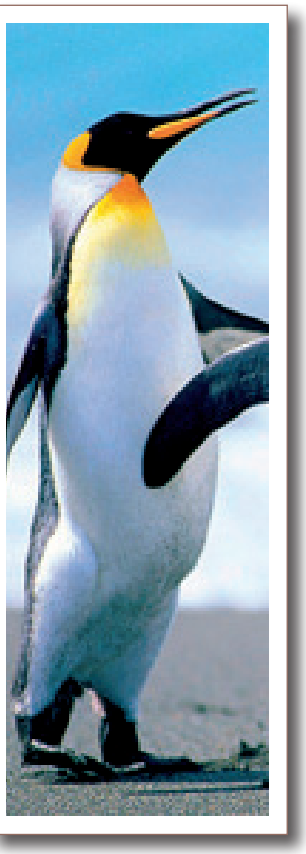
Annual report 2009/10



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Annual report 2009/10

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

2010

Published by
Department of Agriculture, Forestry and Fisheries

Design and layout by
Directorate Agricultural Information Services

Obtainable from
Resource Centre
Directorate Agricultural Information Services
Private Bag X144
Pretoria
0001

Printed in the Republic of South Africa by
Seriti Printing (Pty) Ltd
Koedoespoort, Pretoria

ISBN 978-0-621-39646-1

RP218/2010

Foreword by the Minister

Tina Joemat-Pettersson (MP)

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

The focus of the department during 2009/10 was on advancing agrarian reform, providing social and economic rural infrastructure, supporting food production and promoting the rights and economic position of farm workers and farm dwellers in rural areas in support of government's decision to embark on the integrated programme of rural development.

During his State of the Nation Address on 11 February 2010, President Jacob Zuma emphasised government's commitment to rural development with the aim of improving productivity and the lives of people living in rural areas. As part of the implementation of rural development and food security plans, the department started engaging its sector partners to improve its strategies for effective agrarian and land reform programmes to support food, fibre and timber producers.

As part of this focus, the new administration announced the amalgamation of national agriculture, forestry and fisheries functions into a new department. Within the Department of Agriculture, Forestry and Fisheries (DAFF) we have now completed the organisational structure incorporating the forestry and fisheries functions, following a series of consultations with all stakeholders. As an interim arrangement, some Senior Management (SMS) members were reassigned to other positions and this will be followed by a skills and competency matching process. This, we believe, will enhance organisational efficiency in the DAFF.

FOOD SECURITY

A major challenge during 2009 was the need to ensure the adequate supply of, and access to safe, nutritious and high-quality food at affordable prices. Although food prices remained high they moderated slightly in the second half of 2009. The overall cost of production inputs showed signs of a moderate decline during the third quarter of 2009, after months of increases. Even in the face of the global economic recession and resultant high food prices, South Africa's net trade in agricultural products remained positive.

Looking ahead, the expected commercial maize crop for the 2009/10 production season will yield a bumper crop estimated at 12,961 million tons. Based on the national consumption rate of 9 million tons per annum, indications are that we will have a surplus of 4 million tons of maize to export or sell. To this end, Grain SA, in partnership with the department, will finalise a local grain production strategy that will address the surplus. Apart from the benefits from export revenue, the maize price has fallen sharply and has already had an impact on inflation and, consequently, reduced food inflation – which is good news for consumers.

A positive development in Africa this year saw ministers of agriculture strategising towards finalising a comprehensive strategy to address the promotion of competitive, sustainable and inclusive agro-industries and agribusinesses to promote food security and sustainable economic growth in Africa. At a high-level Agribusiness and Agro-industries Conference in Abuja, Nigeria in March 2010, it was concluded that this issue will form the pathway to increase economic growth in Africa, strengthen market access and for providing market infrastructure to improve regional trade on the continent.

Government recognises the role commercial farmers can play to enhance productivity and empowerment of smallholder farmers through mentorship, Broad-based Black Economic Empowerment (BBBEE) partnerships and other empowerment undertakings, and building on current projects such as the adopt-a-neighbour campaign unfolding in the Free State.

CLIMATE CHANGE

We participated in the Copenhagen Climate Change Conference in 2009 where developing countries took a stand on ways to reduce greenhouse gas emissions. Although no legally binding document was signed, South Africa considers climate change a serious phenomenon that challenges our food production and food security. Through an effective disaster management plan, including early warning advisories and relief measures, we will continue to assist sectors affected by adverse weather conditions.

The change in rainfall patterns, which indicates a shift in rainfall (less rain was received in the western parts of the country), calls for stringent use of agricultural land, especially in the eastern parts. As a result, the land that is used for food production will not be put to other uses that do not contribute accordingly. In areas where there is less rain, food will be produced under irrigation.

In line with measures to mitigate against the effects of climate change, the department has implemented the Million Trees Programme. The target is to plant at least 1 million trees every year. In 2009, we managed to facilitate the planting of 1,2 million trees countrywide as part of the national greening initiative.

RESUSCITATION OF LAND REFORM PROJECTS

Land audits have been conducted as part of an attempt to resuscitate failed land reform projects attained through land redistribution and restitution programmes. Affected projects have been assessed and projects were identified for possible rescue. Support for these farmers will include intensive training and extension services, and affected farmers will be able to access funds from the Comprehensive Agricultural Support Programme (CASP) for financial assistance.

FARM WORKERS' SUMMIT

In order to defend and advance the rights and economic position of farm workers and farm dwellers, the DAFF has initiated provincial farm workers' mini-summits that will culminate in a National Farm Workers' Summit. The first of these mini-summits was held in the North West Province in March 2010.

Through the summit, we will encourage the involvement of farmers in the well-being of farm workers and their families, to participate in the improvement and better enforcement of existing laws that protect farm workers and generally harmonise rural social relations. We believe that we will also be able to address issues such as rural safety successfully.

FORESTRY AND AFFORESTATION

The department embarked on a national Afforestation Programme to expand timber resources, minimise timber imports and optimise enterprise development opportunities. In terms of the Forest Sector Transformation Charter the department is committed to planting at least 10 000 ha per annum for the next 10 years.

TRAINING AND JOB CREATION

During 2009/10, a total of 385 smallholder farmers were trained in agricultural marketing. We will continue implementing strategies and interventions aimed at improving market access, such as training developing farmers, providing marketing information, and facilitating the establishment of agricultural marketing infrastructure. We will also continue to work with other government departments to improve the efficiency and economic viability of the agro-logistics system.

In 2009, a fish hatchery and training establishment was launched in partnership with the Free State Province and the Republic of China at Gariep in the Free State. The Gariep Hatchery has the potential to become the hub for aquaculture development and will create at least 105 permanent jobs with the capacity to create potential entrepreneurs in the surrounding area.

REVIEW OF LEGISLATION

We have started with a process of reviewing all legislation to create an enabling environment for the promotion of economic growth and development in the country. The main focus will be on Acts promulgated before 1994, but will also include existing laws.

RENEWABLE ENERGY

Because of the impact of the rising energy costs in the sector, we will focus on the need to explore renewable energy through biofuel strategies, starting with a review of the current strategy. For moral reasons, and based on the concerns of other countries about food security, many governments, including our own, have taken a decision to exclude staple food crops from biofuel production. Maize as a staple crop will therefore be excluded from the Biofuel Strategy. However, we will increase our research and development into solar and wind energy.

MANAGEMENT OF NATURAL RESOURCES

To curb uncontrolled veld and forest fires, 39 Fire Protection Associations (FPAs) were registered in cooperation with municipalities to assist communities in their efforts to fight fires. In partnership with the Forest Industries Education and Training Authority (FIETA), 335 FPA members in seven provinces were trained in basic fire-fighting.

South African fisheries resources are fully utilised and high-value fisheries such as abalone, prawns and linefish are overexploited. Because of unsustainable levels of poaching, resources such as abalone continue to decline. We will continue to promote conservation and strengthen the patrol of our waters, including supporting the patrol of the Southern African coastline.

INTRA-AFRICA RELATIONS AND TRADE

Exports of sugar, beverages and milling products to the Southern African Development Community (SADC) rose between 2008 and 2009. Although total agricultural exports dropped slightly from R10,5 billion to R6,9 billion because of lower maize and sorghum exports during this period, our imports of agricultural products, mainly cotton, spices and tobacco remained steady at R1,6 billion.

Working relations were initiated during the course of the year with South Sudan, Uganda, the Democratic Republic of Congo, Angola, and Zambia. We also engaged with other countries in Africa to create opportunities for local commercial farmers to expand into Africa. Favourable country agreements were reached with potential host countries to accommodate our farmers.

More time and resources have been allocated to support participation in trade negotiation sessions aimed at improving the access of South African agricultural products in international markets.

FOOD SAFETY

Major sporting events such as the Confederations Cup and the Indian Premier League (IPL) as well as the larger number of tourists have increased the possibility of the entry and spread of animal and plant diseases and pests. Therefore, the DAFF stepped up its involvement in the border control environment in collaboration with other departments during 2009. This was also in preparation for border control activities required for the 2010 FIFA World Cup. The Sedupe K9 Unit, i.e. officials using sniffer dogs to detect prohibited products in passenger luggage and commercial consignments, has also been strengthened.

In 2009, various genetically modified organisms were reviewed with a view to imposing national standards. Another area of focus was improving bio-security measures on farms, with the emphasis on developing bio-security systems to support smallholder production systems. The development of new systems will be prioritised to improve the registration of agricultural inputs.

CONCLUSION

In conclusion, I would like to thank my Deputy Minister, Dr Pieter Mulder, for his hard work and support in striving to attain the vision of a leading, dynamic, united, prosperous and people-centred sector! I would also like to extend my appreciation to the Chairpersons and Members of both the Portfolio and Select Committees on Agriculture, Forestry and Fisheries in the National Assembly and the National Council of Provinces for the knowledge and wisdom provided for the department. Thirdly, I would like to thank the agricultural industry, organised agriculture and our agribusiness partners for their continued support and spirit of cooperation. Lastly, I want to thank all the staff members in the department, provincial departments and state-owned entities for their contribution towards meeting the objectives of the agriculture, forestry and fisheries sector.

Tina Joemat-Pettersson (MP)

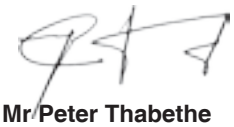
MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

Honourable
Minister of Agriculture, Forestry and Fisheries

Ms Tina Joemat-Pettersson (MP)

Dear Minister

I have the pleasure of presenting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2009 to 31 March 2010.



Mr Peter Thabethe

ACTING DIRECTOR-GENERAL: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

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Acronyms

ABET	Adult Basic Education and Training
ACPWP	Advisory Committee on Paper and Wood Products
ADMA	Agricultural Debt Management Act
AFF	Agriculture, Forestry and Fisheries
AgriBEE	Agricultural Black Economic Empowerment
AgriSETA	Agricultural Sector Education and Training Authority
Aids	Acquired immune deficiency syndrome
AMIS	Agricultural Marketing Information System
APIS	Agriculture Product Inspection Services (directorate)
APME	Agriculture Planning, Monitoring and Evaluation
ARC	Agricultural Research Council
ASN	Analytical Services North
ASS	Analytical Services South
AsgiSA	Accelerated and Shared Growth Initiative for South Africa
ASRDC/STC	Joint Agriculture and Sustainable Rural Development and Science and Technology Committee (DEXCO subcommittee)
AU	African Union
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BOE	Boland Bank
BTOR	Back to Office Report
CAR	corrective action measure
CASP	Comprehensive Agricultural Support Programme
CC	Close Corporation
CCAW	Coordinating Committees on Agricultural Water
CD	Chief Director compact disk
CD: AP	Chief Director: Agriculture Production
CD: LDS	Chief Director: Livelihoods Development Support
CFO	Chief Financial Officer
CGIAR	Consultative Group on International Agricultural Research
CPM	Commission on Phytosanitary Measures
Codex	Codex Alimentarius Commission
COMESA	Common Market for Eastern and Southern Africa
COFO	Committee on Forestry
COP	Conference of Parties
CPM	Commission on Phytosanitary Measures
CRDP	Comprehensive Rural Development Programme
CSIR	Council for Scientific and Industrial Research
CTRPRP	Commercial Timber Resources and Primary Roundwood Processing
DAC	Departmental Accommodation Committee
DAFF	Department of Agriculture, Forestry and Fisheries
DBAC	Departmental Bid Adjudication Committee
DBSA	Development Bank of Southern Africa
DDG	Deputy Director-General
DDG: ASS	Deputy Director-General: Agriculture Support Services
DDG: FSBS	Deputy Director-General: Food Safety and Bio-security
DG	Director-General
DG: DWA	Director-General: Department of Water Affairs
DEA	Department of Environmental Affairs
DEAT	Department of Environmental Affairs and Tourism (former)
DEDET	Department of Economic Development, Environment and Tourism
DEXCO	Departmental Executive Committee
DITC	Departmental Information Technology Committee
DLA	Department of Land Affairs (now Department of Rural Development and Land Reform)
DM	district municipality
DoA	Department of Agriculture (now DAFF)
DPSA	Department of Public Service and Administration
DPE	Department of Public Enterprises
DPW	Department of Public Works
DRC	Democratic Republic of the Congo
dti	Department of Trade and Industry
DRDLR	Department of Rural Development and Land Reform
DWA	Department of Water Affairs
DWAF	Department of Water Affairs and Forestry (former)

Directorates of the department

D: AAP	Directorate: Animal and Aquaculture Production
D: ADM	Directorate: Agricultural Disaster Management
D: AES	Directorate: Agricultural Engineering Services
D: AIS	Directorate: Agricultural Information Services
D: APIS	Directorate: Agriculture Product Inspection Services
D: BED	Directorate: Business and Entrepreneurial Development
D: ED	Directorate: Employee Development
D: ETES	Directorate: Education, Training and Extension Services
D: FA	Directorate: Financial Administration
D: FSQA	Directorate: Food Safety and Quality Assurance
D: GR	Directorate: Genetic Resources
D: HRM	Directorate: Human Resources Management
D: IR	Directorate: International Relations
D: LS	Directorate: Land Settlement
D: LUSM	Directorate: Land Use and Soil Management
D: M	Directorate: Marketing
D: PH	Directorate: Plant Health
D: PP	Directorate: Plant Protection
D: PRE	Directorate: Production and Resource Economics
D: RTD	Directorate: Research and Technology Development
D: SCM	Directorate: Supply Chain Management
D: SS	Directorate: Security Services
D: VS	Directorate: Veterinary Services
D: WUID	Directorate: Water Use and Irrigation Development
EAC	East African Community
EAP	Employee Assistance Programme
EC	Eastern Cape
EFSA	European Food Safety Authority
EIA	environmental impact assessment
EU	European Union

FABI	Forestry and Agricultural Biotechnology Institute
FAO	Food and Agriculture Organization
FanGR	farm animal genetic resources
FBC	Future Bank Corporation
FED	forest enterprise development
FFMC	Forestry Functional Management Committee
FGLG	Forest Governance Learning Group
FID	Fidelity Bank
FIETA	Forest Industries Education and Training Authority
FIFA	*Fédération Internationale de Football Association*
FIFO	first in first out
FITPA	Forest Industries Training Providers Association
FIVIMS	Food Insecurity and Vulnerability Information Mapping System
FGLG	Forest Governance Learning Group
FMD	foot-and-mouth disease
FNB	First National Bank
FORLATS	Forestry Licensing and Tracking System
FPA	Fire Protection Association
FPARMS	Fire Protection Association Registration Management System
FRA	Forest Resources Assessment
FRC	Forestry Research Committee
FS	Free State
FSA	Forestry South Africa
FTA	Free Trade Agreement
GAAP	Generally Accepted Accounting Practice
GADI	Grootfontein Agricultural Development Institute
GAP	good agricultural practice
GCIS	Government Communication and Information System
GDP	gross domestic product
GEP	Gauteng Enterprise Propeller
GEPF	Government Employees Pension Fund
GFI	gross farming income
GGP	gross geographic product
GHG	greenhouse gases
GM	genetically modified
GMO	genetically modified organism
GP	Gauteng Province
HAS	Hygiene Assessment System
HDI	historically disadvantaged individual
HFPP	Household Food Production Programme
HIV	Human Immunosuppressant Virus
HOA	homeowner's allowance
HoD	Head of Department
HR	Human Resources
HRM	Human Resources Management
IBSA	India, Brazil and South Africa
ICAC	International Cotton Advisory Committee
ICC	International Cooperation Committee (DEXCO subcommittee)
ICFR	Institute of Commercial Forestry Research
ICT	information communication technology
ID	identification document
IDC	Industrial Development Corporation
IDP	Integrated Development Planning
IFAD	International Fund for Agricultural Development
IFM	Indigenous Forests Management
IFSNP	Integrated Food Security and Nutrition Programme
IOD	injury on duty
IPL	Indian Premier League
IPPC	International Plant Protection Convention
IPW	integrated production of wine
ISPM	International Standards for Phytosanitary Measures
IT	information technology
ITCA	Intergovernmental Technical Committee for Agriculture
JMC	Joint Management Committee
KAPB	knowledge, attitude, practice and behaviour
KIM	Knowledge and Information Management
KLF	Komatiland Forests
KRA	key result area
KZN	KwaZulu-Natal
LAAC	Licence Assessment Advisory Committee
LOGIS	Logistical Information System
LTC	Livestock Technical Committee
Mafisa	Micro-agricultural Financial Institutions of South Africa
MAP	Mentorship Action Plan
MAWG FF	Market Access Working Group for Fresh Fruit
M&E	Monitoring and Evaluation
MERCOSUR	Mercado Común del Sur
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MP	Member of Parliament
MP	Mpumalanga
MPSA	Minister of Public Service and Administration
MTEF	Medium Term Expenditure Framework
MTO	Mountain to Ocean
MTPA	Mpumalanga Tourism and Parks Agency
NAC	National Agro-meteorological Committee
NAMC	National Agricultural Marketing Council
NBS	National Building Society
NC	Northern Cape
NDMC	National Disaster Management Centre
NERPO	National Emergent Red Meat Producers' Organisation
NFA	National Forests Act
NFAC	National Forestry Advisory Council
NFDR	National Fire Danger Rating
NFDRS	National Fire Danger Rating System
NFP	National Forest Programme
NIA	National Intelligence Agency
NIRESA	Network for Irrigation Research and Extension in Smallholder Agriculture
NMOS	National Macro Organisation of the State
NPPCP	National Plant Protection Contact Point
NPPO	National Plant Protection Organisation
NPPOZA	National Plant Protection Organisation of South Africa
NSFAS	National Student Financial Aid Scheme
NVFFA	National Veld and Forest Fire Act of 1998
NVIS	National Veldfire Information System
NW	North West

OBP	Onderstepoort Biological Products
ODA	overseas development assistance
ODC	Organisation Development Committee
OHS	Occupational Health and Safety
OIE	*Office International des Epizooties*/International Office of Epizootics
OSD	occupation specific dispensation
OVI	Onderstepoort Veterinary Institute
PAA	Public Audit Act
PCI&S	Principle, Criteria, Indicators and Standards
PDA	provincial department of agriculture
PFMA	Public Finance Management Act of 1999
PGDS	Provincial Growth and Development Strategy
PH	Plant Health
PILIR	policy and procedures on incapacity leave and ill-health retirement
PNW	Pacific Northwest
PPECB	Perishable Products Export Control Board
PPRS	porcine respiratory and reproductive syndrome
PRA	pest risk analysis
PSP	Professional Service Provider
PSR	Public Service Regulations
PTO	Permission to Occupy
PVA	Public Viewing Area
RDP	Reconstruction and Development Programme
REDD	Reducing Emissions from Deforestation and Forest Degradation
R&D	Research and Development
RLCC	Regional Land Claims Commissioner
RMIF	Red Meat Industry Forum
RSA	Republic of South Africa
SA	South Africa
SABC	South African Broadcasting Corporation
SABIO	South African Bee Industry Organisation
SABS	South African Bureau of Standards
SACU	Southern African Customs Union
SADC	Southern African Development Community
SANAS	South African National Accreditation System
SANCO	South African National Civic Organisation
SAPS	South African Police Service
SARIA	South African Regional Irrigation Association
SAWS	South African Weather Service
SB	Subsidiary Body
SC	Standards Committee
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SCOPA	Select Committee on Public Accounts
SDI	Service Delivery Improvement
SDIP	Service Delivery Improvement Plan
SEDA	Small Enterprise Development Agency
SETA	Sector Education and Training Authority
SFM	Sustainable Forest Management
SITA	State Information Technology Agency
SMME	small, medium and micro-enterprise
SMS	Senior Management Service
SO	strategic objective
SOE	state-owned enterprise
SoF	State of the Forests
SOMA	Soma Initiative (Pty) Ltd
SONA	State of the Nation Address
SOPMER	strategic, operational, planning, monitoring, evaluating and reporting
SPS	sanitary and phytosanitary
TIDCA	Trade, Investment and Development Cooperation Agreement
ToR	Terms of Reference
TPCP	Tree Protection Cooperative Programme
TuP	temporary unplanted
UAE	United Arab Emirates
UN	United Nations
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNFF	United Nations Forum on Forestry
UNFCCC	United Nations Framework Convention on Climate Change
UP	University of Pretoria
US	United States
USA	United States of America
VPN	Veterinary Procedural Notice
WC	Western Cape
WEA	Water and Environmental Affairs
WFC	World Forestry Congress
WoF	Working on Fire
WSA	Wines and Spirit Agreement
WTO	World Trade Organization
WWTG	World Wine Trade Group

Acts referenced in the report

- Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)
- Agricultural Debt Management Repeal Act, 2008 (Act No. 15 of 2008)
- Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
- Agricultural Pests Act, 1983 (Act No. 36 of 1983)
- Agricultural Research Act, 1990 (Act No. 86 of 1990)
- Animal Diseases Act, 1984 (Act No. 35 of 1984)
- Animal Diseases Amendment Act, 1991 (Act No. 18 of 1991)
- Animal Improvement Act, 1998 (Act No. 62 of 1998)
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
- Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996)
- Division of Revenue Act, 2008 (Act No. 2 of 2008)
- Division of Revenue Act, 2009 (Act No. 12 of 2009)
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)
- Genetically Modified Organisms Amendment Act, 2006 (Act No. 23 of 2006)
- Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007)
- Labour Relations Act, 1995 (Act No. 66 of 1999)
- Land and Agricultural Development Bank Act, 2002 (Act No.15 of 2002)
- Marine Living Resources Act, 1998 (Act No. 18 of 1998)
- Marine Living Resources Amendment Act, 2000 (Act No. 68 of 2000)
- Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)
- National Forests Act, 1998 (Act No. 84 of 1998)
- National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
- National Water Act, 1998 (Act No. 36 of 1998)
- Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)
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- Plant Improvement Act, 1976 (Act No. 53 of 1976)
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No. 4 of 2000)
- Public Audit Act, 2004 (Act No. 25 of 2004)
- Public Finance Management Act, 1999 (Act No. 1 of 1999) (amended by Act No. 29 of 1999)
- Public Service Act, 1994 (Act No. 103 of 1994)

1 General information

Director-General's overview

Peter Thabethe

ACTING DIRECTOR-GENERAL:
AGRICULTURE, FORESTRY AND FISHERIES

A new department was established in July 2009 following the start of the new term of government and the appointment of the new administration on 10 May 2009. For government, major challenges for the next five years facing our country were identified. These included the high unemployment rate, poverty, hunger and division, particularly in rural areas. The priority focus areas that were identified are the following:

- Creation of decent work and sustainable livelihoods
- Education
- Health
- Crime prevention
- Rural development, including land reform, and food production and security

As a department, we focused on accelerating delivery on food security, rural development linked to land reform, and skills development. Strategic priorities identified for the DAFF during 2009/10, linked to government's priority focus areas, included the following:

- Speeding up economic growth and transforming the economy to create decent work and sustainable livelihoods
- Rolling out a massive programme to build economic and social infrastructure
- Strengthening the skills and human resource base
- Rolling out a comprehensive rural development strategy linked to land and agrarian reform and food security
- Pursuing the advancement of Africa, enhancing international cooperation and ensuring that South Africa builds its competitiveness globally

The DAFF embarked on a major restructuring process in July 2009 to incorporate the forestry and fisheries functions into our programmes. The forestry function was transferred from the former Department of Water Affairs and Forestry (DWAF), and the marine aquaculture function from the Department of Environmental Affairs and Tourism (DEAT). The aim of the restructuring process was to ensure a smooth transition, effective service delivery and job security for all affected staff members.

A departmental technical task team was established to manage the processes required to effect the creation of the new DAFF and the transfer of functions between the departments. Specialist work streams were formed for the various functions that were affected by the transfer to ensure uninterrupted service delivery.

Even though a major restructuring process was ongoing during 2009/10, the DAFF continued to focus on activities and projects as outlined in the *Agriculture strategic plan 2009/10* (referred to as the *Strategic plan 2009/10)* and approved by Parliament in June 2009. Working towards clear, measurable targets and objectives, we assessed our performance on a quarterly basis to ensure that departmental programmes and service delivery were in line with the deliverables for the 2009/10 financial year.

The *Annual report 2009/10* is structured within the guidelines provided by National Treasury. The report includes a Foreword by the Minister and is structured in five parts.

From the economic overview in Part 1, it is clear that the economic situation of the agricultural sector weakened during 2009. Farmers' gross income decreased as a result of a drop in income from field crops, which was due to lower production levels of winter grains and lower prices for some products. In the forestry sector, commercial plantations and associated processing plants are the major contributors to the economy. The sector contributes about R22 billion to the gross domestic product (GDP) annually and provides employment for 170 000 people, including permanent, contract and informal workers. Information on the Ministry, the DAFF's mission statement, top management of the department and the legislative mandate for the period under review are also reflected.

Part 2 outlines our achievements in relation to programme deliverables and the challenges we faced in meeting our targets. Outputs of each of the six departmental programmes are reported per quarter. Because of the fact that the transfer of functions related to fisheries was not finalised by the end of March 2010, we will report on activities related to agriculture and forestry only.

The Report of the Audit Committee is reflected in Part 3, and Part 4 contains the annual financial statements of the department for the financial year that ended on 31 March 2010.

In Part 5, a report on human resources management is included, providing statistical information on the department's human resources for the period under review.

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

Mr Peter Thabethe

ACTING DIRECTOR-GENERAL: AGRICULTURE, FORESTRY AND FISHERIES

Economic overview

AGRICULTURAL SECTOR

This report gives an overview of the major macroeconomic trends in the agricultural sector for the period 1 January to 31 December 2009.

Gross farming income

Gross farming income refers to the agricultural production that is marketed and, for our own consumption, valued at basic prices.

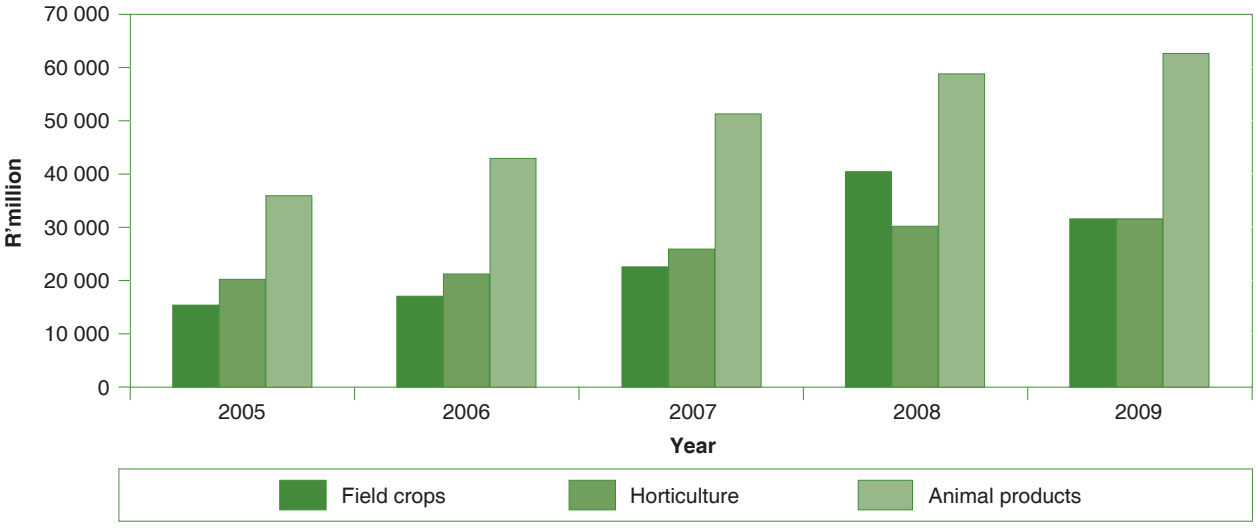
Gross income from all agricultural products for 2009 amounted to R126 297 million, which is 2,7% lower than the income during 2008. This decrease is the result of a drop in income from field crops, despite increases in income from animal products and horticultural products.

The income from field crops decreased by R8 538 million or 21,2% and amounted to R31 768 million. The income from wheat, sunflower seed and maize declined by 45,1%, 38,6% and 25,2% respectively. The income from tobacco increased by 42,0%.

The income from horticultural products rose by R1 412 million or 4,7% and amounted to R31 660 million. The gross income of farmers from vegetables and deciduous fruit showed increases of 19,3% and 9,5% respectively. Income from citrus fruit, viticulture and subtropical fruit decreased by 20,7%, 0,7% and 0,2% respectively.

Income from animal products showed an increase of 7,1% or R4 172 million from R58 697 million to R62 869 million. This is mainly the result of a higher income from poultry meat (16,7%) and eggs (12,9%).

GROSS FARMING INCOME (GFI)
2005 to 2009 (January to December)



Expenditure on intermediate production inputs

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

Expenditure on intermediate goods and services increased by 4,0%, from R66 491 million in 2008 to R69 165 million in 2009.

Expenditure on farm feeds remained the biggest expenditure item, accounting for 23,0% of total expenditure, followed by 17,3% for fuel, 11,5% for farm services, 9,9% for maintenance and repairs of machinery and implements and 8,5% for fertilisers.

Large increases occurred in expenditure on seeds and plants (24,0%), dips and sprays (19,9%) and packing materials (19,3%), maintenance of machinery and implements (16,8%) and farm services (16,0%).

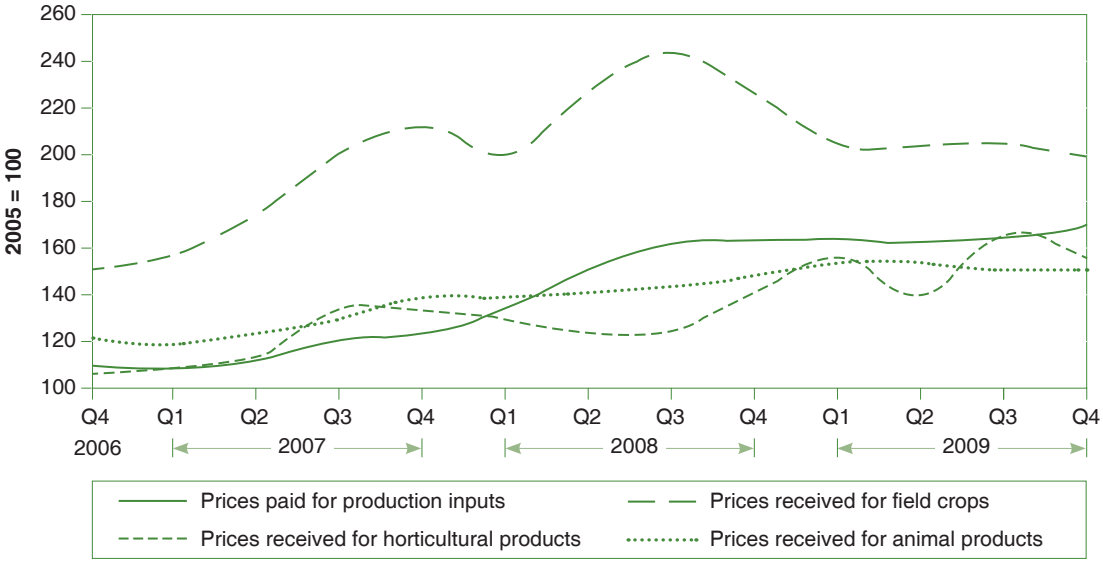
Prices received and prices paid by farmers as well as terms of trade

On average, prices received by farmers for their products increased by 2,6%.

The weighted average price of field crops decreased by 7,4%, mainly because of decreases in the prices of winter grains, oilseeds, summer grains, dry beans and cotton, which declined by 24,3%, 20,7%, 9,5%, 8,4% and 5,8% respectively. Prices of tobacco, sugar cane and hay increased by 24,4%, 18,7% and 2,2% respectively.

Prices of horticultural products increased by 19,8%. Prices of vegetables, fruit and viticultural products increased by 42,3%, 6,8% and 1,8% respectively.

PRICES PAID AND RECEIVED BY FARMERS
4th quarter 2006 to 4th quarter 2009



The weighted average price of animal production increased by 6,2%. Prices of poultry and slaughtered stock increased by 12,9% and 3,7% respectively, while prices received for pastoral products and dairy products decreased by 4,5% and 2,4% respectively.

The prices paid for farming requisites, including machinery and implements, material for fixed improvements as well as intermediate goods rose by 8,3%, compared to 31,9% in the previous year. Prices paid for seeds, farm feeds and maintenance and repairs showed increases of 20,7%, 17,2% and 15,4% respectively.

The increase in prices received compared to the increase in prices paid by farmers resulted in the weakening of the domestic terms of trade by 5,5%.

Net farming income, cash flow and farming debt

A decrease of 2,3% in gross farming income against an increase of 4,0% in expenditure on intermediate production inputs resulted in a decrease of 14,7% in farming profit to R38 808 million, which weakened the cash flow of farmers by 14,1%. Interest payments increased by 8,4%. Rent payments and labour remuneration rose by 7,0% and 4,0% respectively.

The total farming debt at the end of December 2009 is estimated at R51 942 million, compared to R47 044 million at the end of 2008 – an increase of 10,4%.

Conclusion

In general, the economic situation of the agricultural sector weakened during 2009. The gross income of farmers decreased by 2,3%. This decrease was the result of a marked decrease of 21,2% in income from field crops, especially wheat, sunflower seed and maize. The lower income can be attributed to both lower production levels of winter grains and lower prices that farmers received for some of their products. Farming expenses during 2009 were lower than during 2008. This is because of a decrease in the prices of some of the important production inputs, such as fuel and fertilisers.

FORESTRY SECTOR

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

Commercial plantations and associated processing plants are the major contributors to the economy. Despite covering a relatively small share of the land, the forestry sector contributes about R22 billion per annum to the GDP. For example, in 2008 the commercial plantations produced 20,1 million cubic metres of roundwood worth R6 billion, pulpwood (65,4%) being the biggest contributor followed by sawlogs (29,4%). In the same year, about 170 000 people (permanent, contract and informal workers) were employed in the sector.

The National Industrial Framework and Accelerated and Shared Growth Initiative for South Africa (AsgiSA) identifies the forest sector as having the potential for further growth both through industrial production of solid wood products and fibre products, such as pulp and paper. It can bring jobs and income to poor rural communities. Increasing plantations in KwaZulu-Natal and the Eastern Cape in the next 10 years will contribute to the country's growth and employment and stimulate processing activities, such as sawmilling and furniture.

In May 2008, the Minister and forestry stakeholders signed the Forest Sector Charter, which was published in the *Government Gazette* in June 2009 in terms of sections 9 and 12 of the Broad-Based Black Economic Empowerment Act of 2003.

In 2008, the DAFF embarked on a national Afforestation Programme to expand timber resources, minimise timber imports and optimise enterprise development opportunities in the timber production and processing sector. The department and the industry have committed themselves to afforesting 10 000 ha per year in terms of the Charter. Furthermore, in 2008/09, 1,85 million trees (fruit trees and ornamental indigenous species) were planted countrywide. These include trees that were planted by projects assisted by the department and other organisations.

