyl alcohol (R1 623 million), oilcake (R1 235 million), palm oil (R1 072 million) and wheat (R1 047 million) accounted for the highest imports.



During 2006/07, the United Kingdom, The Netherlands, United States, Germany and Mozambique were the five largest trading partners of South Africa in terms of export destinations for agricultural products, with export values of R3 874 million; R3 287 million; R1 431 million; R1 428 million and R1 312 million, respectively. About 25,3% of total agricultural exports for the period July 2006 to June 2007 went to the United Kingdom and The Netherlands.

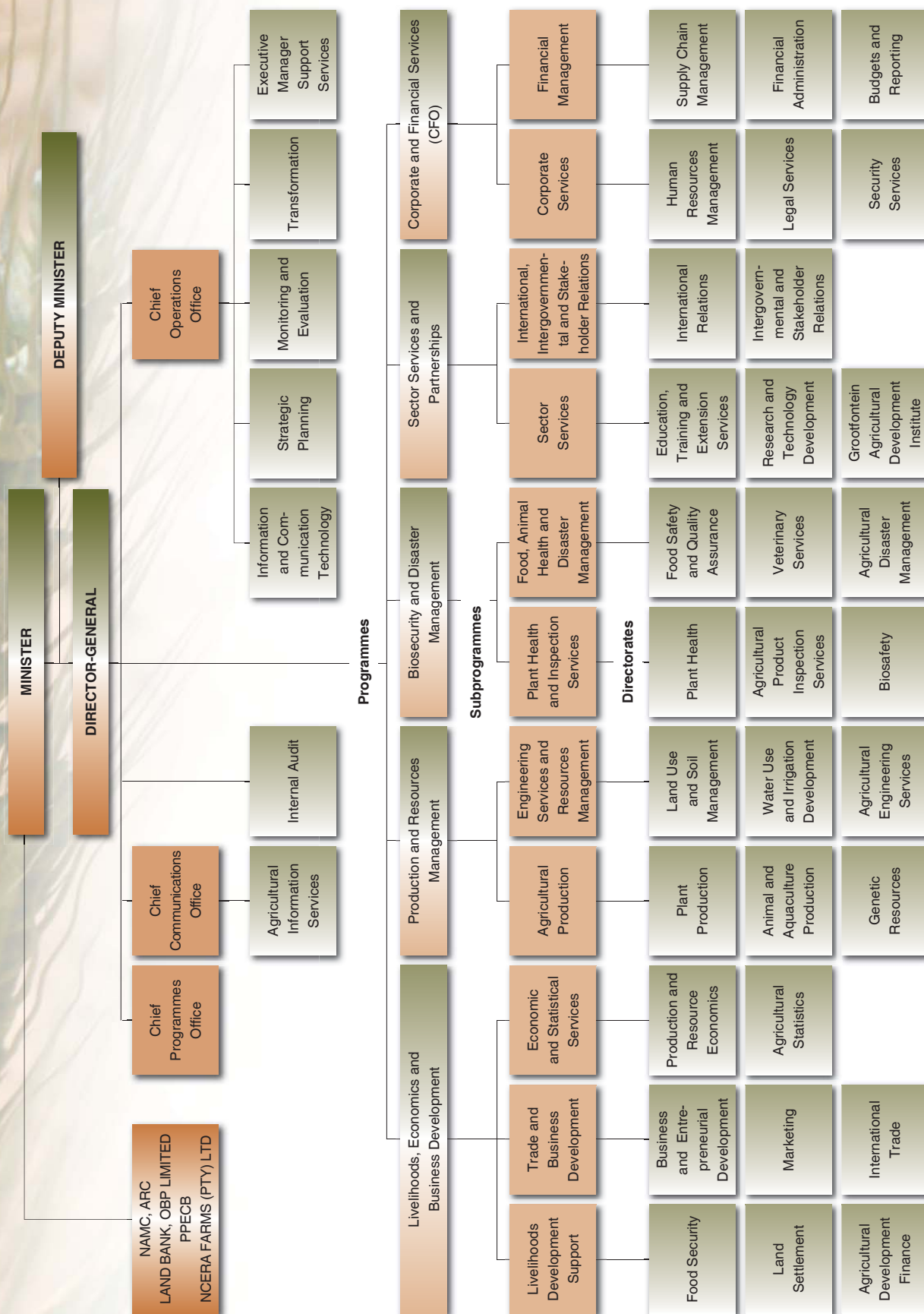
The five largest trading partners for South Africa's imported agricultural products during 2006/07 were Argentina, Brazil, the United Kingdom, United States and Thailand, with import values of R4 932 million; R2 127 million; R1 613 million; R1 392 million and R1 274 million, respectively.

Global trading will continue to present its own unique challenges, with heightened sanitary and phytosanitary barriers, increased concerns regarding food safety and the accompanying need for traceability and good agricultural practices. There are new requirements in terms of corporate social responsibility and worker welfare, as well as concerns about climate change and the associated buzzwords of "food miles" and "carbon footprints". Another challenge is to increase the share of processed agricultural products within the country's total agricultural exports.



3 *Organisational overview*

Structure



Mandate of the department

The department derives its mandate from Section 27(1) (b) and (2) of the Constitution:

“... take reasonable legislative and other measures, within its available resources, to achieve the progressive realization of the... right (of everyone) to have access to sufficient food”.

The scope of the DoA mandate covers the entire agriculture value chain of economic activities: from farming inputs, farming, value addition to retailing. The DoA is currently responsible for more than 30 pieces of legislation.

The following list of Acts reflects the legislative mandate of the DoA:

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)
Animal Diseases Act, 1984	(Act No. 35 of 1984)
Liquor Products Act, 1989	(Act No. 60 of 1989)
Agricultural Research Act, 1990	(Act No. 86 of 1990)
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)
Animal Improvement Act, 1998	(Act No. 62 of 1998)
Agricultural Laws Rationalisation Act, 1998	(Act No. 72 of 1998)
Onderstepoort Biological Products Incorporation Act, 1999	(Act No. 19 of 1999)
Meat Safety Act, 2000	(Act No. 40 of 2000)
Agricultural Debt Management Act, 2001	(Act No. 45 of 2001)
Animal Identification Act, 2002	(Act No. 6 of 2002)
Land and Agricultural Development Bank Act, 2002	(Act No. 15 of 2002)
KwaZulu Cane Growers' Association Act Repeal Act, 2002	(Act No. 24 of 2002)
South African Abattoir Corporation Repeal Act, 2005	(Act No. 17 of 2005)

Mission statement

VISION

The vision of the DoA is to strive for a united and prosperous agricultural sector.

MISSION

The aim of the DoA is to lead and support sustainable agriculture and promote rural development through:

- Ensuring availability and access to sufficient, safe and nutritious food
- Eliminating skewed participation and inequity in the sector
- Increasing growth, income and remunerative job opportunities in agriculture
- Enhancing the sustainable management and efficient use of natural agricultural resources and production inputs
- Ensuring efficient and effective governance and partnerships
- Ensuring knowledge and information management
- Ensuring national biosecurity and effective risk management

STRATEGIC OBJECTIVES

SO 1: Ensure availability and access to sufficient safe and nutritious food

Key objectives

- Promote production, handling, processing and consumption of nutritious foods
- Promote and support household income generation and food production
- Provide leadership in the implementation of the IFSNP

SO 2: Eliminate skewed participation and inequity in the sector

Key objectives

- Increase access to existing resources and opportunities within the agricultural sector for historically disadvantaged groups and individuals
- Ensure increased BEE
- Ensure equitable access and sustained participation in the sector
- Improve social and working conditions in the sector

SO 3: Increase growth, income and remunerative job opportunities in agriculture

Key objectives

- Increase agricultural productivity, competitiveness and profitability in South Africa, the SADC and Africa
- Increase market access for South Africa and African agricultural products, domestically and internationally
- Increase remunerative opportunities in the agricultural value chain
- Increase the level of public and private investment for agricultural development

SO 4: Enhance the sustainable management and efficient use of natural agricultural resources and production inputs

Key objectives

- Ensure the management of agricultural indigenous genetic resources, land and water
- Promote effective production systems, including the use of energy, labour and mechanisation
- Promote efficient use of production factors

SO 5: Ensure efficient and effective governance and partnerships

Key objectives

- Achieve departmental service excellence and implement Batho Pele principles
- Manage risks effectively

- Provide leadership and co-operative governance in the agricultural sector
- Implement quality standards in the department to ensure effective organisational performance and co-operative government
- Promote and protect South African agricultural interests internationally
- Align policy and legislation with the principles of sustainable development

SO 6: Ensure knowledge and information management

Key objectives

- Provide leadership and manage communication and information management effectively
- Provide leadership and support to agricultural research, training and extension in the sector
- Improve knowledge management in the department
- Ensure consumer confidence in agricultural products and services

SO 7: Ensure national biosecurity and effective risk management

Key objectives

- Establish and maintain effective early warning and mitigation systems in agriculture
- Manage the levels of risks associated with food, diseases, pests, natural disasters and trade
- Promote safe and nutritious food
- Ensure consumer confidence in agricultural products and services

VALUES

Bambanani	We believe that the sum of our collective efforts will and should be greater than the total of our individual efforts.
Drive	We are purposeful and energised in all that we do.
Excellence	We are committed to exceeding our customers' expectations for quality, responsiveness and professional excellence.
Innovation	We motivate and reward creativity, innovation and new knowledge generation that support outstanding performance.
Integrity	We maintain the highest standards of ethical behaviour, honesty and professional integrity.
Maak 'n plan	We always will find a way to make it happen.

KEY CLIENTS

The key clients of the DoA are:

- Consumers of agricultural products and services
- Producers of agricultural products
- Processors, traders and exporters of agricultural products
- Providers of agricultural services
- National departments
- Provincial Departments of Agriculture (PDAs)
- State-owned enterprises (SOEs) in the agricultural sector
- International agricultural organisations

PRODUCTS AND SERVICES

National leadership	In terms of national policy, legislation, strategic priorities, advice, norms and standards, information, monitoring and evaluation, supervision and reporting
National regulatory services	With respect to national legislation, compliance, controls, auditing services and inspection services
National co-ordination services	Facilitate national, provincial, municipal and public entities co-ordination, international agreements, professional networks, public, private, community partnerships and agricultural human resource development
National agricultural risk management	Manage early warning systems, disaster management policy, response, recovery, mitigation and preparedness, pest control and plant and diseases control

IMPLEMENTATION PLAN

The Presidential Apex Priority 7, namely the LARP provides the implementation plan to deliver on the strategic objectives in the next period. This is a “business unusual” framework for delivery and collaboration on land reform and agricultural support to accelerate the rate and sustainability of transformation through aligned and joint action by all involved stakeholders. It creates a delivery paradigm for agricultural and other support services based on the concept of “one-stop shop” service centres located close to farming and rural beneficiaries.

The objectives of the LARP are the following:

- (a) Redistribute 5 million hectares of white-owned commercial agricultural land to 10 000 new agricultural producers.
- (b) Increase black entrepreneurs in the agribusiness industry by 10 %.
- (c) Provide universal access to agricultural support services to the target groups.
- (d) Increase agricultural production by 10 to 15 % for the target groups, under the Ilima/Letsema campaign. (This campaign aims to bring about an increase in production by unlocking the potential of currently “dead” land and other assets, in particular in communal areas.)
- (e) Increase agricultural trade by 10 to 15 % for the target groups.

LARP will concentrate on defined focus areas, rely on aligned and comprehensive support to projects, joint planning and implementation, utilisation of partnerships with sector partners, decentralisation of decision making, and careful monitoring of the success and sustainability of individual projects. National, provincial and local government will jointly lead in this new process to make accelerated land and agrarian reform a success. The DoA focus will be on priorities (b) to (e) above.

In addition to the above, the DoA together with the PDAs have added the biosecurity as well as governance and partnerships to ensure completeness of the agricultural offerings. All seven priorities now contribute to the APoA.

HUMAN CAPITAL DEVELOPMENT

Departmental Human Resource Management Plan

Post establishment

The DoA currently has 3 074 posts on its approved post establishment and the post incumbents are accommodated within the head office in Pretoria and in the more than 100 decentralised offices in the nine provinces. It is foreseen that the post establishment will be expanded during 2008, in order to render the required services that contribute to the identified strategic objectives of the DoA.

Filling vacancies

The recruitment and selection process of the DoA will be strengthened to shorten the time frames of filling vacancies, which constitute 13 % of the total post establishment within the framework of the national vetting strategy.

Training

The DoA will continue with an intensive Adult Basic Education and Training (ABET) programme in order to reduce the level of illiteracy for employees on salary levels 1 to 5 to enable them to acquire competencies for career progression. A total number of 217 employees within this category will be registered for ABET, 46 will be engaged in learnerships and 549 employees will be enrolled for courses informed by the skills assessment.

We will further carry out prior learning assessments among our staff members in order to recognise their competencies through the Recognition of Prior Learning (RPL) in consultation with the Department of Public Service and Administration (DPSA).

An estimated 200 new bursaries will be processed for employees in the department.

Competency assessment

During 2008, the DoA will conduct a skills audit that will enable it to assess the competencies for recruitment, selection and developmental purposes in order to direct and support all human resource performance initiatives and to establish a shared understanding of the critical success factors for performance in the SMS. Skills gaps identified during the competency assessments will be addressed through the Leadership Development Programme (LDP) in consultation with the South African Management and Development Institute (SAMDI).

In addition, we will continue to develop a pool of future managers from the designated groups of women, people with disabilities and youth in order to meet set employment equity targets in management positions. Supervisors and managers will also be subjected to training in order to meet the 29 % target set for 2010.

The DoA acknowledges the importance of managing individual performance and the impact it has on the organisation's performance. Formal training courses will be presented to improve the understanding and application of the DoA's Employee Performance Management System (EPMS).

Induction programme

The DoA will introduce a massified induction programme in 2008 in order to introduce new entrants in the public service to the Batho Pele principles, the Constitution and the ethos of the public service.

Labour relations

During 2008 the DoA will implement various strategies and procedures to promote and strengthen labour relations. This will be necessitated as a result of the imminent promulgation of the new Public Service Act, which contains several important new labour relations provisions. Information will be disseminated to directorates and the procedural manual on disciplinary hearings will be amended. The labour relations training manual will be revised and the content of induction courses will be changed to reflect the new changes.

To ensure a pool of competent and efficient investigating and presiding officers, more employees will be trained in the DoA. This will ensure that the application of progressive discipline envisaged in Public Service Co-ordinating Bargaining Council Resolution No. 1 of 2003, takes place effectively and efficiently.

Employee health, wellness and safety

With regard to health promotion and HIV/Aids, the DoA will review the HIV/Aids Policy, provide health-screening tests for employees, implement disease management in terms of sick leave monitoring and analysis, establish and implement TB and nutrition programmes, promote healthy lifestyles and living and ensure the mainstreaming of HIV/Aids in all the employee wellness programmes. We will then establish monitoring and performance measuring indicators with respect to the employee health, wellness and safety.

Performance management

Stricter performance management and development systems will be enforced regarding the submission of performance agreements and the performance review reports for Senior Management Services (SMS) members.

Job evaluation

The DoA will lead and co-ordinate the Intergovernmental Job Evaluation Co-ordination Committee between national and the PDAs in order to create generic job descriptions for specific agricultural positions and to ensure harmonisation and consistent grading levels across the three spheres of Government. We will also develop an occupation-specific dispensation for scarce and critical skills in order to attract and retain skilled employees.

Exit interviews

We will finalise the Exit Interview Policy to enable the DoA to conduct self-assessment with regard to employee management challenges and, where necessary, take remedial action in order to ensure the retention and attraction of employees.

TRANSFORMATION STATUS IN THE DoA

The DoA is confident to increase the representativeness of women and people with disabilities at SMS level from 37 to 50% by 31 March 2009 and 0,3 to 2% by 31 March 2010, respectively. Monitoring mechanisms have been put in place, including reviewing all appointments from salary levels 9 upwards, so that they feed into the development of an SMS pool of women and people with disabilities at SMS levels.

In addition to the above, the DoA will establish a gender directorate before the end of this financial year.

In 2008, the DoA will continue to intensify the participation of youth in the agricultural sector through the National Youth Services.

SECTOR HUMAN CAPITAL DEVELOPMENT

Skills assessment

On the basis of the AET Strategy, the DoA will review the current state of human capital development in the agricultural sector to assess the skills and levels of education of employees as well as the availability of the postmatric agricultural qualifications in the sector.

Extension services

In the next 5 years, the DoA will roll out an extension recovery plan, which will result in the skills upgrading of more than 1 000 extension officers. This will be supported by a professional development programme, which will focus on developing high-level skills for the benefit of the entire sector. These will be implemented within the framework of the External Bursary Scheme and Entrepreneurship Programme.

The recovery plan will be launched through an extension indaba.

Apart from concentration on high-level skills, special attention will be paid to the beneficiaries of CASP in terms of skills assessment, development and implementation of comprehensive training plans. A sectoral training report will be compiled on an annual basis.

CO-OPERATIVE GOVERNMENT

The implementation of Government priorities requires that all spheres of Government, together with all State institutions, work together in order to achieve the maximum impact of Government in service delivery. To this end, the DoA, together with the PDAs, will further intensify their collaboration with the DLA concerning the LARP.

The intergovernmental fiscal review work between, on the one hand, the national and provincial treasuries and, on the other hand, the national and PDAs will be used in 2008 to assist in identifying the spending pressures that will result in the allocation of additional funding for the land and agrarian programme.

In 2008 the DoA will consolidate its efforts to establish and strengthen co-operative arrangements with the local sphere of Government to promote the implementation of LARP.

PUBLIC ENTITIES AND PARTNERSHIPS

The DoA will continue to work with organised agriculture, agribusiness, labour unions and civil society to implement *The Strategic Plan for South African Agriculture*.



4 *Work and budgets*

PROGRAMME 1

Administration



Mr Masiphula Mbongwa
DIRECTOR-GENERAL

RESPONSIBILITY

Director-General
Chief Operating Office
Chief Financial Office
Chief Programmes Office
Chief Communications Office
Internal Audit Office

PURPOSE

The programme provides the DoA with strategic leadership and management, as well as overall administrative and performance oversight.

PROGRAMME OVERVIEW

The Programme: Administration takes responsibility for providing strategic leadership. This includes overall departmental strategy development, monitoring of implementation thereof, as well as overall organisational administration and governance. The programme comprises the Office of the Director-General, Corporate and Financial Services, Strategic Planning and Monitoring and Evaluation, Information and Communication Technology as well as Transformation, Security and Internal Audit.

The programme also provides strategic support to the Ministry and serves as an interface between the DoA and Parliament. It takes responsibility for ensuring that the departmental strategies and goals feed into the broader government objectives and priorities, and

provides strategic leadership in intergovernmental programmes within the sector as well as sector partnerships.

STRATEGIC OVERVIEW AND PROBLEM STATEMENT

In 2008 the aim will be the attainment of the presidential priorities through the LARP. The LARP was established to further enhance service delivery and to accelerate agrarian and land reform. To obtain these objectives the DoA will mainly be focusing on increasing black entrepreneurs in the agribusiness industry, providing improved access to agricultural support services and increasing agricultural production of emerging black farmers as well as increasing agricultural trade for the target groups. Service rendering will be guided by government priorities that shape the direction and nature of departmental programmes. These priorities find expression in ASGISA and other priority initiatives of Government. In pursuing these objectives the department will intensify the pace of service delivery guided by the *Sector plan* (Agricultural Programme of Action—APoA). This fast tracking of the pace of delivery is also contained in the Gijima Programme of accelerated service delivery.

KEY RESULT AREAS

The programme takes responsibility for overall effective, efficient and timely delivery on the DoA's mandate within the allocated resources as a key result. To achieve this objective, the programme ensures that the DoA consistently applies methodologies for continuous improvement of service delivery and quality of service. This programme continues to review existing performance management systems for their effectiveness in order to support the overall objective of service excellence.



Mr Tommie Marais
CHIEF FINANCIAL OFFICER



Mr Attie Swart
CHIEF PROGRAMMES OFFICER

PLANNED EXPENDITURE

	2008/09 R'000	2009/10 R'000	2010/11 R'000
<i>Per subprogramme</i>			
Minister	973	1 023	1 075
Deputy Minister	828	871	916
Management	96 532	102 156	106 920
Corporate Services	134 017	138 737	149 911
Capital Works	23 104	21 009	22 270
Property Management	44 910	54 089	62 319
	300 364	317 885	343 411
<i>Economic classification</i>			
Compensation of employees	139 217	149 154	159 930
Goods and services	135 684	145 227	158 543
Transfers and subsidies	733	795	867
Payments for capital assets	24 730	22 709	24 071
	300 364	317 885	343 411

IMPLEMENTATION STRATEGY

Implementation of programme objectives is guided by the recognition and strengthening of broad governance principles and structure that have been established by the programme recently. These include the continued effective participation in government cluster processes, fostering healthy intergovernmental relations with the provinces and consolidating internal departmental governance structures.

The leadership alignment process with the DLA has yielded good results. As an outcome of this process the LARP was established in order to increase the impact of joint programmes of agrarian reform of both the DoA and DLA.



Ms Bafedile Bopape
CHIEF OPERATING OFFICER (ACTING)

Functions have been aligned towards the attainment of the LARP's objectives. The Programme Management Unit (PMU), functioning as the implementation agency of the LARP, will ensure the acceleration of the provision of land up to 2009.

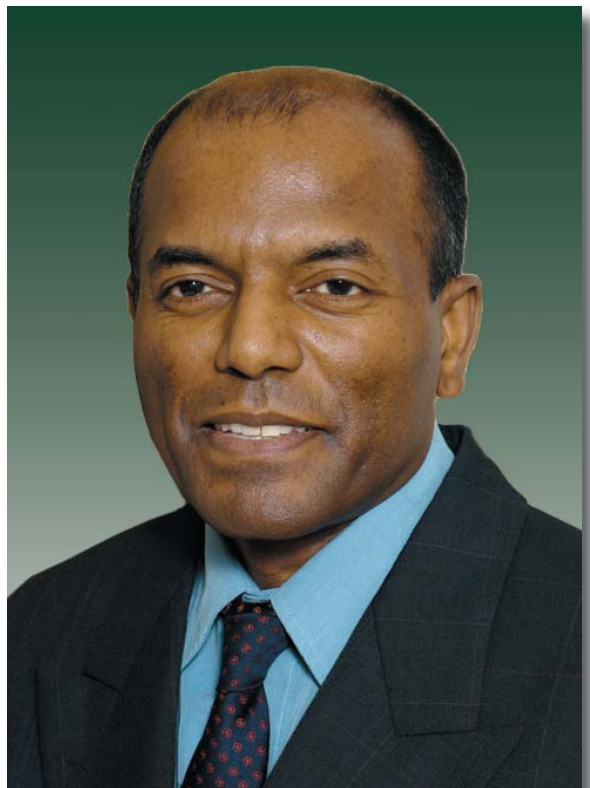
A growing recognition of the importance of the management of knowledge and information still occupies centre stage in the functioning of the department. As a knowledge institution itself, the DoA will commit resources to this endeavour while ensuring that knowledge and information sharing permeates throughout the department in order to optimise capacity-building initiatives. The DoA also aims to strengthen knowledge sharing with the other two spheres of Government, both local and provincial. A further commitment is to disseminate departmental information to the public sector.

Shortcomings from previous years involve proper alignment of processes, linking strategic planning to implementation support. Units responsible for strategic planning have been capacitated to guide the strategic and operational planning activities of the DoA for better planning, allocation of resources and targeting programmes for maximum impact.