Regulations supporting the National Forests Act of 1998 will guide and support the implementation of legislation to ensure suitable forest management. In 2008/09, a forest licensing tracking system was developed and deployed to all regional offices. A total of 38 fire protection associations covering an area of approximately 7 million ha were registered in terms of the National Veld and Forest Fire Act of 1998 in 2008/09. Of these, 35 were registered in high to extreme fire risks areas by March 2009.

The Minister signed a headlease agreement with the Mbonambi community in KwaZulu-Natal in 2009. The department released 3 729 ha of state forest land in Dukuduku, KwaZulu-Natal, to the Provincial Department of Housing to respond to the illegal invasion of the Dukuduku forests.

Challenges in forestry

Challenges facing the forestry sector are forest fires, pests and diseases, the regulatory environment, limited forestry research and development, a skills shortage, a lack of funding to invest in the forestry sector, a shortage of timber in the country and forest degradation.

Opportunities for action in forestry

Opportunities for action in the forestry sector include the implementation of an Integrated Fire Management Programme, integrated land use resources assessment, the expansion of the Afforestation Programme in the Eastern Cape and KwaZulu-Natal provinces, the rehabilitation of degraded natural forests and woodlands, the implementation of forest conservation programmes, the rehabilitation of existing plantations, the expansion of the Wattle Jungle Conversion Programme, the upscaling of the Million Trees Programme, the development of the Working for Forestry Programme, and the greening and maintenance of open spaces.

FISHERIES SECTOR

The total catches and the free-on-board value of the fishing industry for 2008 were approximately 630 000 tons and R5,8 billion. It is approximately R0,3 billion less than during 2007 as catches in certain sectors were lower and the global economic crisis had a negative impact on demand and prices mainly in the export markets. The catches usually vary between 600 000 and 800 000 tons per annum.

In terms of the monetary value of production, the fishing industry is dominated by the demersal and pelagic fisheries, which contribute approximately 70% of the total value of the industry. In terms of GDP, the industry's total output typically represents less than 0,5%. There is also not much scope for the industry to make a bigger contribution as the

value of the production is restricted by the size of the natural resource and threatened by declining fish stocks in certain fisheries.

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

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

South Africa is a net exporter of fish and fish products. In some cases, like Rock Lobster, Squid, Tuna and Demersal Longline, almost the entire production is exported, and we are exporting about 55% of the total demersal trawl catches (economically the largest fishery). The products are mainly destined for Spain, Japan, Italy and the USA.

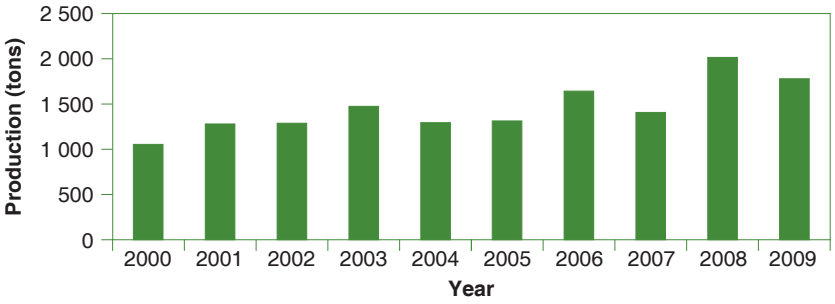
At the moment there are 2 601 rights holders utilising 1 788 vessels in 21 different fisheries. During 2002 there were 1 868 vessels in the industry, which means that there has been a reduction of approximately 4% in the number of fishing vessels over the last seven years. This is in line with the international trend to decrease the number of fishing vessels as much as possible in order to reduce the pressure on the resources.

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

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

The production of marine aquaculture decreased by 11,04% to 1 794 tons in 2009 in comparison with 2008. Production of abalone showed the biggest decrease at 17,67%, followed by mussels, which declined by 7,38%. Oysters also declined by 4,94%. The production of finfish showed the biggest increase at 88% to 22,75 tons and prawns increased by 56,55%. Seaweed production showed an improvement of 4% to 1 900 tons over the past year.

TOTAL MARINE AQUACULTURE PRODUCTION
2000 to 2009



The production of abalone is the largest subsector in the industry with an annual production of around 1 000 tons representing a value of about R250 million. The farmed aquaculture has increased from around 200 tons in 2000. The mussel production is around 700 tons with a value of between R5 and R7 million and the oyster production is around 200 tons with a value of R8 million. The total number of people employed in this sector at the moment is less than 1 000.

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

Challenges in fisheries

Challenges in the fisheries sector are the following:

- Value of production is restricted by the size of the national resource and threatened by declining fish stocks in certain fisheries. The profitability of the fishing sector is largely determined by factors such as the international prices, exchange rates, fuel prices, quota allocations and the actual biomass of fish present.
- Growth in the sector is not only dependent on labour and capital inputs, but is determined by the stock of fish available.
- In addition to administering fishing rights in the 21 commercial fishing sectors, the focus will be on finalising and allocating rights in the subsistence, large pelagics and recreational sectors. The performance of the rights holders in the commercial fishing sectors will also be reviewed to assess whether they have complied with the conditions under which the rights were granted.

Opportunities for action in fisheries

Opportunities for action in the fisheries sector include:

- Rehabilitation programmes, such as rebuilding of depleted fish stocks, that contribute to job creation and sustainable livelihoods
- Investing in sustainable management and efficient use of marine living resources that can make a significant contribution to job creation, while improving the environment
- Enforcement programmes such as Green Scorpions and environmental courts
- The allocation of additional fishing rights in certain fishing sectors that can contribute to job creation and sustainable livelihoods
- Infrastructure development and investment in the 12 fishing harbours that can contribute to increased socio-economic and tourism opportunities

The Ministry

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

This is done by means of the following:

- Issuing policy directives, i.e. cabinet memoranda, draft legislation, regulations, policy discussion documents, meetings and public statements, including speeches
- Providing leadership and motivation for management, staff and partners in agricultural development and land reform
- Executing constitutional and legislative mandates

PUBLIC ENTITIES REPORTING TO THE MINISTER

The following public entities report directly to the Minister:

- Agricultural Research Council (ARC)
- National Agricultural Marketing Council (NAMC)
- Ncera Farms
- Onderstepoort Biological Products (OBP)
- Perishable Products Export Control Board (PPECB)

BILLS SUBMITTED TO THE LEGISLATURE

No Bills were submitted to Parliament during the period under review.

MINISTERIAL VISITS TO OTHER COUNTRIES

During the period under review, the Minister undertook five official visits to the following countries for a variety of purposes:

Date	Country	Purpose
1–3 July 2009	Libya	Attended the 13th session of the AU Assembly of Heads of State
3–8 August 2009	Nairobi, Kenya	Attended the African Growth and Opportunity Act Forum and the sideline meeting of SACU-USA about TIDCA
6 October 2009	Zambia	Bilateral meeting with the Minister of Agriculture in Zambia
8–10 March 2010	Abuja, Nigeria	Attended a High-level Conference on the Development of Agribusiness and Agro-industries in Africa
24–27 March 2010	Uganda	State visit to Uganda

Mission statement

VISION

The vision of the department is to strive for *a united and prosperous sector*.

MISSION

The DAFF aims to lead and support sustainable agriculture, forestry and fisheries and promote rural development by:

- 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 the sector
- Enhancing the sustainable management and efficient use of natural resources and production inputs
- Ensuring efficient and effective governance and partnerships
- Ensuring knowledge and information management
- Ensuring national bio-security and effective risk management

KEY RESULT AREAS AND STRATEGIC OBJECTIVES

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

Strategic objectives (SO)

SO 1 Promote production, handling, processing and consumption of nutritious food
SO 2 Promote and support household income generation and food production
SO 3 Provide leadership in the implementation of the Integrated Food Security and Nutrition Programme (IFSNP)

KRA 2: Eliminate skewed participation and inequity in the sector

Strategic objectives

SO 1 Increase access to existing resources and opportunities within the sector for historically disadvantaged groups and individuals
SO 2 Ensure increased black economic empowerment
SO 3 Ensure equitable access and sustained participation in the sector
SO 4 Improve social and working conditions in the sector

KRA 3: Increase growth, income and remunerative job opportunities in the sector

Strategic objectives

SO 1 Increase productivity, competitiveness and profitability in South Africa, the SADC and Africa
SO 2 Increase market access for South Africa and African products, domestically and internationally
SO 3 Increase remunerative opportunities in the value chain
SO 4 Increase the level of public and private investment for development

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

Strategic objectives

SO 1 Ensure the management of indigenous genetic resources, land and water
SO 2 Promote effective production systems, including the use of energy, labour and mechanisation
SO 3 Promote efficient use of production factors

KRA 5: Ensure efficient and effective governance and partnerships

Strategic objectives

SO 1 Achieve departmental service excellence and implement Batho Pele principles
SO 2 Manage risks effectively
SO 3 Provide leadership and cooperative governance in the sector
SO 4 Implement quality standards in the department to ensure effective organisational performance and cooperative government

SO 5 Promote and protect South African interests internationally
SO 6 Align policy and legislation with the principles of sustainable development

KRA 6: Ensure knowledge and information management

Strategic objectives

SO 1 Provide leadership and manage communication and information management effectively
SO 2 Provide leadership and support to research, training and extension in the sector
SO 3 Improve knowledge management in the department
SO 4 Ensure consumer confidence in products and services

KRA 7: Ensure national bio-security and effective risk management

Strategic objectives

SO 1 Establish and maintain effective early warning and mitigation systems
SO 2 Manage the levels of risks associated with food, diseases, pests, natural disasters and trade
SO 3 Promote safe and nutritious food
SO 4 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 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 will always find a way to make it happen.

KEY CLIENTS

The key clients of the department are the following:

- Consumers of the department's products and services
- Producers of products
- Processors, traders and exporters of agricultural, forestry and fishery products
- Providers of services
- National departments
- Provincial departments of agriculture (PDAs)
- State-owned enterprises (SOEs)
- International 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 coordination services: Facilitate national, provincial, municipal and public entities coordination, international agreements, professional networks, public, private, community partnerships and agricultural human resource development

National risk management: Manage early warning systems, disaster management policy, response, recovery, mitigation and preparedness, pest control and plant and diseases control

Top management

Sipho Ntombela
ACTING CHIEF OPERATING OFFICER

Peter Thabethe
ACTING DIRECTOR-GENERAL:
AGRICULTURE, FORESTRY AND FISHERIES

Attie Swart
CHIEF PROGRAMMES OFFICER

Jacob Hlatshwayo
ACTING DEPUTY DIRECTOR-GENERAL:
CORPORATE AND FINANCIAL SERVICES

Isaac Miti
ACTING DEPUTY DIRECTOR-GENERAL:
CORPORATE AND FINANCIAL SERVICES

Andile Hawes
DEPUTY DIRECTOR-GENERAL:
PRODUCTION AND RESOURCES MANAGEMENT

Vangile Titi
DEPUTY DIRECTOR-GENERAL:
AGRICULTURE SUPPORT SERVICES

Billy Morokolo
ACTING DEPUTY DIRECTOR-GENERAL:
TRADE AND AGRICULTURAL DEVELOPMENT

Kgabi Mogajane
DEPUTY DIRECTOR-GENERAL:
FOOD SAFETY AND BIO-SECURITY

Moshibudi Rampedi
DEPUTY DIRECTOR-GENERAL:
FORESTRY

Legislative mandate

The entire legislative mandate of the DAFF is derived from section 27(1)(b) of the Constitution. The department is primarily responsible for Acts related to agriculture, forestry and fisheries. The following Acts reflect the legislative mandate of the department:

Sea-shore Act, 1935	(Act No. 21 of 1935)
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)
Animal Improvement Act, 1988	(Act No. 62 of 1988)
Liquor Products Act, 1989	(Act No. 60 of 1989)
Agricultural Research Act, 1990	(Act No. 86 of 1990)
Agricultural Product Standards Act, 1990	(Act No. 119 of 1990)
Animal Diseases Amendment Act, 1991	(Act No. 18 of 1991)
Agricultural Produce Agents Act, 1992	(Act No. 12 of 1992)
South African Abattoir Corporation Act, 1992	(Act No. 120 of 1992)
Groot Constantia Trust Act, 1993	(Act No. 58 of 1993)
Societies for the Prevention of Cruelty to Animals Act, 1993	(Act No. 169 of 1993)
Marketing of Agricultural Products Act, 1996	(Act No. 47 of 1996)
Agriculture Laws Extension Act, 1996	(Act No. 87 of 1996)
Genetically Modified Organisms Act, 1997	(Act No. 15 of 1997)
Marine Living Resources Act, 1998 (certain sections only)	(Act No. 18 of 1998)
Subdivision of Agricultural Land Act Repeal Act, 1998	(Act No. 64 of 1998)
Agricultural Laws Rationalisation Act, 1998	(Act No. 72 of 1998)
National Forests Act, 1998	(Act No. 84 of 1998)
National Veld and Forest Fire Act, 1998	(Act No. 101 of 1998)
Onderstepoort Biological Products Incorporation Act, 1999	(Act No. 19 of 1999)
Meat Safety Act, 2000	(Act No. 40 of 2000)
Marine Living Resources Amendment Act, 2000	(Act No. 68 of 2000)
Agricultural Debt Management Act, 2001	(Act No. 45 of 2001)
Animal Identification Act, 2002	(Act No. 6 of 2002)
Animal Health Act, 2002	(Act No. 7 of 2002)
KwaZulu Cane Growers' Association Act Repeal Act, 2002	(Act No. 24 of 2002)

PUBLIC ENTITIES

Public entities reporting directly to the Minister are the following:

Agricultural Research Council

The ARC was established in terms of section 2 of the Agricultural Research Act of 1990, and its functions are as follows:

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

Accountability arrangements

In terms of section 22(3) of the Agricultural Research Act of 1990, the council must furnish the Minister with an annual report on its activities at the end of each financial year.

National Agricultural Marketing Council

The NAMC was established in terms of section 3 of the Marketing of Agricultural Products Act of 1996, and its functions are as follows:

- It prepares and submits statutory measures and changes to statutory measures to the Minister for consideration.
- It monitors the application of statutory measures, reports on these measures to the Minister, and evaluates and reviews them at least every 2 years.

Accountability arrangements

In terms of section 8(A)(4)(c) of the Marketing of Agricultural Products Act of 1996, the accounting officer must furnish the Minister with a year-end financial statement within four months after the end of each financial year.

Ncera Farms (Pty) Ltd

Ncera Farms is a public company, listed under Schedule 3B of the Public Finance Management Act (PFMA) of 1999, with the department as the sole shareholder. Ncera Farms is situated at Kidd's Beach near East London in the Eastern Cape, on state-owned land totalling approximately 3 102 ha.

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

Accountability arrangements

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

Perishable Products Export Control Board

The PPECB was established in terms of section 2 of the Perishable Products Export Control Act of 1983, and its functions are as follows:

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

Accountability arrangements

In terms of section 16 of the Perishable Products Export Control Act of 1983, the board must furnish the Minister, and all registered exporters, with a report on its activities within six months of the end of each financial year.

Onderstepoort Biological Products

OBP was established in terms of section 2 of the Onderstepoort Biological Products Incorporation Act of 1999.

OBP manufactures and distributes vaccines and other biological products pertaining to animals.

Accountability arrangements

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

2

Programme performance

Programme performance

VOTED FUNDS

It should be noted that in terms of the revised government structure, the new DAFF took over all the functions of the previous Department of Agriculture and the forestry function of the previous DWAF during the period under review.

Appropriation	Main appropriation	Adjusted appropriation	Actual amount spent	Under-spending
	R'000	R'000	R'000	R'000
ENE	0	3 763 800	3 728 377	35 423
Responsible Minister	Minister of Agriculture, Forestry and Fisheries			
Administering department	Department of Agriculture, Forestry and Fisheries			
Accounting Officer	Director-General of Agriculture, Forestry and Fisheries			

AIM

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

KEY MEASURABLE OBJECTIVES, PROGRAMMES AND ACHIEVEMENTS

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

Programme 1: Administration

Purpose: Provides the department with strategic leadership, management, corporate and financial services and operations management.

Measurable objective

- To improve service delivery on the department's mandate within the allocated resources

Programme 2: Production and Resources Management

Purpose: Optimises agricultural productivity and profitability through the identification of opportunities, the sustainable use and protection of land, water and genetic resources, and infrastructure development to ensure household food security.

Measurable objectives

- To increase agricultural production by:
  - ✧ Implementing targeted animal and crop production programmes and providing support services such as Ilima/Letsema to increase food production by 2% per year over the medium term
  - ✧ Increasing the area of farm land under sustainable management practices to approximately 3 700 ha of land a year over the medium term
  - ✧ Increasing the number of beneficiaries adopting sustainable production technologies and practices by 100% a year over the medium term

Programme 3: Agriculture Support Services

Purpose: Develops appropriate policies and targeted programmes for equitable access to the agricultural sector for the promotion of shared growth and the commercial viability of emerging farmers and provides risk and disaster management as well as agricultural education and training, extension and advisory services, scientific research and technology development.

Measurable objectives

- To increase access to services and support for farmers, agrarian reform beneficiaries, entrepreneurs and agribusinesses by:
  - ✧ Increasing the number of financial institutions accredited in terms of the Micro-agricultural Financial Institutions of South Africa (Mafisa) to 12 institutions by the end of 2009/10
  - ✧ Providing industry focused farmer training to 1 000 beneficiaries a year over the medium term
  - ✧ Improving the quality of extension services by increasing the number of extension officers enrolled in skills upgrading programmes by 150 a year over the medium term

Programme 4: Trade and Agricultural Development

Purpose: Facilitates market access for agricultural products and provides agricultural economic and statistical services.

Measurable objectives

- To improve market access for agricultural products by:
  - ✧ Increasing the number of emerging black farmers trained in agricultural marketing from 100 to 450 per year over the Medium Term Expenditure Framework (MTEF) period
  - ✧ Increasing international market access for South African agricultural products by concluding six negotiating positions a year over the MTEF period
- To increase the level of public and private investment in agricultural development by improving the knowledge base in agricultural economics through the publication of 14 economic reviews, eight topical reports and six statistical reports by March 2010

Programme 5: Food Safety and Bio-security

Purpose: Manages the risks associated with animal and plant diseases and pests as well as genetically modified organisms (GMOs), registers products used in agriculture and promotes food safety to safeguard human life.

Measurable objectives

- To improve and maintain bio-security risk management systems by:
  - ✧ Improving the regulatory framework by 2010/11
  - ✧ Designing an early warning system for bio-security risks by 2010/11
  - ✧ Strengthening compliance and implementation of regulations
- To access, improve and maintain domestic and international markets by ensuring compliance with plant and animal health measures, bio-safety and bio-security regulations, and the effective regulation of agrochemicals
- To implement nine initiatives (such as awareness campaigns) over the medium term that will improve access to bio-security services for all beneficiaries

Programme 6: Forestry

Purpose: Ensures the sustainable management of plantations, natural forests (indigenous forests) and woodlands in order to realise their optimal social, environmental and economic benefits.

Measurable objectives

- To ensure the sustainable management of the department's plantations, natural forests, (indigenous forests) and woodlands to realise their social, environmental and economic benefit by continuously administering, implementing and enforcing the National Forests Act of 1998 and the National Veld and Forest Fire Act of 1998
- To increase the contribution of the forestry sector towards improving livelihoods by implementing the greening programme, including the Million Trees Programme, and establishing support mechanisms for participatory forest management and community forestry over the MTEF period

ACHIEVEMENTS

In this annual report, the department will only reflect agriculture and forestry achievements and activities. Fisheries activities will be included in the report of the Department of Environmental Affairs (DEA).

Highlights of achievements during 2009/10 in relation to key measurable objectives include the following:

Programme	Highlights of achievements
1. Administration	Approved policies and strategies were managed and implemented through the efficient utilisation of financial and human resources. Financial and other support services were rendered satisfactorily in terms of predetermined service standards.
2. Production and Resources Management	To increase food production, a fruit production support scheme for black farmers was piloted in the Vhembe district of Limpopo Province by establishing about 200 ha of fruit orchards. Farmers also received 52 000 mango, avocado, macadamia and banana seedlings. Various production technologies were assessed to improve production, generate income and create employment from farming activities. A total of 14 042 beneficiaries on 748 compliant farms adopted sustainable innovations/ technologies on LandCare projects and land reform farms. A total of 264 602 ha of land are under sustainable natural resource management practices or are in the process of adopting these practices.
3. Agriculture Support Services	More than R32 million was disbursed to 787 emerging farmers and rural entrepreneurs accessing financial services. Ten state land lessees were supported with infrastructure to the amount of R1,6 million. A total of 1 190 direct permanent job opportunities were created for cooperative administrators and 1 587 indirect job opportunities for members of cooperatives. Two extension management programmes, i.e. the *Farmer's green book* and the *Extension management diary*, were piloted in all provinces except Gauteng and KwaZulu-Natal. As part of the departmental capacity building plan, 2 566 beneficiaries received training in commodity based mentorship, 2 346 extension staff members received extension training and 1 615 small-stock farmers received targeted research support.
4. Trade and Agricultural Development	A total of 13 economic reports, 28 national statistical reports and eight topical reports were published to increase the level of public and private investment in agricultural development by improving the agricultural knowledge base. A total of 385 smallholder farmers were trained in agricultural marketing to improve their ability to market agricultural products.
5. Food Safety and Bio-security	Workshops and training sessions on bio-security were held with stakeholders in the emerging sector from various provinces. Through effective disease control programmes, two pig diseases, i.e. classical swine fever and porcine respiratory and reproductive syndrome (PPRS) were eradicated in the Eastern and Western Cape provinces respectively. To improve the effectiveness of the risk management framework, the bio-safety regulatory system was supported through the development, review and/or implementation of several regulatory instruments. Border control measures to prevent the spread of animal and plant diseases and pests have been further strengthened.
6. Forestry	A manual for sustainable management of forest resources as well as National Certification Standards for commercial forests (plantations) were developed. Both are necessary for compliance with the provisions of the National Forests Act of 1998. An estimated 1,2 million trees were planted as part of the implementation of the Million Trees Programme and the countrywide national greening initiative.

OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

After the establishment of the new DAFF, some of the services and deliverables, planned initially, had to be reviewed in terms of their relevancy to the mandate of the new department and the general focus and approach of government.

A Service Reporting Module was developed for the support function, Corporate and Financial Services, in order to improve reporting, which will assist in monitoring and measuring the efficiency and effectiveness of services rendered. Workshops were conducted for all support function directorates. The reporting module will be rolled over to line functions in the 2010/11 financial year.

The launch of the departmental service catalogue was put on hold owing to the integration of the DAFF. The new service catalogue will be developed to incorporate all departmental services. The service catalogue deals mainly with the

products of the department on an individual and detailed basis, specifying among others the service standards, clients, complaint mechanisms and turnaround times, which play a significant role in the monitoring and evaluation process.

The Service Delivery Improvement Plan (SDIP) has also been finalised; it will assist the department in the development of an improvement plan for selected underperforming services. The services will also be monitored to track performance.

Some of the key services rendered during the year under review were the following:

- Broadening access to agricultural finance: The department has partnered with 10 institutions to retail Mafisa funds to smallholder farmers in all provinces. During the 2009/10 financial year, over R56 million was disbursed as production loans to 1 100 smallholder farmers for various enterprises ranging from livestock and poultry to vegetables and grains.
- Promotion of exports within the sector: Over 2 000 export certificates were issued to seed companies. These certificates were issued to seed companies in South Africa that exported to various countries across the world. The bulk of these exports was destined for Africa.
- Development support and food security: A total amount of R170,8 million was allocated to provinces for recruitment of more extension personnel, the reskilling and reorientation of extension personnel, providing relevant information and communication technology (ICT) infrastructure, promoting professionalism and the image of the extension service, as well as improving the visibility and accountability of extension personnel. A total of 71 824 households have been supported through the Household Food Production Programme (HFPP), and 4 000 targeted farmers received assistance from disaster relief schemes at the end of December 2009.
- Sustainable natural resource management practices: 264 602 ha out of a total of 1 019 709 ha of land reform farms (1 296 farms) that have been inspected are under sustainable natural resource management practices, or sustainable land use practices are in the process of being adopted.
- Providing disaster risk information to clients for early warning risk mitigation purposes.

It is important to take note that because of the change in the departmental structure as well as other factors outside the control of directorates within various departmental programmes, most of the services and deliverables could not be fully achieved.

OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT

On 10 May 2009 President Jacob Zuma announced new ministerial portfolios, including the extension of the mandate of the Department of Agriculture (DoA) to become the DAFF. The forestry function was transferred from the former DWAF, and the marine aquaculture function was transferred from the former DEAT to form the new department. Since the announcement, legal effect was given by way of two presidential proclamations, the first one, published in the *Government Gazette* on 1 July 2009, assigning functions to ministers and the second, published on 7 July 2009, listing new and old departments and renaming some.

The mariculture-related provisions in the Marine Living Resources Act of 1998 and the Amendment Act of 2000, transferred to the Minister of Agriculture, Forestry and Fisheries on 1 July 2009, did not encompass the entirety of the fisheries legislative provisions. The Ministers of Water and Environmental Affairs and of Agriculture, Forestry and Fisheries concurred that certain provisions of legislation form part of the fisheries function and should therefore be transferred to the Minister of Agriculture, Forestry and Fisheries. These powers were subsequently transferred to the Minister by way of Proclamation 1, 2010, published in the *Government Gazette* of 10 February 2010.

To give effect to the proclamations, processes were introduced to facilitate the transfer of the relevant functions. Section 3 of the Public Service Act of 1994 and Part III (H) of the Public Service Regulations of 2001, dealing with the transfer of functions, formed the legal basis of the process, in line with the provisions of the Labour Relations Act of 1995.

In order to ensure smooth and uninterrupted service delivery, as well as job security for affected staff, the functions would be transferred with posts, staff and other concomitant resources to the DAFF as a going concern. Posts utilised for the forestry, marine aquaculture and fisheries core functions, and support for these functions, had to be identified (ring-fenced) for transfer to the DAFF. For this purpose, assistance was obtained from the Department of Public and Service Administration (DPSA). The ring-fencing process was supported by a set of formal guidelines from the National Macro Organisation of the State (NMOS) Steering Committee to ensure that the DAFF obtained the transferred resources in an equitable and fair measure. The DAFF participated in the NMOS project and a Departmental Technical

Task Team was established to manage the processes required to effect the creation of the new department and the transfer of functions between departments. In terms of the Public Service Regulations, Part III H(b), the receiving department (in this case the DAFF) coordinated and led the transfer process in cooperation with the relinquishing departments. The implementation date for the transfer of posts, staff and other concomitant resources to the DAFF is 1 April 2010.

Because of the restructuring process, a moratorium was placed on the filling of vacancies of SMS positions that could be affected by the restructuring of the department. Once the new structure of the DAFF is approved all positions at SMS level will be filled.

During the period under review the contract of the Director-General was re-determined. The post of Director-General was advertised and is in the process of being filled. The incumbent of the post of Deputy Director-General: Corporate and Financial Services, which included the responsibilities of the Chief Financial Officer (CFO), passed away during 2009. An official from National Treasury was seconded to the DAFF as Acting CFO to execute the functions of a CFO. This post has also been advertised and is in the process of being filled.

STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

Strategic overview

The process of renaming the department involved expanding the mandate of the previous DoA to include forestry and certain areas of the fishing sector. The scope of activities is supported by numerous pieces of legislation covering the agriculture, forestry and fisheries value chains, from inputs, production and value adding to retailing.

Contribution to the economy

Agriculture's strong role in the economy is its indirect contribution through backward and forward linkages to other sectors and accounts directly for just over 3% of South Africa's GDP. The formal agricultural sector provides employment for about 700 000 workers, including seasonal and contract employment, while the smallholder sector provides full or part-time employment for at least another 1 million households.

The forestry sector, including forestry and forest products, contributes about 1,4% to the GDP and the sector employs around 170 000 workers. The total area under forestry is about 1,27 million ha or approximately 1% of South Africa's total land area of 122,3 million ha.

The fishing industry is well established and South Africa is currently a net exporter of fish products. The commercial fishing industry is valued at about R2 billion a year and employs about 27 000 people.

Key policy developments

The department's objective for agriculture is to address challenges faced by rural and vulnerable people through its policies. The main policy instruments are: to ensure a safety net for households which are otherwise unable to meet their own food requirements; the empowerment of farmworkers to create small, micro and medium enterprises (SMMEs) or cooperatives; facilitating access to development finance; increasing investment in research and improving capacity building and mentorship; reducing risks related to production; providing appropriate technical assistance; and providing productive infrastructure.

Priority focus areas for forestry include the development of a strategy and fund for SMMEs in the forestry sector, the development of a strategy to address timber shortages, establishing extension support for emerging growers and entrepreneurs, reducing the regulatory burden on small and emerging businesses, streamlining processes for afforestation in the country, and strengthening collaboration between countries in the SADC on forestry issues.

Fishing related functions that were transferred to the department include the establishment and revitalisation of state-owned hatcheries, research and development on candidate culture species, conducting cage culture pilots in state-owned waterworks and coastal areas, and developing aquaculture development zones. The Marine Living Resources Fund was also transferred from the DEAT in 2009/10 along with the administration and management functions for South Africa's marine resources.

CURRENT CHALLENGES

Economic and political changes

The recent global economic downturn has made the currency market highly vulnerable to speculation. This had a negative affect on the stability of the commodity market and, as a result, the food security of the country. The consolidation of the agriculture, forestry and fishing sectors under a single department will bring synergy to these sectors.

Ensuring food security of the country

High global food prices and an increased demand for food have led to an increase in local food prices. In addition, higher per capita incomes and increased awareness about a balanced diet are causing changing preferences for specific food items. There is therefore a renewed focus on the need to ensure the adequate supply and accessibility of safe, nutritious and high-quality food at affordable prices.

Employment in the sector

Employment plays a particularly important role in the rural areas. The socio-economic contribution of the rural areas in terms of supplementing household income and contributing to the food supply for more than 2,5 million rural households is invaluable. As a result of the global economic downturn, job losses were also experienced in the sector during 2009/10.

Low levels of production and underutilisation of land

The smallholder subsector continues to be underutilised and economically unsustainable. Furthermore, the shortage of capital and skills, labour shortages, increasing input costs and low commodity prices have led to substantial unproductive agricultural land and abandoned holdings. It is estimated that there are more than 2 million ha of agricultural land that is not utilised fully. The department in collaboration with the Department of Rural Development and Land Reform provides post-settlement and production loans for new and upcoming farmers meeting the requirements.

Transformation and growth of the forestry sector

The obstacles that prevent the forestry sector from realising its potential contribution to job creation and biodiversity conservation include the inadequate supply of raw materials, biased equity distribution in the value chain, suboptimal economic development, a lack of funds and technical support systems to support SMMEs in all subsectors, and the slow establishment of plantations due to cumbersome government licensing processes.

2010 FIFA World Cup

The department developed a bio-security strategy to deal with the expected influx of tourists and cargo, as well as the import of plant and meat products without the necessary phytosanitary certifications during the 2010 FIFA World Cup. Improved measures have now been put in place to strengthen the department's capabilities and capacity to respond to potential bio-security risks.

DEPARTMENTAL REVENUE, EXPENDITURE AND OTHER SPECIFIC TOPICS

Collection of departmental revenue

The department's collected revenue exceeds the estimated amount mainly because of the transfer of all forestry revenue collected at the Department of Water Affairs (DWA) to this department at the end of March 2010. The forestry function was transferred to the department in terms of the revised government structure. For the same reason, the sale of goods and services other than capital assets, where the majority of revenue is collected, exceeded the estimated amount. Revenue derived from the sale of goods and services includes statutory services such as the registering of fertilisers, plant breeders' registrations, farm feeds, stock, poles, softwood saw timber, wood products and agricultural remedies. Financial transactions in assets and liabilities include an amount of R96,3 million being a refund of unspent conditional grants received from the provincial department in KwaZulu-Natal which is R11,3 million less than the amount refunded during the 2008/09 financial year.

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Actual	% deviation from target
	R'000	R'000	R'000	R'000	R'000	
Non-tax revenue	–	–	–	–	–	–
Sale of goods and services other than capital assets	**105 628**	**104 432**	**103 778**	**84 240**	**108 887**	**29,26**
Sales by market establishment	621	790	1 430	1 300	2 843	118,69
Administrative fees	55 656	61 495	55 498	54 938	75 143	36,78

	2006/07 Actual	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Actual	% deviation from target
	R'000	R'000	R'000	R'000	R'000	
Sale of goods and services	49 308	41 943	46 844	27 997	30 897	10,36
Sale of scrap, waste and other used current goods	43	204	6	5	4	(20,00)
Transfers received	**–**	**26**	**29**	**8**	**9**	**12,50**
Other governmental units	–	26	29	8	9	12,50
Fines, penalties and forfeits	**3**	**92**	**10**	**3**	**53**	**1 666,67**
Interest, dividends and rent on land	**1 446**	**1 963**	**18 960**	**13 113**	**12 519**	**(4,53)**
Interest	943	1 243	18 594	12 483	11 758	(5,81)
Rent on land	503	720	366	630	761	20,79
Sale of capital assets (capital revenue)	**211**	**9 957**	**500**	**436**	**1 605**	**268,12**
Other capital assets	211	9 957	500	436	1 605	268,12
Financial transactions (recovery of loans and advances)	**33 798**	**4 666**	**140 000**	**118 899**	**127 461**	**7,20**
Total departmental receipts	**141 086**	**121 136**	**263 277**	**216 699**	**250 534**	**15,61**

Departmental expenditure

The department closed off with a surplus of R35,4 million, which accounts for 0,94% of the total appropriated funds of R3,8 billion.

Savings were recorded under the following cost centres: compensation of employees R1,8 million; goods and services R7,8 million; transfer payments R17,5 million and capital expenditure R6,1 million.

The department made a submission to the National Treasury requesting that an amount of R19,8 million be rolled over to the 2010/11 financial year in respect of a foreign membership fee of R3,7 million to the Consultative Group on International Agricultural Research (CGIAR) that was not paid in time, foot-and-mouth disease vaccine ordered but delivered after the close of the financial year (R8,0 million), claims from the Eastern Cape Province relating to the classical swine fever campaign (R3,919 million), transfers to agricultural colleges for the roll-out of the excellence model (R3,0 million) and R1,2 million to the Water Research Commission.

Programmes	Voted for 2009/10	Roll-overs and adjustments	Virements	Total voted	Actual expenditure	Variance
	R' 000	R' 000	R' 000	R' 000	R' 000	R' 000
1. Administration	–	395 798	15 763	411 561	402 171	9 390
2. Production and Resources Management	–	327 980	(22 673)	305 307	303 309	1 998
3. Agriculture Support Services	–	2 028 847	(27 426)	2 001 421	1 997 751	3 670
4. Trade and Agricultural Development	–	80 443	(9 800)	70 643	69 144	1 499
5. Food Safety and Bio-security	–	351 628	54 495	406 123	401 854	4 209
6. Forestry	–	579 104	(10 359)	568 745	554 148	14 597
Total	**–**	**3 763 800**	**–**	**3 763 800**	**3 728 377**	**35 423**

Transfer payments

The table below indicates the amounts that were transferred to the provinces as conditional grants in terms of the Division of Revenue Act of 2009, including the CASP, LandCare, Ilima/Letsema projects, and agricultural disasters.

The CASP makes provision for agricultural support for targeted beneficiaries of the land and agrarian reform programme. LandCare on the other hand addresses the degradation problems of natural agricultural resources and the socio-economic status and food security of rural communities. Ilima/Letsema is aimed at increasing food production.

The funds for the provinces were transferred to the primary banking account of each province in accordance with the provisions of the Division of Revenue Act of 2009 and the approved payment schedules. The Act contains frameworks that prescribe monitoring and reporting procedures including quarterly reports and visits to monitor performance and provide support.