The experience gained from continuous performance review sessions, quarterly review meetings (QRMs) over years has had tremendous benefits for the DoA. Service delivery integration, within the broader public service, is the approach that the department adopts in considering its strategies and interventions. This is clear from the manner in which the department engages at a sectoral intergovernmental as well as at a government-wide cluster process level.



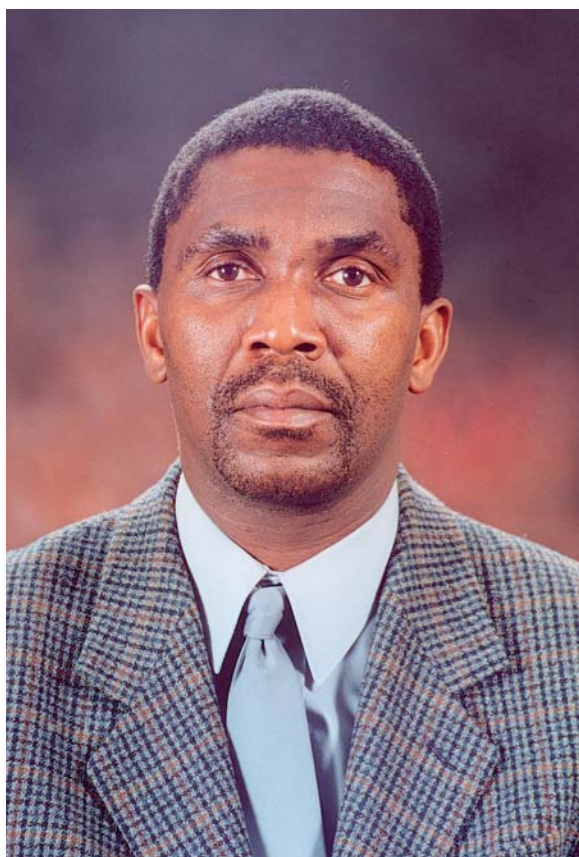
Ms P. Tsotso Schoote
CHIEF COMMUNICATIONS OFFICER



Mr R. Reddy
INTERNAL AUDIT OFFICER

PROGRAMME 2

Livelihoods, Economics and Business Development



Mr Sam Malatji
DEPUTY DIRECTOR-GENERAL (ACTING)

RESPONSIBILITY

Deputy Director-General: Livelihoods, Economics and Business Development

PURPOSE

Develop and facilitate the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector, promote shared growth and the commercial viability of emerging farmers and ensure household food security. Facilitate market access for South African agricultural products nationally and internationally, promote BEE in the agricultural sector, provide economic and statistical services to support economic growth and development and monitor the economic performance of the sector.

The programme comprises three subprogrammes:

Livelihoods Development Support facilitates the provision of post-settlement support to emerging farmers, agricultural development finance, promotion of farmer co-operatives and village banks as well as food security through policies, norms, legislation, programmes and information.

Trade and Business Development facilitates international and domestic market access for South African agricultural products and promotes BEE in the sector. It also interacts with the NAMC.

Economic and Statistical Services provides for the collection and analysis of agricultural statistics, monitoring and evaluates the economic performance of the sector and produces quarterly reports on sector trends. It also interacts with Statistics South Africa.

KEY RESULT AREAS

Measurable objectives: To improve emerging farmers' access to, and sustained participation in agriculture, and to improve food security in the medium term, by providing improved opportunities and more equitable access, in order to maximise growth and employment in the sector.

Subprogramme	Output	Measure/indicator	Target
Livelihoods Development Support	Improved livelihoods of emerging farmers/ households/entrepreneurs	Number of farmers and/or entrepreneurs gaining access to financial services; and number of member-based financial institutions linked to financial markets	7 000 farmers and/or entrepreneurs gaining access to financial services

Subprogramme	Output	Measure/indicator	Target
		Increased number of sustainable land and agrarian reform projects/beneficiaries	80 000 land and agrarian reform beneficiaries
		Number of vulnerable households and emerging farmer groups supported by means of agricultural starter packs	70 000 households
Trade and Business Development	Equitable participation in trade, marketing and business development	Number of farmers and entrepreneurs Sector specific strategies incorporating broad-based BEE Number of interventions and support frameworks established	
Economic and Statistical Services	Report on the economic performance of the sector	Number and range of reports published	Publish 16 economic reviews, 8 topical reports and 6 statistical reports by March 2009

PLANNED EXPENDITURE

	2008/09 R'000	2009/10 R'000	2010/11 R'000
<i>Per subprogramme</i>			
Management	2 044	2 084	2 209
Livelihoods Development Support	744 783	689 003	573 525
Trade and Business Development	110 341	119 486	126 483
Economic and Statistical Services	22 187	23 722	26 348
National Agricultural Marketing Council	22 459	25 018	25 056
	901 814	859 313	753 621
<i>Economic classification</i>			
Compensation of employees	67 743	73 674	78 482
Goods and services	72 166	76 523	78 232
Transfers and subsidies	761 172	708 346	596 095
Payments for capital assets	733	770	812
	901 814	859 313	753 621

STRATEGIC OVERVIEW AND PROBLEM STATEMENT

The Programme: Livelihoods, Economics and Business Development will continue to focus on eliminating skewed participation in the agricultural sector by reducing inequality in land and enterprise ownership as outlined in *The strategic plan for South African agriculture*.

The programme will ensure effective co-ordination and integration of efforts of the different institutions of service delivery. The programme will especially ensure that the aligned LRAD and the CASP will strive to increase the number of viable commercial farmers from previously disadvantaged individuals (PDIs). To ensure sustainability of the LARP, further resources will be devoted to support services (CASP).

In addition, an improved community-based financial services system through the promotion of co-operatives in the financial sector should improve savings and the mobilisation thereof as part of capital formation, principally in rural areas. The development of a third-tier financial services sector that has a focus on the "unbanked" is a major objective of a financial services and co-operative development programme. The agricultural credit scheme, Mafisa, as a state-owned scheme provides micro and retail agricultural financial services and facilitates the access to public sector programmes to enable market efficiency.

Agricultural production at household level requires promotion in the South African context where more than 2 million households are food insecure. In this respect the development and finalisation of the FIVIMS will assist in the design of well-targeted interventions. A key intervention on the food security front will be the provision of agricultural

starter packs to support agricultural production as part of the IFSNP. The programme will continue to play a co-ordinating role in the cross-cutting issue of food security at national and international levels.

The programme will also facilitate market access for South African agricultural products nationally and internationally and promote BEE in the agricultural sector through the:

- Enhancement of the AgriBEE by the establishment of the Charter Council and the finalisation of the sector codes as well as through the formulation of the SMME, empowerment and commodity strategies and the agribusiness policy.
- Enhancement of market access for the emerging sector for its increased participation in formal markets, both locally and internationally, through the formulation of the trade and marketing strategies and the marketing, agribusiness and tariff policies.
- Effectively represent SA agricultural interests in various trade diplomacy initiatives to improve market access for South African agricultural products in various markets (EU, EFTA, SACU, SADC, India, Mercosur; multilaterally through the market access negotiations within the WTO).
- Trade research, including market and product profiling and trade policy monitoring.

The programme will further facilitate the provision of agricultural economic and statistical services to support economic growth and development as well as to monitor the economic performance of the sector and to generate national agricultural statistics. It is also responsible for economic research and renders advice on agricultural economic and policy issues by focusing on production and resource economic issues.

PROGRAMME 3

Biosecurity and Disaster Management



Dr Kgabi Mogajane
DEPUTY DIRECTOR-GENERAL

RESPONSIBILITY

Deputy Director-General: Biosecurity and Disaster Management

PURPOSE

To manage the risks associated with animal diseases, plant pests, genetically modified organisms (GMOs) and registration of products used in the agricultural field. This is done to ensure food safety and security and safeguard human health. It also develops the agricultural risk and disaster management plans to reduce risks associated with natural disasters.

Plant Health and Inspection Services develops policies and systems to manage risks associated with plant pests and diseases, GMOs, promote trade of products of plant origin and the movement of regulated articles and products. It also ensures good quality control of regulated products.

Food, Animal Health and Disaster Management manages and reduces risks associated with animal diseases, promotes trade of products of animal origin, ensures food safety and developing agricultural risk and disaster management strategies.

KEY RESULT AREAS

Measurable objective: Reduce the incidence of animal and plant diseases and pests and ensure food safety, compliance with international and national norms and standards, and disaster management measures through improved risk management systems.

Subprogramme	Output	Measure/indicator	Target
Plant Health and Inspection Services	Biosafety regulatory guidelines	Approved guidelines for the appeal process in terms of GMOs Act	March 2009
	Border control inspection training manual	SAQA accredited border control inspection training manual	March 2009
	Plant Protection Bill	Approved plant health policy	March 2009
Food, Animal Health and Disaster Management	Food Safety/Control Strategy	Approved strategy for the food safety system for South Africa	March 2009
	Agricultural climate change sector plan	Approved agricultural climate change sector plan	March 2009
	Primary Animal Health Care Programme	Approved Primary Animal Health Care Programme	March 2009

PLANNED EXPENDITURE

	2008/09 R'000	2009/10 R'000	2010/11 R'000
<i>Per subprogramme</i>			
Management	2 027	2 118	2 245
Plant Health and Inspection Services	169 737	204 227	243 480
Food, Animal Health and Disaster Management	139 957	147 380	156 207
	311 721	353 725	401 932
<i>Economic classification</i>			
Compensation of employees	216 486	240 638	274 788
Goods and services	85 674	103 095	116 543
Transfers and subsidies	6 016	6 287	6 664
Payments for capital assets	3 545	3 705	3 937
	311 721	353 725	401 932

SUBPROGRAMME

Plant Health and Inspection Services

PROBLEM STATEMENT

The surge in trade and the increased movement of people and climate change, have resulted in an increase in biosecurity risks. South Africa has to develop systems which strengthen plant health, ensures adequate controls in the registration of GMOs and our borders. These systems should improve our ability to respond to all biosecurity risks. Failure to respond positively to the risks will affect South Africa's biodiversity and will reduce our ability to compete globally.

Compliance to international biosecurity requirements is imperative to ensure that South Africa maintains its competitive advantage. The national regulatory framework has to be dynamic, respond to global demands and ensure food safety. Our legislative mandate and systems should be science based to ensure sustainable development of our natural resources. As diseases can cross borders, our participation in the SADC and the AU has to be increased and strategies should be developed to fast-track some of the outstanding issues.

IMPLEMENTATION STRATEGY

The subprogramme aims to apply risk management at three critical levels, preborder, border and postborder. This will be implemented through a promotion and awareness programme that will inform the broader South African populace of the services that are offered and the South African requirements. In bridging the gap between the first and second South African agriculture economy, compliance guidelines to current and new entrants to international requirements within the plant health, GMO and inspection environment, will be compiled.

The current intergovernmental engagements will be strengthened and partnerships with other bodies and forums will be developed and participation at international forums will be pursued. Forming provincial linkages and coming up with programmes that will service the broader South African community will strengthen the plant health environment. Systems will be put in place that will improve our capacity to deal with important plant health and sanitary and phytosanitary (SPS) issues in order to eliminate duplication in accessing markets. The biosecurity threats in terms of the subprogramme will be dealt with on a regional basis, building regional capacities for inspections, early warning systems and rapid response to threats.

HUMAN RESOURCES MANAGEMENT

The nature of our operations demands continuous evaluation of the needs and the environment we are working in. The recruitment and retaining of highly-skilled personnel have to be dynamic and timeous, in response to the changing needs. More scientists will have to be recruited and continuing education programmes will be designed to meet the demands.

KNOWLEDGE AND INFORMATION MANAGEMENT

Developing systems, which support effective dissemination of information, will ensure that our scientists are well informed on all developments in their field. Our ability to retain scientists who are in a position to understand the policy imperatives of the Government is still a challenge.

To facilitate international information exchange in line with South Africa's membership obligations in terms of the International Plant Protection Convention (IPPC), Cartagena Protocol on Biosafety and SPS agreement, will need further resources in order to ensure timeous updating of legislation. The subprogramme will concentrate on turning tacit knowledge into explicit knowledge that will be documented to ensure better institutional memory and intellectual capital retention.

SUBPROGRAMME

Food, Animal Health and Disaster Management

PROBLEM STATEMENT

Food safety concerns continue to be an issue of concern nationally and internationally. In addition to the need to assure that consumers get healthy, good-quality food, the international community is increasingly using food safety as a nontechnical barrier to trade. As a result, food safety has become a trade issue.

The increase in global trade on agricultural products and inputs of agricultural production, led to challenges in food safety, outbreaks of animal diseases and cases of toxicity. In addition, consumers continue to demand safe food. It is a challenge to Government to put reliable systems in place to mitigate these risks, carry out extensive tests on foodstuffs and feed to detect chemical and biological contaminants.

Extreme weather conditions continue to affect agricultural production and the livelihood of communities adversely. These challenges, linked to climate change, will require reliable early warning systems and investment in research. Our scientific capacity has to be improved continuously to deal with all these challenges.

It has become necessary to anticipate and plan accordingly for animal disease occurrence. Most animal diseases do not occur randomly, but occur as a result of certain predisposing events. Identifying these risk areas successfully and developing plans to mitigate animal disease risks require a concerted effort from the State, industries and the communities. In this way and by monitoring food-producing establishments a positive contribution can be made to a healthy nation. The continuing transboundary animal diseases will require the enhancement of our participation in the SADC.

Directorates still experience high levels of vacancies at professional level because of the countrywide shortage of these specialities.

IMPLEMENTATION STRATEGY

Improving the delivery of services and complementing the work done by provinces and municipalities will increase understanding of key principles, contribute to national policy and international norms and standards. Well-guided participation of the private sector will improve service delivery and governance at all levels and lead to a co-ordinated approach to problem solving.

Regular release and prompt responses to emergency situations and provision of financial resources will facilitate rendering of services and minimise the impact of adverse incidents on the public as well as agricultural production.

Human Resource Management

The continued shortages of scientists both in the public and private sector will require Government to develop intervention strategies, which will strengthen our human resource capacity. The continued shortage of Veterinarians in the country will require short and long-term solutions. Greater efforts will have to be made to retain skilled, experienced personnel. A continued education programme for all the scientists working in Government will have to be established to ensure that our scientists are on the same level as other scientists.

Knowledge and Information Management

Our ability to engage in international meetings will require highly-skilled scientists who are in a position to negotiate in the interests of South Africa and the entire Africa. Dissemination of information through formal and informal channels and improved use of technology will enhance our ability to provide leadership on trade matters and support to agricultural production.

PROGRAMME 4

Production and Resources Management



Dr Sizwe Mkhize

DEPUTY DIRECTOR-GENERAL (ACTING)

RESPONSIBILITY

Deputy Director-General: Production and Resources Management

PURPOSE

Identify opportunities and develop strategies in order to optimise agricultural productivity and profitability within the agricultural sector through sustainable use and protection of land and water resources.

The programme comprises two subprogrammes:

Agricultural Production facilitates improvements in agricultural productivity with the emphasis on sustainable animal, aquaculture and plant production systems and administers the Plant Improvement Act, 1976 (Act No. 53 of 1976), Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976) and the Animal Improvement Act, 1998 (Act No. 62 of 1998).

Engineering Services and Resources Management facilitates the development of agricultural infrastructure and use of agricultural resources. This also includes auditing of natural resources, controlling migratory pests, rehabilitation and protection of agricultural land and promotion of the community-based LandCare Programme.

KEY RESULT AREAS

Measurable objective: Improve the efficiency of agricultural production for livestock, fisheries and crops,

area-wide planning, mechanisation, irrigation development and the enhancement, conservation and rehabilitation of degraded natural agricultural resources.

Subprogramme	Output	Measure/indicator	Target
Agricultural Production	Crop and livestock massification	Community gene banks	2 gene banks established
		Animal Breeding Support Programme	500 breeding materials distributed
		Community seed production scheme	3 schemes established
Engineering Services and Resources Management	Natural resources management and enhancement	Agricultural Mechanisation Programme	200 power hoes distributed
		Land Use Planning and Zoning Programme	3 Local municipalities zoned
		Guidelines for irrigation development	100 000 ha established/rehabilitated

PLANNED EXPENDITURE

	2008/09 R'000	2009/10 R'000	2010/11 R'000
Per subprogramme			
Management	1 881	1 970	2 088
Agricultural Production	56 729	59 690	61 961
Engineering Services and Resources Management	201 290	208 211	222 606
	259 900	269 871	286 655
Economic classification			
Compensation of employees	103 594	111 725	119 723
Goods and services	91 468	94 541	99 503
Transfers and subsidies	55 180	54 068	57 321
Payments for capital assets	9 658	9 537	10 108
	259 900	269 871	286 655

PROBLEM STATEMENT

The cost of agricultural production is ever increasing and the food prices are expected to rise further. Although agriculture contributes about 4 % towards the country's gross national product, the delivery of food to any country's population on a daily basis is indispensable. However, water shortages will restrict food production, exacerbate environmental degradation, and ultimately lead to desertification and loss of biodiversity. Increased water scarcity will pose a threat to the sustainability of irrigation, agricultural production, fish stocks, food security, transport and industry. However, given all the constraints, South Africa is expected to increase its agricultural production by 10 to 15 % in the next 2 years.

IMPLEMENTATION

The demand for increased production and the challenges that exist have necessitated a collaborative and strategic approach that will ensure synergy between the DoA and PDAs towards programme implementation and better service delivery. This approach involves all spheres of government, researchers, the private sector and farmers. The Letsema ITCA Working Group (WG) will ensure that the DoA delivers on its agricultural production mandate through active involvement of all sector partners.

The Letsema WG is co-chaired by the Head of Department (Northern Cape), CEO of the ARC and the Deputy Director-General (Production and Resources Management). The WG consists of five (5) subgroups responsible for Animal and Aquaculture Production, Plant Production, Natural Resource Management, Agricultural Engineering Services and Irrigation Development. Each subgroup is chaired by a director (DoA), and consists of senior representatives (directors) from PDAs, agricultural SOEs, industry and others.

The subgroups will develop joint strategies, co-ordinate targeted interventions within specific disciplines and provide guidance to national and provincial priorities, in this way contributing towards the scope of work of the WG and the department. The sub-groups will also provide technical expertise for the WG. Both the WG and subgroups will meet quarterly, and will prepare reports and proposals to ITCA for decision, approval and ratification.

PRIORITY PROGRAMMES

Livestock Massification Programme

The livestock industry accounts for more than 40 % of the total value of agricultural output. The success of this sector in terms of the gross domestic product (GDP) is largely the result of commercialisation and intensification, which enhanced turnover and off-take. However, the current supply of livestock products, especially red meat, cannot meet the demand and South Africa therefore remains a net importer of red meat.

About 64 % of goats, 45 % of cattle, 20 % of pigs and 12 % of sheep numbers are owned by black emerging and communal farmers, however, less than 10 % goes through the formal marketing channels. This clearly shows that "people are rich, yet poor" because they cannot convert their animal asset into a means of making a living. Where transactions occur within formal markets, farmers are getting very low prices for their animals.

The Livestock Development Strategy identified commercialisation of the emerging sector as one of the biggest challenges, and a possible solution towards revolutionising the livestock sector. Following the approval of this strategy, several interventions targeting the linkage of the second economy with the first economy were initiated in collaboration with the industry and other stakeholders.

In the next 3 to 5 years, South Africa could increase its livestock production by 10 to 15%. Improved management of herds and flocks, and investment in production promotion could lead to a significant improvement in the production and quality of livestock and livestock products.

The target is the long-term plan for the effective implementation of the animal improvement schemes to deal with improved reproductive efficiencies, growth and development, nutrition, genetic improvement and maintenance of genetic diversity, and livestock marketing schemes to enable creation and harmonisation of the markets and access through value chain development, with production from emerging farmers.

Partnerships have been developed with industry (National Emergent Red meat Producers' Organisation (Nerpo), National Wool Growers' Association (NWGA), Mohair SA, the National Mohair Growers' Association, Milk Producers' Organisation (MPO), South African Meat Industry Company (SAMIC)) and with NGOs (Heifer SA, Novo Africa and others) as they are implementing other programmes within the Livestock Massification Programme. Other implementing agents include the ARC, NAMC and the Water Research Commission (WRC). Partnerships have also been developed with other national departments such as the Department of Science and Technology (DST), Department of Water Affairs and Forestry (DWAF), Department of Environmental Affairs and Tourism (DEAT), and others, as well as universities.

Provincial departments are playing a key role in the implementation of the Livestock Massification Programme. Here the role of the DoA is in coordinating such interventions and assisting with information management, monitoring and evaluation.

Crop Massification Programme

South Africa has a diverse capacity to produce a variety of plant products. Despite the limitations imposed by soil conditions, climate and topography, an outstanding characteristic of South African crop farming is its remarkable diversity. Varying climatic zones and topography enable the production of almost any kind of crop. Farming in South Africa involves virtually every type of crop, fruit and vegetable production adapted to weather conditions ranging from temperate to subtropical.

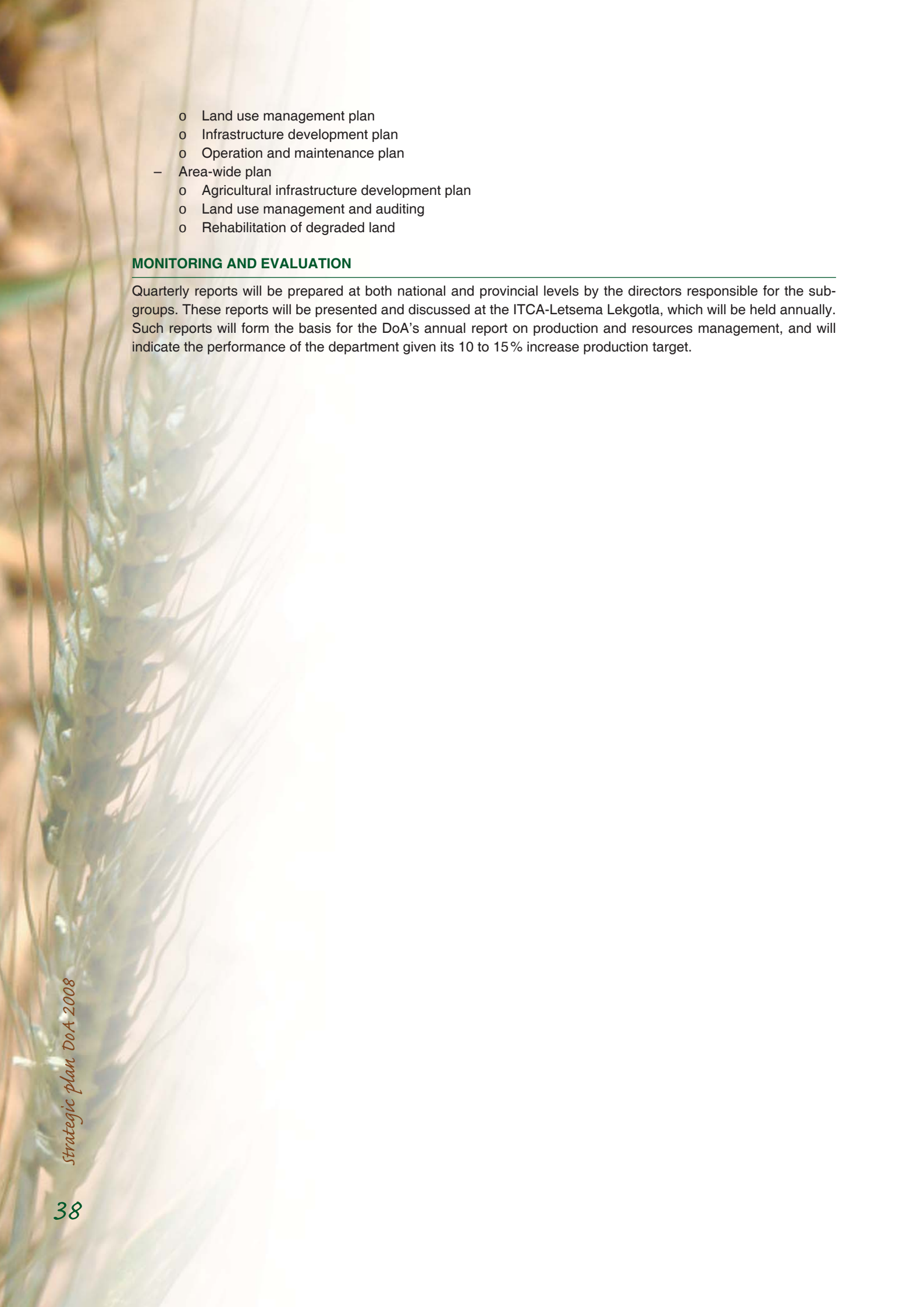
In order to realise a 10 to 15% increase in agricultural production, the implementation of government interventions will be through the national priority programmes, namely grains, fruit, vegetables, and industrial/biofuel crops.