Transfers to provinces

Province	Amount transferred	Estimated expenditure
	R'000	R'000
Conditional grants:		
Eastern Cape	157 591	133 761
Free State	87 272	86 150
Gauteng	49 943	49 943
KwaZulu-Natal	138 489	152 202
Limpopo	126 196	130 217
Mpumalanga	85 519	110 891
Northern Cape	67 388	80 902
North West	107 688	125 925
Western Cape	153 625	158 860
Total	**973 711**	**1 028 851**

Transfers to local government

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Transfers to various local governments in respect of vehicle licences	484	484

Transfers to public entities

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Agricultural Sector Education and Training Authority	650	650
Agricultural Research Council	537 153	537 153
Tompi Seleke Agricultural Training Centre	1 000	1 000
National Agricultural Marketing Council	28 360	28 360
National Student Financial Aid Scheme	8 500	8 500
Perishable Products Export Control Board	600	600
Land and Agricultural Bank of SA	415 610	415 610
Ncera Farms Pty Ltd	2 550	2 550
University of the Free State	1 900	1 900
Total	**996 323**	**996 323**

Agricultural Research Council

The ARC is a national public entity listed under schedule 3A of the PFMA and was established in terms of the Agricultural Research Act of 1990. The ARC is the principal agricultural research institution in South Africa and renders services to the department on request.

National Agricultural Marketing Council

The NAMC is a national public entity listed under schedule 3A of the PFMA and was established in terms of the Marketing of Agricultural Products Act of 1996. The council provides strategic advice for the Minister on agricultural marketing issues, undertakes investigations on agricultural marketing and marketing policy, and does annual reviews of all statutory levies collected by various industries in accordance with the Act.

National Student Financial Aid Scheme

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

Perishable Products Export Control Board

The PPECB is a national public entity listed under schedule 3A of the PFMA and was established in terms of the Perishable Products Export Control Act of 1983. The Board controls the export of all perishable products from South Africa and also operates as an assignee for the department in terms of the requirements of the Agricultural Product Standards Act of 1990.

Land and Agricultural Bank of SA (Land Bank)

The Land Bank operates as a development finance institution within the agricultural and business sectors and is regulated by the Land and Agricultural Development Bank Act of 2002. The Land Bank is an entity under the control of the Minister of Finance and manages the Mafisa and Agricultural Black Economic Empowerment (AgriBEE) funds transferred by the DAFF.

Ncera Farms Pty Ltd

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

Transfers to foreign governments and international organisations

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Foreign rates and taxes – office accommodation	144	144
Membership fees		
Commonwealth Agricultural Bureau International	144	144
Consultative Group on International Agricultural Research	4 043	4042
Food and Agriculture Organization of the United Nations	23 083	23 082
International Dairy Federation	50	50
International Grains Council	144	144
International Seed Testing Association	60	60
Office International des Epizooties	967	967
Office International de la Vigne et du Vin	582	582
Organisation for Economic Co-operation and Development	45	45
International Union for the Protection of New Varieties of Plants	405	405
Total	**29 667**	**29 667**

Transfers to non-profit institutions

Name of institution	Amount transferred	Estimated expenditure
	R'000	R'000
Food Bank SA	8 000	8 000
Sterile Insect Technique	6 270	6 270
Total	**14 270**	**14 270**

Transfers to households

Purpose	Amount transferred	Estimated expenditure
	R'000	R'000
Social benefits	10 130	10 130
Combating of classical swine fever	1 080	1 080
Claims against the state	46	46
Female Farmer of the Year Awards	2 530	2 530
African Eagles	10	10
Morokweng Women in Greening	3	3
Mashudu Lukwareng	2	2
Tshwane Municipality	28	28
Total	**13 829**	**13 829**

CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT

Capital investment

The Department of Public Works (DPW) was instructed to proceed with the construction of the new Animal Quarantine Station in Durban. However, results of an environmental impact study prior to the actual construction of the new Quarantine Station are still awaited by the DPW.

Maintenance

Normal building maintenance is executed upon request in terms of DPW delegations and within the budget allocation for maintenance. Procurement prescripts are being adhered to with the appointment of private service providers in this regard. The DAFF embarked on the process of consolidation of office accommodation which resulted in the decline in building maintenance.

Asset management

The DPW is the custodian of immovable assets within government. However, the DAFF compiled a User Immovable Asset Management Plan in terms of the Government Immovable Asset Management Act, addressing the effective, efficient and economic use of office space in terms of the DPW office space norms and standards. The amount of official accommodation has increased because of the forestry function being transferred to the DAFF, but will be managed within the process of consolidation of office accommodation.

The asset holding of the department has changed over the period under review as moveable capital assets to the value of R7,2 million and minor assets to the value of R2,5 million have been disposed of. Major assets to the value of R654 587 and minor assets to the value of R84 868 have been written off as a loss during the period under review.

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

The department currently has 9 169 major moveable assets of which 85,4% is in good condition, 13,2% in fair condition and 1,4% in bad condition.

Programme 1: Administration

Isaac Miti

ACTING DEPUTY DIRECTOR-GENERAL

Jacob Hlatshwayo

ACTING DEPUTY DIRECTOR-GENERAL

PURPOSE

The programme provides the department with strategic leadership and management, as well as overall administrative and performance oversight. This includes overall departmental strategy development, monitoring the implementation thereof, and overall administration and governance.

The programme also takes responsibility for overall effective, efficient and timely delivery on the department's mandate within allocated resources. To achieve this objective, the programme ensures that the DAFF consistently applies methodologies for continuous service delivery and quality of service.

MEASURABLE OBJECTIVES

Improved service delivery:

- By implementing coherent planning and monitoring and evaluation (M&E) systems
- Through structured partnerships with international stakeholders
- By developing communication strategies and plans for programmes and projects
- By improving availability, accessibility and reliability of ICT systems
- Through shared/accessible/centralised knowledge management systems

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Communication and Information	Approved and published Communication Strategy for implementation	Enhanced community participation in agricultural activities	Q1–Q4	A five-year Communication Strategy was developed but withdrawn to accommodate the new mandate of the department.
	Customised and adapted communication plans		Q1–Q4	Communication plans were developed for the ICAC Plenary, World Food Day, 2010 FIFA World Cup and Farm Workers' Summit.
	Increased number of communication channels		Q1–Q4	Advertisements on different departmental programmes were placed in newspapers and broadcast on radio.
	Framework for baseline information		Q4	Framework for baseline information was linked to the Communication Strategy.
	Approved ICT Strategy	Stable, reliable and up-to-date ICT systems Good ICT governance based on best practices	Q4	Documented elements of the ICT Strategy and documented elements of the ICT governance model have been compiled and await DITC approval.
	Knowledge and Information Management Strategy	Approved Knowledge and Information Management Strategy	Q4	Because of financial constraints, KIM Strategy had to be put on hold.
Partnerships	Consolidated report	Improved governance and service delivery	Q1–Q4	Consolidated report indicating improvement in governance has been compiled and is available.
	Quarterly status report		Q1–Q4	Quarterly reports are available.
	Final MoUs and implementation plan	Improved partnerships with stakeholders	Q4	China Agreement on construction of aquaculture centre is to be implemented. MoUs with Namibia and Zambia were also signed. JMC already established in Namibia. RSA/Zimbabwe, RSA/Kenya and RSA/Swaziland are still to be signed.
	Status report on ODA programmes	Coordinated ODA programmes	Q1–Q4	Process is still on halt while funds are being sourced to establish the unit.
	Functional ODA Unit	Established ODA Unit	Q4	Process is still on halt while funds are being sourced to establish the unit.
	Increased accessibility of available ODA resources	ODA guidelines for National Treasury presented to DEXCO	Q4	Process is still on halt while funds are being sourced to establish the unit.
	Strengthened international bilateral and multilateral relations	Final agreements and MoUs for interested countries and multilateral agencies	Q4	The department signed declaration of intent on vocational training with Germany and trilateral agreement between IBSA was also signed.
		Implementation plan/s for active agreements and resolutions Region-specific international relations engagement strategies		Strengthening the DRC veterinary and plant health services: Parties agreed to exchange expertise to evaluate the needs of the DRC in terms of strengthening the veterinary laboratory by 15 April 2010. The DRC has three veterinary laboratories and the aim is to have one laboratory per province.
Planning and Monitoring	Approved performance report	Approved implementation plans and performance reports	Q1–Q4	Organisational performance reports for all quarters were compiled and arrangements are being made for publishing.

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Planning and Monitoring (*cont.*)	Revised SOPMER document	To ensure coherent planning and M&E systems at all levels Revise SOPMER document	Q3 Q3	Reviewing and updating of SOPMER document have been finalised. There was a delay in taking the document through departmental approval processes in order to incorporate forestry and fisheries and also to align it with requirements outlined by the Presidency.
	Planning framework	Agriculture planning, monitoring and evaluation framework	Q4	The forum is functional and is still adhering to planned schedule. Consultation visits with PDAs were done during this financial year; however, the framework will be finalised this financial year so as to be relevant to the departmental restructuring process where in some cases new programmes are to be introduced to respond to new mandate. Also, the processes as outlined by the Presidency (outcomes-based approach) are very critical and need to be covered so that the framework can be useful.
	APME Forum	Functional APME Forum	Q4	
	Approved strategic plan	Approved implementation plans and performance	Q4	*Strategic plan 2010/11* has been approved and is published on the departmental website.
	Framework for improved service delivery	Framework for improved service delivery developed	Q4	The focus for this financial year was a scoping and methodology study for client analysis, which has been finalised. The scoping and methodology excluded forestry and fisheries. They now have to be incorporated.

SERVICE DELIVERY ACHIEVEMENTS: CORPORATE AND FINANCIAL SERVICES

Information on the output of the programme for the 2009/10 period is reported per directorate.

Budgets and Reporting

The directorate renders a service for managing the budgetary process and financial reporting in the department. This includes the compilation of annual financial statements for the department.

Financial Administration

This directorate renders financial support services to the department and its duties and responsibilities are, *inter alia*, the payment of salaries and allowances, the payment of claims, e.g. interdepartmental, subsistence and transport allowances and claims, and miscellaneous payments, e.g. training courses and cellular telephone costs.

The directorate is also responsible for the reconciliation of income tax and the issuing of tax certificates, administering employee debt, debt emanating from services rendered and certain farmer debt together with the maintenance of the related debt securities. Further functions include verifying and safeguarding payment and other transaction documentation, managing thefts, losses of and damage to departmental assets and claims against the department, and conducting *ad hoc* financial investigations when necessary.

Supply Chain Management

The Directorate: Supply Chain Management renders a supply chain management service to the department that consists of demand and acquisition management and logistical and asset management. The directorate must, among other things, ensure that the procurement process complies with the Preferential Procurement Policy Framework Act of 2000 and Regulations, the Public Finance Management Act of 1999 and the Treasury Regulations. The directorate is also responsible for timeous issuing of orders, creditor payments, stores and the management of moveable assets within the department.

Human Resources Management

Human Resources Management renders an integrated human resources management support service to the department with regard to personnel administration, employee relations, recruitment and selection, job evaluations and human resources management policies and practices.

On 31 March 2010, the post establishment of the department totalled 3 307 posts. During the period under review the vacancy rate of the department decreased from 17% to 14,8%. A total of 238 new staff members, including six members of the SMS, were employed during this period and a total of 144 employees, including two members of the SMS, were promoted to higher positions in the department. The department lost the services of 185 employees, includind six members of the SMS, as a result of resignations, transfers, deaths, retirements and dismissals/discharges. Most of these employees were on salary levels 6 to 8.

The staff turnover rate for the period under review decreased from 9,5% during the 2008/09 reporting year to 6,8% for the 2009/10 reporting year. The exit interview system enables the department to do self-assessment regarding employee management challenges and to take remedial actions where necessary in order to ensure the retention of its employees, employee satisfaction and the resulting lower staff turnover.

During the period under review, 464 posts were subjected to job evaluation. The department also participated in the development of the proposed Occupation Specific Dispensations (OSDs) for the State Veterinarian and Agricultural Economist occupations to attract and retain sufficient staff in these professions. The mentioned OSD proposals were submitted to the DPSA to be considered for implementation.

Proactive strategies and intervention by the Employee Relations unit resulted in very few formal disputes being declared against the department and conflict resolution at grassroots level has enhanced sound labour relations. Constructive collective bargaining in the Departmental Bargaining Chamber has strengthened the relationship between the employer and organised labour. Thirty additional investigating and presiding officers were formally trained to strengthen the capacity of the department to attend to misconduct cases effectively and timeously.

Internal Audit

This directorate renders an independent and objective assurance and consulting audit service designed to add value to and improve the department's operations.

Legal Services

The mandate of the Directorate: Legal Services is to provide legal support for the department and the Ministry.

Facilities and Travel Management

The Unit: Facilities and Travel Management renders support services to the department with regard to the procurement of office accommodation, transport matters, records management and switchboard. It ensures compliance with relevant legislation, applicable policies and guidelines in order to provide effective and efficient services and the most economical solutions to relevant requests by officials in this regard.

Transformation

The purpose of the Transformation Unit is to manage transformation programmes at the DAFF. The unit also develops policies and provides strategic direction, support and advice on the implementation and monitoring of the employment equity plan and diversity management. It advises the Minister and DAFF management on broad transformation imperatives and monitors and advises on the implementation of the special programmes initiatives focusing on youth development, job creation, children's rights and elderly people. It also ensures adherence to the government's Batho Pele Programme of Action.

During the period under review, the following were achieved:

- A sizable number of directorates were able to comply with their employment equity targets when they recruited new staff to their positions.
- All subtransformation structures have been established in all our directorates, even at regional offices that are located within all nine provinces. However, this is only applicable to the agriculture side.
- The departmental employment equity report was submitted to the Department of Labour and accepted without queries.

- The unit consistently visited a number of regional offices despite the challenge of human resources capacity and submitted reports to the Departmental Executive Committee (DEXCO) and Oversight.
- The unit has taken leadership on the appointment of persons with disabilities by successfully appointing two disabled staff members. This is a significant milestone for the unit and the department showing that matters relating to persons with disabilities are taken seriously.
- The unit reviewed the affirmative action and employment equity policy and the terms of reference for the Transformation Forum and also formulated broad youth development terms of reference for the department.
- The unit has consistently advised SMS members with regard to the intensification of transformation imperatives within their own scope of operations.
- The unit also developed a transformation plan of action and submitted it to both DEXCO and the Transformation Forum.

Security Services

The purpose of the Directorate: Security Services is to render services to and administer the entire security function of the department, including the protection of personnel, state assets and information through the development and implementation of security policies, procedures and measures.

During the period under review, the following were achieved:

- A total of 21 unused redundant firearms were handed in for destruction to the South African Police Services before the closing date of the amnesty period after approval obtained from the Departmental Disposal Board.
- The door locks for a total of 45 directorate offices were replaced with high-security locks.
- Security systems were installed at seven buildings occupied by the DAFF after approval obtained from the Departmental Accommodation Committee (DAC).
- Security appraisals were conducted at 10 buildings.
- Eleven events held in various provinces were successfully secured.
- Draft security policy and procedures were completed.

Gender Mainstreaming

This directorate's purpose is to develop, manage and coordinate national guidelines/a framework on gender equality and women empowerment in line with government objectives for the DAFF and the agricultural sector. Gender Mainstreaming also facilitates the development and implementation of accelerated development and other empowerment programmes to strengthen/support girls and women in agriculture, forestry and fisheries and provide strategic support on gender and women's empowerment initiatives in the DAFF.

Implementation mechanisms were put in place to monitor the application of the Head of Department (HoD) eight-principle action plan for promoting women's empowerment and gender equality within the public service workplace, conduct advocacy, and monitor and report on gender equity trends for national and international frameworks.

During the period under review, the following were achieved:

- Development of draft gender mainstreaming guidelines for the DAFF
- Development of public-private partnership guidelines on piloting career guidance to encourage increased access, participation and achievements for girl learners in farm schools in the field of agriculture, forestry and fisheries – the Memorandum of Agreement (MoA) and implementation plan have been developed.
- Development of core checklist/indicators for the DAFF
- Establishment of a National Gender Coordinating Committee comprising all provincial gender focal persons that will monitor and report on provincial compliance with national and international frameworks
- Advocating for the national Women's Day and for 16 Days of Activism on No Violence Against Women and Children at the Grootfontein Agricultural Development Institute (GADI), provincial departments and Agriculture Place, as well as successfully adjudicating for the Public Service Woman SMS Manager of the Year at Batho Pele House and presenting it at the annual Public Service Gender Indaba
- An awareness workshop for Transformation Forum members

SERVICE DELIVERY ACHIEVEMENTS: OPERATIONS MANAGEMENT

Outputs of the programme, as specified in the *Strategic plan 2009/10*, are reported per quarter.

Quarter 1

During the period under review, a Declaration of Intent on Vocational Training was signed between the department and Germany and a technical visit to Germany took place. This resulted in technical assistance for land reform, postgraduate scholarships and student exchange programmes. Trilateral agreements between India, Brazil and South Africa (IBSA) were also signed. Five subgroups were established as part of the implementation plan. Areas of cooperation were identified and two workshops as well as three Joint Working Group meetings have taken place. The Directorate: International Relations facilitated the department's participation in the African Union (AU) and SADC meetings.

The department also met with the European Union (EU) on available technical assistance for agriculture. A proposal had to be developed for funding of technical projects. Guidelines were obtained from the EU for the development of business plans. The KnowledgeBank model for 2009/10 was also developed and implemented for reporting purposes against planned deliverables in the *Strategic plan 2009/10*.

Quarter 2

The Communication Strategy was developed and finalised but had to be aligned with government's term of office (five years) to comply with Government Communication and Information System (GCIS) requirements. Implementation will only start after the alignment process has been concluded. A Joint Management Committee (JMC) has already been established in Namibia. However, working groups still need to be established for implementation of the Memorandum of Understanding (MoU). The China Agreement on the construction of an aquaculture centre was to be implemented, but there was a delay in the construction of the aquaculture centre because of logistical arrangements.

Quarter 3

The department facilitated and participated in the Food and Agriculture Organization (FAO) World Food Summit and the 136th Conference which took place during November 2009. The Flemish government was involved in projects related to food security, agriculture and health in Limpopo and KwaZulu-Natal.

Documented elements of the ICT Strategy and of the ICT governance model were compiled and are waiting for approval.

Quarter 4

The *Strategic plan 2010/11* was finalised and tabled in parliament. Communication plans were developed for the International Cotton Advisory Committee (ICAC) Plenary, World Food Day, the 2010 FIFA World Cup and the Farm Workers' Summit. The completed framework for baseline information was linked to the Communication Strategy and is awaiting approval by DEXCO. The proposal to develop a Knowledge and Information Management (KIM) Strategy was sent to SITA and received a favourable response but because of financial constraints the proposal development was not taken any further.

The following agreements/MoUs were finalised and are awaiting signature on a date to be agreed upon by consenting parties:

- RSA and Zimbabwe
- RSA and Kenya
- RSA and Swaziland

South Africa and the Democratic Republic of the Congo (DRC) negotiated a sanitary and phytosanitary agreement for the export of coffee, palm oil and fruits from the DRC. Furthermore, sanitary and phytosanitary certificates for the export of wine, beef, lamb, goat meat, game meat and fruit from South Africa to the DRC were issued. This will be part of efforts to facilitate intra-regional trade.

Reviewing and updating of the strategic, operational, planning, monitoring, evaluating and reporting (SOPMER) document was finalised. The document is now ready to be taken through approval phases after incorporation of forestry and fisheries and alignment with processes as outlined by the Presidency.

Organisational performance reports (quarters 1 to 4) have been compiled and arrangements are being made for them to be published.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measure
Budgets and Reporting	**Compiled interim financial statements:** National Treasury did not make the trial balance on Vulindlela available as with the annual financial statements.	Improved communication with National Treasury
	Compiled annual financial statements: The transfer of the forestry function (expenditure and revenue) after the budget was incorporated into the adjustments estimate in November 2009	Budget allocation and usage should be understood to accommodate structural changes in the department if they happen.
	The inconsistency/delays/changes in the decisions made by National Treasury regarding SCOA allocations	Improved communication with National Treasury
Supply Chain Management	**Payment of creditors within 30 days:** Directorates do not submit payment documents in time.	Circular in this regard was issued and the transit section has been streamlined to ensure that goods are issued timeously.
	Instability of transversal systems such as BAS and LOGIS	Systems are monitored on a regular basis.
	Asset Management: Directorates move assets from different locations without informing D: SCM and therefore the location of assets is not updated on LOGIS.	An in-house asset management system has been developed and implemented whereby directorates can move assets from various locations and update the system themselves.
	Assets transferred from forestry are managed on a spreadsheet and therefore have various risks.	All assets must be managed on LOGIS and therefore the implementation of LOGIS at all provincial offices of forestry is imperative.
	SCM officials of forestry have not been adequately trained with regard to SCM processes and policies.	LOGIS and training programmes must be implemented for SCM officials of forestry.
Human Resources Management	**Decreased turnaround time of filling of vacancies:** Moratorium placed on the filling of vacancies as a result of the restructuring of the department.	Deviation from moratorium requested to approve the filling of posts in the interest of service delivery.
	Delays in the Personnel Suitability Checks (criminal and citizenship checks) by NIA hampered the timeous filling of vacant posts.	Director: Security Services to fast-track the NIA process and investigate alternative means of obtaining criminal and citizenship checks.
	Communicate HR policies and practices to outside offices: Budget constraints resulting from budget cuts hamper visits to outside offices.	Requesting directorates to fund the visits
	Approved acting policy: Amalgamation of agriculture, forestry and fisheries required further consultation on draft policy.	Inputs to be obtained and incorporated to finalise the policy
	Handling of misconduct cases and grievances: Shortage of available, trained investigating and presiding officers	A total of 30 additional investigating and presiding officers were trained. Capacity of current unit to be strengthened in the proposed organisational structure
Gender Mainstreaming	**Guidelines for gender mainstreaming in DAFF and core indicators:** Conducting consultative workshops to ensure broad input from different stakeholders and making the guidelines inclusive has been difficult because of the operational arrangements of major branches such as forestry and fisheries. The process will continue in the new financial year.	Inclusion of all planned interventions/actions in the departmental *Strategic plan 2009/10*
Security Services	Security Vetting Strategy which is not implemented	Approval obtained to deviate from the moratorium on the advertising of vacant posts.
	Vetting of SMS members' project	The Subdirectorate: Information Security was informed on how to request the captured files from NIA for field work.

Directorate	Challenge	Corrective measure
Security Services (*cont.*)	The telephone system for top management needs to be procured so that secure lines can be installed.	Funds must be sourced from the departmental budget so that secure lines can be procured.
	The approval for the abolishment of vacant posts by ODC was delayed because of departmental restructuring.	The Secretariat of ODC was reminded time and time again not to forget the request of D: SS.
	Poor handling of key control by some staff members	Key control procedures were developed.
	The current security structure is unable to address the prevailing security challenges effectively.	A request for realignment of security structure was compiled and submitted to HRM for Job Evaluation.
Legal Services	**Manage legislation processes in the department:** Lack of cooperation by internal client	Engage CDs and DDGs on lack of cooperation.
	Provide legal support and advisory services: Poor information from internal clients	Persist with queries for internal clients to answer. Approach CD and DDG.
	Staff shortages	Appointment of additional staff
	Provide litigation support: Lack of cooperation by internal clients	Engage CDs and DDGs on lack of cooperation.
Internal Audit	**Risk assessment:** Determining responsibility for project was a challenge.	Exercise being conducted in 2010/11 financial year
Transformation	Non-compliance with regard to the recruitment of people with disabilities as well as women for critical and scarce skills areas within the DAFF	Development of a disability strategy and reviews of the recruitment and selection processes to enhance the recruitment of the designated group.
	Non-integration of the Batho Pele principles with the operational plans of directorates	Awareness campaigns aimed at intensifying the integration of the Batho Pele principles within directorates' operational plans through workshops, etc.
	General lack of support on the implementation of the DAFF transformation plan of action	Continuous engagement with all the relevant stakeholders including the integration of forestry and fisheries
Agricultural Information Services	Communication plans to be developed for all departmental campaigns in future	Communication plans should be developed for each departmental campaign.
	The Communication Strategy should be approved for implementation at the beginning of the term of government or each financial year.	Ensure that strategy is approved by DEXCO at the beginning of the financial year.
Monitoring and Evaluation	Delay in approval process for performance reports	The approval of monitoring, evaluation and reporting guidelines
	Slow and inconsistent IT response affects reporting processes.	Continue to strengthen relations with IT and possibly have official dedicated to attend to reporting systems.
Information and Communication Technology	The proposal to develop a KIM Strategy was sent to SITA. SITA responded and because of financial constraints from the directorate the proposal development was not taken any further.	Ensure that all the plans have costs attached to them and engage with all relevant stakeholders for support.

Programme 2: Production and Resources Management

Andile Hawes

DEPUTY DIRECTOR-GENERAL

PURPOSE

Promote agricultural productivity and profitability through the identification of opportunities, sustainable use and protection of land, water and genetic resources and infrastructure development to ensure household food security.

The programme comprises two subprogrammes:

Agricultural Production: Focuses on ensuring national food security and on creating an enabling environment for increased and sustainable agricultural production through appropriate policies, legislation, norms and standards, technical guidelines and other programmes and services. The subprogramme administers the Plant Improvement Act of 1976, the Animal Improvement Act of 1998 and the Plant Breeders' Rights Act of 1976. The subprogramme is also the focal point for various standard-setting bodies and relevant agreements and conventions.

Engineering and Resource Management: Facilitates the development of agricultural infrastructure and the use of agricultural resources. Other activities include auditing natural resources, controlling migratory pests, rehabilitating and protecting agricultural land and running the community-based LandCare programme.

MEASURABLE OBJECTIVES

Increase agricultural production by:

- Implementing targeted animal and crop production programmes and providing support services to increase food production by 2% per annum over the medium term
- Increasing the area of farm land under sustainable management practices to approximately 3 700 ha of land per annum over the medium term
- Increasing the number of beneficiaries adopting sustainable production technologies and practices per annum over the medium term

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Agricultural Production	Improved/increased quality and quantity of animals and crops in the black farming community	Increase food production by 2%	Q4	Fruit production support scheme for black farmers is aimed at fast-tracking the participation of black farmers in the fruit industry. The scheme was piloted in the Vhembe district of Limpopo with good results.

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Agricultural Production (*cont.*)				About 50 farmers participated and were helped to establish close to 200 ha of fruit orchards. The farmers were provided with close to 52 000 seedlings comprising mangoes, avocados, macadamia nuts and bananas. Close to 100 jobs were created.
				The scheme will be upscaled in the next financial year in partnership with the ARC, PDAs and commodity organisations (Subtrop, SAMGA, SAAGA, etc.).
				40 beef and 40 goat farmers have been supported as new entrants in animal improvement schemes.
	Reduced production costs		Q4	Developed manuals for dairy farming, goat's milk production, rural freshwater aquaculture, sheep production and veld care
				Successfully trained extension officers in milch goat production
				The department has partnered with local communities in Sterkspruit (Eastern Cape) to develop a programme to improve seed security of the community. A seed diversity fair has been undertaken to educate local communities about the value of indigenous plants and their associated indigenous knowledge.
				In KwaZulu-Natal (50 participants) and Limpopo (30 participants), community members have been trained in management of their indigenous seeds. This is an important risk management measure, particularly in the face of seemingly insurmountable environmental challenges.
	Updated national food security status report		Q4	The following reports have been completed: IFSNP comprehensive quarterly reports, FIVIMS status report and HFPP reports. HFPPs in the fiscal year 2009/10 have reached about 71 824 households.
	Regulated use and trade of plant and animal genetic resources		Q4	All research objectives were met, except that protocols for genetic material of indigenous chickens, rams and pigs were unsuccessful.
				During 2009/10, surveys were undertaken in Gauteng and North West provinces to assess the status of the FAnGR among emerging and subsistence farmers.
				Over 2 000 export certificates were issued in the last financial year. These certificates were issued to seed companies in South Africa that exported to various countries across the world. The bulk of these exports were destined for Africa.
	Improved production through the application of appropriate technologies		Q4	An assessment of various technologies that are ready for adoption by farmers was done in the last financial year. It was based on the results of various research projects commissioned by the D: PP in the last five years. The next phase will

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Agricultural Production (*cont.*)				be the establishment of demonstration sites in all provinces to encourage farmers to adopt these technologies. The adoption of technologies will lead to increased production, income generation and employment creation from farming activities.
	Improved/increased quality and quantity of animals and crops in the agricultural sector	Increase food production by 2% at household level	Q4	Four Food Banks have been launched to date in Cape Town, Johannesburg, Durban and Port Elizabeth. The current operations of the Food Banks provide meals for about 84 800 individuals per day. The main beneficiaries are aged individuals, immigrants and orphans. Commodity groups have indicated interest in supporting this programme but they needed further clarity regarding the sustainability strategy of Food Banks.
	Increased household food production through the supply of production inputs and the adoption of economic production models		Q4	The Veggie Tower economic model has been tested in Muyexe in Limpopo Province and trials are conducted at the experimental farm on the viability of earth boxes for household food production. About 50 farmers were provided with close to 52 000 seedlings comprising mangoes, avocados, macadamia nuts and bananas in Limpopo.
Engineering and Resource Management	Approved norms and standards for irrigation, water quality and subdivision of agricultural land	1% increase in farmland under sustainable management practices	Q4	The desktop study for the irrigation water quality guideline has been completed and the draft guideline is awaiting final inputs and comments from PDAs.
				During the financial year the agricultural land use zones for Gauteng and Limpopo provinces were finalised. A total of 61 unique zones for Gauteng and 64 for Limpopo were identified. This resulted in 18 205 demarcated land use units (polygons) for Gauteng and 65 563 for Limpopo. In total, 1 019 709 ha of land reform farms (1 296 farms) were inspected. Of this total, 264 602 ha were under sustainable natural resource management practices or the beneficiaries were in the process of adopting sustainable land use practices.
	Report on adopted sustainable technologies	Number of beneficiaries who adopted sustainable technology	Q4	At the end of March 2010, a total of 14 042 beneficiaries on 748 compliant farms had adopted sustainable innovations/technologies on LandCare projects and land reform farms.
		Area or rehabilitation closed and compliance (number of hectares under sustainable management practices)	Q4	A total of 264 602 ha were under sustainable natural resource management practices or beneficiaries were in the process of adopting sustainable land use practices as at the end of March 2010.
	Approved mechanisation norms and standards	1% increase in farmland under sustainable management practices	Q4	Document of norms and standards has been completed and final editing is being done.

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2009/10*, are reported per quarter.

Quarter 1

The list of breeds declared was published in *Government Gazette* No. 32601 (Notice No. 935) dated 2 October 2009. Reports for the IFSNP and the HFPP for the first quarter were completed. A total of 900 tons of cotton for emerging farmers were transported from Makhathini to Groblersdal. At the end of the quarter, 30 ha of trees had been cleared at Spitskop (Hofmeyr) and 34 ha of Prosopis were cleared at Witsyfer (Calvinia). The LandCare project on river rehabilitation was supported through construction machines, and a total of 4 452 cubic metres were moved. A total of 27 boreholes were drilled and 3,8 km of elephant control fence and 500 m of normal fence, with related road-crossing infrastructure, were constructed. Locust control took place in 24 districts where 1 516 hopper bands and 1 499 adult swarms were successfully controlled. At the end of the quarter, a total of 92 horses, 50 cattle, 2 691 sheep and 800 goats were permanently imported. With regard to temporary importation of animals, the total came to 67 489 cattle, 100 162 goats, 70 230 sheep and 23 horses. A total of 257 076 units of cattle semen and 117 cattle embryos were also imported. A total of 263 export authorisations were issued (51 cattle, 203 sheep and nine horses).

A total of 118 approvals of animals to be genetic material donors were done and 73 reproductive operators were registered while 31 renewals were made. During this quarter, 10 import agents were registered and three plant breeders' rights certificates were issued. The department participated in a meeting on rainwater harvesting and conservation hosted by the ARC Institute for Soil, Climate and Water on research conducted in the Eastern Cape in the village of KrwaKrwa on 24 June 2009.

The programme supported PDAs with technical and strategic advice through Coordinating Committees on Agricultural Water (CCAW) and supported the Free State Department of Agriculture with feasibility studies for a new 3 000 ha irrigation development. The Water Research Commission was also assisted financially for irrigation research in various provinces. The programme served on project steering committees for irrigation research projects.

Quarter 2

The 4th biennial LandCare Conference was hosted at Polokwane in Limpopo Province during this quarter. The purpose of the conference was to strategise on improved and sustainable methodologies aimed at the production of sufficient, safe and nutritious food, increasing public participation and awareness of LandCare, developing sustainable options for increased growth, income and job opportunities in the agricultural sector, highlighting the socio-economic impact of climate change on food production, promoting stakeholder engagement and strengthening partnerships.

Altogether 12,222 million quelea were controlled on 137,8 ha and locust control operations took place in the Gamoep, Loeriesfontein and Kliprand districts, where 42 hopper bands were successfully controlled. A total of 195 inspections to resolve degradation on natural resources caused by weeds and invasive plants were conducted while 886 applications for regulating change of land use were also captured during this quarter. Approximately 660 m of elephant fence were completed at Punda Maria.

A total of 43 farmers attended a first farmer development workshop on Alternative Fodder Sources which was conducted on 16 July 2009 at Bolivia Lodge in Limpopo Province. The second farmer development short course on Veld Management was conducted on 26 November 2009 at ARC, Roodeplaat, Gauteng Province. It was attended by 36 farmers. Altogether 79 farmers therefore attended farmer development workshops. A declaration of the new genera of plants has been approved and published in the *Government Gazette*. During the quarter 15 722 poultry birds, 26 horses, 19 cattle, 24 pigs, 31 sheep and 128 320 units of cattle semen were imported permanently. A total of 19 197 cattle, 36 100 goats and 26 750 sheep were imported for feedlot and slaughter purposes while 20 horses were imported temporarily. Altogether 17 reproduction operators were registered and two renewals were done. The revival of Turfloop fish breeding station hatchery was completed, infrastructure support requirements on Makhathini and Vaalharts have been identified and technical support was provided for implementers. The FIVIMS, IFSNP and HFPP reports for quarter 2 were completed.

The programme supported and contributed to the Presidential Sites and the Comprehensive Rural Development Programme (CRDP), e.g. in Muyexe and Riemvasmaak, supported PDAs with technical and strategic advice through Coordinating Committees on Agricultural Water, conducted site visits to monitor progress in Letsema projects including Makhathini, Vaalharts and Taung and developed business plans for the Bululwane Irrigation Scheme.

Quarter 3

The development of aquaculture training manuals has been completed and 20 extension officers were trained in milch goat production during this quarter. A total of 152 073 poultry birds, 138 horses, 69 cattle, 800 goats, 24 pigs, 2 722 sheep

and 385 396 units of cattle semen were permanently imported for breeding purposes while 136 262 goats, 67 489 cattle, 90 horses and 96 981 sheep were temporarily imported for show/race/competition purposes and feedlot and veterinary services. Altogether 117 cattle embryos were imported and 263 export authorisations were issued (51 cattle, 203 sheep and nine horses).

The following achievements were also realised during this quarter: 137 reproduction operators were registered and 40 renewals were done, 350 animals were registered as donors of genetic material, 10 import agents were registered, one import agent registration was renewed and the registrations of seven centres of artificial insemination were renewed. The IFSNP and HFPP reports were also completed during this quarter. In November 2009, 20 Brahman and Bonsmara bulls were distributed to 20 farmers in Matatiele, Alfred Nzo District Municipality, in exchange for 40 heifers through the Livestock Development Programme in partnership with the National Emergent Red Meat Producers' Organisation (NERPO). The heifers have been used to establish a training herd in Matatiele.