The programmes will be implemented through:

- PDAs. Provinces will play a major role because of their close proximity to the farmers. Provincial directors responsible for plant production in each province will take the lead in their respective provinces.
- SOEs such as the ARC, NAMC, Council for Scientific and Industrial Research (CSIR), WRC, etc. are already implementing certain elements of some of the programmes. What is needed is the expansion thereof.
- Partnerships with grower associations and other industry bodies will be formalised through the signing of Memoranda of Understanding (MoUs). This will include key industry bodies such as Grain SA, the Deciduous Fruit Trust, Citrus Growers' Association, Sub-trop, Cotton SA, SA Veg, Organic SA, SA Essential Oil Producer Association, and several input suppliers (fertiliser and seed industries).
- Partnerships with other national government departments such as the Department of Trade and Industry (dti), DST, DWAF, Department of Provincial and Local Government (DPLG), etc. and universities will be enhanced.

Area-wide planning and technical services

- Provide area-wide plans, technical, advisory and regulatory services on all focus areas that will adequately support the agricultural production programmes of the department.
- Develop public-private partnership on production projects to ensure that adequate support services will be rendered.
- Outputs:
 - Production system
 - o Best production practices
 - Farm plan
 - o Identified environmentally sensitive areas
 - o Rehabilitation plan for eroded areas

- 
- o Land use management plan
 - o Infrastructure development plan
 - o Operation and maintenance plan
 - Area-wide plan
 - o Agricultural infrastructure development plan
 - o Land use management and auditing
 - o Rehabilitation of degraded land

MONITORING AND EVALUATION

Quarterly reports will be prepared at both national and provincial levels by the directors responsible for the sub-groups. These reports will be presented and discussed at the ITCA-Letsema Lekgotla, which will be held annually. Such reports will form the basis for the DoA's annual report on production and resources management, and will indicate the performance of the department given its 10 to 15% increase production target.

PROGRAMME 5

Sector Services and Partnerships



Ms Vangile Titi
DEPUTY DIRECTOR-GENERAL

RESPONSIBILITY

Deputy Director-General: Sector Services and Partnerships

PURPOSE

Manage and co-ordinate intergovernmental stakeholders and international relations, agricultural education and training, extension and advisory services as well as research and technology development.

The programme has two subprogrammes:

Sector Services: Directs and supports agricultural education, training, extension, research and advisory services in support of targeted groups. It also manages the transfer of funds to the ARC.

International, Intergovernmental and Stakeholder Relations: Provides leadership and co-ordination in all facets of international relations within agriculture and creates an enabling environment for constructive relations among all stakeholders.

KEY RESULT AREAS

Measurable objective: Maximising growth in the sector by providing support services to emerging and established farmers including women, youth and the disabled through targeted skills development, extension and technology development programmes.

Subprogramme	Output	Measure/indicator	Target
Sector Services	Training, research and extension support programmes	Number of black entrepreneurs receiving targeted training, research and extension support	3 000 black entrepreneurs receiving targeted training, research and extension support by March 2009
	Norms and standards for agricultural training institutions	Adoption of the norms and standards by sector partners	By June 2008
	National Research Agenda	An approved agenda	By March 2009
International, Intergovernmental and Stakeholder Relations	Structured partnerships with local and international stakeholders in support of black entrepreneurs	Number of structured partnerships approved and implemented	By March 2009
	Strategy on engagement with national and international public and private sector stakeholders	Approved strategy document	By June 2008

PLANNED EXPENDITURE

	2008/09 R'000	2009/10 R'000	2010/11 R'000
<i>Per subprogramme</i>			
Management	2 322	2 426	2 572
Sector Services	188 264	241 837	348 388
International, Intergovernmental and Stakeholder Relations	55 730	59 793	60 294
Agricultural Research Council	514 556	522 908	554 282
	760 872	826 964	965 536
<i>Economic classification</i>			
Compensation of employees	58 771	64 229	69 574
Goods and services	50 982	52 761	52 397
Transfers and subsidies	650 237	709 057	842 599
Payments for capital assets	882	917	966
	760 872	826 964	965 536

SUBPROGRAMME

Sector Services

PROBLEM STATEMENT

Recent studies about the state of extension, research, education and training have proven that these services are not responsive to the needs of the sector. There is an urgent need to transform and reorientate extension, research and training to make a meaningful contribution towards the realisation of the presidential priorities and the sector plan.

IMPLEMENTATION STRATEGY

An extension and advisory services recovery plan will be rolled out in all the provinces through the utilisation of partnerships, within and outside the public service. The emphasis is on bringing extension in line with the expectations of clients. This will be done through the development of a client evaluation system. There will be targeted training programmes focusing on the extension personnel and the beneficiaries of agrarian reform. These programmes will include:

- accredited generic training programmes in the areas of project management, customer care, information and communication technology, problem solving and leadership,
- general formal qualifications upgrading through part-time and full-time studies,
- targeted training programmes focusing on production, processing, business management, negotiation and leadership skills. These will be supported by the introduction of mobile training units for onsite skills development interventions for emerging livestock producers.

As a mechanism to strengthen the capacity of extension and that of the beneficiaries of agrarian reform, a set of norms and standards for agricultural training institutions will be formulated. These will be utilised for three purposes, namely, the provision of professional training programmes, advisory services as well as adaptive research.

In an effort to support the capacity of the sector, a sector-focused Young Professional Development Programme will be introduced to replace the traditional experiential and internship programme. The Young Professional Development Programme will be structured to respond to the human resource needs of the sector broadly. In addition to the Young Professional Development Programme there will be an acceleration of commodity-based mentorship in support of BEE in the sector.

Stakeholder engagement

The Subprogramme will continue to rely on the National Agricultural Education and Training (NAET), the National Agricultural Research Forum (NARF) and different industrial research committees as structures to engage partners in all matters pertaining to training and research. A formal structure to guide and co-ordinate the work of extension

will be explored during the course of the year. In the areas of multilateral engagements, the subprogramme will facilitate and co-ordinate the formation/establishment of effective partnerships between the National Agricultural Research System (NARS) with the Consultative Group on International Agricultural Research (CGIAR), Forum for Agricultural Research in Africa (FARA) and SADC region.

Knowledge and Information Management

Numerous software programmes such as PSnext will be utilised as management tools for various research and development projects commissioned to the ARC and those undertaken by provinces and other sector partners. There are databases containing information on beneficiaries of education and training and extension managed by qualified information and technology officials. A data bank of mentors is being created to support numerous capacity-building initiatives such as the Master Mentorship Programme, the Young Professional Development Programme and the Extension Service Middle Management Development Programme.

Human Resources

The implementation of targeted programmes supporting the roll-out of the R&D Strategy as well as the extension recovery plan will require additional capacity and possible new skills on project management and prudent financial management skills. Efforts will be made during the period to expose staff for training in areas that will equip them with new skills required for the effective implementation of programmes and enhancement of service delivery.

The Young Professional Development Programme will be utilised as a mechanism to develop additional capacity needed as well as to fulfil the imperatives defined under the Employment Equity Act.

Risk Management

The co-ordination of targeted farmer development projects, Master Mentorship Programme, bursary schemes, Young Professional Development Programme and R&D projects poses the risk of possible nondelivery of services for a number of reasons. In order to minimise risks all commissioned projects have either teams assigned to them or management central support structures to monitor and review the implementation.

SUBPROGRAMME

International, Intergovernmental and Stakeholder Relations

PROBLEM STATEMENT

In the implementation of the APoA, the DoA interacts with various agricultural sector stakeholders on national, regional and international levels. Other than the structured interactions through the CEO forum and the Presidential Working Group on Commercial Agriculture, there is no coherent strategy, which provides a framework for continuous engagements with the sector. Furthermore, there are no systems in place to co-ordinate and monitor engagements with partners. A need to develop a strategy and put systems in place to engage and monitor engagements with the sector stakeholders has been identified.

IMPLEMENTATION STRATEGY

In an effort to strengthen international relations, a special focus will be on the implementation of agreements, through continuous engagements with bilateral and multilateral partners. The implementation strategy will focus on putting systems in place to advance the efforts of South Africa to consolidate the African agenda of the AADP, strengthen South-South cooperation (India, Brazil and South Africa co-operation [IBSA]), North-South relations and contribute towards the UN reform process. The strategy is informed by foreign policy objectives, the International Relations Peace and Security (IRPS) Cluster priorities as well as presidential priorities.

In addition to the signing of agreements with different partners, the subprogramme will focus on implementation and monitoring of agreements, which will take centre stage. Various funding options will be explored to assist with the implementation of the agreements. The success of this process will depend on collaboration and partnership with the relevant stakeholders. In this context there is the risk of the ability of partners to implement the agreements

because of capacity problems. It is therefore critical that partnerships with SADC and IBSA be prioritised. Furthermore as recommended by the IRPS Cluster, post-conflict reconstruction efforts will take precedence.

The major achievements for 2008/09 will be the development of the international relations operating manual and other relevant systems, which will be completed during the first quarter. A review report on technical co-operation programmes of the FAO of the UN will be completed during the third quarter.

With regard to intergovernmental relations, the subprogramme will continue to strengthen relations with other government departments through effective participation in the government cluster processes as well as regular reporting on progress made by the DoA in the implementation of the Government Programme of Action.

Furthermore, the work that the DoA does with the PDAs will play a central role in the co-ordination of activities relating to the implementation of the presidential priorities. Consequently, a greater effort will be made to engage with local government structures. In order to achieve this objective, it will be important to develop the strategy on stakeholder engagement during the first quarter of 2008. Regular participation in meetings to promote agricultural interests will be very critical to improve service delivery. The subprogramme will also finalise Memoranda of Understanding (MoUs) with various industry players. This will assist the department in participating in structured partnerships with industry for the implementation of the presidential priorities. It is anticipated that the MoU will be finalised during the last quarter of 2008. Extensive consultation is required and this may delay successful implementation of the process. This subprogramme is mandated to create a partnership with the relevant stakeholders in order to promote the interest of the agricultural sector.

The subprogramme will continue to co-ordinate participation of the agricultural sector in the forthcoming 10th Anniversary celebrations between the Republic of South Africa and the People's Republic of China, scheduled for April and October 2008.

Knowledge and Information Management

The subprogramme will continue to utilise the existing interdepartmental structures such as ITCA, ITCAL, respective standing committees of ITCAL, and other intergovernmental technical committees such as 4 x 4 to share information with the PDAs. With respect to participation in the government clusters, the subprogramme will continue to coordinate DoA activities relating to the cluster work, as well as regular reporting on the progress on the implementation of the Government Programme of Action.

With regard to stakeholder relations, the subprogramme will continue its efforts of facilitating the DoA's engagements with industry stakeholders through the existing structures, namely the CEO's Forum and the Commercial Agriculture Working Group. Other activities will focus on the facilitation of the signing of agreements with key industry players to assist the DoA in the implementation of the presidential priorities. In addition to these activities, the subprogramme will continue to facilitate engagements between the Ministry for Agriculture and Land Affairs and organised agriculture. Greater emphasis will be put on the emerging farmers, women and youth.

Human Resources

The process of filling the vacant posts in the subprogramme is in progress. However, to meet the obligations of the subprogramme, a need for additional personnel has been identified, particularly in the international relations portfolio. A proposal to address capacity problems will be tabled for consideration through the departmental structures.

The background of the slide features a soft-focus photograph of a river. On the left, there are tall, green reeds or grasses. The water in the center of the river is calm, reflecting the sky. A faint, multi-colored rainbow is visible in the distance, spanning across the horizon. The overall lighting is bright and airy, with a pale blue and green color palette.

5 Annual performance plan

PROGRAMME 1

Administration

The annual performance plan contains a summary of high-level outputs per quarter, extracted from operational plans at programme level, and presented in relation to each of the departmental strategic objectives. During the 2008/09 period, we will focus on accelerating service delivery in all eight departmental priority areas, i.e. AADP, AgriBEE, CASP, IFSNP, KIMS, NRM, NRS and R&D. The annual performance plan will be rolled out to achieve these objectives with the focus on also attaining the presidential priorities identified for the department up to 2009.

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 1							
Ensure availability and access to sufficient safe and nutritious food	To promote production and processing and consumption of nutritious food			Support the Agricultural Grain Strategy	ICT	Management reports	Q4
	To provide leadership in the implementation of the IFSNP			Develop the Food Security System	ICT	Number of organisations using the system	Q4
SO 2							
Eliminate skewed participation and inequity in the sector	To increase access to existing resources and opportunities within the agricultural sector for historically disadvantaged groups and individuals			Increase bandwidth for AGIS accessibility	ICT	Number of visitors or hits to the system	Q4
						Number of maps produced	
							Volume of data transferred
SO 3							
Increase growth, income and remunerative job opportunities in agriculture	To increase agricultural productivity and profitability in SA, the SADC and Africa			Support of the Wine on Line System	ICT	Availability of the system	Q4
						Decision making for international market	
	To increase market access for SA and African agricultural products, domestically and internally			Support the Import System of the Department of Agriculture (ISODA)	ICT	Increase in wine exports	Q4
						Installation of the Virtual satellite (VSAT) solution	

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 3 (cont.)						Phase 1: Development of the business process requirements and user requirements Number of hits on the website Number of SMSs sent	Q4
SO 4							
Enhance sustainable management and efficient use of natural agricultural resources and production inputs	To align policy and legislation with the principles (economic, social and environmental sustainability) of sustainable development			Electronic version of policy documents	ICT	Accessibility of policies on the intranet or internet	Q4
SO 5							
Ensure efficient and effective governance and partnerships	To implement quality standards in the department that will ensure effective organisational performance To effectively manage risks			ICT Governance Model Information Plan MSP ITIL Development of an enterprise risk management plan	ICT	Approved ICT policies Approved structure Increased budget ICT Risk Management Business Continuity Plan ICT Disaster Recovery Plan	Q4 Q4
SO 6							
Ensure knowledge and information management	To facilitate internal and external communication as well as information management			Implement electronic content management (ECM)	ICT	Number of users	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)	To provide a national framework for agricultural research, transfer of technology, and education and training in the sector			Implement an e-library on AGIS	ICT	Number of directorates that provided documents to be included in the e-library	Q4
						Increase in the number of e-library documents	Q4
						Document catalogue	
	To improve knowledge management in the department		Analysis of the existing document in relation to the latest demands, new roles for SP-facilitation standards, strategic interventions, stakeholder engagements and TORs	Review of strategic, operational planning and reporting guidelines	SP/ME	Approved strategic, operational planning and reporting guidelines by DEXCO	Q2
				Develop SDIP for 2008/09	SP	Approved SDIP by DEXCO	Q1
				Quarterly organisational performance report	ME	Presented and adopted reports by DMC	Q1–Q4
		List of successful projects, methodology for profiling, onsite visits, report, PR and publishing	Profiling of successful projects	ME	Database	Q4	

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)			Quarterly reports from treasury, narrative reports, organisational performance report, isolation of issues by line function directorates	PDAs' programme performance, planning support and reporting	SP/ME	Presented and adopted reports by DEXCO	Q1–Q4
			Task team, approval of the service catalogue, design, layout, printing and annual review	Knowledge and information management system for SP/ME	SP/ME	Functional system	Q2
			Design questionnaire, develop client database, SOP, data collection and analysis, report, verification and report compiled from service delivery monitoring and client satisfaction survey	Annual report on service delivery/Citizens report	ME	Presented and adopted reports by DMC and approved by DEXCO	Q4
SO 7							
Ensure national biosecurity and effective risk management	To establish and maintain an effective early warning and risk mitigation system in agriculture			Availability and operational AGIS	ICT	Number of hits and visits on the website Number of disaster recovery tests in year	Q1–Q4 Q4

PROGRAMME 2

Livelihoods, Economics and Business Development

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 1							
Ensure availability and access to sufficient, safe and nutritious food	To promote production, handling, processing and consumption of nutritious foods To promote and support household income generation and food production To provide leadership in the implementation of the IFSNP	Ilima/Letsema campaign: Increase agricultural production by 10–15 % for the target groups identified in priorities 1 and 2 Redistribute 5 million hectares of white-owned agricultural land to 10 000 new agricultural producers	Increase family and community production for household food and nutritional security Increase the land that is put to productive use Facilitate organisation of farmers and ensure increased access to financial services	Household Food Production Programme (HFPP)	FS	Number of food security beneficiaries accessing the HHPP	Q1–Q4
				Comprehensive report on IFSNP	FS	Status report	Q2, Q4
				FIVIMS status report	FS	FIVIMS status report	Q2, Q4
				Established functional IFSNTT in all provinces	FS	Status report on task teams established per province	Q4
				Number of co-operatives and commodity groups/SHGs established	ADF	Report on number of commodity groups active	Q1–Q4
				Number of SHGs or co-operatives involved in savings and internal lending	ADF	Report on number of co-operatives registered (CODAS)	Q1–Q4
				Number of emerging farmers accessing Mafisa services	ADF	Progress report on number of emerging farmers accessing Mafisa	Q1–Q4
					ADF	Report on number of emerging farmers who accessed Mafisa services	Q1–Q4
SO 2							
Eliminate skewed participation and inequity in the sector	To increase access to existing resources and opportunities within the agricultural sector for historically disadvantaged groups and individuals	Redistribute 5 million hectares of white-owned agricultural land to 10 000 new agricultural producers	Settle farm dwellers and new producers in agricultural holdings around rural towns	Report on the number of farmers settled and supported	LS	Status report on the number of farmers settled	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 2 (cont.)	To ensure increased BEE To ensure equitable access and sustained participation in the sector To improve social and working conditions in the sector		Settle new producers along major and secondary corridors of national and provincial commercial road and trade networks	Status report on agricultural state land disposed	LS	Land area (ha) disposed	Q4
			Provide land for livestock and arable farming purposes				
			Provide comprehensive agricultural support services to all registered producers				
		Increase black entrepreneurs in the agribusiness industry by 10 %	Facilitate access to financial services for existing and new land reform beneficiaries and ensure increased member-based micro-finance footprint	Number of member-based financial institutions at municipal level	ADF	Status report on number of member-based micro-finance institutions participating in Mafisa system	Q4
		Increase black entrepreneurs in the agribusiness industry by 10 %	Enhance existing and create altogether new secondary industries for livestock and agricultural products such as leather, dairy, juices, canned products, hemp, biofuels, essential oils, medicinal herbs, handicrafts	Provide agro-processing and marketing skills to targeted agribusiness entrepreneurs	Marketing	A minimum of five agribusiness entrepreneurs trained in agro-processing technology and marketing skills per annum	Q2
				An amended Marketing of Agricultural Product Standards Act in place to provide for marketing support	Marketing	New Marketing Act in place	Q4
				Formulate an agricultural marketing policy	Marketing	Agricultural Marketing Policy in place	Q4
				Produce an agricultural marketing strategy	Marketing	Agricultural Marketing Strategy in place	Q4
				Build business cases to support existing and new agribusinesses with agricultural marketing and processing facilities	Marketing	Present one business case for financial support to establish agricultural marketing and/or processing facilities per province per annum	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 2 (cont.)				Mobilise resources for investments in agricultural value-adding facilities and agricultural marketing infrastructure	Marketing	Present funding plans and options for each agribusiness case identified	Q4
				Implement the Agro-logistics Strategy	Marketing	Service provider to implement and manage the logistics model appointed	Q2
				Enhance existing and create new agro-logistic businesses	Marketing	The agro-logistics system piloted	Q4
					Marketing	Acceptance and support of the logistics system by the industry	Q4
			Provide comprehensive agricultural support services to all registered producers	Develop agricultural marketing commodity profiles for field crops, livestock and horticultural products	Marketing	Profiles developed and published	Q4
					Marketing	Profiles distributed to all provinces	Q2
				Transfer agricultural marketing and processing skills to targeted producers and agribusiness entrepreneurs	Marketing	Agricultural market outlook reports distributed to all provinces	Q1–Q4
					Marketing	One farmer's training session per province per annum	Q1–Q4
					Marketing	An accepted model/framework	Q1
				Build business cases to support existing and new agribusinesses with agricultural marketing and processing facilities	Marketing	Present one business case for financial support to establish agricultural marketing and/or processing facilities per province per annum	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 2 (cont.)		Increase black entrepreneurs in the agribusiness industry by 10 %	Promote multiple income generation activities	Mobilise resources for investments in agricultural value-adding facilities and agricultural marketing infrastructure	Marketing	Present funding plans and options for each agribusiness case identified	Q4
				Integrated empowerment framework to enhance participation by the targeted groups	BED	Status reports on number of partnership deals involving the target groups and beneficiaries	Q2–Q4
				AgriBEE—Bill to be promulgated and implemented	BED	Promulgation and implementation	Q4
				Information brochure outlining the scorecard, including the status and review of AgriBEE activities in the sector	BED	Annual report	Q4
				Host provincial and national AgriBEE awards competitions in line with the AgriBEE scorecard	BED	One per province and one nationally	Q4
				SMME Strategy	BED	Status reports on number of structures in place for SMME development	Q2–Q4
				Accepted commodity strategies facilitated	BED	Status reports on number of accepted strategies facilitated	Q4
				Agribusiness policy	BED	Approved policy document	Q4
SO 3							
SEDA, etc. Increase growth, income and remunerative job opportunities in agriculture	To increase agricultural productivity, competitiveness and profitability in SA, the SADC and Africa	Provide universal access to agricultural support services to the target groups identified in priorities 1 and 2	Mobilise farm dwellers into agribusiness organisations and co-operatives	Establishment of commodity group integration structures	BED	Status report on number of established commodity group structures in provinces	Q1–Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 3 (cont.)	To increase market access for SA and African agricultural products, domestically and internationally To increase remunerative opportunities in the agricultural value chain To increase the level of public and private investment for agricultural development		Create new centres of excellence out of existing colleges of agriculture	Accredited excellence model material and training of facilitators	BED	Status report on number of facilitators certified in the model	Q1–Q4
				Partnerships with educational institutions in provinces with support structures	BED	Status report on number of partnerships established and functional	Q1–Q4
				Report on implementation of excellence model	BED	Annual report	Q4
				Report on arrangements, partnerships and linkages	BED	Annual report	Q4
				MoU/agreements/SLAs with industry role players and other support institutions to promote business and entrepreneurial participation (cotton, CDI, SEDA, etc.)	BED	Status report on number of signed agreements	Q1–Q4
				Co-ordination and support on the implementation of CASP projects	LS	Report on CASP support and implemented projects	Q1–Q4
				An inventory of CASP-supported projects	LS	Status report on CASP-supported projects	Q2
				Document business cases and mobilise resources for establishing agricultural marketing co-operatives	BED	A report on the number and types of agricultural marketing institutions existing in SA	Q4
				Build business cases to support existing and new agribusinesses with agricultural marketing and processing facilities	BED	Present one business case for financial support to establish agricultural marketing and/or processing facilities per province per annum	Q4
				Enhance existing and create new co-operative financial and marketing services			
				Strengthen existing and establish new agricultural infrastructure such as feeder roads, dams, dipping tanks, marketing depots and information centres			