A total of 117 premises (nurseries, seed cleaners, packers, sellers and test laboratories) were registered (three were new and 114 were renewals), while 14 fruits (81 varieties) and 26 seeds (68 varieties) were imported. A total of 36 certificates were issued and 36 re-issued under the Plant Breeders' Rights Act of 1976. Approximately 28,857 million quelea were controlled on 449,9 ha and locust control took place in 27 districts where 1 558 hopper bands and 1 499 adult swarms were successfully controlled. Altogether 29 attempts for boreholes were made on 17 farms and seven existing boreholes were identified for repair and testing in the Thabo Mofutsanyana district of the Free State. A total of 29 boreholes were drilled and 27 and 37 ha of invader species were removed at Witsyfer and Spitskop respectively. Two kilometres of elephant control fence and 2,3 km of normal fence were completed.

The programme supported PDAs with technical and strategic advice through Coordinating Committees on Agricultural Water, participated in the Network for Irrigation Research and Extension in Smallholder Agriculture (NIRESA) with Water Research Commission in North West from 13 to 15 October 2009 and conducted site visits to Letsema projects.

Quarter 4

A total of 1 019 709 ha of land reform farms (1 296 farms) were inspected. Of these, 264 602 ha were under sustainable natural resource management practices or the beneficiaries were in the process of adopting sustainable land use practices. A total of 61 unique zones for Gauteng and 64 for Limpopo were identified. They resulted in 18 205 demarcated land use units (polygons) for Gauteng and 65 563 for Limpopo. The following engineering services were provided: 9,68 km of new fencing were erected at Bray and 1,45 km of flood-damaged fences were replaced, 42 km of normal fences, roads and culverts were constructed at Kosi Bay, 17 km of 1,8 m fences were constructed at Malaladrift, 12 km of elephant fences and three structures were erected at Altien and 9 km of elephant fences and 11 structures at Kruidfontein were handed over to the client (Directorate: Veterinary Services). Engineering inputs were also provided for the Makhathini, Vaalharts, Boegoeberg, Xhariep and Balfour projects. A total of 224 boreholes were sighted and 49 were drilled in the Free State Province.

A veld management manual is being finalised and will be published by NERPO as part of a beef cattle manual. A rural freshwater aquaculture manual has also been completed as part of a joint programme with the Water Research Council and Rhodes University. The milch goat manual has been finalised. Altogether 129 boreholes were drilled across the country and 95 of them delivered adequate water while 34 were dry. A total of 80 new entrants in animal improvement schemes were registered – 40 in dairy and 40 in beef schemes. The literature study on norms and standards for revitalisation of irrigation schemes and a literature review and analysis of existing irrigation technologies were completed. A quarterly report of the IFSNP cluster was completed and the HFPP reached about 71 824 households by the end of the financial year. Five PDAs were consulted and 300 beneficiaries were identified to receive funding from the Agricultural Sector Education and Training Authority (AgriSETA) for training in household food production.

During this quarter, 134 752 poultry birds, 625 618 units of cattle semen, 1 200 units of sheep semen, 186 units of horse semen and 421 units of goat semen, 119 cattle embryos, 19 goat embryos, 179 horses, 88 cattle and 471 sheep were permanently imported. There was also a temporary import of 227 horses, 363 133 cattle, 191 165 goats and 213 728 sheep, while 212 cattle, 36 sheep and 75 horses were exported. Other achievements included the registration of 30 reproduction operators and the renewal of 60 others, the renewal of one import agent and the registration of 232 animals as donors of genetic material, while the renewal of registration of four centres of artificial insemination was also done successfully. The following plant import authorisations were also done: 20 for fruits, 43 for seeds and three for potatoes.

The programme supported PDAs with technical and strategic advice through the CCAW, participated in the South African Regional Irrigation Association (SARIA) with the Water Research Commission in Bloemfontein from 15 to 19 February 2010 and conducted site visits and verification of progress at Letsema projects.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measure
Agricultural Engineering Services	A shortage of engineers because of their high demand in other sectors is hampering the delivery of planned interventions.	More engineers have to be recruited on more competitive terms.
Food Security	Food security interventions are multisectoral and the complexity of this makes it a challenge to finalise plans timeously.	The complex nature of the work needs to be accommodated during planning processes.
Animal Production	Most of the interventions are collaborative efforts with sector partners and at times, because of unforeseen circumstances, MoUs are not signed. This affects the delivery of planned output at targeted periods.	It would help to have an agreed project plan, including resources allocation, agreed to with relevant partners before initiation of any collaborated intervention.
Plant Production	Limited funding and access to funds for research projects	Collaborations have to be strengthened with research institutions/units to improve economic allocation of resources.
Genetic Resources	Loss of key personnel such as the Gene Bank Curator and delays in filling of positions may affect delivery in the directorate.	Improvement in turnaround times for filling of positions
Land Use and Soil Management	Delay in filling of vacant positions	Improvement in turnaround times for filling of positions
Water Use and Irrigation Development	Loss of personnel and delays in filling of positions may affect delivery in the directorate.	Improvement in turnaround times for filling of positions

Programme 3: Agriculture Support Services

Vangile Titi

DEPUTY DIRECTOR-GENERAL

PURPOSE

This branch develops and facilitates the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector to promote shared growth and the commercial viability of emerging farmers. It also manages agricultural risk and disaster management, agricultural education and training, extension and advisory services, scientific research and technology development.

The programme provides services for the sector and the department in the areas of intergovernmental, stakeholder and international relations, and manages and coordinates education and training, including GADI. It also guides agricultural research and extension and advisory services.

The programme comprises two subprogrammes:

Livelihoods Development Support*:* Facilitates the provision of post-settlement support for emerging farmers, promotes black economic empowerment (BEE), provides for agricultural development finance, promotes farmer cooperatives and manages agricultural risk and natural disasters.

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

MEASURABLE OBJECTIVES

The branch increases access to services and support for farmers, agrarian reform beneficiaries, entrepreneurs and agribusinesses by:

- Increasing the number of financial institutions accredited in terms of Mafisa by the end of 2009/10
- Providing industry-focused farmer training for beneficiaries annually over the medium term
- Improving the quality of extension services by increasing the number of extension officers enrolled in skills upgrading programmes annually over the medium term

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Livelihoods Development Support	Status report	Number of financial institutions (intermediaries) accredited for disbursement of Mafisa	Q1–Q4	A cumulative total of 10 institutions has been accredited for 2009/10, with eight fully operating and two awaiting final approval.
		Number of farmers accessing entrepreneurial support	Q1–Q4	The total number of farmers accessing entrepreneurial support is within the total of the CASP pillar

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Livelihoods Development Support (*cont.*)				categories, as in CASP supported, Mafisa, AgriBEE, mentorship programmes – individual progress reports for the above are available from relevant directorates.
		Guidelines for institutional support for farmer organisations	Q1–Q4	Work is in progress with the Department of Rural Development and Land Reform, the Land Bank and the National Treasury on the curatorship model to assist agrarian reform farmers in distress, particularly those who are critically indebted to the Land Bank.
		Number of emerging farmers as well as rural entrepreneurs accessing financial services	Q1–Q4	A total of R420 million has been approved for Mafisa and 1 405 clients received financial services.
		Number of beneficiaries settled and supported on state land	Q1–Q4	A total of 7 495 7297 ha of state land was disposed of during the period under review. Ten state land lessees were supported with infrastructure to the amount of R1,6 million.
	Progress report on compliance with AgriBEE Scorecard	Number of black agribusinesses facilitated	Q1–Q4	The AgriBEE Charter Council is still in the process of finalising the Agricultural Sector Code that will hold all agribusinesses to comply with the AgriBEE Scorecard after finalisation.
				According to the dti's BEE IT Portal, there are currently 612 agribusinesses registered in the portal, as follows: • 299 are Exempted Micro Enterprises – 48,8% • 231 are Qualifying Small Enterprises – 37,7% • 82 are Large Enterprises – 13,5%.
				About 334 of the 612 agricultural entities registered were rated according to the generic scorecard, while 278 agricultural entities registered were not yet rated. The average black ownership of these agricultural entities is 23%. The average black women ownership of these agricultural entities is 10%.
	Implementation report on commodity strategies	Number of farming entrepreneurs participating in the value chain of different commodities	Q1–Q4	A report on the implementation of the Cotton Strategy for November 2009 to January 2010 was received from the cotton industry.
	Four initiatives identified and implemented	Number of job opportunities created	Q4	Altogether 1 190 direct permanent job opportunities were created for cooperative administrators. A total of 1 587 indirect job opportunities were created for members of cooperatives.

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Livelihoods Development Support (*cont.*)		Number of initiatives to reduce the cost of doing business in agriculture	Q4	The D: BED has been engaging various private agribusinesses and SETAs, *viz.* Timbali Technology Incubator, FoodBev SETA, and AgriSETA, to work out partnership models that will reduce some of the costs of doing business in agriculture, *viz.* mentorship and curatorship.
		Extent of public/private investment in terms of R/c	Q4	Discussions are under way to use the dti IT portal. According to the dti there are 612 agribusinesses registered in the BEE IT portal. The value of businesses in rand is estimated in terms of size.
		Number of new agricultural development initiatives for beneficiaries accessing incentive schemes	Q4	The D: LS has been in constant engagement with Potato S.A. and McCain Group, working out contract farming models to help agrarian reform beneficiaries to access strategic partnerships with advanced farmers and financiers.
		Suitable system for tracking and monitoring of public/ private investment	Q4	The system will be developed within the broader BBBEE compliance and verification agencies mandate and within the mandate of the AgriBEE Charter Council as the process unfolds.
	Risk and disaster management report	Number of advisories and extreme weather warnings issued	Q1–Q4	A total of 12 NAC advisories and their summarised versions were issued to management and the sector. They included 214 daily advisories (extreme weather warnings).
		Number of assessments conducted in monitoring the implementation of disaster risk measures	Q4	Assessments of the implementation of disaster risk measures were conducted in the Free State, KwaZulu-Natal and Gauteng provinces.
		Number of awareness campaigns on adaptation and mitigation options for climate change	Q4	Eight awareness campaigns were conducted. A consolidated report for all the awareness campaigns conducted during 2009/10 financial year is available.
Sector Services and Research	Approved implementable tracking system planning framework	Tracking system for public investment in agricultural research and development	Q4	Tracking system planning framework was approved and is ready for implementation.
	Capacity-building plan to support 10 000 beneficiaries	Number of beneficiaries that received targeted training, research and extension support	Q4	Total number of beneficiaries trained in commodity based mentorship was 2 566.
				Total number of extension personnel trained was 2 346.
				A total of 1 615 small stock farmers received targeted research support (initial target was 1 000).

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Sector Services and Research (*cont.*)	Research and extension support plan	Status report	Q2	Extension recovery plan for 2009/10 is in place. It provides support for extension services through the recruitment of personnel, IT equipment for extension personnel, training and qualification upgrading, performance monitoring and image improvement.
	Four research programmes along commodity lines	Number of research programmes	Q4	Research on sustainable natural resource management, livestock production and economic research for the benefit of the small stock industry has been concluded. The research on CASP-supported projects was withdrawn because of lack of funds. Progress on the different projects has been published in the *Annual research report*.
	Two extension management programmes	Number of extension management programmes	Q4	Two extension management programmes, i.e. the *Farmer's green book* and the *Extension management diary*, have been piloted in all provinces except Gauteng and KwaZulu-Natal. KwaZulu-Natal is currently converting the *Green book* and *Management diary* into electronic formats.

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2009/10*, are reported per quarter.

Quarter 1

Nine financial institutions were accredited as Mafisa agencies in the first quarter. These institutions are NERPO, the Gauteng Enterprise Propeller (GEP), Kaap-Agri, Hlanganani Agribusiness Finance, Peulwana Financial Services, Eastern Cape Rural Finance Corporation and Land Bank.

Farmers and extension officers accessing entrepreneurial support were as follows:

- A total of 54 extension officers and 1 123 farmers were capacitated on the use of the cooperative tool kit and cooperative guidelines.
- A total of 60 facilitators have been trained in the SMME excellence model diagnostic tool and will be used to train other farmers/entrepreneurs to identify gaps in the businesses.

A total of 59 emerging farmers and rural entrepreneurs accessed financial services. They were comprised of 57 individual farmers and two cooperatives who received production loans from Mafisa retail intermediaries.

Two lease agreements in Mpumalanga, on the farms Houtenbok and Vlakfontein, were renewed with an option to purchase. A total of 454 ha were involved.

A total membership of 700 farmers resulted in the creation of 715 direct permanent job opportunities for cooperative administrators and 459 indirect job opportunities for members of cooperatives.

As at June 2009, public investments to the value of R335 million were made through Mafisa schemes to accredited financial institutions. A once-off public and private investment through the Khula-Mafisa Indemnity Portfolio Fund co-financed by Khula and Mafisa to the amount of R150 million leveraged R116 million in private investments from the Financial Services Charter.

National Agro-meteorological Committee (NAC) advisories for April, May and June and their summarised versions were issued to management, media and the sector. They included 47 daily advisories (extreme weather warnings).

A document entitled "Research chairs in the agricultural sector" outlining mechanisms to be used by the DAFF to utilise some of its funding tools to support research chairs in agriculture was finalised and presented to DEXCO.

The number of beneficiaries who received targeted training, research and extension support was as follows:

- A total of 27 farmer training courses were conducted for the benefit of 544 historically disadvantage individuals.
- A total of 18 information days were conducted with a total of 410 beneficiaries.
- The Professional Development Programme intake was 36, with seven being permanently employed at GADI.

Quarter 2

During this quarter, two intermediaries were accredited, *viz.* Ithala Finance Corporation and VKB (an agribusiness company). A total of 212 farmers received advisory support services and an additional three state farms covering 1 577,48 ha in Mpumalanga received infrastructural support from the Directorate: Land Settlement.

Eleven officials from the DAFF, Limpopo and Free State centres of excellence received training in the following modules: train the trainer, mentoring and coaching, and assessor training. Ten direct permanent job opportunities were created for cooperative administrators and 200 indirect job opportunities were created for members of cooperatives. The partnerships facilitated by the Directorate: Business and Entrepreneurial Development have created 59 permanent and 16 casual jobs.

NAC advisories for July, August, September and their summarised versions were issued to management and the sector. They included 55 daily advisories (extreme weather warnings).

Tracking systems for public investment in agricultural research and development with indicators were developed for the implementable tracking system planning framework. The research and extension support plan was concluded, the extension recovery plan for 2009/10 financial year was completed and the current business plans for the provinces are informed by this plan.

Quarter 3

There were 832 farmers and extension officers accessing entrepreneurial support. They have been capacitated in the use of cooperative development guidelines. A total of 389 farmers including rural entrepreneurs accessed financial services with a total of R12 970,473 million disbursed by intermediaries in all provinces.

A total of 215 direct permanent job opportunities were created for cooperative administrators, and 430 indirect job opportunities were created for members of cooperatives. NAC advisories for October, November and December and their summarised versions were issued to management and the sector. They included 57 daily advisories (extreme weather warnings).

An ongoing assessment was conducted to monitor the implementation of disaster risk measures in KwaZulu-Natal and Gauteng provinces. Presentations on disaster risk management highlighting the impact of climate change on agricultural production (adaptation and mitigation options) were made during Mentorship Action Plan (MAP) and Mafisa workshops. Two awareness campaigns were conducted.

The number of targeted farmers that have already received assistance from disaster relief schemes has reached 4 000 for the financial year 2009/10. A draft document with a list of indicators for the implementable tracking system planning framework that is aligned to the *Agricultural sector plan* has been approved. The tracking system document was presented to the International Cooperation Committee (ICC) and the joint Agriculture and Sustainable Rural Development and Science and Technology Committee (ASRDC/STC) in January 2010.

The numbers in terms of beneficiaries who received targeted training, research and extension support were as follows:

- A total of 809 extension personnel were trained in technical skills, generic soft skills and ICT skills nationally.
- A total of 29 courses were presented and training was provided for land reform beneficiaries in 434 targeted skills, bringing the total for the year to 1 546 targeted beneficiaries.

Quarter 4

A total of R19,7 million has been disbursed to 339 emerging farmers and rural entrepreneurs accessing financial services. Just over 2 732 ha of state land was disposed of in the quarter under review.

A report on the implementation of the Cotton Strategy for November 2009 to January 2010 was received from the cotton industry for farming entrepreneurs participating in the value chain of different commodities. Altogether 250 direct permanent job opportunities were created for cooperative administrators and 500 indirect job opportunities were created for members of cooperatives.

NAC advisories for January, February and March and their summarised versions were issued to management and the sector. They included 55 daily advisories (extreme weather warnings). Research on sustainable natural resource management, livestock production and economic research for the benefit of the small stock industry has been concluded.

Two extension management programmes, i.e. the *Farmer's green book* and the *Extension management diary*, have been piloted in all provinces except Gauteng and KwaZulu-Natal. KwaZulu-Natal is currently converting the *Green book* and the *Management diary* into electronic formats.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measure
Agricultural Development Finance	Lack of communication between accredited institutions, the clients and PDAs Poor coordination of cooperative functions among the department, PDAs and other government agencies, which often results in duplication of efforts and resources	Increase the frequency of meetings and communication with each stakeholder. A proposal to address these issues is being crafted and will be sent to HoDs.
Business and Entrepreneurial Development	Delays in the accreditation of the training manuals for the SMME excellence model. As a result, there was no training for entrepreneurs.	A service provider for accreditation has been appointed through AgriSETA and it promised to conclude the accreditation process by June 2010.
	The status of AgriBEE policy, at this stage, is still section 12 and cannot be used to enforce the agribusinesses to comply with the scorecard.	The AgriBEE Charter Council is currently working towards transforming the current section 12 AgriBEE Charter into section 9 Codes of Good Practice for the agricultural sector.
	Delays in the disbursement of the AgriBEE Equity Fund by the Land Bank. As a result the following could not be achieved: • No new entrepreneurs financed through the AgriBEE Fund • No new AgriBEE projects financed to create new jobs • No new projects financed through the AgriBEE Fund	Currently finalising the AgriBEE Fund Operational Manual that guides the disbursement of funds
	The restructuring of SEDA caused delays in finalising the partnership. On the other hand, new transitional developments that resulted in processes of restructuring and development of new priorities for the department delayed the internal consultation processes.	The restructuring of SEDA has been finalised and the follow-ups are on-going with SEDA and within the branch to determine the way forward.
	There were no new equity projects financed through the AgriBEE Fund because of ongoing investigation into the management of the fund by the Land Bank. The development of the system was not done as there were no new funded projects to be tracked.	New AgriBEE MoA has been developed and the Land Bank has already signed. The directorate is currently finalising the AgriBEE Fund. Operational Manual will give direction to the Land Bank regarding the disbursements of the fund to potential new AgriBEE projects.
Land Settlement	There are delays in signing concluded lease submissions within DAFF.	Permission to Occupy letters and Caretaker Agreements have been given to the current state land holders while they wait for lease agreements. (New contracts are: Lease contracts: 1 487,3950 ha; PTOs and Caretaker Agreements: 3 679,1916 ha. Total: 5 166,5866 ha. Renewed lease contracts: 1 444,9053 ha.)
		A request to delegate the signing powers for leasing state land from the Minister for Public Works to the Minister of Agriculture, Forestry and Fisheries has been written, signed by the CD: LDS, DDG: ASS and sent to Legal Services. The submission is back with the D: LS and is awaiting a meeting to clarify the disposal process.

Directorate	Challenge	Corrective measure
Education, Training and Extension Services	Only a few deserving applicants were awarded bursaries for the 2010 academic year because of a limited budget.	Line function directorates must contribute a small percentage of their goods and services budgets towards augmenting the annual external bursary budget of the DAFF because of their inherent interest in the skills developed through the scheme.
	Most provinces started late (quarter 3) with the piloting of the *Green book* because of the complexity of the procurement procedures used in provinces.	Provincial CFOs to be part of planning
	Most provinces started late (quarter 3) with the piloting of the *Extension management diary* because of the complexity of the procurement procedures used in provinces.	Provincial CFOs to be part of planning
Research and Technology Development	Difficulties imposed by budget cuts affected delivery on this output, as it involved funding projects with the provinces.	Increase collaboration efforts with stakeholders including research institutions and private sector.
	Lack of funding for implementation of the strategy and its programmes	Make a submission to National Treasury to support the implementation of the strategy.

Programme 4: Trade and Agricultural Development

Billy Morokolo

ACTING DEPUTY DIRECTOR-GENERAL

PURPOSE

This programme facilitates market access for South African agricultural products nationally and internationally. It also provides agricultural economic and statistical services to support economic growth and development and monitors the economic performance of the sector.

The programme comprises two subprogrammes:

Trade and Marketing Development: Facilitates domestic and international market access for South African agricultural products, and manages the transfer of funds to the NAMC.

Economic and Statistical Services: Provides for agricultural and statistical services in support of economic growth and development and an equitable agricultural sector, monitors and evaluates the economic performance of the sector and generates national agricultural statistics.

MEASURABLE OBJECTIVES

- To improve market access for agricultural products by:
  - ✧ Increasing the number of emerging black farmers trained in agricultural marketing annually over the MTEF period
  - ✧ Increasing international market access for South African agricultural products by concluding negotiating positions annually over the MTEF period
- To increase the level of public and private investment in agricultural development by improving the knowledge base in agricultural economics by publishing a number of economic reviews, topical reports and statistical reports by March 2010

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance measure/indicator	Actual performance	
			Target	Actual achievement
Economic and Statistical Services	National statistical information and reports	Six national statistical reports by March 2010	Q4	Twelve monthly crop estimate reports and four quarterly livestock estimates were released. *Monthly food security bulletins of South Africa* were compiled and submitted to the regional early warning unit of SADC.
	Reports/ publications on economic indicators and trends for the sector	A total of 14 reports on economic indicators and trends for the sector	Q4	Four *Economic analysis and forecast* reports were completed and published. *Statistics on fresh produce markets* was released. Four quarterly issues of *Crops and markets* and two of *Economic review of the South African agriculture* for 2009 were released. *Trends in the agricultural sector for 2008/09* was also released. *Abstract of*

Subprogramme	Output	Performance measure/indicator	Actual performance	
			Target	Actual achievement
Economic and Statistical Services (*cont.*)				*agricultural statistics* for 2010 was published on the DAFF website.
	Topical reports	Eight topical reports by March 2010	Q4	Six topical reports have been completed for the year, and two bimonthly reports are in progress, *viz. Recent developments on the SA current account: Implications for agriculture* and *Declining contribution of agriculture to GDP: Is the growth of the sector also decreasing?*
Trade and Marketing Development	Draft amended Act approved by DEXCO	Total volume of agricultural products traded	Q4	The agricultural marketing policy has been approved by DEXCO and the amendment of the Act is in progress.
	Report on implementation of Marketing Strategy	Value of agricultural products traded	Q4	The strategy has been approved for implementation by DEXCO with a comment by DEXCO to incorporate forestry and fisheries marketing issues. Training is ongoing and the provision of agricultural marketing information is also progressing.
	Report on implementation of Trade Strategy			The *Directory on trade data sources* was completed and published. Two trade awareness campaigns were hosted – one in the Western Cape and one in Limpopo. The *Step-by-step export manual for the South African fruit industry* was developed and published.
				An international Africa SPS workshop information session was held with various African countries attending. A contract agreement between DAFF and the International Trade Centre (UN) has been signed for training in export potential assessments.
				Funds were transferred to the ITC account for training to be conducted from 2010 to 2012.
	Report on negotiations and trade performance	Negotiation positions established	Q4	A second draft has been completed on the impact assessment of an SADC FTA and European FTA and reviewed by management. Negotiation mandate on the COMESA, EAC and SADC tripartite negotiations is at an advanced stage.
	Report on the establishment of three fresh produce marketing infrastructure projects	Value of investment in marketing infrastructure Number of functional marketing infrastructure projects established Number of farmers benefitting from marketing infrastructure	Q4	A feasibility report on the establishment of agricultural marketing infrastructure for the collation of fresh produce has been completed.
	Business intelligence reports within specified periods	Reports on business intelligence, marketing and trade opportunities	Q1–Q4	Seven reports on business intelligence and trade opportunities were developed and published.

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2009/10*, are reported per quarter.

Quarter 1

During this quarter, 181 market access import and export permits were issued. A total of 13 price watch reports were compiled and distributed to targeted clients. Monthly crop estimate reports and a quarterly livestock estimate report were released. Monthly food security bulletins were compiled, while the quarterly *Crops and markets* publication was

released. A quarterly economic analysis and forecast report as well as bimonthly topical reports on economic issues were released.

Quarter 2

A total of 144 market access import and export permits were issued. Also, eight profiles for field crops, eight profiles for fruits and two profiles for vegetables were updated in preparation for being finalised and published. Six quarterly market analysis reports for field crops, seven market analysis reports for fruits, seven market analysis reports for vegetables and six market analysis reports for livestock were developed and disseminated through the Agricultural Marketing Information System (AMIS) and to the PDAs via electronic mail.

A food price monitoring report was produced and published. A total of 172 smallholder farmers were trained in agricultural marketing and 14 price watch reports were compiled and distributed to targeted clients.

Monthly crop estimate reports and a quarterly livestock estimate report were released. Monthly food security bulletins were compiled, while the quarterly *Crops and markets* publication was released. An *Economic review of the South African agriculture* was also published. A quarterly economic analysis and forecast report as well as bimonthly topical reports on economic issues were released.

Quarter 3

Farmers were provided with agricultural marketing training manuals and information toolkits during training sessions. A total of 545 market access import and export permits were issued, 145 smallholder farmers were trained in agricultural marketing, and 12 price watch reports were compiled and distributed to targeted clients.

Monthly crop estimate reports and a quarterly livestock estimate report were released. Monthly food security bulletins were compiled, while the quarterly *Crops and markets* publication was released. Report on sales on fresh produce markets was published. A quarterly economic analysis and forecast report as well as bimonthly topical reports on economic issues were released.

Quarter 4

A total of 160 market access import and export permits were issued. Eight profiles for field crops, seven for industrial products, 10 for vegetables, 10 for livestock and 10 for fruits were finalised and are ready for publication and dissemination. Six quarterly market analysis reports for field crops, eight for vegetables, six for livestock and six for fruits were developed and disseminated though AMIS. A total of 68 smallholder farmers were trained in agricultural marketing and 12 price watch reports were compiled and distributed to targeted clients.

Monthly crop estimate reports and a quarterly livestock estimate report were released. Monthly food security bulletins were compiled, while the quarterly *Crops and markets* publication was released. An *Economic review of the South African agriculture* was also published. The following publications were released: *Abstract of agricultural statistics* for 2010 and *Trends in the agricultural sector* for 2009. A quarterly economic analysis and forecast report as well as bimonthly topical reports on economic issues were also released.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measure
Economic Services	There have been delays in acquiring relevant data from external sources.	Ensure that there is improvement in adhering to service level agreements.
Marketing	No funds because of budget cuts	Director: Marketing is negotiating with AgriSETA for financial support to roll out the project.
	Delays in the submission of the final report by the ministerial task team	The task team has requested an extension to be able to complete the task.
	DAFF did not have suitable service providers on its database.	Suitable candidates were identified from various sources such as the internet and provincial contacts, with four service providers submitting proposals on the marketing infrastructure business plan.
International Trade	Excessive red tape in government due to the nature of the international agreement and dispute settlement requirements. Disruptions due to changes in legal entities of the department	Project timelines were adjusted; two-year project with available funding. Project will commence in 2010 and will be completed in 2012 according to signed agreement.

Programme 5: Food Safety and Bio-security

Kgabi Mogajane

DEPUTY DIRECTOR-GENERAL

PURPOSE

This programme manages risks associated with animal diseases, plant pests, GMOs, the registration of products used in the agricultural field and the provision of food safety to safeguard human life.

The programme comprises two subprogrammes:

Plant Health and Inspection Services: Focuses on sound plant health risk management frameworks, contributes to a compliance system for assessing potential risks associated with GMOs, and regulates border and national inspection services on regulated agricultural products intended for import, export and local trade.

Food and Veterinary Services*:* Manages animal diseases and assists in negotiating protocols for importing and exporting animals and animal products, and ensures that animal products are of good quality and safe for human consumption.

MEASURABLE OBJECTIVES

- To improve and maintain bio-security risk management systems by:
  - ✧ Improving the regulatory framework by 2010/11
  - ✧ Designing an early warning system for bio-security risks by 2011/12
  - ✧ Strengthening compliance with and implementation of regulations
- To access, improve and maintain domestic and international markets by ensuring compliance with plant and animal health measures, food safety measures, bio-safety and bio-security regulations, and the effective regulation of agrochemicals
- To implement initiatives (such as awareness campaigns) over the medium term that will improve access to bio-security services for all beneficiaries

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Food and Veterinary Services	Education/ training manual on bio-security	Number of programmes or schemes designed for the emerging sector	Q4	Training manuals were developed and are used for training.
	Workshops and information sessions with beneficiaries	Number of programmes or schemes designed for the emerging sector	Q4	Training of farmers in GAPs was held in KwaZulu-Natal, which has opened local markets. Organised livestock technical committee meeting to discuss issues related to Feed Bill. Arranged a series of workshops in provinces where the concept of food safety from farm to fork was emphasised.

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Food and Veterinary Services (*cont.*)	Legislative framework	Number of programmes or schemes designed for the emerging sector	Q4	Regulations on food safety were completed. Draft bill on the performance of compulsory community service for veterinarians was completed. Draft bill on compulsory community service is being reviewed by the state law advisors.
	Surveillance/audit programmes designed and implemented	Number of surveillance programmes covering the emerging sector	Q4	Several disease surveillance programmes were conducted and are being finalised. These were done to determine disease freedom for South Africa for porcine diseases. Industry assisted with the samples and defrayed some of the cost of surveillance.
	Framework on laboratory services to ensure accessibility	Number of emerging farmers who accessed laboratory services per annum	Q4	The labs have been assessed and the lab in Stellenbosch has been accredited. The lab in Pretoria is awaiting a date from SANAS to clear non-conformances identified. If these are cleared the lab will also be given accreditation.
Plant Health and Inspection Services	Compliance monitoring report	Number of interventions made	Q4	Compliance monitoring was done by all three directorates in the subprogramme. The D: APIS conducted four major interventions, including many activities as set out in the quarterly reports. This output contributed successfully towards the export of fruit and vegetables valued at more than R10 billion annually. The directorate also regulates the import of agricultural products at all commercial ports of entry and legislates sanitary and phytosanitary (food safety and animal and plant health) matters with regard to local production and marketing of agricultural products.
	Current steering committee report	Number of interventions made	Q4	During the fourth quarter the steering committee on citrus black spot conducted two interventions. The final responses to the Food and Veterinary Office of DG SANCO (EU) were submitted and must be concluded before any engagement with the IPPC. A submission was also prepared to give the Minister the background on at least 15 years of SA/EU deliberations on citrus black spot and to seek the Minister's view and support for third party intervention. This is work in progress and depending on the IPPC schedule it may proceed well into 2010 and even later.
	Status monitoring report	Number of surveillance programmes planned	Q4	Surveillance programmes are planned through the PH and APIS directorates as a result of prevailing pest risks and new outbreaks. Surveillance programmes were planned as a result of the prevailing exotic fruit fly risk, the follow-up to the aster yellows phytoplasma and the citrus greening surveys and action plan from the following year, together with a new delimiting survey for American foul brood. Surveillance is conducted according to the need and type of survey in cooperation with other role players, such as industry members and researchers.

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Plant Health and Inspection Services (*cont.*)				The subprogramme had intensive meetings with the SABIO and the ARC covering, *inter alia*, the spread of American foul brood. A policy group, steering committee and joint operational committee were formed comprising members of all the abovementioned groups. They were instrumental in developing the delimiting survey plan and testing more than a thousand samples and management plans, and ultimately getting draft regulations on the table. Three additional surveillance programmes, i.e. for the national exotic fruit fly (comprising 1 114 traps nationally, which are serviced monthly), citrus greening and grapevine phytoplasma contributed to the successful monitoring of the status of plant pests. A report is available in this regard. No exotic fruit flies have been trapped thus far.
	Risk communication report	Number of communications generated (access, improve and maintain markets through the application of bio-security measures)	Q4	The number of risk communications generated in the subprogramme this quarter covered all fields of interest such as interventions, risk awareness sessions, implementation services, audit reporting and official phytosanitary and bio-safety communication activities contributing successfully to the improvement and maintenance of the risk management system for these issues in the country. Quarterly reports on these activities are available.
		Number of risk communications generated (improve and maintain risk management systems)	Q1–Q4	The number of risk communications generated to access, improve and maintain markets through the application of bio-security measures are defined in the expectations of the WTO/SPS agreement and relevant international standard-setting bodies. The NPPCP is maintained and managed in the D: PH to ensure effective phytosanitary risk communication and to maintain an international communication network that supports plant health communication. In all of the relevant quarterly reports that are available for the subprogramme, this communication is evident.
	Surveillance report	Number of surveillance programmes covering the emerging sector	Q4	National surveillance programmes covering the emerging sector on an area-wide basis continued as follows: • National exotic fruit fly surveillance ✧ In the Northern Limpopo transect and production area, trapping covers rural areas stretching west to east from Pontdrif through the Pafuri Gate of the Kruger National Park and north to south from Musina to Louis Trichardt, as well as from Louis Trichardt to Thohoyandou. ✧ In the Mpumalanga transect and production area, trapping covers rural areas in the Onderberg area between the Kruger National Park and Swaziland and up to Nelspruit.

Subprogramme	Output	Performance indicator/ measure	Actual performance	
			Target	Actual achievement
Plant Health and Inspection Services (*cont.*)				✧ In the KwaZulu-Natal transect and production area, trapping covers rural areas from Golela through to Kosi Bay. ✧ Additional to the transects, production area trapping in the Eastern, Western and Northern Cape, Mpumalanga and Limpopo provinces covers rural areas.
				• Citrus greening surveillance ✧ The detection survey in pest-free areas covers random surveillance of citrus trees in rural areas. • Aster yellows phytoplasma surveys ✧ Although these surveys are targeting two distinct areas where outbreaks have been detected, they are situated in the rural areas of Vredendal and the Wabooms River.
	Implemented programmes or schemes designed for the emerging sector	Number of programmes or schemes designed for the emerging sector	Q1–Q4	During quarter 4, various subprogramme schemes/programmes were implemented. Some of these were done in collaboration with PDAs, for instance Limpopo, where mango growers were involved in discussions. Interactions with small-scale cotton farmers in Marble Hall also took place. Awareness and specific training/advisory exercises were done on regulatory issues at six specific projects visited and on farmers' days.
	Baseline study (diagnostic service to emerging farmers)	Number of emerging farmers who accessed laboratory services per annum	Q1–Q4	Diagnostic services as currently provided by DAFF are in support of the regulatory services domain and not commercial laboratory services. Plant Health Promotion personnel visited provinces to educate and inform emerging farmers about Plant Health Services and help them to access these services for export purposes if they wish to pursue such a route.

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan 2009/10*, are reported per quarter.

Quarter 1

The following national control inspections were conducted under the Agricultural Pests Act of 1983: 2 626 imported commercial consignments and 559 export consignments were inspected, nine fruit fly traps and 168 traps were serviced on two different transects, seven "flavoured water" labels were evaluated and three advertisement posters were published. A total of 55 samples were drawn, 12 of which were found to be non-compliant, mainly on marking and compositional requirements. Also, 385 phytosanitary certificates (excluding citrus) were issued and 21 export inspections were carried out. In Musina, 202 fruit fly traps were implemented, wharf patrols were conducted and *Bactrocera invadens* traps were serviced.

The following animals and animal products were detained because of incorrect documentation:

- Ham and cheese from Italy, poultry blood meal from Germany and cats from Saudi Arabia
- Porcine meat and bone meal from Italy that did not meet import requirements and were refused entry
- Salami from Italy that was detained because of a high bacterial count and referred to Port Health

- Beef returned to SA from Kuwait and Germany that was detained and refused entry because of a high bacterial count

The following import permits were issued: 19 GMO permits of which 13 were for genetically modified (GM) maize for planting; two for GM maize for contained use; one for GM cotton for planting; one for GM soya bean for planting and two for GM tuberculosis and measles vaccine clinical trials. The following export permits were issued: 64 GMO permits which included 51 permits for GM maize for contained use; 11 for GM maize for planting and two for GM cotton for planting. Two contained-use permits were issued for GM maize. One extension permit was issued for a GM sugarcane trial release activity evaluating altered growth rate and sugar content. One clinical trial permit was issued for a GM measles vaccine. Registration certificates were issued for the University of Pretoria, Ribotech and Incotec. A total of 18 monitoring inspections were conducted of which 12 were for field trials, four for clinical trials, one for contained use and one for the release of a previous GM potato field site.