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
		Increase agricultural trade by 10–15 % for the target groups identified in priorities 1 and 2	Contract major agribusiness companies, co-operatives and farmers to provide special technical, financial, marketing and land development services to the targeted beneficiaries identified in priority 2 above	Partnership agreements with established agribusiness companies on market access initiatives (contractual agreements, price fixing, futures and hedging)	BED	Status report on identified farmers per commodity group to undergo the Marketing Mentoring Programme	Q1 – Q4
					BED	SLAs with different agribusinesses to implement the programme approved	Q3
			Mobilise new and existing black agricultural exporters into existing and new export bodies	Partnership agreements to link new exporters with established exporters	BED	Status report on identified farmers per commodity group to undergo the Export Marketing and Mentoring Programme	Q1
					BED	M & E report on progress	Q4
			Mobilise new and existing black agricultural exporters into existing and new export bodies	Trade awareness campaign	ITR	Reports on campaigns conducted	Q4
				Training: export potential assessment	ITR	Reports on assessments	Q1
			Register and contract major farmers and agribusiness companies to provide facilities and services to increase trade access to foreign markets	Completing procedures for full accession to the MAA and labelling agreements	ITR	South African procedures for accession to the WWTG agreements completed	Q1
			Invest in trade promotion of existing and new products for the targeted beneficiaries in existing and new foreign markets	Re-evaluation of SA's membership to the International Grains Council (IGC)	ITR	Recommendation to DEXCO on continued membership	Q4
			Increase the number and spread of agricultural trade personnel and activities in foreign missions of major agricultural foreign markets	Tariff simulation exercise on exports	ITR	Simulation report	Q4
				Africa Trade Promotion Workshop	ITR	Report on Africa Trade Promotion Workshop	Q4
				DoA position on the SADC's move to a customs union	ITR	Departmental position submitted to the dti	Q3

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 3 (cont.)			Increase agricultural imports from African countries to boost the development of the agribusiness industry Facilitate organisation of farmers and ensure increased access to financial services	Trade strategies for Asian countries: China and India Country Strategy Paper—Iran 7 000 emerging farmers accessing Mafisa services	ITR ITR ADF	Trade strategies Strategy document Number of farmers who accessed Mafisa services	Q4 Q4 Q1–Q4
SO 4							
Enhance sustainable management and efficient use of natural agricultural resources and production inputs	To ensure the management of agricultural indigenous genetic resources, land and water To promote effective production systems, including the use of energy, labour and mechanisation To promote the efficient use of production factors			The development of an irrigation atlas for two selected catchment areas A water resource audit for two selected catchment areas	PRE PRE	Irrigation atlas Audit report	Q4 Q3
SO 6							
Ensure knowledge and information management	To provide leadership and manage effective communication and information management To provide leadership and support to agricultural research, training and extension in the sector To improve knowledge management in the department To ensure consumer confidence in agricultural products and services	Provide universal access to agricultural support services to the target groups identified	Extension and information	Quarterly economic analysis and forecast report Monthly analytic report of key macroeconomic variables	PRE PRE	Quarterly report Quarterly report	Q1–Q4 Q1–Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)		Provide universal access to agricultural support services to the target groups identified in priorities 1 and 2	Extension and information	Impact of macro-economic fundamentals on the competitiveness and profitability of the agricultural sector	PRE	Study report	Q4
				The impact of technology on the sector	PRE	Study report	Q3
				Provide agricultural marketing information to farmers (profiles, MIS)	Marketing	Agricultural marketing commodity outlook reports published	Q1–Q4
					Marketing	Cellphone connectivity activated on the system	Q1
				Farmer register pilot report (subject to availability of funds)	AS	Annual report	Q4
				Monthly crop estimate statistics	AS	Quarterly reports	Q1–Q4
				Monthly food security bulletin	AS	Quarterly reports	Q1–Q4
				Crops and markets	AS	Quarterly reports	Q1–Q4
				Livestock statistics	AS	Quarterly reports	Q1–Q4
				Trends in the agricultural sector	AS	Status report	Q3
				Agricultural economic review	AS	Status report	Q2, Q4
				Fresh produce statistics	AS	Status report	Q3
				Abstract of agricultural statistics	AS	Annual report	Q4
				Commercial agricultural census 2007 (preliminary results)	AS	Annual report	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)		Increase black entrepreneurs in the agribusiness industry by 10 %	Extension and information	National co-ordination and standardisation of methodologies and tools to evaluate agricultural economic performance	PRE	Number of PDAs adopting standardised methodologies and agricultural economic tools for farm planning and advice	Q4
				Report on available production economic data for various farming types in different production areas	PRE	Report pertaining to the available on-farm production economic data	Q2
		Ilima/Letsema campaign: Increase agricultural production by 10–15 % for the target groups identified in priorities 1 and 2	Improve livestock output and quality for target groups	Study in selected production areas on the economic performance of on-farm production systems	PRE	Report on on-farm production economic performance of the production system in selected areas	Q3
				Impact analysis of the external environment on farm level for targeted areas	PRE	Report on the impact of the external environment on targeted production systems	Q3

PROGRAMME 3

Biosecurity and Disaster Management

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 1							
Ensure availability and access to sufficient safe and nutritious food	To promote production, handling, processing and consumption of nutritious foods	Increase agricultural production by 10–15 % for the target group	Conduct food safety awareness programmes	Fertiliser Policy	FSQA	An improved pesticides, fertilisers, animal feed and stock remedies regulatory framework	Q4
	To promote and support household income generation and food production			Approved Stock Remedies Policy			
	To provide leadership in the implementation of the IFSNP			Country profile on food safety matters which guide a need for an integrated Bill	FSQA	Consolidated country profile on food safety	Q4
SO 2							
Eliminate skewed participation and inequity in the sector	To increase access to existing resources and opportunities within the agricultural sector for historically disadvantaged groups and individuals	Provide universal access to agricultural support services to the target group	Compile manuals on the use of pesticides, farm feeds and stock remedies	Manuals for food safety on the use of pesticides, farm feeds and stock remedies	FSQA	The number of manuals compiled per annum	Q2
	To ensure increased BEE		Compile a primary animal health programme	Primary Animal Health Programme	VS	Approved primary Animal Health Programme	Q2
	To ensure equitable access and sustained participation in the sector		Develop a programme on reaching out to all provinces and communities regarding basic plant health services	Programme on dissemination of plant health services to all South Africans	PH	Approved programme for basic provision of plant health services to all	Q2
SO 5							
Ensure efficient and effective governance and partnerships	To implement Batho Pele principles	Provide universal access to services	Formulate and update regulations according to new scientific information	Updated policies, strategies, regulations, Acts	All	The number of policies, strategies, regulations, Acts updated or formulated	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 5 (cont.)	To effectively manage risks To provide leadership and co-operative governance in the agricultural sector To implement quality standards in the department to ensure effective organisational performance and co-operative government To promote and protect South African agricultural interests internationally To align policy and legislation with the principles of sustainable development		Develop plans of involving the private sector in all SPS matters Sustain available markets and negotiate new protocols Participate fully in international standard-setting bodies and SPS committee of the WTO	Pesticide Management Regulatory Bill Fertiliser Policy Animal Feed Bill Approved Stock Remedies Policy Veterinary and Para-veterinary Act Agricultural Pests Act New Act No.36 Reports, minutes, workshops which reflect engagement with the private sector Facilitated export and imports of animals and plants and their products Monitored SPS notifications to the WTO Notifications of all new regulations, which impact on trade with the WTO Ensure adequate planning and interaction with industry on international standard-setting bodies and UN institutions	All All PH/VS/FSQA All	Approved: Pesticide Management Regulatory Bill Fertiliser Policy Animal Feed Bill Approved Stock Remedies Policy Veterinary and Para-veterinary Act Agricultural Pests Act New Act 36 The number of reports, minutes, workshops which reflects engagement with the private sector with real partnerships created Number of new imports and exports negotiated Number of certificates issued per annum Number of comments submitted to the WTO per annum Number of notifications at the WTO Reports on interaction with relevant industries Number of standard-setting meetings and UN institution meetings attended by scientists	Q4 Q4 Q1-Q4 Q1-Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 5 (cont.)			Compile responses to continuous audit reports	Established reliable systems for correcting deficiencies identified in all audit reports	All	Inspection and progress reports on compliance with the essential national standards	Q3
			Register all regulated agricultural inputs and GMOs	Reliable system that registers agricultural inputs and GMOs	FSQA/BS	The number of new products registered under Act No. 36 per annum The number of GMOs registered per annum Reduced turnover time of registering agricultural inputs and GMOs	Q3
			Conduct audits on delivery of veterinary services in the province	Audit reports	VS	The number audit reports compiled per annum	Q4
			Conduct inspection visits at all ports of entry	Audit reports	APIS	The number of inspection reports conducted per annum Audit reports which show compliance	Q4
			Establish functional and effective interdepartmental committees	Committees established	All	Minutes and quality of decisions or taken jointly or agreements made with various departments	Q4
SO 6							
Ensure knowledge and information management	To provide leadership and manage effective communication and information management	Provide universal access to agricultural support services to the target groups	Conduct workshops and participate in information sessions for the target groups	Workshops, strategies, awareness campaigns, farmers' days, InfoPaks, guides compiled for information sharing	All	Status report on workshops, farmers' days, etc., conducted	Q2, Q4
	To provide leadership and support to agricultural research, training and extension in the sector						

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)	To improve knowledge management in the department		Commission and analyse research which addresses the needs of the target groups	Analysed research reports	All	Reports on research solutions	Q2, Q4
	To ensure consumer confidence in agricultural products and services		Attend scientific forums which debate science and outcome of research proposals	Analysed published research reports	All	The number of research outputs published and analysed by scientists nationally and internationally	Q1–Q4
			Develop a plan for retaining scientists in the department	Strategy for the retention of scientists in Government	All	Approval of the implementation plan of the strategy	Q4
SO 7							
Ensure national biosecurity and effective risk management	To establish and maintain effective early warning and mitigation systems in agriculture	Increase black entrepreneurs in the agribusiness industry by 10 %	Guidelines, awareness AgriBEE compliance initiated within the Biosecurity Programme	Guidelines, campaigns established and maintained to promote participation of new entrants	All	The number of campaigns, guides and partnerships established for new entrants into the sector	Q1–Q4
	To manage the levels of risks associated with food, diseases, pests, natural disasters and trade		Establish effective market access working groups, which include all sectors of the first and second economies	Working group reports	PH/VS/FSQA	Effective working groups, reports and partnership forums established	Q1–Q4
		Increase agricultural production by 10–15 %	Compile programmes, manuals or guidelines which support the Ilima/Letsema campaign	Programmes, manuals or guidelines for the support of the Ilima/Letsema campaign	All	The number of programmes, manuals or guidelines, etc., compiled per annum for the support of the Ilima/Letsema campaign	Q4
				Primary animal health programme	VS	Approved Primary Animal Health Programme	Q4
					Plan or strategy improving access to basic plant health services	PH	Approved plan for improving access to plant health services