The following facilities were registered during the quarter: 68 buffalo farms, 57 facilities for import and export of animals and animal products, seven new foreign abattoirs/cutting plants were approved, 24 establishments were delisted, details of 28 facilities were updated, and a poultry farm in Swaziland was approved as a notifiable avian influenza-free compartment for import of poultry samples to a private laboratory. Requirements for bovine embryos from Kenya were concluded and sent to Kenya for comments. A total of 23 661 veterinary import permits were issued. Regulations on the grading, packing and marking requirements of maize destined for sale in the RSA were approved and sent to the Government Printer for publication in the *Government Gazette*. Local regulations for apples and pears were approved by the Minister and are ready to be gazetted. The following events were organised to promote food safety and quality of agricultural products among the cooperatives: a workshop for beneficiaries of the Land and Agrarian Reform Programme in KwaZulu-Natal (Gluckstadt and Vryheid), a workshop for livestock farmers in uMhlabuyalingana, Mbazwana, uMkhumbikazana and Potchefstroom in the North West, and a programme to educate farmers on correct handling and use of stock remedies and farm feeds. A total of 754 agricultural products and 2 307 bottles of wine were analysed for compositional compliance.

A total of 560 information packs were handed to the Gauteng Department of Agriculture Conservation and Environment for dissemination to farmers during the Rand Easter Show. The programme attended the Bathurst Agricultural Show in the Eastern Cape and made presentations on the control of zoonotic diseases and on procedural methods to apply for a legal, registered identification mark. Ostrich farms were registered in the Northern Cape and game farms were registered in the Free State and Eastern Cape provinces. A biltong facility was audited for possible listing for export of biltong to the EU, and DinnerMates was also audited for EU export compliance. Four information and training sessions of the abattoir-rating scheme were held in the Free State, the Western Cape, Limpopo and KwaZulu-Natal. The training is intended to ensure uniform Hygiene Assessment System (HAS) evaluations by all officers.

The diagnostic capacity of the ARC Plant Production Research Institute for American foul brood tests was increased through an amended Service Level Agreement to ensure that 400 samples can be processed per week. Information packages for pest risk analysis (PRA) were provided for four commodities intended for seven countries (citrus fruit for Vietnam, the Philippines and Lebanon; persimmons for India, Vietnam and China; apple propagation material for Argentina; and tomatoes for Mozambique). PRA technical justification was provided for 10 countries for various commodities: non-compliance on draft import requirements for *Capsicum* species; seed for Peru with a proposal for alternative mitigation measures; *Mangifera* species propagation material for Peru; market access for tomatoes in Iran; re-export of springtails for the United Kingdom; biocontrol organisms for Belgium; apple propagation material for Argentina; citrus fruit for Turkey; various fruits for Sri Lanka; lemons for Jordan; and fruit for Nigeria. Various PRA consultations were held with stakeholders regarding the export of South African litchis to the United States (US). Market access was initiated for mango propagation material for Oman and pecan nut trees for Zimbabwe.

The programme participated in the annual meeting of the Commission on Phytosanitary Measures (CPM) of the International Plant Protection Convention (IPPC) held at the FAO in Rome, Italy, from 28 March to 4 April 2009. The programme attended an SADC Free Trade Agreement (FTA) meeting on the establishment of the SADC Food Safety Committee and the Livestock Technical Committee (LTC) and the Sanitary and Phytosanitary (SPS) Committee. The programme facilitated and participated in the Market Access Working Group for Fresh Fruit (MAWG FF) meeting on 8 April 2009 and 11 June 2009 with representatives from different fruit industries and other stakeholders to discuss phytosanitary issues for SA to gain and maintain market access for the export of different plants and plant products to other countries. A total of 58 WTO SPS notifications were processed and disseminated.

The following diagnostic procedures and samples were screened: 2 341 diagnostic procedures were performed to screen 611 samples. A total of 13 535 visual examinations were performed to screen 401 samples. With regard to quarantine organisms, a total of 22 detections of quarantine importance were made.

Quarter 2

A total of 212 plant health import inspections were carried out and 35 extended detentions were issued while 2 493 plant health export inspections were conducted and 535 fruit fly traps were serviced as part of national control. A total of 497 inspections were done for national control and 388 inspections were done on liquor products. A total of 268 Red Cross permits were issued at land borders and 528 phytosanitary certificates were issued at airports.

The programme compiled and submitted South Africa's comments on draft International Standards for Phytosanitary Measures (ISPMs), on cold treatments for fruit flies and on methyl bromide usage and made inputs on the IPPC standard-setting work programme to the IPPC Secretariat. It also facilitated a National Country Consultation workshop for South Africa to deliberate and compile country comments on draft ISPMs and provided South Africa's inputs on the IPPC biennial call for new draft ISPMs to be included in IPPC work programme to the IPPC Secretariat.

The programme facilitated and participated in the MAWG FF meeting on 17 September 2009 with representatives from different fruit industries and other stakeholders to discuss phytosanitary issues for South Africa to gain and maintain market access for export of different plants and plant products to other countries. The market access of different plants and plant products was facilitated and therefore includes the US (table grapes), Argentina (Malus and Pyrus propagation material), Egypt (citrus budwood), the DRC (fruit trees), the United Arab Emirates (soya beans), Kenya (plums for research ferns, screwpine), Peru (*Capsicum*, avocado and mango propagation material), Lebanon and Vietnam (citrus fruit), the EU (cacti and potatoes), France (banana tissue culture), the Philippines (citrus, deciduous and subtropical fruit, cut flowers, vegetable seeds), New Zealand (stone and pome fruit), Jordan (lemons), Argentina (apple propagation material), Canada (strawberries), Indonesia (fresh fruit, avocado), Syria (deciduous fruit) and Venezuela (maize, sunflower and soya beans). Leucadendron (propagation material) and kiwi varieties were also received at the Stellenbosch Plant Quarantine Station for post-entry quarantine establishment.

Six applications were approved for biocontrol initiation of the apple protocol for import apples from the Pacific Northwest (PNW) states of Washington, Idaho and Oregon in the US into South Africa. The programme finalised import requirements on all commodities for eight plant genera, 13 pests and/or plant or other material applications for research purposes, two applications for importing crickets for pet shops, *ad hoc* import requirements for maize seed from the US and 10 pests and/or plant or other material applications for research purposes. A total of 224 import permits were issued and 35 applications were referred for PRA. The following visual examinations and samples were screened: 928 and 185 visual examinations to screen 4 995 and 223 samples respectively.

The following diagnostic procedures and number of samples were screened: 1 764 diagnostic procedures were performed to screen 323 samples, and 1 449 diagnostic procedures were performed to screen 302 samples. With regard to quarantine organisms, 18 detections were made of which 10 were of quarantine importance. Revenue generated for diagnostic tests amounted to R18 995.

Audits were done for the following: one abattoir in the North West applying for export registration; inspection of a landfill site for suitability to dump condemned meat; two game farm registrations in the Western Cape; one abattoir at Swartland Ostriches; one certification audit of Onderstepoort Veterinary Institute (OVI) at Swartland Ostriches; game harvesting in Mpumalanga to explore the occurrence of tuberculosis; one crocodile farm and one abattoir in Limpopo. Auditing was done on residue control activities at an Eastern Cape abattoir, and a metal sampling template was designed for the collection of bacterial samples on carcasses. Also, manufacturing was finalised. The Veterinary Procedural Notice (VPN) 15 Standard for microbiological monitoring of meat was amended.

The following veterinary health certificates were negotiated/reviewed: for goats intended for Rwanda; with regard to the export of ruminant genetic material for Bolivia, Colombia and Mexico; goats for Nigeria; dairy cows for Botswana; game trophies for Russia and Brazil; response to a Thailand questionnaire for export of birds and primates; bovine semen for Uruguay; animal products for Mozambique; day-old chicks for neighbouring countries; dogs for Mozambique, Germany, Portugal and New Zealand; cats for the EU, Abu Dhabi and Germany; chinchilla for Namibia; dog semen for Germany; animal feed for Namibia and Botswana; fish meal for China; zebra and kudu meat from non-FMD-free zones; pet food for Madagascar; blood meal for Vietnam and probiotics from the US. Restrictions on trade were put in place as a risk mitigation measure: import restrictions on poultry and poultry products from Canada were lifted.

The Analytical Services South (ASS) and Analytical Services North (ASN) laboratories successfully underwent a technical assessment by the South African National Accreditation System (SANAS). Subsequently, the ASS laboratory cleared the findings of the technical assessment and got accredited in August 2009. Accreditation of the DAFF laboratories is the highlight of the subdirectorate's activities as it also fulfils some of the major recommendations made by the Food and Veterinary Office of the European Commission equivalence inspection report performed in October 2006.

A total of 64 GMO import permits were issued for GM maize, cotton and soya bean planting and clinical trials for GM tuberculosis and intranasal vaccines. The following export permits were issued: 39 GMO permits which included 11

permits for GM maize for planting, 27 for GM maize for contained use and one for GM cotton for contained use. Six extension permits were issued of which four were for GM maize and two for GM cotton for field trial evaluation. Five field trial permits were issued of which four were for GM maize and one for GM grapevines. One clinical trial permit was issued for GM intranasal vaccine. Registration certificates were issued for the University of Stellenbosch, the University of Pretoria, Pioneer Hi Bred and the Medical Research Council. A total of 23 monitoring inspections were conducted of which 12 were for field trials, six for clinical trials and five for contained-use activities.

Quarter 3

Six export protocols were established for citrus fruit intended for the US, the EU, China, Iran, South Korea and Japan. The following deciduous export programmes were also established: Israel (table grapes and persimmons), China (table grapes), the US (apples, pears, table grapes), Taiwan (apples) and Mexico (apples and pears). The following diagnostic procedures and samples were screened: 5 831 diagnostic procedures were performed to screen 1 632 samples and 19 080 visual examinations were performed to screen 975 samples. With regard to quarantine organisms, nine detections of quarantine importance were made. With regard to PRA, 11 plant genera were assessed and 55 species were rejected because of high weediness potential. We finalised 41 pests and/or plant or other material applications for research purposes, 20 applications for biocontrol and two applications for organisms for pet shops. A total of 1 057 import permits were issued and 328 applications were referred for PRA. A total of 32 WTO SPS notifications were processed and disseminated. The programme attended an IPPC Standards Committee (SC) meeting on international standard setting and provided inputs on International Phytosanitary Portal Questionnaire to the IPPC.

A total of 500 759 animal ID applications were registered, 4 185 were updated and 2 765 animal ID certificates were printed. A total of 67 buffalo farms were registered during the quarter. A total of 2 466 bovine spongiform samples were tested and five were high-risk cases. Surveillance was conducted and additional carcasses were found – none tested positive for anthrax. A total of 43 blood smears from other locations in the Kruger National Park were received and screened for anthrax with negative results. Various inspections were carried out for fertilisers, farm feeds, agricultural remedies and farm inspections. Samples were drawn at 12 venues. The following exhibitions and an awareness exercise were carried out: a community farmers' awareness exercise in Giyani, Muyexe Village and surrounding villages near Nelspruit and exhibitions at the World Food Day event. The following audits were done: game farm registration in the Western Cape; bio-security at a registered farm in the Western Cape; Klein Karoo Abattoir (Western Cape); Official Veterinary Inspection audit of two commercial cold storages at Klein Karoo Abattoir (Western Cape); an audit of Table Bay Cold Storage; Official Veterinary Inspection audit at Table Bay Cold Storage; audit at Epping Cold Storage; audit done at Sparta Beef (Free State) and Catering Chain (Gauteng) for registration as export establishments.

The programme developed bio-safety promotional materials and participated at the Public Understanding of Biotechnology's Media Round Table discussion on the GM Potato SpuntaG2 general release application. Bilateral and multilateral engagements were held with Argentinian and Brazilian authorities to confirm the status of current GM events in these countries. A total of 52 GMO import permits were issued mainly for GM maize, soya bean and cotton planting and/or contained use, as well as for GM Human Immunosuppressant Virus (HIV) and intranasal vaccine clinical trials. A total of 22 GMO permits were issued for GM maize and cotton planting and contained use. Three contained-use permits were issued for GM maize. A total of 14 field trial permits were issued of which 11 were for GM maize and three for GM sugar cane. One clinical trial permit was issued for GM intranasal vaccine. Registration certificates were issued for the University of Stellenbosch, North West University, Monsanto and the ARC's Grain Crops Institute. A total of 21 monitoring inspections were conducted of which 18 were for field trials and three for clinical trials.

Various inspections were carried out for fertilisers, farm feeds and agricultural remedies.

Export standards for apples, pears, table grapes, strawberries and flowers were published on 30 October 2009, and nectarine standards were finalised. A total of 54 EU farm inspections were conducted for local and export produce farms, five stock remedy inspections were conducted, 12 establishments and 45 sterilising plants were inspected.

Capacity building workshops were organised as follows: train-a-trainer workshops for 15 extension officers in Mangaung and Bloemfontein in the Free State on good agricultural practices (GAPs), agricultural food standards and safe and responsible use of pesticides. Presentations were done for 35 extension managers in Mpumalanga and North West provinces respectively on issues of food safety and quality of agricultural products and GAPs.

Quarter 4

The following Notices and Regulations were published under the Animal Diseases Act: a General Notice 124 of 2010 on the measures to control certain animal diseases was published for comments and a draft notice for comment on the import of live cloven-hoofed animals excluding buffalo, cattle and wild and domestic pigs from countries or zones not

recognised as free from FMD by the World Body for Animal Health. A total of 36 buffalo farms were registered during the quarter. Information sessions on GAPs were conducted by 42 extension officers for municipal officials from Potchefstroom and Rustenburg in the Magaliesberg. Workshops were conducted for 88 smallholder citrus farmers in Winterveldt and Marulaneng (Brits) to introduce the principles of GAP. The export standards and requirements for citrus fruit were published on 19 March 2010 and are available on the DAFF website.

The Regulation amendments on meat production and the Wine of Origin Scheme amendments were approved by the Minister for publication. A total of 27 samples were collected and sent for analysis as per the EU Agreement. Eight cases were successfully prosecuted for contravening Act 36 of 1947. The total amount of penalties paid was R16 600. A procedure manual for the bacteriological testing of imported meat was finalised and circulated to the ports of entry. For the month of March 2010, a total of 26 890 export certificates and 562 exemption certificates were issued for private use, tourists and trade samples or gifts in foreign countries. The Division: Liquor Products registered a total of 29 932 export certificates during the quarter. Revenue amounting to R23 265 was generated from diagnostic tests. A total of 100 *Bactrocera* species bookmarks were distributed. The development of bio-safety promotional material has been completed. A website for the Bio-safety Clearing House was developed for official bio-safety communication.

Audits were done for the following: a game farm registration in the Western Cape; bio-security of a registered farm also in the Western Cape, at Klein Karoo Abattoir; OVI audit at Klein Karoo Abattoir; for Cold Storage at Table Bay Cold Storage, Epping Cold Storage, Sparta Beef (Free State) and Catering Chain (Gauteng) for registration as export establishments.

National Residue Monitoring/Control Programme: raw milk sampling was done and red meat and poultry samples were taken in the Limpopo and Eastern Cape provinces by DAFF as well as provincial officers. National bacteriological control/monitoring programme: training was done in Gauteng for the taking of samples, including first batch of samples. A training video was finalised and augmented by a presentation highlighting procedures. A VPN 15 Standard for microbiological monitoring of meat was completed and was distributed for comments.

South Africa's comments on draft specifications for 2010 were submitted to the IPPC Secretariat. The programme attended the SADC preparatory meeting for IPPC CPM-5 in Gaborone, Botswana and participated in the annual meeting of the CPM of the IPPC held at the FAO in Rome, Italy (22–26 March 2010).

The following information-sharing sessions were attended this quarter: South African Mango Growers, the Association Vhembe study group at Hamukomausinanndu in Limpopo, a regulated foodstuffs meeting at the Department of Health aimed at sharing information on regulatory requirements for importing foodstuffs and finding ways to inform the 31 visiting FIFA World Cup 2010 teams on regulatory matters.

The following amendments of regulations and control measures under the Agricultural Pests Act of 1983 were published: Amendment of Control Measures R.110 of 27 January 1984. Five quarantine pests were included (four fruit fly species of the genus *Bactrocera*, e.g. *Bactrocera invadens* and aster yellows phytoplasma), to provide for compulsory reporting and allow regulation of the movement of plant material from infested areas to non-infested areas (*Government Gazette* No. 32781).

A proposed amendment regarding the establishment of a 5 km buffer zone (citrus free) around the citrus foundation block in Uitenhage was published for public comment (*Government Gazette* No. 32916).

The following diagnostic procedures and samples were screened: 6 712 diagnostic procedures were performed to screen 1 611 samples, and 12 117 visual examinations were performed to screen 1 102 samples. With regard to quarantine organisms, 13 detections of quarantine importance were made. With regard to PRA, 27 plant genera were assessed and 21 species were rejected because of high weediness potential. We finalised 30 pests and/or plant or other material applications for research purposes and 16 applications for biocontrol. A total of 1 139 import permits were issued and 208 applications were referred for PRA. A total of 70 WTO SPS notifications were processed and disseminated.

The programme facilitated and participated in the MAWG FF meeting on 4 March 2010 in Stellenbosch with representatives from different fruit industries and other stakeholders to discuss phytosanitary issues for SA to gain and maintain market access for the export of different plants and plant products to other countries.

We embarked on an international SPS awareness campaign targeting those who will be travelling to South Africa during the FIFA World Cup Tournament. Alert messages on the import requirements for animals, plants and related products have been sent out to the international public through various electronic and print media as well as via the ports of entry and the 31 South African missions abroad.

The SPS in-flight awareness video was also completed.

South Africa successfully funded and hosted the World Wine Trade Group (WWTG) from 23 to 25 September 2009 in Cape Town. The meetings were chaired by the then DDG: FSBS, Dr E. Mogajane, who managed to get an agreement on long-standing matters, like the MoU on certification. She also proposed a meeting in Brussels in March 2010 to focus on finalising the MoU and to look at issues of current importance like sustainable production and carbon emissions.

The government (dti and DAFF) in partnership with the wine industry had a workshop on 3 and 4 March 2010 to reconsider its approach towards its Wines and Spirit Agreement (WSA) with the EU. The WSA has become outdated and an agreement was reached with the industry on a way forward. It was proposed that the EU be requested to re-open the WSA for discussion to ensure that a beneficial and updated agreement is negotiated for government and industry. The proposals are currently being considered by the dti with a view to providing a written notification to the European Commission.

A world-first integrated production of wine (IPW) sustainability seal was launched in 2010 for South African wine that has been certified by the Wine and Spirit Board and that complies with the requirements under the scheme for the IPW. This underlines the importance of sustainable, environment and eco-friendly production of wine for South African wine producers and agriculture. This initiative puts South Africa at the forefront of sustainable vitiviniculture internationally. Veterinary Quarantine and Public Health pamphlets have been published and are in use at exhibitions, etc. A final draft proposal of an independent meat inspection was submitted to the Intergovernmental Technical Committee for Agriculture (ITCA) and then to the Red Meat Industry Forum (RMIF) and again to ITCA and is to be submitted to DEXCO.

Submissions for the commencement of the GMO Amendment Act and Regulations were approved and published in the *Government Gazette* in February 2010. The development of bio-safety promotional materials has been completed. A website for the Biosafety Clearing-House was developed for official bio-safety communication. A total of 11 GMO import permits were issued for GM maize for planting and contained-use activities, GM maize commodities and GM tuberculosis and intranasal vaccines. A total of 58 GMO export permits were issued for GM maize for planting, contained use, commodities and processing, GM cotton for planting and GM tuberculosis clinical trials and contained-use activities. Two commodity-use permits were issued for GM maize. Three contained-use permits were issued for GM maize, cassava and ornithogalum. Two clinical trial permits were issued for GM tuberculosis vaccine. Registration certificates were issued for the University of Stellenbosch, Pannar and SA Bioproducts. A total of 69 monitoring inspections were conducted of which 63 were for field trials and six for contained-use activities.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measure
Plant Health	In terms of the upgraded diagnostic forms, no indications were given of the accessing of services by smallholder or new commercial farmers.	Promote services to smallholder farmers and emerging commercial farmers, taking into consideration that current diagnostic capacity provides only for supporting phytosanitary export programmes and import regulatory measures, primarily interceptions of phytosanitary non-compliance and post-entry plant quarantine.
	Compliance with guidelines and procedures as stipulated on the import permit, work programmes and bilateral protocols	Ensure that the relevant facilities are correctly registered and approved.
	Ensuring participation of the NPPO of South Africa and timely approval thereof	Put forward a travel submission in February 2010 requesting approval for participation of NPPOZA in all specified international meetings relating to the IPPC in 2010, such as the CPM, the SC and other technical bodies. Ministerial approval was received.
	Absence of Plant Health – formal relations with PDAs relative to phytosanitary matters	A need for departmental leadership to form formal relations with the PDAs to ensure smooth sharing of information.
Bio-safety	Access to information regarding bio-safety regulatory activities is limited to the website.	Promotion and awareness need to be undertaken to improve accessibility of information.
	The development of the regulatory guideline needed to be aligned with requirements from various international bodies, e.g. EFSA and Codex, but also with relevant domestic legislation.	The guidelines will clearly set out the requirements for applications, supporting documents and data that need to be submitted.
Agriculture Product Inspection Services	Product transportation in some projects takes quite long and this can affect the quality and shelf life of the produce.	Link projects with municipality.

Directorate	Challenge	Corrective measure
Agriculture Product Inspection Services (*cont.*)	Some clients do not know who regulates which Act and end up with wrong permits, resulting in non-compliance.	Improve awareness session.
Food Safety and Quality Assurance	Because of the citrus season we received more samples than the directorate can handle.	An arrangement should be made with SABS to decrease the workload.
	Delays in awarding the tender could lead to rollover of funds.	Fast-track supply chain processes.
Animal Health	The directorate does not have sufficient funds to conduct the national pig survey.	Regular meetings will be held between the directorate and the laboratory to resolve challenges as they arise.
	The laboratory has human resource challenges, which will be resolved before the start of the survey.	
	Absence of guidelines for sample collection for bacteriological testing of imported meat	The procedure manual aims to correct this.

Programme 6: Forestry

Moshibudi Rampedi

DEPUTY DIRECTOR-GENERAL

PURPOSE

The Forestry Programme aims to ensure the sustainable management of all forests – indigenous, woodlands and plantations – to optimise their social, environmental and economic benefits.

The programme comprises three subprogrammes:

Forestry Regulation and Oversight: Is responsible for developing policies and strategies to support sustainable forest management, international liaison on sustainable forest management, sector liaison, sector foresight, research, administering the National Forests Act (NFA) of 1998 and the National Veld and Forest Fire Act (NVFFA) of 1998, and managing forestry data, spatial and non-spatial information and knowledge systems.

Forestry Development: Develops forest enterprise development programmes that support BEE and strategies and interventions that enable communities to make use of forest resources products to improve their livelihoods. The subprogramme manages transfer processes and post-transfer administration and regulation, including the management of delegations and lease agreements.

Forestry Operations: Is responsible for the implementation of forestry related programmes and strategies in the provinces. The subprogramme ensures the sustainable management of state forests, implements and enforces the NFA and the NVFFA, implements forest enterprise development and livelihood programmes, monitors lease agreements, gathers forestry information and ensures access to forestry information.

In terms of the *Strategic plan of the Department of Water Affairs and Forestry 2009–2014*, reporting for the programme will be based on the following 12 functional areas:

Forestry Oversight develops policies to support sustainable forest management, oversees the sector and ensures that policies at all levels of government are coherent. This includes international liaison on sustainable forest management; governance; sector liaison; sector foresight; research; the National Forest Programme; capacity building; and the promotion of BEE through policy initiatives.

Sustainable Forest Management ensures the sustainable management of state forests to optimise social and economic benefits in rural areas and to ensure the participation of stakeholders.

Forests and Fire Regulation ensures the administration of the NFA and the NVFFA and supports rural socio-economic development through access and use of state forests and developing systems and strategies for preventing, managing and monitoring veld and forest fires.

Forests and Fire Governance supports sustainable forest management by monitoring forestry management and ensuring that there is sufficient capacity at the local level for implementing forestry legislation. It provides technical advice and support for the organisation and operation of local institutions to prevent veld and forest fires and to achieve fire management goals in general.

Forestry Development develops strategies and forest enterprise development programmes that support BBBEE and that enable communities to make use of tree and forest resources to improve their livelihoods.

This includes international liaison, which promotes forestry development in South Africa, in the SADC region and in Africa as a whole.

Forestry Enterprise Development and Livelihoods supports the implementation of programmes that enable communities to participate in the benefits of forestry to generate economic growth and sustain livelihoods.

Forest Technical and Information Services ensures sustainable use of the natural resource base through the management of the overall system for forestry data, information, and knowledge, including spatial and non-spatial forestry information.

Regional Forestry Information Services ensures access to forestry information by sector stakeholders and the gathering of forestry information by the regions.

State Forest Transfer and Regulation deals with the transfer and post-transfer administration and regulation of state forests. It includes the management of delegations and legal agreements on state forests and the collection and management of lease rentals.

State Forest Administration and Oversight implements and negotiates the transfer of state forests and monitors the post-transfer management of forests and relations with stakeholders.

Forestry Management and Support funds efficient general administration and management support for the programme as a whole.

Forestry Support Services provides technical, financial and general administration support for regional forestry activities. Funding will mainly be used for compensation of employees and their related expenditure on goods and services.

MEASURABLE OBJECTIVES

- Ensure the sustainable management of all natural forests, woodlands and plantations through the effective implementation of the NFA, including the development, implementation and enforcement of regulations
- Reduce incidents of veld, forest and mountain fires in line with the NVFFA, through the registration of Fire Protection Associations (FPAs), assistance to FPAs, raising awareness, development and implementation of a National Fire Danger Rating System (NFDRS) and the upgrading of the National Veldfire Information System (NVIS)
- Improve the contribution of the sector to skills development through the development and implementation of a sector skills plan for the forestry sector
- Enhance awareness raising and information sharing through the printed and electronic media, extension services and direct communication to raise the profile of forestry as a sector
- Increase the contribution of the sector to the improvement of livelihoods and address poverty eradication by implementing the greening programme, including the Million Trees Programme, and by establishing support mechanisms for participatory forest management and community forestry
- Accelerate transformation and growth of the forestry sector in line with the targets in the Forest Sector BEE Charter and the Forestry Strategy

SERVICE DELIVERY OBJECTIVES AND INDICATORS

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Oversight	Regulations in terms of the NFA for forestry management published	Regulations in place for forest management and amended as necessary	Gazette NFA Regulations by December 2009	Regulations gazetted in April 2009 and tabled in Parliament in November 2009
	Amendment to the NFA and NVFFA as necessary	Draft Amendment Bill in place	Draft Amendment Bill tabled in Cabinet by March 2010	A new and revised memorandum of proposed amendments to NFA and NVFFA submitted to DAFF Legal Services for noting and consideration. Ongoing interaction with DAFF Legal Services under way to finalise the process

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Oversight (*cont.*)			FPA financial assistance policy approved and implemented by March 2010	Draft policy for assisting FPAs developed and submitted to National Treasury for approval of funds
				Funding for training of FPAs sourced from FIETA implemented as part of policy imperatives
	Forestry sector liaison	Programme of Action for NFAC developed and implemented	Programme of Action for NFAC developed and implemented	Programme of Action achieved by the final meeting held in November
				Process to appoint NFAC completed
	Forestry 2030 Roadmap	Finalisation and implementation of the Forestry 2030 Roadmap (Forestry Strategy)	Forestry 2030 Roadmap finalised, aligned and implemented	Proposal for the integration of the Forestry 2030 Roadmap prepared
	NFP framework implemented	Sector strategies on identified priority areas in NFP framework developed	Three sector strategies developed in consultation with the sector stakeholders by March 2010, namely: Integrated Forest Protection Strategy, Forest Sector SMME Strategy and Sawlog Strategy	*Forestry Sector SMME Strategy:* Final draft strategy prepared Stakeholder consultation ongoing
				Integrated Forest Protection Strategy: Inception report developed
				Sawlog Strategy: Draft strategy being developed
		Review White Paper on Sustainable Forest Development (1996)	White Paper on Sustainable Forest Development (1996) reviewed and recommendations submitted to Minister by March 2010	White Paper review done
	Forestry Research and Development Framework	Forestry climate change sector plan	White Paper, National Climate Change Response Strategy	Framework for the sector plan developed
		Development of Forestry Research and Development Strategy to guide R&D activities in the forestry sector	Forestry Research and Development Strategy developed by March 2010	Forestry Research database index done and the promotion of the forestry R&D done through publication in journals
		FRC established and operational	FRC in place by March 2010	Forestry Research and Development Strategy developed and submitted to the FFMC for approval
				ToRs for the FRC completed
		Participation in the FABI/TPCP	MoU with FABI	MoU finalised; participated in FABI TPCP meetings
		Partnership with FSA to support sustainable management of forests	MoU with FSA	MoU was signed between the department (former DWAF) and FSA and funds transferred as per the agreement.

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Oversight (*cont.*)	International reporting requirements and compliance with forestry related conventions and agreements	Compliance with requirements of forestry related international conventions and agreements	Inputs prepared for UNFCCC-COP 15 and SB meetings by Dec 2009 Two UNCCD meetings attended and requested inputs provided by March 2010 Annual forestry inputs prepared and delivered for the UNCBD COP by March 2009 Relevant officials trained in wood sample identification by March 2010 Inputs prepared for UNFCCC-COP 14 by October 2009 Inputs prepared for FRA 2010 Annual forestry inputs prepared and delivered for the UNCBD COP by March 2010 Participate in the Forest World Congress Attend the IBSA summit Plan of implementation developed for the IBSA MoU on Environment	Inputs prepared and integrated into the South African position paper UNFCCC-COP 15 attended at high level Officials from DAFF Forestry attended the WFC in Argentina where SA registered interest to host WFC in 2015. Inputs made to the implementation plan for IBSA MoU on Environment Hosted a delegation from the People's Republic of China Participated in REDD-SADC workshop in Botswana Participated in the ACPWP meeting, Rome, Italy Participated in UNFF 8 Validated and submitted the final FRA 2010 country report Contribution made to the SADC Protocol on Forestry Implementation Strategy (draft)
	Regional (SADC) collaboration on SFM	Participation in the SADC Forestry Task Force to develop SADC Forestry Protocol Implementation Strategy	Strategy for implementation of protocol developed and adopted by November 2009	Participated in all the SADC Forestry Sector Technical Committee meetings and contributed to the development of SADC positions for COFO and UNFF, among others
		SADC Forestry Technical meeting and Working Group meetings to facilitate SADC positions for UNFF and COFO	Working Group meetings to prepare for UNFF SADC position for UNFF developed by April 2009	Technical visit to Zimbabwe and MoU drafted and submitted to Legal Services for approval
	Negotiations on cross-border MoUs finalised	MoUs with SADC countries bordering South Africa signed and implemented	MoUs signed with Botswana, Namibia, Swaziland and Mozambique	Swaziland MoU submitted for obtaining the Presidential Minute
			Plan of implementation developed with Lesotho	Negotiations held with the other countries to try and finalise the MoUs
		Compliance with government undertakings in the BBBEE Charter	Government undertakings as listed in the Charter implemented	Revised MoA developed and submitted to DG: DWA for approval

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Sustainable Forest Management	Commercial and indigenous forests sustainably managed	Number of audits done on plantations and indigenous forests	A minimum of 12 audits done on plantations as well as on indigenous forests by March 2010	11 IFM external audits conducted in Eastern Cape: Centane, Keiskammahoek, Ngcobo, Willowvale, Afromontane, Bomvana, Bulembu, Gomo, Ngqeleni, Ntsubane and Port St. Johns
			PCI&S manual approved and implemented by March 2010	PCI&S manual ready for printing and distribution
			Implementation of CARs for nine audits done in 2008/09	CARs implemented on an on-going basis
		Annual plans of operation for each plantation	50% improvement of Category B and C plantations and indigenous forests by March 2010	Thinning and harvesting tender for KwaZulu-Natal advertised DBAC approved fire-fighting tender for KwaZulu-Natal TuP areas have increased by 4 160 ha or 5% during the past year
Forests and Fire Regulation	Increased compliance and enforcement of the NFA and NVFFA	NFA and NVFFA Compliance and Enforcement Strategy implemented (Enforcement and Compliance Unit established)	Initiate implementation of recommendations of the study done on the establishment of an enforcement and compliance unit by March 2010	Draft base document on the state of enforcement, with short-term solutions to dealing with enforcement challenges of the NFA and the NVFFA within Forestry Branch submitted to Senior Management for consideration
			Implementation of the NFA and NVFFA Compliance and Enforcement Strategy by March 2010	
		Fire prohibition notices published	Summer rainfall areas by May 2009 Winter rainfall areas by November 2009	Prohibition notices for the summer rainfall areas published in May 2009 and for winter rainfall areas published in November 2009
			Admission of guilt fines and exemption guidelines processed for submission to the FFMC for approval	Admission of guilt fines and exemption guidelines processed for submission to the FFMC for approval Northern Cape issued 10 written warnings. Proposed admission of guilt fines approved by the Western Cape Regional Committee of Senior Magistrates for NFA; NVFFA to follow
			Policy principles and guidelines for control of development affecting natural forests approved by DEXCO	Policy principles and guidelines for control of development affecting natural forests approved by DEXCO
		Forestry tariffs amended annually	Revision and amendment of forestry tariffs for 2010/11 by March 2010	Tariffs reviewed by the Committee and methodology proposed to the Minister and approved. Proposed tariffs for 2010/11 submitted to Minister for approval

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forests and Fire Regulation (*cont.*)		Functional FPAs	42 FPAs registered in terms of the NVFFA Regulations by March 2010	45 FPAs registered in terms of the NVFFA Regulations
			Annual audit of the 40 existing FPAs by March 2010	30 FPAs assessed: Northern Cape – 3 Gauteng – 5 North West – 5 KwaZulu-Natal – 2 Mpumalanga – 4 Eastern Cape – 7 Western Cape – 4
				Annual reports received from eight out of nine registered FPAs in the Western Cape
		Number of NFA licences issued or refused for removal of protected trees and commercial harvesting of firewood	Issue NFA licences through FORLATS within 30 days of receipt of application	315 licences issued: North West – 18 Western Cape – 127 Eastern Cape – 27 Free State – 13 Gauteng – 0 KwaZulu-Natal – 6 Limpopo – 71 Mpumalanga – 8 Northern Cape – 51
Forests and Fire Governance	Increased compliance and enforcement of the NFA and NVFFA	Training provided for forestry officers, fire protection officers and fire advisors in the regions	Trained forest officers and fire advisors in all high-risk regions by March 2010	Service Level Agreement signed between FIETA and WoF for basic fire-fighting training for FPA members in the Northern Cape
				Training schedule for forest officers developed and the legal course plan for additional capacitation of forest officers reviewed
				NFA foundation course presented in Limpopo, KwaZulu-Natal, North West, Free State, Mpumalanga and Eastern Cape
				NFA refresher training course presented to new DAFF managers
				FPA training done through the FIETA/WoF Service Level Agreement. Seven provinces received training: Northern Cape – 75 Limpopo – 40 North West – 48 Eastern Cape – 40 Western Cape – 30 KwaZulu-Natal – 50 Mpumalanga – 50 Total FPA members trained: 333
		National list of protected trees and champion trees published in the *Government Gazette* annually	National list of protected tree species and the champion trees list updated, gazetted and enforced by March 2010	National list of protected trees published in newspapers and aired on radio, currently being implemented by the regions
				Draft champion trees list gazetted and published for public comment

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forests and Fire Governance (*cont.*)		Number of training sessions provided for SAPS, prosecutors, magistrates and other relevant stakeholders	Five training sessions concluded with SAPS, prosecutors, magistrates and other relevant stakeholders by March 2010	Schedule for training based on the needs identified by Justice College prepared and implemented: Two magistrate sessions and two prosecutor training sessions presented on both NFA and NVFFA The Western Cape held training session for 90 Saasveld third-year students regarding the NVFFA
	Provision of systems to support policy development and decision-making	Spatial data/maps/ geo-database	Geo-database functional by March 2010	Geo-database operational
		Forestry information systems (NFDR, NVIS) operational	Forestry information systems operational by March 2010	CSIR appointed to develop the NFDRS. Steering Committee to track progress on the development of the system established and the following have been achieved: • Thresholds adjusted for all the weather stations and municipalities allocated to weather stations to ensure that each municipality is able to receive the correct fire danger index • Parameters for all 53 weather stations updated • Fire weather parameters for all stations for period 1996–2008 downloaded • Fire danger rating table finalised and fuel models assigned to each fire danger region Communication strategy for the NFDRS prepared and discussions held with the NDMC for dissemination of the fire danger A draft final report by the CSIR has been submitted for consideration by the department
Forestry Development; Forestry Enterprise Development and Livelihoods	Raise the profile of the forestry sector	Number of people attending and participating in events (Arbor Week and Arbor City Awards)	100 000 people have been targeted to participate in this year's Arbor Week event	Draft Forest Promotion Strategy finalised and approved Finalised and sent the report on the impact of forestry on poverty alleviation for design and layout 100 414 people attended events and 3500 attended ministerial event
		Number of events	Two ministerial and seven provincial events	Two ministerial (Western Cape focused on fires and Free State on greening and launch of a community park) and seven provincial events
		Number of people reached through media (electronic, print and promotional material)	10 million people to be reached through the media	Arbor Week plan for 2009 was developed and approved. Media plan for Arbor Week was developed and implemented.

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Development; Forestry Enterprise Development and Livelihoods (*cont.*)				Community radio stations identified and used to communicate Arbor Week messages Draft communication plan in place Poster for the year was developed and approved. Both print and electronic media used to communicate Arbor Week messages North West: Provincial plan developed 11 020 462 people reached through print, radio and TV during the 2009 Arbor Week campaign Planning meetings for 2010 have already started. Prepared submission for the workshop for strategy review
	Review and implementation of the Forestry Capacity Development Strategy	Reviewed Forestry Capacity Development Strategy and skills development processes implemented in compliance with BBBEE Charter skills development mandate	Forestry Capacity Development Strategy reviewed by March 2010	147 officials attending ABET classes in Mpumalanga
		Training at tertiary institutions aligned with forest sector needs	Three MoUs concluded with forestry academic institutions and FITPA	The forestry curriculum has been reviewed and implemented at Fort Cox College of Agriculture.
		Forestry gender and youth strategic framework drafted and consulted with the forestry sector	Forestry gender and youth strategic framework developed, adopted and mainstreamed throughout the forestry sector	Gender coordinator not appointed and need to realign Forestry Strategy with that of agriculture Not achieved
	Growing the forestry sector through FED	Number of viable forestry enterprises created	Four viable enterprises created	14 forestry enterprise projects assisted
		Number of beneficiaries from forestry enterprises	200 beneficiaries by March 2020	1 957 beneficiaries
		Number of enterprises accessing funds for FED	Five enterprises	MoU with IDC developed but not signed Study report in place with recommendations and high-level consultation and way forward subject to Cabinet approval for the preferred option of an agency establishment
		Forestry Development Support for Forestry Enterprises	Engaged with agriculture in relation to projects covered in CASP and other programmes	Report with afforestation maps for KwaZulu-Natal and Mpumalanga in place

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Development; Forestry Enterprise Development and Livelihoods (*cont.*)			Study report options considered and recommendations implemented	National Afforestation Strategy in place and approved by the FFMC and engaging in a process of developing implementation plans
		Whole country afforestation maps	Basic assessment for KwaZulu-Natal, Mpumalanga and central regions completed	Took decision to make payments for EIAs. ToRs have been developed and process to appoint a PSP for EIAs begun
				LAAC in Limpopo established
				National protocols are in consultation.
		Forestry SMMEs supported	Develop and implement an SMME strategy	Final draft document in place and currently undergoing consultation with stakeholders
				Last presentation to the FFMC
	Greening and Million Trees Programmes implemented	Million Trees Programme implemented	At least 1 million trees planted by March 2010	1 277 805 trees planted
		2010 regional and host cities' greening plans implemented	All regional and host cities' greening plans implemented by 2010	eThekwini Metro greening plan implemented
				Implementation plan implemented, and in addition plantings were done in PVAs and residential areas
	Forestry programmes incorporated into provincial and local government plans	All provinces reflecting forestry in their plans	Five provinces reflecting forestry programmes in their PGDS by March 2010	KwaZulu-Natal and Mpumalanga have draft forestry strategies, Limpopo strategy reviewed
				2010 Greening Strategy in place together with implementation plan. Five events have already taken place in Mamelodi in Gauteng, Makwassie Hills in North West, Matatiele in Eastern Cape, Kimberley in Northern Cape and Welkom in Free State in partnership with SABC
				Tree planting done in public viewing areas and residential areas
	Forestry Livelihoods Strategy aligned with the anti-poverty and second economy strategy	Percentage of municipalities reflecting forestry in their plans	50% of municipalities reflecting forestry in their plans by March 2010	40% of municipalities reflecting forestry in their plans, including forestry (six metros, 16 districts and 81 local municipalities)
		Strategy on Forestry Livelihoods	Strategy on Forestry Livelihoods developed by March 2010	Draft Medicinal Plants Strategy: • Afforestation protocols extensively consulted • Discussion paper on non-timber forest products (mushrooms) • Orientation on the use of database • Integrated forestry development plan framework
				Project – Philippi Nursery Intervention – Assisted with linking with Total SA for funding and support by buying trees from the nursery

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Forestry Development; Forestry Enterprise Development and Livelihoods (*cont.*)				Partnership – Total SA Beneficiaries – 15 Villiersdorp orchards
		Number of interventions to address forestry livelihoods	Four interventions	10 interventions in different provinces
		Strategy on Fuel Wood	Draft Strategy on Fuel Wood: March 2010	Fuel Wood Strategy presented to the FFMC for adoption
Forest Technical and Information Services	National Forest Resources Assessment implemented in compliance with the requirements of the NFA of 1998	Conservation areas proclaimed in terms of the NFA	Proclamations for conservation areas under NFA implemented by March 2010 (as per requirement)	Existing proclamations from 1910 to 1941 were reviewed. This involved about 470 individual notices including proclamations and withdrawals/excisions. Attended the National Biodiversity Planning Forum Kathu Forest declared a protected woodland in July 2009 Negotiations with stakeholders initiated to declare part of the Kathu Forest a nature reserve Inputs given on 10 EIAs affecting forests
		National Certification Standards developed and approved	National Certification Standards approved by September 2009	Draft National Certification Standards developed
		Two pilot study reports on the comprehensive forest resources assessments and evaluation	Preliminary raw data available by March 2010	United Nations' Food and Agriculture Organization brought on board to support Integrated Land Use Assessment on a national scale. Australia approached and Finnish fund explored for possible funding of the project. FAO technicians visited South Africa to advise on the project and documentation prepared as part of project planning.
		CTRPRP report	CTRPRP 2007/08 report compiled and distributed by June 2009	The CTRPRP 2007/08 report published, distributed and posted on the website Pamphlets on abstract of South African forestry facts 2007/08 published and distributed and data for 2008/09 collected
		SoF report	SoF report approved by the FFMC by March 2010	Draft SoF report compiled and reviewed
Regional Forestry Information Services	Increased compliance and enforcement of NFA and NVFFA	Fire Wise Awareness Campaign implemented	Summer rainfall area by October 2009 Winter rainfall area by February 2010	Action plan developed in conjunction with the regions 5 000 Fire Act booklets and 5 000 Regulation booklets produced and distributed to all regions 5 000 Regulation booklets and 1 000 fire management posters reprinted and ready for distribution

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
Regional Forestry Information Services (*cont.*)				10 fire awareness boards made, to be erected in Eden District Municipality, Western Cape in cooperation with and with funding assistance from Eden DM Training provided for 120 learners from six schools in the Western Cape in high fire risk areas and flags distributed to principals to hoist based on fire danger rating 18 flag poles erected in Mpumalanga with assistance from Lowveld Escarpment FPA to communicate fire danger Draft Veldfire Bulletin submitted to CD: Communication, Language Services for editing Information session and presentations on the NVFFA held in Mpumalanga in February 2010 and school awareness in North West and Gauteng Province in March 2010
State Forest Transfer and Regulation	Transfer or release of state assets to appropriate agencies or government departments	Number of indigenous forest assets transferred to appropriate conservation agencies	Three national forestry assets transferred by March 2010	**Western Cape**: Proclamation by the President: transfer of administration and powers and functions from the Minister of AFF to the Minister of WEA signed on 17 March 2010 **Mpumalanga:** Assignment – document signed by Minister of AFF and Premier and currently in the President's office for gazetting • Injaka business plan completed • Security company appointed to curb timber theft in Mpumalanga
		Number of land portions released for other land use purposes or all land not required for forestry, released to relevant receiving agencies	Release of land not required for forestry purposes within three months subsequent to approval of release by Minister	Engaged Cape Nature to take over the management of areas earmarked for conservation Diepwalle workers relocated and accommodated in 110 ha released by MTO to Knysna Municipality
		All transferred state land managed according to transfer agreements	Annual audits conducted for all transfer packages	Lease compliance audits conducted for all four concluded lease agreements
	Expand the commercial forest estate	Recommissioning implementation plan for Western Cape	Implementation plan for recommissioning of Western Cape plantation areas finalised and implementation initiated by March 2010	Technical committee established to finalise Vecon boundaries and properties Management boundaries of the recommissioned areas clearly demarcated to coincide with cadastral boundaries

Subprogramme	Output	Performance indicator/measure	Actual performance	
			Target	Actual achievement
State Forest Transfer and Regulation (*cont.*)		Lowveld exit review study finalised and recommendations adopted by Minister	Cabinet Memorandum prepared by August 2009 based on the recommendations of the Lowveld exit review study	Final study report submitted and presented to MTPA and DEA MTPA concluded a field verification of area recommended to be replanted. Recommended area was reduced to 4 601,29 ha. Recommendations of the Lowveld exit review study were presented to affected stakeholders for comments and inputs.
State Forest Administration and Oversight	Land reform beneficiaries receive benefits accrued through lease agreements	All rentals collected as per lease agreements Disbursement of rentals to beneficiaries within one month after the signing of the headlease agreements by the Minister and the legal entity representing the community	Annual collection of rentals Disbursement of rental money as per headlease agreement to beneficiaries	Rentals calculated and collected from the four concluded lease agreements To date, R2 001 million in rentals collected A memorandum requesting the Minister to approve the payment of rentals to Mkhwanazi community has been submitted. The payment of rentals to Mbonambi community has not been done since the hand-over ceremony in 2009 because of the infighting among the trust members. The KZN-RLCC is resolving the problem. Payment will be done once the infighting has been resolved.
		Settlement agreements concluded with beneficiary communities	Headlease agreements concluded with beneficiary community within six months subsequent to verification of legal entity by DLA	Settlement agreement signed with Mbonambi community Amended version of the headlease agreement for Mkhwanazi community
Forestry Support Services	Provision of technical, financial and general administration support for regional forestry activities to ensure sound management of state forests	Improved management in DAFF-owned plantations and indigenous forests	• Implementation of CARs • Annual plans of operations in place • Sound financial management • Sustainable management of forests	Financial Manager ensured monitoring of expenditure for the Forestry Branch including the Regions. Planning Services provided for all regions with commercial plantations. Maps developed for plantations as per requests and support rendered to regions with implementation of CARs. Regular operational meetings were held to give guidance and to resolve any challenges faced by regional offices.

SERVICE DELIVERY ACHIEVEMENTS

Outputs of the programme, as specified in the *Strategic plan of the Department of Water Affairs and Forestry 2009–2014*, are reported per quarter.

KEY OUTPUT/SERVICE 1: TRANSFER OR RELEASE OF STATE ASSETS TO APPROPRIATE AGENCIES OR GOVERNMENT DEPARTMENTS

Quarter 1

A road map for the transfer of Mpumalanga state forests was agreed to in October 2009. The Diepwalle (South Cape) workers were relocated and accommodated in 110 ha area released by Mountain to Ocean (MTO) forests to the Knysna Municipality.

Quarter 2

In Mpumalanga, an assignment document for the transfer of 14 Indigenous Forests Management (IFM) areas to the province was completed in consultation with Department of Economic Development, Environment and Tourism (DEDET), Mpumalanga Tourism and Parks Agency (MTPA) and Komatiland Forests (KLF) and submitted to the Minister for approval. The transfer agreement was concluded and signed by the Ministers of Agriculture, Forestry and Fisheries and Water and Environmental Affairs for uKhahlamba Drakensberg World Heritage Site. A business plan for the Injaka package was completed and presented to claimants. Seven IFM areas and two nurseries were transferred to KwaZulu-Natal and relevant documents were submitted for the Minister's approval.

Quarter 3

Presidential proclamations for the transfer of IFM areas in Knysna have been submitted. SANParks was reimbursed for the management of IFM areas in Knysna. The Development Bank of Southern Africa (DBSA) agreed to fund the Mbazwana and Manzengwenya transfer process through the uMkhanyakude District Municipality in KwaZulu-Natal.

Quarter 4

The presidential proclamation for transfer of IFM areas in Knysna was done.

KEY OUTPUT/SERVICE 2: INCREASED COMPLIANCE AND ENFORCEMENT OF THE NATIONAL FORESTS ACT OF 1998 (NFA) AND THE NATIONAL VELD AND FOREST FIRE ACT OF 1998 (NVFFA)

Quarter 1

Ten cases of NFA contraventions and/or non-compliance with licence conditions were investigated and appropriate action was taken: four verbal warnings; five written warnings; one case opened; one case finalised (R5 000,00 paid) in the Free State. One NVFFA incident was investigated where a ground fire had been burning for over a year. A total of 15 compliance inspections were conducted, 11 fire awareness campaigns were completed and nine provincial fire summits were conducted. A training schedule was developed for the NFA Foundation course and the Forest Officers course. Training for the NFA Foundation course was rolled out. Training was provided for the NFA (34 – foresters and general technicians) and the NVFFA (four officials). Four workshops were conducted in the Free State. A process was initiated for the review and accreditation of the Forest Officers course. A schedule was prepared according to the information received from the Justice College and the Department of Environmental Affairs (DEA). Training was provided for six Forestry Licensing and Tracking System (FORLATS) officials. Also, several licences were issued through the system.

An evaluation panel is in place for the Champion Trees Project (12 champion tree nominations were received). Three nominations were evaluated, five declared trees were monitored and the Forestry and Agricultural Biotechnology Institute (FABI) was commissioned to investigate the dying champion trees in Bloemfontein.

Fire prohibitions notices for summer rainfall areas were published in May 2009. NFA regulations were gazetted and sent to the Minister for tabling in Parliament. Forestry tariffs were approved and communicated to the regions. Support and advice were provided for the regions on the implementation of forestry tariffs. A stakeholder meeting was held on the Kathu Forest offset agreements, preparations were made for a ministerial event at Kathu during the next quarter, and a partial review of existing proclamations was done.

Five FPAs were registered and eight applications of intent to form FPAs were assessed. A policy on financial assistance to FPAs was submitted to the DG with the proposed amendments. NFA and NVFFA amendments were submitted to Legal Services.

With regard to section 7 applications, 17 applications were received, 18 site inspections were carried out and 14 licences were issued with conditions.

With regard to section 15 applications, 51 applications were received, 73 site inspections were carried out and 47 licences were issued with conditions.

Quarter 2

A final draft of the admission of guilt fines was produced and circulated for comments. A meeting was held with the SAPS at Graskop, Mpumalanga (minutes available), for stronger assistance with regard to Injaka Plantation timber theft. Forestry and Fires promotional material was distributed to schools in Mpumalanga and five awareness campaigns were held in KwaZulu-Natal.

Training was provided for 120 learners in the Western Cape on the dangers of veldfires, NFA Foundation courses were presented in Limpopo, KwaZulu-Natal, North West, Free State, Mpumalanga and the Eastern Cape, and an NFA refresher training course was presented to new DAFF managers (Forestry Regional Heads). A Service Level Agreement was signed between FIETA and Working on Fire for basic firefighting training for FPA members in the Northern Cape. An NFA Foundation course was presented at an Environmental Crimes Workshop for Prosecutors facilitated by Justice College and the DEA. NVFFA training was provided in Gauteng. A national list of protected trees for 2009 was submitted to the Minister's Office for approval. Forestry tariffs for 2009/10 were implemented and withdrawn as per the Minister's directive.

All proclamations from 1910 to 1930 were recorded and kept in a database. Minutes are available for a stakeholder meeting held on the Kathu Forest offset agreements. A total of 15 FPAs and five Fire Protection Officers were registered, 14 FPAs were assessed (four in the Western Cape, seven in the Eastern Cape and three in Gauteng) and FPA annual reports were submitted via the Umbrella FPA in Mpumalanga. Funding requirements for the implementation of the policy on financial assistance to FPAs were included in the MTEF proposal and submitted to the National Treasury, a memorandum of proposed amendments to NFA and NVFFA was submitted to DAFF Legal Services for consideration, licences are being processed and issued by regions through application of FORLATS and training has been offered to all regions except the Western Cape. Also, a total of 270 licences were issued in terms of sections 7, 15 and 23 of the NFA as per FORLATS.

Quarter 3

Northern Cape issued 10 written warnings in terms of the NFA. Proposed admission of guilt fines were approved by the Western Cape Regional Committee of Senior Magistrates. A limited quantity of promotional materials was produced. With regard to fire awareness campaigns, six were held in KwaZulu-Natal, seven in Limpopo and one with the SAPS in the Northern Cape. Ten fire awareness boards were made to be erected in the Eden District Municipality, Western Cape, in cooperation with and with funding assistance from Eden DM. The legal course plan for additional capacitation of forest officers was reviewed.

The department entered into a partnership with the FIETA for purposes of FPA training. A service provider was appointed and six training sessions in basic firefighting were presented in six provinces (Northern Cape – 75 officers; Limpopo – 40; North West – 48; Eastern Cape – 40; Western Cape – 30; KwaZulu-Natal – 50). The total trained was 285. Two magistrate sessions were presented on both NFA and NVFFA, and one NFA course was presented to the Environmental Law Enforcement Forum in Mpumalanga Province. A national list of protected trees was published in the *Government Gazette*. The champion trees expert panel met and evaluated the list of nominated champion trees, winter rainfall areas fire prohibition notices were published in November 2009, a memorandum regarding the proposed methodology of revising forestry tariffs for 2010/11 was submitted to the Minister, a review of historical/existing proclamations up to 1930 was completed, 14 FPAs were registered in high to extreme veldfire risk areas, three FPAs in the Northern Cape and two FPAs in Gauteng were audited, and a new, revised memorandum of proposed amendments to NFA and NVFFA was submitted to DAFF Legal Services for noting and consideration. Also, licences are being processed by regions through the application of FORLATS (eight licences issued in Free State, 47 in Limpopo, 17 in North West, 16 in Northern Cape and 68 in Western Cape). The total issued was 148.

Quarter 4

Admission of guilt fines and exemption guidelines were processed for submission to the Forestry Functional Management Committee (FFMC) for approval, policy principles and guidelines for control of development affecting natural forests were approved by DEXCO, a draft veldfire bulletin was submitted to CD: Communication (Language Services) for editing, and a total of 5 000 regulation booklets and 1 000 fire management posters were reprinted and distributed.

An information session and presentations were held on the NVFFA in Mpumalanga in February 2010, fire awareness was done in schools in the North West and Gauteng in March 2010 and FPA training was undertaken in Mpumalanga. A total of 50 members from two FPAs were trained. One prosecutor training session was held in March 2010 in the Eastern Cape (Mphekweni Lodge). A national list of protected trees was communicated and a champion trees draft list was published in the *Government Gazette* for comments.

NFA regulations were tabled in Parliament in November 2009, a methodology for forestry tariffs for 2010/11 was approved by the Minister and a submission for approval of tariffs was submitted to the Minister and National Treasury. Existing proclamations to 1941 were reviewed.

Inputs were given on four environmental impact assessments (EIAs) affecting forests, 11 FPAs were registered, five FPAs were assessed in the North West, two were assessed in KwaZulu-Natal and four were assessed in Mpumalanga for a total of 11. Interaction continued with the Directorate: Legal Services regarding the draft Amendment Bill. A total of 167 licences were issued through FORLATS.

KEY OUTPUT/SERVICE 3: FORESTRY SECTOR LIAISON

Quarter 1

The National Forestry Advisory Council (NFAC) Secretariat prepared a briefing to the Minister.

Quarter 2

The NFAC met as arranged and coordinated the Forestry Youth Advancement Award Programme. The process for appointing the next NFAC was put in motion.

Quarter 3

A Programme of Action for the NFAC was completed by the final meeting held in November 2009. A field trip was undertaken by the Committee on Forests Access.

Quarter 4

A submission was sent to the Minister for the appointment of new NFAC members.

KEY OUTPUT/ SERVICE 4: FORESTRY 2030 ROADMAP

Quarter 1

The Forestry 2030 Roadmap was submitted to the Policy Board and the board adopted it in principle and requested the Forestry Branch to do final consultation. Consultation was done and the roadmap was amended accordingly.

Quarter 2

During this quarter, the Forestry 2030 Roadmap and implementation plan were presented at the Forestry Indaba.

Quarter 3

The Forestry 2030 Roadmap was submitted for ministerial approval and endorsement.

Quarter 4

During quarter 4, the Forestry 2030 Strategy was finalised.

KEY OUTPUT/SERVICE 5: NATIONAL FOREST PROGRAMME (NFP) FRAMEWORK IMPLEMENTED

Quarter 1

The contract was signed between the FAO and TEBA Development for development of the SMME Strategy and the project was initiated. Appointment of the Institute of Commercial Forestry Research (ICFR) for development of the Forestry Protection Strategy was finalised. With regard to the Sawlog Strategy (stage 1), the compilation of the initial report was finalised. The process of acquiring approval for a Professional Service Provider (PSP) from the Departmental Bid Adjudication Committee (DBAC) for stage 2 was initiated. The ToRs were prepared. Initial work was done regarding the review of the White Paper on Forestry Development.

Quarter 2

The ICFR was appointed to develop the Integrated Forest Protection Strategy. An inception report for the Forest Sector SMME Strategy was presented. The NFP Country Report to close the first letter of agreement with FAO was prepared and approved. The review of the White Paper was completed and submitted to Senior Management.

Quarter 3

The Forest Governance Learning Group (FGLG) was consulted and the 2nd draft SMME Strategy was produced. The appointment of the PSP was finalised and the process for the development of the Forest Protection Strategy was initiated. A report on the review of the White Paper was prepared with recommendations. The Forestry R&D Strategy was completed.

Quarter 4

During this quarter the final draft Forestry Sector SMME Strategy was prepared. An inception report was developed for the Integrated Forest Protection Strategy. With regard to the Sawlog Strategy, the appointment of a PSP was finalised and the literature review was completed. The report on the White Paper review is available and awaiting NFAC guidance before being submitted to the Minister for approval. The framework for the forestry climate change sector plan was developed.

KEY OUTPUT/SERVICE 6: FORESTRY RESEARCH AND DEVELOPMENT FRAMEWORK

Quarter 1

The first draft of the R&D Strategy was compiled. Development of the forestry research database index was initiated. Promotion of forestry R&D through publication in peer-reviewed journals was done. The process to organise the Natural Forest and Woodland Symposium was initiated. Establishment of the Forestry Research Committee (FRC) progressed in parallel with the R&D Strategy. Membership fee for Tree Protection Cooperative Programme (TPCP) was paid. The programme participated in the TPCP symposium. The signing of the MoU between DWAF and Forestry South Africa (FSA) was facilitated and funds were transferred.

Quarter 2

The draft Forestry R&D Strategy was completed and circulated for internal comments. It was also presented at the Forestry Indaba 2009 for comments. Draft ToRs for the Forestry Research Committee were compiled and a list of proposed members was prepared.

Quarter 3

Submission for approval for the establishment of the Forest Research Committee has been done. Participation in the FABI/TPCP programme has been confirmed and funded for 2010/11. The MoU between the department and FSA was reviewed.

Quarter 4

The Forestry R&D Strategy was completed and submitted to the FFMC to be considered and approved. The ToRs for the FRC were finalised and submitted as part of the Forestry R&D Strategy. The MoU with FABI was finalised. A draft MoU with FSA was prepared and sent to Legal Services for endorsement.

KEY OUTPUT/SERVICE 7: COMMERCIAL AND INDIGENOUS FORESTS SUSTAINABLY MANAGED

Quarter 1

Three IFM estates were audited in the Eastern Cape. Temporary unplanted areas (TuPs) had decreased from the previous year. The audit for Singisi Forests was done and a report was submitted.

Quarter 2

Two management audits were completed in KwaZulu-Natal. Corrective actions were undertaken on an on-going basis as part of commercial plantations management improvement. A priority weed control area was identified and included in the Working for Water Programme in KwaZulu-Natal. Compliance audit ToRs were developed for MTO, Amathole and Siyaqhubeka.

Quarter 3

A total of 11 audits were done in the Eastern Cape. Internal audits were conducted on Ngome, Manzengwenya, Mbazwana and Hlokosi (KZN). Three internal audits were done in Limpopo. Lease compliance audits were conducted for MTO and Amathole.

The principle, criteria, indicators and standards (PCI&S) manual for sustainable forest management was approved by the FFMC. Selected corrective action measures (CARs) were implemented at Weza, kwaGubeshe, Qhudeni and Nkwezela (KZN) and in Limpopo. Operational plans were implemented in 80% of indigenous forest estates and 76% of Category B and C plantations in the Eastern Cape. Annual plan of operations was developed for Mooifontein in the North West.

Quarter 4

A thinning and harvesting tender was advertised for KwaZulu-Natal. However, the national TuP areas increased by 4 160 ha or 5% during the past year. Lease compliance audits were conducted for Siyaqhubeka.

KEY OUTPUT/SERVICE 8: NATIONAL FOREST RESOURCES ASSESSMENT IMPLEMENTED IN COMPLIANCE WITH THE REQUIREMENTS OF THE NFA

Quarter 1

A report on the National Certification Standard was produced and evaluated and a draft proposal for donor funding on Integrated Land Use Assessment was developed. Liaison was done with the FAO for technical support and contact was established for potential Australian support. A draft report on Commercial Timber Resources and Primary Roundwood Processing (CTRPRP) was prepared and circulated for comments. Data was collected for Part 1 of the State of the Forests (SoF) report. A framework for the SoF was developed and approved.

Quarter 2

The final draft of the National Certification Standard was submitted and served on the September 2009 FFMC agenda for the first time. A request for Finnish funding was lodged through the embassy for the pilot study on forest resources assessment. The 2007/08 CTRPRP report was distributed and an e-copy was posted on the website. Copies were also supplied to the Resource Centre. The draft Criteria & Indicators-based triennial State of the Forests (1st draft) report was completed in compliance with the National Forests Act.

Quarter 3

First contact visit was received from the FAO. Funding from Australia was followed up. Documentation was prepared for the FAO in anticipation of the Integrated Land Use Resources Assessments. Questionnaires for the CTRPRP report for 2008/09 were mailed to respondents as a means of data collection. Drafting of SoF 2009 continued.

Quarter 4

Pamphlets were published and distributed to stakeholders. Analysis and synthesis of draft SoF report were done.

KEY OUTPUT/SERVICE 9: PROVISION OF SYSTEMS TO SUPPORT POLICY DEVELOPMENT AND DECISION MAKING

Quarter 1

Specifications for Woodland Mapping were developed. The first two draft woodland maps were produced. The National Veldfire Information System (NVIS) was revised, redesigned and upgraded to a new platform. The integration of NVIS with the Fire Protection Association Registration Management System (FPARMS) was completed. The design and development of the National Fire Danger Rating (NFDR) based on the McArthur Forest module was initiated.

Quarter 2

Up-to-date baseline data were available. An alpha version was completed and tested. The refining of the NFDR system was 33% completed.

Quarter 3

A raster database audit was completed.

Quarter 4

A geo-database was operational. A work programme for the CSIR on the development of the NFDR system was finalised and submitted to the Weather Services for verification. A draft final report by the CSIR was submitted for consideration by the department. A Communication Strategy for the NFDRS was prepared and discussions were held with the National Disaster Management Advisory Forum for dissemination of the fire danger ratings. Fire reports were captured manually in terms of the NVIS while the need for web-based systems was being considered.

KEY OUTPUT/SERVICE 10: INTERNATIONAL REPORTING REQUIREMENTS AND COMPLIANCE WITH FORESTRY RELATED CONVENTIONS AND AGREEMENTS

Quarter 1

The programme participated in an REDD-SADC workshop in Botswana and in the ACPWP meeting in Rome, Italy. Inputs were prepared for the United Nations Framework Convention on Climate Change Subsidiary Body (UNFCCC SB) meetings in Bonn. Final country report towards the Global Forest Resources Assessments for 2010 (FRA 2010) report was submitted in April 2009. The programme successfully participated in United Nations Forum on Forestry (UNFF) 8.

Quarter 2

Inputs for the UNFCCC SB meeting were prepared. A record of proceedings of the meeting with representatives from the State Forest Administration of the People's Republic of China was available. The validation of FRA 2010 was done.

Quarter 3

Inputs for UNFCCC/Conference of Parties (COP) 15 were prepared and integrated into the South African position paper. UNFCCC/COP 15 was attended at high level. The programme participated in World Forestry Congress III and posters on participatory forest management and on systematic forest-protected area planning were presented.

Quarter 4

A Back to Office Report (BTOR) was submitted to both ICC and DEXCO.

KEY OUTPUT/SERVICE 11: REGIONAL (SADC) COLLABORATION ON SUSTAINABLE FOREST MANAGEMENT

Quarter 1

The programme participated in and facilitated a SADC UNFF 8 preparatory meeting. It also participated in and facilitated a high-level SADC meeting to develop the SADC position on Committee on Forestry (COFO) agenda items. SADC position statements were prepared and delivered at COFO.

Quarter 2

A meeting was held with representatives of the government of Zimbabwe and a record of discussions was made available. The programme attended an REDD/Climate Change meeting.

Quarter 3

The RSA actively participated in all the SADC preparatory meetings for the UNFF, COFO, REDD and other meetings.

Quarter 4

The programme participated in the SADC Task Force Meeting to develop the SADC Protocol Implementation Strategy held in Maputo, Mozambique, on 28 January 2010 and provided inputs on the draft SADC Protocol on the Forestry Implementation Strategy.

KEY OUTPUT/SERVICE 12: NEGOTIATIONS ON CROSS-BORDER MoUs FINALISED

Quarter 1

An action plan to fast-track the signing of the pending MoUs and implementation of the signed MoUs was prepared. A meeting was held with Zimbabwe, the final text of the Zimbabwean MoU was discussed and the legal process for approval was initiated.

Quarter 2

Draft MoUs for Swaziland and Zimbabwe were submitted to the Department of International Relations and Cooperation for certification.

Quarter 3

The Swaziland MoU was in the legal process awaiting a Presidential Minute.

Quarter 4

The programme participated in the SADC Secretariat-led initiative of drafting of the SADC Cross Border Fire Management for discussion by the Forestry Technical Committee in April 2010. The Swaziland MoU was submitted for the purpose of obtaining the Presidential Minute.

KEY OUTPUT/SERVICE 13: RAISE THE PROFILE OF THE FORESTRY SECTOR

Quarter 1

The Arbor Week plan for 2009 was approved. Several Arbor Week events were planned for the various provinces. Community radio stations were identified to communicate Arbor Week messages. The province that is to host Arbor City Awards was identified. A draft communication plan was put in place. The poster for the year was approved. A media plan for Arbor Week was developed.

Quarter 2

The Forestry Sector Promotion Strategy was developed and approved.

Promotional material (including posters, leaflets and school booklets) was developed for Arbor Week and distributed throughout the country. Two ministerial events were held in Bloemfontein, Free State. Arbor City Awards were conducted in Potchefstroom, North West Province, on 7 September 2009. A media plan for Arbor Week was implemented. Several community radio stations were used to communicate Arbor Week messages. Many Arbor Week events were held throughout the country. During these events, forestry related messages were communicated through the print and electronic media.

Quarter 3

The report on the *Impact of forestry on poverty alleviation* was finalised and sent for design and layout. Arbor Week review sessions were held in all regions and reports were produced. Planning for 2010 was begun. Forestry was showcased in four Weedbuster events in Limpopo. The Communication Strategy for Arbor Week was reviewed. Regional reports were incorporated into the main Arbor Week report.

Quarter 4

The Arbor Week plan for 2010 was finalised. A submission concerning a theme and events for 2010 is under way. Planning meetings for 2010 started.

KEY OUTPUT/SERVICE 14: REVIEW AND IMPLEMENTATION OF THE FORESTRY CAPACITY DEVELOPMENT STRATEGY

Quarter 1

Nothing to report.

Quarter 2

MoUs between the department and tertiary institutions were implemented and monitored.

Quarter 3

The programme assisted Fort Cox College with the review of a curriculum in preparation for the signing of the MoU.

Quarter 4

The implementation of MoUs (with tertiary institutions) continued.

KEY OUTPUT/SERVICE 15: LAND REFORM BENEFICIARIES RECEIVE BENEFITS ACCRUED THROUGH LEASE AGREEMENTS

Quarter 1

A settlement agreement was signed with the Mbonambi community. Regular collection of rental revenue continued.

Quarter 2

The Mkhwanazi headlease agreement was amended as per advice from Legal Services. Regular collection of rental revenue continued.

Quarter 3

Regular collection of rentals continued but monies were not disbursed because of delay in verification of legitimate land claim beneficiaries.

Quarter 4

Rentals were calculated and collected from the four concluded lease agreements.

KEY OUTPUT/SERVICE 16: EXPAND THE COMMERCIAL FOREST ESTATE

Quarter 1

A draft plan was developed in this regard. The Department of Public Enterprises (DPE) was consulted for inputs and the DLA and National Treasury are to follow. A Technical Committee was established to finalise Vecon boundaries and properties prior to the commencement of the tender process. The final report on the Lowveld exit study was received. The report is to be presented to the MTPA and the DEA.

Quarter 2

Consultation was done with major stakeholders (DPE and DRDLR) regarding the recommissioning implementation plan.

Quarter 3

A meeting was held with the MTO to finalise and correct errors on the Vecon study (boundary maps). The report on the Lowveld study was presented to stakeholders for comments.

Quarter 4

There was a call for proposals for the management of exit areas. A meeting was scheduled to finalise the incorporation of inputs.

KEY OUTPUT/SERVICE 17: GROWING THE FORESTRY SECTOR THROUGH FOREST ENTERPRISE DEVELOPMENT

Quarter 1

A study was conducted on options to establish the Forestry Development Agency. A report outlining options was compiled. An inception report on the SMME Strategy was completed.

The following enterprises were assisted: Khulanathi (Gauteng) was established and registered as a cooperative; Maruleng Nursery (North West) was linked to the Small Enterprise Development Agency (SEDA) for non-financial support; an indigenous plant nursery (Morokweng, North West) became operational; the Injaka (Mpumalanga) business plan was developed through the Industrial Development Corporation (IDC) and SEDA; Salique Plantation (Mpumalanga) received assistance from SEDA to register as a cooperative; in the Western Cape, the development of a business plan for Khulisa Plant Nursery was started, and an MoA with the IDC was finalised and submitted to the CFO and the DG.