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 7 (cont.)				Identification, support and traceability systems established	VS jointly with AAP, in partnership with industry	The number of reliable traceability systems established jointly with industry per annum	Q4
				Bilateral and multilateral technical exchange networks	All	Report on the number of risk assessments conducted	Q2, Q4
				Compile a plan of action for laboratory services	VS/ PH/ FSQA	Approved plan for strengthening laboratory support and improving skills to support trade and the Ilima/Letsema campaign	Q2
				Conduct early response, rapid response intervention programmes	DM/ VS/ PH	Report on the lead time response to postdisaster relief programmes and outbreaks	Q1
				Monitor notifications at the WTO SPS Committee	VS/ PH	The number of notifications made by SA to the WTO SPS Committee and the number of regulatory interventions submitted to the WTO	Q2, Q4
				Report on regulatory interventions implemented for compliance monitoring nationally	All	The number of regulatory interventions implemented for compliance monitoring nationally per annum	Q4
				Compile and negotiate new protocols or health certificates and sustain those established	PH/ VS	The number of health certificates, protocols sustained and negotiated per annum	Q4
				Compile manuals awareness, strategies, guidelines, SOPs for import and export of agricultural products	All	The number of new exporters and importers of agricultural products per annum	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 7 (cont.)				SOP for the one-stop border post with Mozambique	APIS	Harmonised operations with Mozambique	Q4
				Bilateral Inspection Protocols within the SACU region	APIS	Harmonised inspection operations	Q4
				Analysis report of samples of products of plant origin to determine the levels of pesticide residue and mycotoxins	FSQA	Level of compliance with requirements	Q4
				Microbiological reports, analysis reports of agricultural products and processed products	FSQA/ VS/ PH	Level of compliance with requirements	Q4
				Consolidated report on regulations, norms, standards and requirements for agricultural products and inputs thereof	FSQA/ VS/ PH	Increased alignment with national and international standards and requirements	Q1

PROGRAMME 4

Production and Resources Management

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 1							
Ensure availability and access to sufficient safe and nutritious food	To promote production, handling, processing and consumption of nutritious foods	Ilima/Letsema campaign: Increase agriculture production by 10–15 % for the target groups identified in priorities 1 and 2	Increase family and community production for household food and nutritional security	Household food production model	PP	Functional model	Q4
	To promote and support household income generation and food production		Invest in the improvement of the quality of the live-stock communal areas such as the Nguni cattle, goats and chickens for Africa	Indigenous farm GR inventory	GR	Status of FAnGR on national level	Q4
	To provide leadership in the implementation of the IFSNP		Establish contract farming for high-value and feed-stock products for biofuels, wine, essential oils, hemp, medicines, leather, juices, canning, dairy, etc.	Community gene banks (plants)	GR	Status of the pure indigenous FAnGR in communal areas	Q3
				Capacity Building Programme for the SADC (plant rights)	GR	Available propagation material	Q2
				Country report (on PGRFA)	GR	Increased access to plant varieties	Q1
SO 3							
Increase growth, income and remunerative job opportunities in agriculture	To increase agricultural productivity, competitiveness and profitability in SA, the SADC and Africa	Ilima/Letsema campaign: Increase agricultural production by 10–15 % for the target groups identified in priorities 1 and 2	Increase family and community production for household food and nutritional security	Animal Breeding Support Programme	AAP	Report on the number of breeding materials distributed	Q2
	To increase market access for SA and African agricultural products, domestically and internationally		Invest in the improvement of the quality of the live-stock communal areas such as the Nguni cattle, goats and chickens for Africa	Tilapia-catfish cage-culture project	AAP	Status report	Q3
	To increase remunerative opportunities in the agricultural value chain		Establish contract farming for high-value and feed-stock products for biofuels, wine, essential oils, hemp, medicines, leather, juices, canning, dairy, etc.	Goat Productivity Improvement Programme	AAP	Implemented programme	Q4
				Poultry Development Programme	AAP	Signed MoU with SAPA	Q1
				Review of plant production research projects	PP	Published report	Q4
	To increase the level of public and private investment for agricultural development			Report on organic farming	PP	Published report	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 3 (cont.)				Community seed production schemes Capacity Building Programme on seed testing for the SADC countries	PP PP	Published report Published report	Q2 Q3
SO 4							
Enhance sustainable management and efficient use of natural agricultural resources and production inputs	To ensure the management of agricultural indigenous genetic resources and land To promote effective production systems, including the use of energy, labour and mechanisation To promote efficient use of production factors	Ilima/Letsema campaign: Increase agriculture production by 10–15 % for the target groups identified in priorities 1 and 2	Invest in the improvement of the quality of the livestock communal areas such as the Nguni cattle, goats and chickens for Africa Rehabilitate and expand the existing irrigation schemes Establish new irrigation schemes	Status report on eco-technology CARA incentive scheme Land use planning and zoning database Soil Protection Programme Database on irrigation Guidelines on feasibility studies for irrigation development Analytical report on small-scale irrigation systems Report on water quality research Development of a geo-database on key soil conservation works Development of a geo-database on agricultural energy use Development of a geo-database on agricultural mechanisation for SA Development of a geo-database on animal traction for SA	LUSM LUSM LUSM LUSM WUID WUID WUID WUID AES AES AES AES	Status report Scheme Database Programme developed Status report Approved guidelines Approved report Approved report Key soil conservation work geo-database Agricultural energy use geo-database Agricultural mechanisation geo-database developed Animal traction geo-database developed	Q2 Q1 Q3 Q4 Q4 Q4 Q4 Q4 Q1 Q2 Q3 Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6							
Ensure knowledge and information management	To provide leadership and manage effective communication and information management To provide leadership and support to agricultural research, training and extension in the sector To improve knowledge management in the department To ensure consumer confidence in agricultural products and services	Provide universal access to agricultural support services to the target groups identified in priorities 1 and 2	Invest in research and technology improvement for existing and new plant and livestock varieties appropriate for the targeted beneficiaries	Report on plant production research projects	PP	Annual report	Q4

PROGRAMME 5

Sector Services and Partnerships

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 1							
Ensure availability and access to sufficient safe and nutritious food	To promote production, handling, processing and consumption of nutritious foods	Increase agriculture production by 10–15 % for the target groups identified	Facilitate and co-ordinate the implementation of bankable investment project profiles under the NMTIP	Status report on SA's 10 % contribution to agriculture	IR	Status report approved	Q4
	To promote and support household income generation and food production		Facilitate the generation of the status of food security report	Two reports	IR	Reports	Q2, Q4
			Undertake a review study of FAO TCPs that were implemented	Report on the review study	IR	TCP review reports	Q3
SO 2							
Eliminate skewed participation and inequity in the sector	To increase access to existing resources and opportunities within the agricultural sector for historically disadvantaged groups and individuals	Increase black entrepreneurs in the agribusiness industry by 10 %	Facilitate technical assistance programmes for the benefit of black entrepreneurs in the sector	Structured partnerships in support of black entrepreneurs in targeted agribusinesses	ISR	Number of structured partnerships approved and implemented	Q1
	To ensure increased BEE			Analytical report on the benefits of commodity-based mentorship programmes	ETES	Approved report	Q1, Q3
	To ensure equitable access and sustained participation in the sector			Analytical report on the benefits of the Professional Development Programme	ETES	Approved report	Q4
SO 3							
Increase growth, income and remunerative job opportunities in agriculture	To increase market access for SA and African agricultural products, domestically and internationally	Increase agricultural trade by 10–15 % for the target groups identified in priorities 1 and 2	Facilitate and co-ordinate DoA's participation in IBSA Dialogue Forum for the benefits of the sector	Progress report on the status of implementation of IBSA	IR	Report on the status of implementation of IBSA commitments	Q1

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 3 (cont.)			Facilitate, co-ordinate and monitor implementation of agreements	Progress report on the status of implementation of agreements	IR	Status reports on the implementation of agreements	Q1–Q4
SO 5							
Ensure efficient and effective governance and partnerships	To implement Batho Pele principles To manage risks effectively To provide leadership and co-operative governance in the agricultural sector To implement quality standards in the department to ensure effective organisational performance and co-operative governance To promote and protect South African agricultural interests internationally To align policy and legislation with the principles of sustainable development	Cross-cutting across all priorities	Create an enabling environment for constructive relations among all the stakeholders	Strategy on engagement with national public and private sector stakeholders	ISR	Strategy document	Q1
				Promote relations with organised agriculture (particularly emerging farmers)	ISR	Number of meetings and reports	Q1–Q4
			Facilitate representation of DoA in bilateral and multi-lateral engagements	Data system for generating reports on international engagements	IR	Information on multi-lateral and bilateral engagements	Q1
			Facilitate market access through bilateral and multi-lateral agreements	Agreement template	IR	Agreement template and database approved and posted on the intranet	Q1
			Co-ordinate the Interdepartmental Liaison Committee Meetings of the FAO	Reports on the FAO and Rome-based organisations' meetings	IR	Number of IDLC meetings	Q1, Q3
			Facilitate partnerships with intergovernmental structures in areas of mutual interests	Reports on meetings with PDAs and cluster meetings	ISR	Number of meetings and reports submitted	Q1, Q3
			Facilitate partnerships with Local Government structures	Database of intergovernmental partners	ISR	Database posted on intranet	Q1, Q3
				Strategy document on engagement with local government	ISR	Strategy document approved	Q3
			Create an enabling environment for constructive service delivery in the sector in the areas of training and research	Norms and standards for agricultural training institutes	ETES	Adoption of norms and standards by June 2008	Q1

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 5 (cont.)				Governance framework of the ARC	RTD	Approved framework document	Q1
				Implementation protocol for human capital development to support innovation, S&T in agriculture	RTD	DoA and DST (ASTIACO) approved document	Q1
				Guidelines (centres of excellence, competitive funding, ATHRP and transfer of technology) for the Agricultural Research Fund	RTD	Approved guideline documents on centres of excellence, competitive funding, ATHRP and transfer of technology	Q2
SO 6							
Ensure knowledge and information management	To provide leadership and manage effective communication and information management To provide leadership and support to agricultural research, training and extension in the sector To improve knowledge management in the department To ensure consumer confidence in agricultural products and services	Provide universal access to agricultural support services to the target groups of the targeted groups identified in priorities 1 and 2	Direct and support research, training and extension in support of the targeted groups	Training, research and extension support programmes	ETES GADI	Number of black entrepreneurs receiving targeted training, research and extension support	Q4 (3 000 by 2009)
				Status report on targeted training programmes for extension	ETES	Approved report	Q1, Q3
				Annual report on international study programmes	ETES	Approved report	Q4
				Annual report on the state of compliance to norms and standards for extension	ETES	Approved report	Q4
				Audit report on the compliance of agricultural training institutions to norms and standards	ETES	Audit report available and approved	Q4
				Annual report on agricultural graduate enrolment and outputs from higher education institutions	ETES	Approved report	Q4
				Annual report on capacity building of CASP beneficiaries	ETES	Approved report	Q4

Strategic objective	Objective against SO	Presidential priority	Activity against presidential priority	Output	Responsibility	Output indicator	Target
SO 6 (cont.)				National research agenda	RTD	Prioritised list of national agricultural R&D programmes	Q1
				Annual report on publicly funded agricultural research	RTD	Annual report noted	Q4
				Annual report on NMTIP for CAADP/NEPAD fall off	RTD	Annual report noted	Q4
				Annual report on multilateral research programmes	RTD	Annual report noted	Q4
				Investigation report on the status of provincial research centres	RTD	Status report noted	Q1
				GADI research report	GADI	Report noted	Q2
				GADI training and capacity building report	GADI	Report noted	Q2
				Grootfontein agricultural journal	GADI	Journal distributed to subscribers	Q4
				Multilateral database	IR	Database posted on the intranet	Q2, Q4
				Database on all agreements	IR	Database posted on the intranet	Q1–Q4
				Report on international trends	IR	Reports on international trends submitted	Q2, Q4
				Create awareness of international opportunities to partners			

Notes

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