The following projects were assessed and await approval from the DG for funding:

- Phaphamani Medicinal Nursery (Eastern Cape)
- Upper Greening Escarpment – nursery and furniture making (Mpumalanga)
- Winterveld Morula Project (Gauteng)

Quarter 2

The Injaka business plan was completed and discussed with claimants. Salique was registered as a cooperative. The programme helped Albert Luthuli Municipality to initiate support for land reform projects. The department is developing a business support programme for an estimated planted area of 3 000 ha. Three projects were assessed for funding in terms of the Forest Enterprise Development (FED) programme. Internal and external consultation in this regard have started. A workshop was organised with sawmillers in the Eastern Cape.

Quarter 3

Four viable forestry enterprises were created (one in the Free State, one in the Eastern Cape and two in the Western Cape). A total of 57 people benefitted from these forestry enterprises. Six projects on essential oils in the province of KwaZulu-Natal were initiated with the support of Winrock.

Quarter 4

A total of 50 people benefitted from the Galeshewe Nursery. The National Afforestation Strategy was completed and approved by the FFMC and implementation plans are being developed. A decision was made by the programme to pay for EIAs in communal areas where authorisation in terms of the National Water Act has been obtained. Draft national protocols were completed and consultations are being conducted. A final draft of the SMME Strategy was completed and consultations were done with stakeholders.

KEY OUTPUT/SERVICE 18: GREENING AND MILLION TREES PROGRAMMES IMPLEMENTED

Quarter 1

A greening plan was developed during this quarter.

Quarter 2

A total of 369 211 trees were planted. Initial consultation on greening support was done with embassies for the 2010 FIFA World Cup teams. The eThekwini Metro greening plan was implemented.

Quarter 3

Altogether, 658 570 trees were planted. With regard to the ARC partnership, a concept note was developed on the ARC's involvement in the Million Trees Programme and in forestry research. A draft guideline document on tree planting in urban areas was produced. The SABC partnership culminated in two events held in Mamelodi (launch) and Welkom.

A total of 1 004 trees were planted in Port Elizabeth, Eastern Cape, in support of the Greening 2010 initiative. In KwaZulu-Natal, 2010 greening plans for eTthekwini and Umgungundlovu municipalities were implemented.

Quarter 4

A total of 21 660 trees were planted. Greening plans were implemented and trees were planted in public viewing areas and residential areas.

KEY OUTPUT/SERVICE 19: FORESTRY PROGRAMMES INCORPORATED INTO PROVINCIAL AND LOCAL GOVERNMENT PLANS

Quarter 1

Various municipalities were asked to include forestry projects in their Integrated Development Planning (IDP).

Quarter 2

KwaZulu-Natal, Mpumalanga and Limpopo were engaged with regard to the inclusion of forestry projects:

- In KwaZulu-Natal, a Sector Strategy is in place.
- In Mpumalanga, a Sector Strategy is in place.
- In Limpopo, inputs were made to review the Provincial Growth and Development Strategy (PGDS).

Provinces achieved the following in terms of including forestry in PGDS:

- In the Western Cape, Eden and Central Karroo district municipalities reflect greening and also participated in an IDP analysis.
- In Gauteng, forums met with provincial departments to establish expectations of DAFF in terms of issues to be included in the PGDS.
- In the Eastern Cape, 50% (three out of six district municipalities) reflect forestry in the PGDS.
- In the North West, the programme engaged one district municipality and one local municipality on the drafting of a Greening Strategy.

Quarter 3

The Eastern Cape participated in IDP engagements in all six district municipalities. All five district municipalities reflect integrated fire management and one reflects FED. In KwaZulu-Natal, Umgungundlovu, Ilembe, uThungulu, uThukela and Ugu were engaged. Three municipalities each in the North West and the Northern Cape reflect forestry in their IDPs.

Quarter 4

The programme engaged Gauteng Province to incorporate paper and pulp in its industrial strategy plan. All 2010 host cities have greening plans and have already implemented them.

KEY OUTPUT/SERVICE 20: FORESTRY LIVELIHOODS STRATEGY ALIGNED WITH THE ANTI-POVERTY AND SECOND ECONOMY STRATEGY

Quarter 1

Two beekeeping projects were initiated in the Gert Sibande District Municipality. A medicinal garden was started at the Mkhondo local municipality. It is operational and linked with Department of Health and Environmental Education centres. The planning of a medicinal plant project was done at Mooiplaas. DEA and DEDET were consulted for assistance to legalise charcoal producers (with possible exemptions). The programme helped existing beekeeping project to market honey and relocate hives. It also helped the Mayflower community in Mpumalanga to access a market for timber.

Quarter 2

New medicinal plant producers were linked with the Department of Health and the Environmental Education Centre (Mpumalanga) with a view to receiving help with product development and marketing.

Quarter 3

A draft Fuelwood Strategy was put in place and submitted to the FFMC. A draft key issue paper on medicinal plants was completed. An Eastern Cape school greening project was initiated.

Quarter 4

An ecotourism project was launched in the Northern Cape. Heuningsvlei beekeeping and a medicinal garden in the Northern Cape were supported. Three flagship projects were initiated in Muyexe in Limpopo, Riemvasmaak in the Northern Cape, and Diyatalwa and Makholokoeng in the Free State. Two beekeeping projects in Mpumalanga were supported and assisted with hive relocation. The programme supported Retladira Project Nursery as well as alien timber harvesting in Gauteng.

CHALLENGES AND RESPONSES TO CHALLENGES

Directorate	Challenge	Corrective measures
Forestry Regulation	Lack of financial assistance for Fire Protection Associations due to non-approval of the proposed policy on financial assistance for FPAs	Directorate advised to explore FPA funding through CASP projects
	Delays in concluding MoUs with some of the identified neighbouring countries due to lack of commitment and participation by these countries	Plan to fast-track process developed and communicated to relevant countries

Directorate	Challenge	Corrective measures
Forestry Regulation (*cont.*)	Delays in the establishment of a Compliance and Enforcement Unit	Conclusion of processes emanating from change of administration and organisational structures. Outcomes of the discussion with the agriculture colleagues to be implemented in this financial year but the new structure should first be completed.
	Capacity challenges on the part of the SAWS-delayed finalisation the NFDR system	Task Team/Steering Committee appointed to monitor progress
	Development of the NVIS and FPARMS delayed by the termination of the Arivia contract on 28 February 2010 and change in administration (reconfiguration of departments)	DAFF ITC engaged
Forestry Technical and Information Services	Important biodiversity conservation projects kept on hold because of lack of financial resources	Allocated funds for SD: Forestry Technical Services were only sufficient for employee compensation.
	Too many vacancies resulting in overloaded staff and certain key projects indefinitely kept on hold. Budget: projects not implemented (floristic studies, forest classification, forest measurements/assessments)	Requests were made to former DWAF HR to have erroneously downgraded posts corrected but in vain, and therefore there was no recruitment.
	Uncertainties with integration. No long-term planning could be done with uncertain future (sustainability) pending conclusion of new structure. Restrictions on use of external service providers and lack of internal funding resulted in projects being halted.	Management made aware of inadequate funding and its implications
Forest Policy and Strategy	Because the Gender Coordinator was not appointed, the forestry gender and youth strategic framework could not be developed, adopted and mainstreamed throughout the forestry sector.	None
Forestry Land Management and Transfers	Revenue accrued from lease rentals not disbursed to land reform beneficiaries because of infighting and/or absence of legitimate beneficiaries	Regional Land Claims Commission engaged to either identify or verify beneficiaries in various provinces to expedite the process
Forestry Regional Management and Support	The lack of capacity and budget resulted in the increase of the temporary unplanted areas.	Top management has to lobby for more funding from National Treasury.
	Scarcity of forestry qualified staff with experience. This led to inability to fill posts or to fill same with experienced staff.	Management needs to show commitment to the OSD processes and ensure regular feedback.
	The restructuring process within the new DAFF is causing uncertainty among staff who may eventually find themselves in other directorates. Procrastination in the process is impacting negatively on morale.	
	OSD: There is a common feeling that "forestry" had been forgotten in the OSD process. This perception needs to be managed.	

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Report of the Audit Committee

REPORT OF THE AUDIT COMMITTEE

for the year ended 31 March 2010

We are pleased to present our report for the financial year ended 31 March 2010.

AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Audit Committee consists of the members listed hereunder and has to meet four times a year, as per the approved terms of reference. During the year ended 31 March 2010, four meetings were held.

Member	Date of appointment	Number of meetings attended
Ms P. Mzizi (Chairperson)	23 March 2007	4
Mr R. Theunissen	11 June 2007	4
Mr M. Maliehe	26 February 2010	1
Ms M. Mekkonen	26 February 2010	1
Director-General:		
Ms N. Nduli		1
Dr M.E. Mogajane		1
Mr P. Thabethe		1

AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has, as far as it was possible, complied with its responsibilities in terms of section 38(1)(a) of the PFMA and Treasury Regulation 3.1.13.

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

FORESTRY AND FISHERIES

The department has assumed control of forestry and fisheries, which were previously under the control and direction of other departments. Forestry income and expenditure for the year ended 31 March 2010 are included in the annual financial statements but the forestry assets are not included. Fisheries' income, expenses, assets and liabilities are not included in the annual financial statements.

The audit committee had no oversight over the activities of the forestry or fisheries branches for the financial year under review and therefore cannot comment on the appropriateness and effectiveness of their internal controls or any other matter relating thereto.

THE EFFECTIVENESS OF INTERNAL CONTROLS

The Audit Committee considers that the system of internal control applied by the department over financial risk and risk management is not operating effectively, efficiently or transparently. Further, as reported previously, the most recent departmental risk assessment was performed in 2006 and Internal Audit is unable to perform a risk-based audit in the absence of a current and reliable risk assessment with concomitant controls identified to mitigate risks.

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

REPORT OF THE AUDIT COMMITTEE

for the year ended 31 March 2010

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

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

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

EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Audit Committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report with the Auditor-General, the acting Chief Financial Officer and the acting Accounting Officer
- Reviewed the Auditor-General's management report and management's responses thereto
- Reviewed the department's stated compliance with legal and regulatory provisions
- Reviewed significant adjustments resulting from the audit

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General.

INTERNAL AUDIT

Although the risk management process still has to be undertaken, the Audit Committee considers the internal audit function to be under-resourced and Internal Audit cannot operate optimally, given its current resources and budget, in order to address the risks pertinent to the department in the performance of its internal audit requirements.

AUDITOR-GENERAL OF SOUTH AFRICA

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

Ms P. Mzizi

CHAIRPERSON OF THE AUDIT COMMITTEE

31 July 2010

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Annual financial statements

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES
VOTE 35

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

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REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

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

1. GENERAL REVIEW OF THE STATE OF FINANCIAL AFFAIRS

1 .1 Important strategic issues

During the 2009/10 financial year, the department continued with its normal constitutional mandate and at the same time managed the restructuring process which resulted in the formation of the new Department of Agriculture, Forestry and Fisheries. This change was announced in the state of the nation address (SONA) by the President of South Africa when he announced the formation of a new department. The scope of activities is supported by numerous pieces of legislation covering the agriculture, forestry and fisheries value chains, from inputs to production and value adding to retailing.

The department's objective for agriculture is to address challenges faced by rural and vulnerable people through its policies. Its main policy instruments are: to ensure a safety net for households which are otherwise unable to meet their own food requirements, to empower farm workers to create small, micro and medium enterprises (SMMs) or cooperatives, to facilitate access to development finance, to increase the investment in research and improve capacity building and mentorship, to reduce risks related to production and provide appropriate technical assistance and to provide productive infrastructure.

Priority focus areas for forestry include: the development of a strategy and fund for SMMEs in the forestry sector, the development of a strategy to address timber shortages, the establishment of extension support for emerging growers and entrepreneurs, reducing the regulatory burden on small and emerging businesses, streamlining processes for afforestation in the country and strengthening collaboration between countries in the Southern African Development Community (SADC) on forestry issues.

Fisheries-related functions that were transferred to the department include: the establishing and revitalising state-owned hatcheries, research and development on candidate culture species, the roll-out of cage culture pilots in state-owned waterworks and coastal areas and the development of aquaculture development zones. The Marine Living Resources Fund will be transferred from the Department of Environmental Affairs in the 2010/11 financial year and will include the administration and management functions for South Africa's marine resources.

1.2 Significant events that have taken place during the year

- Following the announcement by the President of macro-organisational changes in respect of departmental structures, the forestry function has been transferred from the Department of Water Affairs and Forestry to the Department of Agriculture and the fisheries function will be transferred during the 2010/11 financial year. This resulted in the name of the Department of Agriculture (Vote 23) being changed to the Department of Agriculture, Forestry and Fisheries (Vote 35). The forestry budget received amounts to R579,104 million and further information on the transfer is included in disclosure note 36 to the annual financial statements.
- Section 42 of the Public Finance Management Act, 1999 (Act No. 29 of 1999), stipulates among other things that the accounting officer of a transferring department and the accounting officer of the receiving department must sign an inventory of assets and liabilities that are transferred. Because of the late signing of the determination letter on the forestry transfer, the assets could not be transferred in accordance with section 42 of the PFMA as no asset register was provided by the Department of Water Affairs on 31 March 2010. Consequently, the asset register received on 21 July 2010 did not agree with the Trial Balance. The National Treasury (Office of the Accountant-General) and the Auditor-General were consulted and as a result the forestry assets were not included in the financial statements.
- The classical swine fever combating campaign (payments and claims) spilled over to 2009/10 and funds to the amount of R72,24 million were sourced from reprioritisation and savings within the allocated budget of the department as no additional funds were made available by Parliament for this purpose.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

1.3 Voted funds

It should be noted that in terms of the revised government structure, the new Department of Agriculture, Forestry and Fisheries took over all the functions of the previous Department of Agriculture and the forestry function of the previous Department of Water Affairs and Forestry during the period under review, Details are as follows:

	R'000	R'000
Budget allocation		
Main estimates were:		
Agriculture		2 792 759
Forestry		529 922
		3 322 681
Plus: Adjustments estimate		441 119
Total amount appropriated		3 763 800
Less: Actual expenditure		3 728 377
Surplus		35 423

1.4 Actual expenditure

• In terms of input cost:		
Compensation of employees	942 284	
Goods and services	627 883	
Transfers and subsidies	2 049 098	
Payment for capital assets	109 112	3 728 377
• In terms of programmes:		
Programme 1: Administration	402 171	
Programme 2: Production and Resources Management	303 309	
Programme 3: Agriculture Support Services	1 997 751	
Programme 4: Trade and Agricultural Development	69 144	
Programme 5: Food Safety and Bio-security	401 854	
Programme 6: Forestry	554 148	3 728 377

1.5 Spending trends

	2009/10 %	2008/09 %
• In terms of input cost as a percentage of total actual expenditure:		
Compensation of employees	25,3	17,9
Goods and services	16,8	16,6
Transfers and subsidies	55,0	63,7
Payment for capital assets	2,9	1,8
• In terms of programmes as a percentage of total actual expenditure:		
Programme 1: Administration	10,8	13,1
Programme 2: Production and Resources Management	8,1	17,4
Programme 3: Agriculture Support Services	53,6	51,2
Programme 4: Trade and Agricultural Development	1,9	2,7
Programme 5: Food Safety and Bio-security	10,8	15,6
Programme 6: Forestry	14,9	–
• In terms of actual spending as a percentage of the total appropriated amount:	99,1	96,9

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

- When specific services rendered by the department are analysed in terms of actual expenditure, the following trends in spending come to the fore:
  The transfer to the Agricultural Research Council amounted to R537,2 million or 14,4% while the National Agricultural Marketing Council received R28,4 million or 0,8%, the Comprehensive Agricultural Support Programme R715,4 million or 19,2%, Ilima/Letsema R50,0 million or 1,3%, AgriBEE R48,6 million or 1,3%, LandCare R51,4 million or 1,4%, the Land Bank for Mafisa purposes R367,0 million or 9,8%, agricultural disasters came to R60,0 million or 1,6%, animal health (excluding animal diseases) to R62,8 million or 1,7%, agricultural product inspection services to R114,9 million or 3,1%, agricultural engineering services to R52,5 million or 1,4%, property management to R58,2 million or 1,6%, membership fees to international organisations to R29,7 million or 0,8% and social benefits to R10,1 million or 2,7%. The Food Bank of SA received R8,0 million or 0,2%.
- Virement
  Two virements, including the final virement totalling R73,783 million, were granted. Expenses funded through this process included finalisation of claims in respect of the classical swine fever combating campaign and provision for claims against the state in excess of R20,0 million. The shifting of funds was effected between all five programmes and was approved by either the National Treasury or the Chief Financial Officer of the department.

1.6 Underspending

An amount of R3 763,8 million was appropriated by Parliament for the 2009/10 financial year. Of this, an amount of R3 728,4 million was spent. This resulted in an underspending of R35,4 million or 0,9%. Reasons for the underspending are as follows:

- An additional amount of R15,0 million was appropriated in the adjustments estimate for the procurement of foot-and-mouth disease vaccine from Botswana. Unfortunately only R7,0 million's worth of the vaccine could be delivered before the close of the financial year. The National Treasury has been requested to roll the balance of R8,0 million over to the 2010 financial year as the vaccine is due for delivery in July 2010.
- A foreign membership fee payment of R3,7 million to the Consultative Group on International Agricultural Research (CGIAR) was submitted too late for payment and likewise the National Treasury has been requested to roll the funds over to the 2010/11 financial year.
- An amount of R3,9 million is still due to the Eastern Cape Department of Agriculture in respect of the classical swine fever campaign and the funds will be rolled over to settle the claims.
- Transfer payments in respect of the roll-out of the excellence model to assist upcoming farmers could not be made in time and the amount of R3,0 million is to be rolled over to 2010/11.

Taking the above into account as well as the fact that the mentioned circumstances were beyond the control of the department, only an amount of R16,8 million or 0,4% of the total appropriation was not spent.

1.7 Departmental receipts

The department estimated its 2009/10 revenue to be R216,7 million against the 2008/09 actual receipts of R209,0 million and R45,0 million for agriculture and forestry respectively. This estimated decrease was mainly due to: forestry estimated revenue of R25,0 million; estimated decrease in debtor accounts repayment; and a decrease in unspent conditional grants refunded by provincial departments. However, the actual unspent conditional grants refunded totalled R112,03 million and the revenue in respect of inspection fees and debt recovered exceeded the estimate. Actual revenue received amounted to R250,5 million, resulting in a variance of R33,8 million (15,6%).

2. SERVICES RENDERED BY THE DEPARTMENT

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

- Providing information regarding trade matters
- Reporting on trade matters

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

- Issuing of import and export permits in terms of free trade agreements
- Food price monitoring
- Monthly crop forecasts for summer grains and winter cereals
- Quarterly estimate of livestock numbers
- Food balance sheets to monitor food security issues
- Calculation of food utilisation
- Statistical publications
- Quarterly economic review reports
- Publication of industry brochures (maize and wheat)
- Economic performance and trends of the sector
- Commodity statistics
- Farm profiles and sector demographics
- National computerised record system for farmers
- Veld and pasture management
- Import/export of genetically modified organisms
- Contained use of genetically modified organisms
- Issuing of GMO status certificates
- Registration of facilities
- Registration of inseminators, collectors, transplanters and invocators
- Registration of premises as a centre
- Approval of an animal to donate genetic material
- Authorisation of the import of animal/genetic material into the RSA
- Authorisation of the export of animal/genetic material from the RSA
- Variety listing
- Regulating the subdivision of agricultural land
- Control of migratory pests
- Eradication of invasive weeds
- Drilling of boreholes
- Construction of key soil conservation works
- Construction of access roads for fire prevention
- Issuing of import/export permits (plants)
- Registration and approval of production units and pack houses for export of fresh fruit
- Developing early warning systems for the detection of exotic pests
- Issuing import/export permits (animals)
- Registration of brands
- Combating animal diseases
- Inspections at official ports of entry
- National plant and plant product inspections
- Plant quarantine and plant health diagnostic services
- Animal quarantine and diagnostic services
- Analytical laboratory services with regard to agricultural products
- National inspection services on plants and propagating material
- Export certificates for liquor products
- Registration of fertilisers, farm feeds, agricultural remedies and/or stock remedies
- Soil, water and plant analysis

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

- Export exemption certificates
- Import certificates for liquor products
- Meat inspections at export abattoirs
- Allocation of external bursaries
- Agricultural campaigns
- Education and training for new entrants
- Advisory services to small-stock farmers
- Promoting the sustainable management of forest
- Promoting integrated fire management
- Registration and Audit of Fire Protection Associations (FPAs)
- Public education, training and awareness on the National Forests Act, 1998 (Act No. 84 of 1998) and the National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)
- Implementation of compliance and enforcement strategy for the two above-mentioned Acts
- Training of the judiciary on both pieces of legislation to ensure offenders are brought to book
- Publishing a list of protected, champion trees and fire prohibition notices where applicable annually in the *Government Gazette*
- Facilitate the review of policies and legislation where required, with annual amendments of forestry tariffs
- Proclamation of conservation areas in terms of the National Forests Act (NFA)
- Issuing of licences in terms of the NFA for removal of protected trees and commercial harvesting of firewood
- Participation in cross-border programmes aimed at managing cross-border fires effectively.

2.2 Tariff policy

In terms of section 76(2)(f) of the Public Finance Management Act, 1999 (Act No. 1 of 1999), the current tariff structure was developed by the department and approved by the National Treasury. Any amendments to the approved structure are only effected with the prior approval of the National Treasury. Otherwise the tariffs are calculated according to the said structure. In terms of departmental policy and if at all feasible, tariffs are adjusted annually to further phase in cost recovery in full for services rendered.

2.3 Free services

The following free services were rendered by the department:

	R'000
• Directorate: Agricultural Engineering Services	
– Sighting, drilling and testing of boreholes	1 809
• Grootfontein Agricultural Development Institute	
– Farmer training	2 505
– Extension and outreach	1 819
	6 133

2.4 Inventories

Inventory items are managed by means of the Logistical Information System (LOGIS). The department has three stores: In Pretoria (Head Office), at Grootfontein Agricultural Development Institute in Middelburg in the Eastern Cape and in Stellenbosch. Inventory items such as cleaning materials, stationery and groceries (GADI only) are kept at these stores. The total value at the balance on hand of inventory items at 31 March 2010 amounted to R1,96 million.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

3. CAPACITY CONSTRAINTS

At year-end, the approved establishment of the former Department of Agriculture consisted of 3 307 posts, of which 2 819 posts were filled. This reflects a vacancy rate of 14,8%, a decrease of 2,2% from the 2008/09 financial year. The recruitment and selection unit of the department will be capacitated in the new financial year in order to fast-track the filling of vacancies.

The President announced the new configurations of Ministerial Portfolios on 10 May 2009. The Department of Agriculture (DoA) was affected by the transfer of the forestry function from the former Department of Water Affairs and Forestry (DWAF), and the fisheries function from the former Department of Environmental Affairs and Tourism (DEAT). In order to ensure seamless and uninterrupted service delivery, as well as to ensure job security to affected staff, the functions were transferred to DAFF with posts, staff and other concomitant resources. Limited resources were transferred to the departmental support services' functions and this could hamper service delivery.

The department in collaboration with the provincial departments of agriculture also developed proposals for Occupation Specific Dispensations (OSDs) for State Veterinarians and Agricultural Economists to attract and retain sufficient numbers of employees in these professions. The proposed OSDs were submitted to the DPSA for consideration to be negotiated for implementation. Currently the non-availability of funds is hampering the successful implementation thereof.

4. PUBLIC ENTITIES

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

- Agricultural Research Council (ARC), a national public entity listed under Schedule 3: Part A

  The ARC is a statutory body established in terms of the Agricultural Research Act, 1990 (Act No. 86 of 1990). Its primary mandate is to conduct research and develop and transfer technology that promotes agriculture and related industries. The ARC reports through its CEO and Board to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.
- National Agricultural Marketing Council (NAMC), a national public entity listed under Schedule 3: Part A

  The NAMC was established in terms of the Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996). The Council undertakes investigations and advises the Minister of Agriculture, Forestry and Fisheries on agricultural marketing policies. The Council is accountable to its Board and to the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.
- Onderstepoort Biological Products Ltd (OBP), a national government business enterprise listed under Schedule 3: Part B

  OBP was established in accordance with the Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999). It is a biotechnical company which manufactures vaccines and related products for the global animal health care industry. The Department of Agriculture, Forestry and Fisheries is the sole shareholder. The Company is accountable to its Board and the Minister of Agriculture, Forestry and Fisheries as the Executive Authority.
- Perishable Products Export Control Board (PPECB), a national public entity listed under Schedule 3: Part A

  The PPECB was established in terms of the Perishable Products Export Control Act, 1983 (Act No. 9 of 1983), and must ensure that perishable products intended for export from South Africa meet with international quality standards. The Board is accountable and reports to the Minister of Agriculture, Forestry and Fisheries.
- Ncera Farms (Pty) Ltd is a national government business enterprise listed under Schedule 3: Part B

  Ncera Farms is a small private company and the Department of Agriculture, Forestry and Fisheries is the sole shareholder. The purpose of the Company is to assist small farmers in the Kidd's Beach area of the Eastern Cape with various services including advice, extension, ploughing, training and more. The Board is accountable and reports to the Minister of Agriculture, Forestry and Fisheries.
- Transfer payments from the department in support of these public entities:

	Voted R'000	Actual R'000
Agricultural Research Council	537 153	537 153
National Agricultural Marketing Council	28 360	28 360
Ncera Farms (Pty) Ltd	2 550	2 550
	568 063	568 063

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

5. TRANSFER PAYMENTS MADE

Vehicle licenses	549	483
LandCare	51 417	51 417
Comprehensive Agricultural Support Programme (CASP)	715 394	715 394
Food Bank SA	8 000	8 000
Agricultural disasters	156 900	156 900
African Eagles	10	10
Morokweng Women in Greening	3	3
Mashudu Lukwareng	2	2
Tshwane Municipality	30	28
Membership fees to international organisations	23 712	17 523
FAO capacity building	12 000	12 000
Foreign rates and taxes	146	144
Mafisa	367 000	367 000
AgriBEE	48 610	48 610
Owen Sithole Agricultural College	1 000	
Tompi Seleke Agricultural Training Centre	1 000	1 000
Taung Agricultural College	1 000	
Elsenburg Agricultural College	1 000	
University of Pretoria	200	
University of the Free State	1 900	1 900
Ilima/Letsema	50 000	50 000
Classical swine fever	5 000	1 080
National Student Financial Aid Scheme	8 500	8 500
Service Sector Education and Training Authority	650	649
PPECB	600	600
Red Meat Industry Forum	2	1
Limpopo Youth Orchestra	10	10
Nokane Primary School	10	10
Agri SA	10	10
Gauteng Agriculture	5	5
Ground water commitments – DWAF	1 883	
Electricity supply – municipalities	800	
Sterilise Insect Technique	6 270	6 270
Female Farmer of the Year	2 800	2 530
Water Research Commission	1 200	
Social benefits	10 293	10 130
Non-life insurance premiums	245	149
Claims against the State	20 696	20 677
	1 498 847	1 481 035

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

6. CORPORATE GOVERNANCE ARRANGEMENTS

The Audit Committee and the Internal Audit Unit have been functional since 1997 and the composition of the Audit Committee is in line with the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999). Meetings are held with the Director-General, the Chief Financial Officer, the Office of the Auditor-General and the Head of Internal Audit to discuss internal audit findings, financial and operational matters and the responses of management to risk management in the department.

7. NEW ACTIVITIES

Through the Medium Term Expenditure Framework process and with the approval of the Cabinet, additional funds amounting to R650,0 million over the MTEF period were provided for Ilima/Letsema (agricultural production) projects with an amount of R50,0 million during the 2009/10 financial year.

8. PERFORMANCE INFORMATION

Performance information is included in Part 2 of this report.

9. ASSET MANAGEMENT

The department disposed of assets totalling R20,393 million in Pretoria and Stellenbosch and at the Grootfontein Agricultural Development Institute during the 2009/10 financial year. Losses during the period under review amounted to R1,181 million. All other requirements/milestones have been adhered to/reached.

10. AGRICULTURAL DEBT

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

10.2 This debt consists of debt that resulted from loan assistance to farmers granted by the former Agricultural Credit Board until 1997, for e.g. the payment of debt, purchasing of farms, farming equipment and production inputs and other debt emanating from certain special financial assistance measures to farmers at the time. A portion of this debt is also still secured by means of mortgage bonds over immovable property and memorandums of agreement/notarial bonds where movable assets such as livestock, vehicles and farming implements were taken as collateral for the loans granted.

10.3 The status of this debt as at 31 March 2010 was as follows:

Total debt outstanding	–	R227 887 million
Number of debtors	–	1 378
Number of accounts	–	1 890
Net amount recovered (2009/10)	–	R23 444 million

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

10.5 In respect of the Production Loan Scheme for Small and Beginner Farmers the only case outstanding is Grovida, which is still in the hands of the State Attorney with no further progress to report on. The last two multiple debt cases relating to former subsidy schemes were also finalised (full payment of the last case was received on 23 April 2010) and no amounts in this respect are therefore outstanding any longer.

11. INVESTIGATIONS

Based on allegations of possible irregularities in various areas, the department requested an independent consulting firm to conduct investigations. These audit investigations detected irregular as well as fruitless and wasteful expenditure as reflected in Disclosure Notes 26 and 27. The follow-up of the audit findings is in progress.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

12. SCOPA RESOLUTION

The department did not appear before SCOPA during the 2009/10 financial year.

APPROVAL

The Annual Financial Statements set out on pages 102 to 176 have been approved by the Chief Financial Officer on behalf of the Accounting Officer in terms of delegations granted.

Mr J.B. Hlatshwayo

ACTING CHIEF FINANCIAL OFFICER
for DIRECTOR-GENERAL

31 May 2010

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE NO. 35: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES FOR THE YEAR ENDED 31 MARCH 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the Department of Agriculture, Forestry and Fisheries, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, the statement of financial performance, the statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information as set out on pages 102 to 160.

Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.1 and in the manner required by the Public Finance Management Act of South Africa. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette No.* 32758 of 27 November 2009. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Forestry and Fisheries as at 31 March 2010, and its financial performance and its cash flows for the year then ended are prepared, in all material respects, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy described in note 1.1 to the financial statements and in the manner required by the Public Finance Management Act of South Africa.

Emphasis of matter

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

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, described in accounting policy note 1.1.

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE NO. 35: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES FOR THE YEAR ENDED 31 MARCH 2010

Non-disclosure of forestry assets

As disclosed in paragraph 1.2 of the accounting officer's report, the forestry programme was transferred from the Department of Water Affairs to the Department of Agriculture, Forestry and Fisheries during the year under review. As the requirements of section 42 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) relating to the hand-over procedure have not been finalised, assets relating to the forestry function have not been disclosed in the financial statements.

Irregular expenditure

As disclosed in note 26 to the financial statements, irregular expenditure to the amount of R15 109 000 was incurred, as supply chain processes had not been followed.

Fruitless and wasteful expenditure

As disclosed in note 27 to the financial statements, fruitless and wasteful expenditure to the amount of R12 197 000 was incurred, as due care was not exercised in the procurement processes.

Additional matters

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

Unaudited supplementary schedules

The supplementary information set out on pages 161 to 176, which are annexures to the financial statements, does not form part of the financial statements and is presented as additional information. I have not audited these annexures and accordingly I do not express an opinion thereon.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and General Notice 1570 of 2009, issued in *Government Gazette* No. 32758 of 27 November 2009, I include below my findings on the report on predetermined objectives, compliance with the PFMA and financial management (internal control).

Findings

Predetermined objectives

Non-compliance with regulatory and reporting requirements

Lack of effective, efficient and transparent systems and internal controls regarding performance management

The accounting officer did not ensure that the department has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institution's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

Inadequate content of strategic plan

The strategic plan of the department did not cover a period of three years as required by Treasury Regulation 5.2.2(a).

Usefulness of information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the department reported on its performance with regard to its objectives, indicators and targets in its approved strategic plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE NO. 35: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES FOR THE YEAR ENDED 31 MARCH 2010

- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well-defined and verifiable, and are targets specific, measurable and time-bound?

The following audit findings relate to the above criteria:

Reasons for major variances between planned and actual reported targets were not adequately explained

Adequate explanations for major variances between the planned and the actual reported targets were not reported as required by the relevant reporting guidance. For the selected programmes, i.e. programme 3: Agriculture support services, and programme 5: Food safety and bio-security, where major variances in the reported targets occurred, the explanations were inadequate.

Planned and reported performance targets not specific, measurable and time-bound

For the selected programmes, i.e. programme 3: Agriculture support services, and programme 5: Food safety and bio-security, the planned and reported targets were not:

- Specific in clearly identifying the nature and the required level of performance
- Measurable in identifying the required performance
- Time-bound in specifying the time period or deadline for delivery

Reliability of information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Validity: Has the actual reported performance occurred and does it pertain to the entity, i.e. can the reported performance information be traced back to the source data or documentation?
- Accuracy: Amounts, numbers and other data relating to reported actual performance have been recorded and reported appropriately.
- Completeness: All actual results and events that should have been recorded have been included in the reported performance information.

The following audit findings relate to the above criteria:

Reported indicators not reliable as no or inadequate supporting source information was provided

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

Compliance with laws and regulations

Public Finance Management Act, 1999 (Act No. 1 of 1999) (as amended by Act No. 29 of 1999) and Treasury Regulations of 2005

Non-adherence

Contrary to the requirements of section 38(1)(a)(i) and (b) of the PFMA, the accounting officer did not ensure that the department has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institution's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed.

Contrary to the requirements of Treasury Regulation 3.2.11, the internal audit function did not assist the accounting officer in maintaining the efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement and improvement.

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE FINANCIAL STATEMENTS OF VOTE NO. 35: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES FOR THE YEAR ENDED 31 MARCH 2010

Contrary to the requirements of Treasury Regulation 5.2.2(a), the objectives, outcome and targets in the strategic plan of the department did not cover a period of three years.

Contrary to the requirements of Treasury Regulation 3.2.1, the accounting officer did not conduct the risk assessment to identify the emerging risks of the institution.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

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

Financial and performance management

Management does not understand the performance management requirements and related processes, and adequate reviews are not performed to ensure that information reported is complete and accurate. The department's current reporting processes are not appropriate to facilitate reliable and accurate performance reporting.

Governance

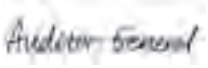
The accounting officer did not ensure that internal audit is adequately resourced and, consequently, internal audit could not fulfil its responsibilities as set out in legislation and in accordance with accepted best practice.

The department did not conduct a risk assessment as required by Treasury Regulations and could not identify and respond to any risks by determining a risk strategy. No risks relating to the achievement of financial and performance reporting objectives were identified. Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal controls over performance reporting.

OTHER REPORTS

Investigations

Investigations were conducted by an independent consulting firm at the request of the department. The investigations relate to allegations of irregularities in the department. The types of transgressions investigated included allegations of irregularities related to procurement, recruitment and promotions of staff and management, administration and control over project funds. At the reporting date the reports were submitted to the executive authority for consideration.



Pretoria
31 July 2010

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per programme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payments	352 324	(9 451)	(6 468)	336 405	334 290	2 115	99,4	314 297	311 074
Transfers and subsidies	40 107	82	990	41 179	34 631	6 548	84,1	39 512	39 176
Payment for capital assets	21 658	9 369	2 950	33 977	33 250	727	97,9	22 741	21 822
2. Production and Resources Management									
Current payments	186 519	(3 169)	(25 835)	157 515	157 372	143	99,9	171 821	171 428
Transfers and subsidies	111 707	5	40	111 752	110 270	1 482	98,7	354 858	294 737
Payment for capital assets	33 440	3 164	(564)	36 040	35 667	373	98,9	29 842	29 178
3. Agriculture Support Services									
Current payments	179 205	(1 280)	(21 926)	155 999	155 380	619	99,6	171 988	170 745
Transfers and subsidies	1 842 833	56	14	1 842 903	1 839 898	3 005	99,8	1 285 650	1 284 115
Payment for capital assets	1 658	1 224	(363)	2 519	2 473	46	98,2	4 666	4 406
4. Trade and Agricultural Development									
Current payments	47 926	(83)	(6 285)	41 558	40 188	1 370	96,7	51 366	51 320
Transfers and subsidies	28 374	45	36	28 455	28 453	2	99,9	22 462	22 461
Payment for capital assets	485	38	107	630	503	127	79,8	2 554	2 429

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per programme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5. Food Safety and Bio-security									
Current payments	325 477	(12 453)	47 271	360 295	360 051	244	99,9	257 330	257 115
Transfers and subsidies	6 589	5 764	21 680	34 033	30 062	3 971	88,3	193 276	172 897
Payment for capital assets	6 394	6 689	(1 288)	11 795	11 741	54	99,5	15 385	14 968
6. Forestry									
Current payments	563 150	(1 167)	(32 125)	529 858	522 885	6 973	98,7	–	–
Transfers and subsidies	6 683	–	1 905	8 588	5 783	2 805	67,3	–	–
Payment for capital assets	9 271	1 167	19 861	30 299	25 480	4 819	84,1	–	–
Total	**3 763 800**	**–**	**–**	**3 763 800**	**3 728 377**	**35 423**	**99,1**	**2 937 748**	**2 847 871**

Reconciliation with statement of financial performance				
Add:				
Departmental receipts	250 534		209 002	
Aid assistance	590		–	
Actual amounts per statements of financial performance (total revenue)	**4 014 924**		**3 146 750**	
Add:				
Aid assistance	–	590		–
Actual amounts per statements of financial performance (total expenditure)		**3 728 967**		**2 847 871**

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	1 033 237	(49 751)	(39 361)	944 125	942 284	1 841	99,8	499 006	499 073
Goods and services	620 470	22 148	(6 381)	636 237	626 658	9 579	98,5	468 787	464 095
Interest and rent on land	782	–	–	782	751	31	96,0	–	–
Financial transactions in assets and liabilities	112	–	374	486	474	12	97,5	954	947
Transfers and subsidies									
Provinces and municipalities	974 107	55	107	974 269	974 202	67	99,9	898 416	898 296
Departmental agencies and accounts	580 463	–	–	580 463	576 262	4 201	99,3	610 223	609 095
Universities and technikons	2 100	–	–	2 100	1 900	200	90,5	6 252	6 251
Foreign governments and international organisations	35 858	–	–	35 858	29 667	6 191	82,7	35 372	35 303
Public corporations and private enterprises	421 226	–	20 505	441 731	438 938	2 793	99,4	157 018	96 392
Non-profit institutions	14 290	10	–	14 300	14 300	–	100,0	17 632	17 823
Households	8 249	5 887	4 053	18 189	13 829	4 360	76,0	168 345	147 726
Payments for capital assets									
Buildings and other fixed structures	35 019	6 774	(18 878)	22 915	22 900	15	99,9	42 939	41 945
Machinery and equipment	37 516	14 534	15 772	67 822	62 179	5 643	91,7	31 941	30 174
Biological assets	–	79	44	123	112	11	91,1	355	351
Software and other intangible assets	371	264	(51)	584	415	169	71,1	508	248
Land and subsoil assets	–	–	23 816	23 816	23 506	310	98,7	–	152
Total	**3 763 800**	**–**	**–**	**3 763 800**	**3 728 377**	**35 423**	**99,1**	**2 937 748**	**2 847 871**

DETAILS PER PROGRAMME 1 – ADMINISTRATION

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Minister									
Current payments	1 709	16	80	1 805	1 805	–	100,0	1 382	1 381
1.2 Deputy Minister									
Current payments	1 407	13	(56)	1 364	1 363	1	99,9	1 005	1 005
1.3 Management									
Current payments	45 631	2 258	(1 729)	46 160	46 032	128	99,7	45 446	45 421
Transfers and subsidies	276	–	367	643	544	99	84,6	118	104
Payment for capital assets	2 249	1 837	(566)	3 520	3 507	13	99,6	776	654
1.4 Corporate Services									
Current payments	138 115	(4 288)	(5 734)	128 093	127 988	105	99,9	124 228	124 173
Transfers and subsidies	1 184	82	607	1 873	1 869	4	99,8	1 482	1 476
Payment for capital assets	1 794	973	109	2 876	2 580	296	89,7	2 708	2 554
1.5 Operations Management									
Current payments	99 057	(3 064)	2 381	98 374	98 234	140	99,9	89 461	89 406
Transfers and subsidies	38 647	–	16	38 663	32 218	6 445	83,3	37 912	37 596
Payment for capital assets	462	1 135	1 997	3 594	3 180	414	88,5	2 257	2 019
1.6 Office Accommodation									
Current payments	66 405	(4 386)	(1 410)	60 609	58 868	1 741	97,1	52 775	49 688
Payment for capital assets	17 153	5 424	1 410	23 987	23 983	4	99,9	17 000	16 595
Total	**414 089**	**–**	**(2 528)**	**411 561**	**402 171**	**9 390**	**97,7**	**376 550**	**372 072**

DETAILS PER PROGRAMME 1 – ADMINISTRATION

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	178 534	(6 475)	(5 740)	166 319	166 267	52	99,9	140 762	140 714
Goods and services	173 775	(2 976)	(754)	170 045	167 985	2 060	98,8	173 521	170 348
Financial transactions in assets and liabilities	15	–	26	41	38	3	92,7	14	12
Transfers and subsidies									
Provinces and municipalities	80	55	21	156	156	–	100,0	132	130
Departmental agencies and accounts	650	–	–	650	649	1	99,8	586	586
Foreign governments and international organisations	35 838	–	–	35 838	29 667	6 171	82,8	35 372	35 303
Public corporations and private enterprises	267	–	374	641	540	101	84,2	657	51
Non-profit institutions	20	–	–	20	20	–	100,0	–	591
Households	3 252	27	595	3 874	3 599	275	92,9	2 765	2 515
Payment for capital assets									
Buildings and other fixed structures	16 221	4 681	1 588	22 490	22 490	–	100,0	16 516	16 176
Machinery and equipment	5 372	4 523	1 198	11 093	10 467	626	94,4	6 097	5 563
Software and other intangible assets	65	165	164	394	293	101	74,4	128	83
Total	**414 089**	**–**	**(2 528)**	**411 561**	**402 171**	**9 390**	**97,7**	**376 550**	**372 072**

DETAILS PER PROGRAMME 2 – PRODUCTION AND RESOURCES MANAGEMENT

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Management									
Current payments	1 957	147	(237)	1 867	1 865	2	99,9	1 481	1 477
Transfers and subsidies	6	–	–	6	6	–	100,0	–	–
Payment for capital assets	–	–	–	–	–	–	–	44	43
2.2 Agriculture Production Support									
Current payments	50 459	337	(4 494)	46 302	46 248	54	99,9	50 570	50 529
Transfers and subsidies	58 019	5	14	58 038	58 035	3	99,9	300 765	240 760
Payment for capital assets	294	289	(67)	516	511	5	99,0	883	821
2.3 Engineering and Resource Management									
Current payments	134 103	(3 653)	(21 104)	109 346	109 259	87	99,9	119 770	119 422
Transfers and subsidies	53 682	–	26	53 708	52 229	1 479	97,2	54 093	53 977
Payment for capital assets	33 146	2 875	(497)	35 524	35 156	368	99,0	28 915	28 314
Total	**331 666**	**–**	**(26 359)**	**305 307**	**303 309**	**1 998**	**99,3**	**556 521**	**495 343**

DETAILS PER PROGRAMME 2 – PRODUCTION AND RESOURCES MANAGEMENT

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	103 582	(1 579)	(12 816)	89 187	89 124	63	99,9	85 004	85 448
Goods and services	82 856	(1 590)	(13 074)	68 192	68 115	77	99,9	88 745	88 399
Financial transactions in assets and liabilities	81	–	55	136	133	3	97,8	17	14
Transfers and subsidies									
Provinces and municipalities	101 720	–	–	101 720	101 666	54	99,9	223 308	223 194
Departmental agencies and accounts	1 200	–	–	1 200	–	1 200	–	65 000	65 000
Universities and technikons	200	–	–	200	–	200	–	3 604	3 604
Foreign governments and international organisations	20	–	–	20	–	20	–	–	–
Public corporations and private enterprises	18	–	59	77	76	1	98,7	60 190	188
Non-profit institutions	8 000	–	–	8 000	8 000	–	100,0	100	100
Households	549	5	(19)	535	529	6	98,9	156	151
Payment for capital assets									
Buildings and other fixed structures	18 798	2 093	(20 891)	–	–	–	–	24 364	23 711
Machinery and equipment	14 624	1 050	(3 468)	12 206	12 142	64	99,5	5 878	5 382
Software and other intangible assets	18	21	(21)	18	18	–	100,0	155	–
Land and subsoil assets	–	–	23 816	23 816	23 506	310	98,7	–	152
Total	**331 666**	**–**	**(26 359)**	**305 307**	**303 309**	**1 998**	**99,3**	**556 521**	**495 343**

DETAILS PER PROGRAMME 3 – AGRICULTURE SUPPORT SERVICES

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Management									
Current payments	2 062	193	603	2 858	2 853	5	99,8	10 654	10 648
Transfers and subsidies	3	–	–	3	3	–	100,0	14	13
Payment for capital assets	45	–	–	45	34	11	75,6	38	30
3.2 Livelihoods Development Support									
Current payments	86 853	(2 118)	(19 317)	65 418	64 928	490	99,3	64 811	63 610
Transfers and subsidies	1 125 650	10	5	1 125 665	1 122 663	3 002	99,7	665 182	663 651
Payment for capital assets	1 455	453	(339)	1 569	1 551	18	98,9	1 253	1 189
3.3 Sector Services and Research									
Current payments	90 290	645	(3 212)	87 723	87 599	124	99,9	96 523	96 487
Transfers and subsidies	717 180	46	9	717 235	717 232	3	99,9	620 454	620 451
Payment for capital assets	158	771	(24)	905	888	17	98,1	3 375	3 187
Total	**2 023 696**	**–**	**(22 275)**	**2 001 421**	**1 997 751**	**3 670**	**99,8**	**1 462 304**	**1 459 266**

DETAILS PER PROGRAMME 3 – AGRICULTURE SUPPORT SERVICES

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	83 495	(3 014)	1 918	82 399	82 228	171	99,8	71 162	70 910
Goods and services	95 710	1 734	(23 922)	73 522	73 077	445	99,4	100 825	99 834
Financial transactions in assets and liabilities	–	–	78	78	75	3	96,2	1	1
Transfers and subsidies									
Provinces and municipalities	872 306	–	–	872 306	872 305	1	100,0	674 972	674 971
Departmental agencies and accounts	550 253	–	–	550 253	547 253	3 000	99,5	522 178	521 050
Universities and technikons	1 900	–	–	1 900	1 900	–	100,0	2 648	2 647
Public corporations and private enterprises	418 224	–	3	418 227	418 224	3	100,0	74 721	74 716
Non-profit institutions	–	10	–	10	10	–	100,0	10 866	10 466
Households	150	46	11	207	206	1	99,5	265	265
Payment for capital assets									
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1 658	1 224	(377)	2 505	2 459	46	98,2	4 567	4 315
Biological or cultivated assets	–	–	14	14	14	–	100,0	44	40
Software and other intangible assets	–	–	–	–	–	–	–	55	51
Total	**2 023 696**	**–**	**(22 275)**	**2 001 421**	**1 997 751**	**3 670**	**99,8**	**1 462 304**	**1 459 266**

DETAILS PER PROGRAMME 4 – TRADE AND AGRICULTURAL DEVELOPMENT

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Management									
Current payments	2 067	(100)	(1 251)	716	708	8	98,9	1 078	1 075
Payment for capital assets	–	–	–	–	–	–	–	130	126
4.2 Trade and Marketing Development									
Current payments	25 886	55	(3 456)	22 485	21 882	603	97,3	21 248	21 223
Transfers and subsidies	28 360	45	–	28 405	28 404	1	99,9	22 462	22 461
Payment for capital assets	213	–	39	252	198	54	78,6	197	131
4.3 Economic and Statistical Services									
Current payments	19 973	(38)	(1 578)	18 357	17 598	759	95,9	29 040	29 022
Transfers and subsidies	14	–	36	50	49	1	98,0	–	–
Payment for capital assets	272	38	68	378	305	73	80,7	2 227	2 172
Total	**76 785**	**–**	**(6 142)**	**70 643**	**69 144**	**1 499**	**97,9**	**76 382**	**76 210**

DETAILS PER PROGRAMME 4 – TRADE AND AGRICULTURAL DEVELOPMENT

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	38 224	(405)	(3 865)	33 954	33 416	538	98,4	30 020	30 003
Goods and services	9 702	322	(2 423)	7 601	6 769	832	89,1	21 346	21 317
Financial transactions in assets and liabilities	–	–	3	3	3	–	100,0	–	–
Transfers and subsidies									
Departmental agencies and accounts	28 360	–	–	28 360	28 360	–	100,0	22 459	22 459
Public corporations and private enterprises	14	–	36	50	49	1	98,0	3	2
Households	–	45	–	45	44	1	97,8	–	–
Payment for capital assets									
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	474	33	107	614	503	111	81,9	2 466	2 358
Software and other intangible assets	11	5	–	16	–	16	–	88	71
Total	**76 785**	**–**	**(6 142)**	**70 643**	**69 144**	**1 499**	**97,9**	**76 382**	**76 210**

DETAILS PER PROGRAMME 5 – FOOD SAFETY AND BIO-SECURITY

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Management									
Current payments	2 120	(115)	(331)	1 674	1 671	3	99,8	1 492	1 489
Payment for capital assets	–	95	–	95	94	1	98,9	59	58
5.2 Plant Health and Inspection Services									
Current payments	179 080	(13 164)	(19 427)	146 489	146 355	134	99,9	121 543	121 433
Transfers and subsidies	6 349	–	1 051	7 400	7 356	44	99,4	6 279	6 274
Payment for capital assets	1 310	6 634	(1 721)	6 223	6 193	30	99,5	10 403	10 344
5.3 Food and Veterinary Services									
Current payments	144 277	826	67 029	212 132	212 025	107	99,9	134 295	134 193
Transfers and subsidies	240	5 764	20 629	26 633	22 706	3 927	85,3	186 997	166 623
Payment for capital assets	5 084	(40)	433	5 477	5 454	23	99,6	4 923	4 566
Total	**338 460**	**–**	**67 663**	**406 123**	**401 854**	**4 269**	**98,9**	**465 991**	**444 980**

DETAILS PER PROGRAMME 5 – FOOD SAFETY AND BIO-SECURITY

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	231 853	(19 426)	9 016	221 443	221 328	115	99,9	172 058	171 998
Goods and services	93 608	6 973	38 043	138 624	138 498	126	99,9	84 350	84 197
Financial transactions in assets and liabilities	16	–	212	228	225	3	98,7	922	920
Transfers and subsidies									
Provinces and municipalities	1	–	1	2	1	1	50,0	4	1
Public corporations and private enterprises	20	–	20 033	20 053	20 049	4	100,0	21 447	21 435
Non-profit institutions	6 270	–	–	6 270	6 270	–	100,0	6 666	6 666
Households	298	5 764	1 646	7 708	3 742	3 966	48,5	165 159	144 795
Payment for capital assets									
Buildings and other fixed structures	–	–	95	95	93	2	97,9	2 059	2 058
Machinery and equipment	6 368	6 610	(1 369)	11 609	11 558	51	99,6	12 933	12 556
Biological or cultivated assets	–	79	–	79	78	1	98,7	311	311
Software and other intangible assets	26	–	(14)	12	12	–	100,0	82	43
Total	**338 460**	**–**	**67 663**	**406 123**	**401 854**	**4 269**	**98,9**	**465 991**	**444 980**

DETAILS PER PROGRAMME 6 – FORESTRY

for the year ended 31 March 2010

Programme per subprogramme	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6.1 Management									
Current payments	3 839	211	385	4 435	3 946	489	89,0	–	–
Payment for capital assets	95	–	(67)	28	26	2	92,9	–	–
6.2 Forestry Regulation and Oversight									
Current payments	41 497	470	(3 196)	38 771	38 024	747	98,1	–	–
Transfers and subsidies	–	–	28	28	27	1	96,4	–	–
Payment for capital assets	644	–	186	830	664	166	80,0	–	–
6.3 Forestry Development									
Current payments	16 851	2 456	398	19 705	18 385	1 320	93,3	–	–
Transfers and subsidies	–	–	397	397	396	1	99,7	–	–
Payment for capital assets	99	136	386	621	520	101	83,7	–	–
6.4 Forestry Operations									
Current payments	500 963	(4 304)	(29 712)	466 947	462 530	4 417	99,1	–	–
Transfers and subsidies	6 683	–	1 480	8 163	5 360	2 803	65,7	–	–
Payment for capital assets	8 433	1 031	19 356	28 820	24 270	4 550	84,2	–	–
Total	**579 104**	**–**	**(10 359)**	**568 745**	**554 148**	**14 597**	**97,4**	**–**	**–**

DETAILS PER PROGRAMME 6 – FORESTRY

for the year ended 31 March 2010

Economic classification	2009/10							2008/09	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	397 549	(18 852)	(27 874)	350 823	349 921	902	99,7	–	–
Goods and services	164 819	17 685	(4 251)	178 253	172 214	6 039	96,6	–	–
Interest and rent on land	782	–	–	782	751	31	96,0	–	–
Transfers and subsidies									
Provinces and municipalities	–	–	85	85	74	11	87,1	–	–
Public corporations and private enterprises	2 683	–	–	2 683	–	2 683	–	–	–
Households	4 000	–	1 820	5 820	5 709	111	98,1	–	–
Payment for capital assets									
Buildings and other fixed structures	–	–	330	330	317	13	96,1	–	–
Machinery and equipment	9 020	1 094	19 681	29 795	25 050	4 745	84,1	–	–
Biological assets	–	–	30	30	20	10	66,7	–	–
Software and other intangible assets	251	73	(180)	144	92	52	63,9	–	–
Total	**579 104**	**–**	**(10 359)**	**568 745**	**554 148**	**14 597**	**97,4**	**–**	**–**

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2010

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

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

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

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

3. DETAILS OF FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES

Details of these transactions can be viewed in note 7 (financial transactions in assets and liabilities) to the Annual Financial Statements.

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

4.1 Per Programme

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Administration	411 561	402 171	9 390	97,7
Production and Resources Management	305 307	303 309	1 998	99,3
Agriculture Support Services	2 001 421	1 997 751	3 670	99,8
Trade and Agricultural Development	70 643	69 144	1 499	97,9
Food Safety and Bio-security	406 123	401 854	4 269	98,9
Forestry	568 745	554 148	14 597	97,4
Total	**3 763 800**	**3 728 377**	**35 423**	**99,1**

Administration

Payments in respect of membership fees to international organisations were not made as invoices were not received. Furthermore, not all the funds were spent on property management and capital works.

Production and Resources Management

An amount of R1,2 million budgeted for research by the Water Research Commission was not paid as the research was not finalised, Agricultural Engineering Services did not spend all their capital funds and the University of Pretoria was not paid as invoices were received too late.

Agriculture Support Services

Not all the funds set aside for the roll-out of the Excellence Model were spent. Other savings under this programme were incidental.

Trade and Agricultural Development

The savings under this programme relate largely to the non-filling of vacancies with related costs.

Food Safety and Bio-security

Not all the outstanding amounts relating to the classical swine fever campaign have been received.

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2010

Forestry

Not all the funds set aside for the purchase of goods and services and machinery and equipment were spent whilst a saving occurred under compensation of employees because of unfilled vacancies. Transfer payments amounting to R2,8 million were not made.

4.2 Per economic classification

	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	944 125	942 284	1 841	99,8
Goods and services	636 237	626 658	9 579	98,5
Interest and rent on land	782	751	31	96,0
Financial transactions in assets and liabilities	486	474	12	97,5
Subtotal	**1 581 630**	**1 570 167**	**11 463**	**99,3**
Transfers and subsidies				
Provinces and municipalities	974 269	974 202	67	100,0
Departmental agencies and accounts	580 463	576 262	4 201	99,3
Universities and technikons	2 100	1 900	200	90,5
Public corporations and private enterprises	441 731	438 938	2 793	99,4
Foreign governments and international organisations	35 858	29 667	6 191	82,7
Non-profit institutions	14 300	14 300	–	100,0
Households	18 189	13 829	4 360	76,0
Subtotal	**2 066 910**	**2 049 098**	**17 812**	**99,1**
Payments for capital assets				
Buildings and other fixed structures	42 400	22 807	19 593	53,8
Machinery and equipment	48 351	62 272	(13 921)	128,8
Biological or cultivated assets	109	112	(3)	102,8
Software and other intangible assets	584	415	169	71,1
Land and subsoil assets	23 816	23 506	310	98,7
Subtotal	**115 260**	**109 112**	**6 148**	**94,7**
Total	**3 763 800**	**3 728 377**	**35 423**	**99,1**

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2010

	Notes	2009/10 R'000	2008/09 R'000
REVENUE			
Annual appropriation	1	3 763 800	2 937 748
Departmental revenue	2	250 534	209 002
Aid assistance	3	590	–
TOTAL REVENUE		4 014 924	3 146 750
EXPENDITURE			
Current expenditure			
Compensation of employees	4	942 284	499 073
Goods and services	5	626 658	461 663
Interest and rent on land	6	751	–
Financial transactions in assets and liabilities	7	474	947
Aid assistance	3	590	–
Total current expenditure		1 570 757	961 683
Transfers and subsidies	8	2 049 098	1 813 386
Transfers and subsidies	8	2 049 098	1 813 386
Expenditure for capital assets			
Tangible capital assets	9	108 697	72 402
Software and other intangible assets	9	415	400
Total expenditure for capital assets		109 112	72 802
Total expenditure		3 728 967	2 847 871
Surplus for the year		285 957	298 879
Reconciliation of surplus for the year			
Voted funds		35 423	89 877
Annual appropriation	14	35 423	89 877
Departmental revenue	15	250 534	209 002
SURPLUS FOR THE YEAR		285 957	298 879

STATEMENT OF FINANCIAL POSITION

at 31 March 2010

	Notes	2009/10 R'000	2008/09 R'000
ASSETS			
Current assets		45 688	167 841
Cash and cash equivalents	*10*	14 251	145 690
Prepayments and advances	*11*	27 708	13 511
Receivables	*12*	3 729	8 640
Non-current assets		226 375	18 892
Investments	*13*	226 375	18 892
TOTAL ASSETS		272 063	186 733
LIABILITIES			
Current liabilities		43 469	165 868
Voted funds to be surrendered to the National Revenue Fund	*14*	35 423	89 877
Departmental revenue to be surrendered to the National Revenue Fund	*15*	6 106	5 158
Payables	*16*	1 940	70 833
Non-current liabilities			
Payables	*17*	226 378	18 892
TOTAL LIABILITIES		269 847	184 760
NET ASSETS		2 216	1 973
Represented by:			
Recoverable revenue		2 216	1 973
TOTAL		2 216	1 973

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
Recoverable revenue			
Opening balance		1 973	1 108
Transfers		243	865
Irrecoverable amounts written off	*7.3*	(110)	(911)
Debts recovered (included in departmental receipts)		(1 464)	(1 120)
Debts raised		1 817	2 896
Closing balance		2 216	1 973
TOTAL		2 216	1 973

CASH FLOW STATEMENT

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		4 013 319	3 146 420
Annual appropriated funds received		3 763 800	2 937 748
Departmental revenue received		248 929	208 672
Aid assistance received	*3*	590	–
Net (increase)/decrease in working capital		(78 179)	145 382
Surrendered to the National Revenue Fund		(339 463)	(349 609)
Current payments		(1 570 757)	(961 683)
Transfers and subsidies paid		(2 049 098)	(1 813 386)
Net cash flow available from operating activities	*18*	(24 178)	167 124
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	*9*	(109 112)	(72 802)
Proceeds from sale of capital assets	*2.4*	1 605	330
Increase in investments		(207 483)	(212)
Net cash flows from investing activities		(314 990)	(72 684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		243	865
Increase in non-current payables		207 486	212
Net cash flows from financing activities		207 729	1 077
Net increase/(decrease) in cash and cash equivalents		(131 439)	95 517
Cash and cash equivalents at the beginning of the period		145 690	50 173
Cash and cash equivalents at end of period	*19*	14 251	145 690

ACCOUNTING POLICIES

for the year ended 31 March 2010

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (amended by Act No. 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, 2008 (Act No. 2 of 2008).

1. PRESENTATION OF THE FINANCIAL STATEMENTS

1.1 Basis of preparation

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

1.2 Presentation currency

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

1.3 Rounding

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

1.4 Comparative figures

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

1.5 Comparative figures – Appropriation Statement

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

2. REVENUE

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

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

The total appropriated funds received during the year are presented in the Statement of Financial Performance.

Unexpended appropriated funds are surrendered to the National Revenue Fund. Any amounts owing to the National Revenue Fund at the end of the financial year are recognised as payable in the Statement of Financial Position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund is recognised as a payable in the Statement of Financial Position.

ACCOUNTING POLICIES

for the year ended 31 March 2010

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are, however, disclosed in the disclosure note to the annual financial statements.

2.3 Aid assistance

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

All in-kind local and foreign aid assistance is disclosed at fair value on the date of receipt in the annexures to the annual financial statements.

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

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

3. EXPENDITURE

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance when financial authorisation for payment is effected on the system (by no later than 31 March each year).

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the Statement of Financial Performance or Position.

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

3.1.2 Post-retirement benefits

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

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

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

3.1.3 Termination benefits

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

3.1.4 Other long-term employee benefits

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

ACCOUNTING POLICIES

for the year ended 31 March 2010

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

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

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

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds with the exception of the debt transferred to the department from the Agricultural Debt Account after the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001) was repealed during the 2008/09 financial year. This debt write-off occurs throughout the year and is only disclosed in the disclosure notes to the annual financial statements. In respect of all other debt the write-off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statement amounts. The estimate in respect of Agricultural Debt Account debtors is based on the calculation of impairments on financial instruments in accordance with GAAP.

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

3.5 Transfers and subsidies

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

3.6 Unauthorised expenditure

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

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

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

3.7 Fruitless and wasteful expenditure

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

ACCOUNTING POLICIES

for the year ended 31 March 2010

3.8 Irregular expenditure

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

4. ASSETS

4.1 Cash and cash equivalents

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

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

4.2 Prepayments and advances

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

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

4.3 Receivables

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

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

4.4 Investments

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

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

4.5 Inventory

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

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.6 Capital assets

4.6.1 Movable assets

INITIAL RECOGNITION

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

SUBSEQUENT RECOGNITION

Subsequent expenditure of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

ACCOUNTING POLICIES

for the year ended 31 March 2010

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

4.6.2 Immovable assets

INITIAL RECOGNITION

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

SUBSEQUENT RECOGNITION

Work-in-progress of a capital nature is recorded in the Statement of Financial Performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial/national department of public works.

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

5. LIABILITIES

5.1 Payables

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

5.2 Contingent liabilities

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

5.3 Contingent assets

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

5.4 Commitments

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

5.5 Accruals

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

5.6 Employee benefits

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

ACCOUNTING POLICIES

for the year ended 31 March 2010

5.7 Lease commitments

Finance lease

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

Operating lease

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

5.8 Provisions

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

6. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are disclosed in the disclosure notes to the financial statements.

7. NET ASSETS

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but recognised in the Statement of Financial Position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed of and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the Statement of Financial Performance when written-off.

8. RELATED PARTY TRANSACTIONS

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

9. KEY MANAGEMENT PERSONNEL

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

1. ANNUAL APPROPRIATION

Included are funds appropriated in terms of the Appropriation Act for national departments (voted funds)

	Final appropri-ation	Actual funds received	Funds not requested/ not received	Appropri-ation received 2008/09
	R'000	R'000	R'000	R'000
Administration	411 561	411 561	–	301 627
Production and Resources Management	305 307	305 307	–	751 451
Agriculture Support Services	2 001 421	2 001 421	–	610 255
Trade and Agricultural Development	70 643	70 643	–	480 037
Food Safety and Bio-security	406 123	406 123	–	794 378
Forestry	568 745	568 745	–	–
Total	3 763 800	3 763 800	–	2 937 748

2. DEPARTMENTAL REVENUE

	Notes	2009/10	2008/09
Sales of goods and services other than capital assets	*2.1*	108 887	63 153
Fines, penalties and forfeits	*2.2*	53	10
Interest, dividends and rent on land	*2.3*	12 519	9 292
Sales of capital assets	*2.4*	1 605	330
Financial transactions in assets and liabilities	*2.5*	127 461	136 137
Transfer received	*2.6*	9	80
Total revenue collected		250 534	209 002
Departmental revenue collected		250 534	209 002

2.1 Sales of goods and services other than capital assets

2

Sales of goods produced and services produced by the department	108 742	62 629
Sales by market establishment	2 843	1 012
Administrative fees	75 143	58 136
Other sales	30 756	3 481
Sales of scrap, waste and other used current goods	145	524
Total	108 887	63 153

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
			R'000	R'000
2.2	**Fines, penalties and forfeits**	2		
	Fines		12	–
	Penalties		41	10
	Total		53	10
2.3	**Interest, dividends and rent on land**	2		
	Interest		11 758	8 726
	Rent on land and buildings		761	566
	Total		12 519	9 292
2.4	**Sale of capital assets**	2		
	Tangible assets		1 605	330
	Machinery and equipment		1 605	330
	Total		1 605	330
2.5	**Financial transactions in assets and liabilities**	2		
	Receivables		13 998	27 203
	Stale cheques written back		5	5
	Other receipts including recoverable revenue		113 458	108 929
	Total		127 461	136 137
2.6	**Transfers received**	2		
	Public corporations and private enterprises		9	80
	Total		9	80
3.	**AID ASSISTANCE**			
3.1	**Aid assistance received in cash from RDP**			
	Foreign			
	Revenue		590	–
	Expenditure		(590)	–
	Current		(590)	–
	Closing balance		–	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
			R'000	R'000
4.	**COMPENSATION OF EMPLOYEES**			
4.1	**Salaries and wages**			
	Basic salaries		626 989	318 696
	Performance awards		23 514	14 152
	Service based		1 697	1 078
	Compensative/circumstantial		38 355	23 799
	Periodic payments		12 007	12 342
	Other non-pensionable allowances		120 271	65 342
	Total		822 833	435 409
4.2	**Social contributions**			
4.2.1	*Employer contributions*			
	Pension		77 236	41 297
	Medical		42 052	22 286
	Bargaining council		163	80
	Insurance		–	1
	Total		119 451	63 664
	Total compensation of employees		942 284	499 073
	Average number of employees		5 768	2 726
	The number of employees in the former Department of Agriculture was 2 819 and Department of Water Affairs confirmed 2 949 for former forestry employees.			
5.	**GOODS AND SERVICES**			
	Administrative fees		51 695	37 642
	Advertising		13 012	9 088
	Assets less then R5 000	*5.1*	6 031	4 560
	Bursaries (employees)		2 689	1 762
	Catering		2 356	519
	Communication		31 100	21 845
	Computer services	*5.2*	20 233	24 374
	Consultants, contractors and agency/outsourced services	*5.3*	162 839	132 976

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
5.	**GOODS AND SERVICES (*cont.*)**		**R'000**	**R'000**
	Entertainment		297	322
	Audit cost – external	*5.4*	7 339	4 878
	Inventory	*5.5*	89 584	49 832
	Operating leases		21 109	10 226
	Owned and leasehold property expenditure	*5.6*	9 447	12 251
	Transport provided as part of the departmental activities		57	–
	Travel and subsistence	*5.7*	167 439	91 549
	Venues and facilities		15 491	29 402
	Training and staff development		15 031	22 304
	Other operating expenditure	*5.8*	10 909	8 133
	Total		626 658	461 663
5.1	**Assets less than R5 000**	*5*		
	Tangible assets		4 953	3 772
	Biological assets		61	67
	Machinery and equipment		4 892	3 705
	Intangible assets		1 078	788
	Total		6 031	4 560
5.2	**Computer services**	*5*		
	SITA computer services		3 493	5 126
	External computer services providers		16 740	19 248
	Total		20 233	24 374
5.3	**Consultants, contractors and agency/outsourced services**	*5*		
	Business and advisory services		38 244	1 182
	Infrastructure and planning		33 073	59 460
	Laboratory services		834	459
	Legal costs		3 094	2 123
	Contractors		11 440	9 318
	Agency and support/outsourced services		76 154	60 434
	Total		162 839	132 976

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
			R'000	R'000
5.4	**Audit cost – external**	5		
	Regulatory audits		6 826	4 878
	Performance audits		513	–
	Total		7 339	4 878
5.5	**Inventory**	5		
	Learning and teaching support material		211	229
	Food and food supplies		2 192	1 010
	Fuel, oil and gas		17 282	14 436
	Other consumable materials		31 946	16 557
	Maintenance material		13 551	2 006
	Stationery and printing		14 159	13 068
	Medical supplies		10 243	2 526
	Total		89 584	49 832
5.6	**Owned and leasehold property expenditure**	5		
	Municipal services		4 008	10 699
	Property management fees		–	905
	Other		5 439	647
	Total		9 447	12 251
5.7	**Travel and subsistence**	5		
	Local		154 711	69 699
	Foreign		12 728	21 850
	Total		167 439	91 549
5.8	**Other operating expenditure**	5		
	Professional bodies, membership and subscription fees		3 351	181
	Resettlement costs		3 719	2 230
	Other		3 839	5 722
	Total		10 909	8 133

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
			R'000	R'000
6.	**INTEREST AND RENT ON LAND**			
	Rent on land		751	–
	Total		751	–
7.	**FINANCIAL TRANSACTIONS IN ASSETS AND LIABILITIES**			
	Debts written off	*7.1*	474	947
	Total		474	947
7.1	**Debts written off**	*7*		
	Nature of debts written off			
	Irrecoverable/uneconomical		399	912
	Claims settled or waived to the advantage of the state		15	35
	Recovery would cause undue hardship		15	–
	Losses or damage through criminal acts or omission		45	–
	Total		474	947
7.2	**Recoverable revenue written off**			
	Nature of losses			
	Irrecoverable/uneconomical		296	1
	Claims settled or waived to the advantage of the state		8	35
	Recovery would cause undue hardship		15	–
	Losses or damage through criminal acts or omission		45	–
	Total		364	36
7.3	**Receivables for departmental revenue written off**			
	Nature of losses			
	Irrecoverable/uneconomical		110	911
	Total		110	911

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
8. TRANSFERS AND SUBSIDIES			
Provinces and municipalities	*34, 35, Annex 1A & Annex 1B*	974 202	898 296
Departmental agencies and accounts	*Annex 1C*	576 262	611 595
Universities and technikons	*Annex 1D*	1 900	6 244
Foreign governments and international organisations	*Annex 1F*	29 667	35 303
Public corporations and private enterprises	*Annex 1E*	438 938	96 983
Non-profit institutions	*Annex 1G*	14 300	16 466
Households	*Annex 1H*	13 829	147 726
Gifts, donations and sponsorships made	*Annex 1I*	–	773
Total		2 049 098	1 813 386
9. EXPENDITURE FOR CAPITAL ASSETS			
Tangible assets		108 697	72 402
Buildings and other fixed structures	*9.1*	22 807	42 006
Machinery and equipment	*9.1*	62 272	30 045
Land and subsoil assets	*9.1*	23 506	–
Biological assets	*9.1*	112	351
Software and other intangible assets		415	400
Other intangibles		415	400
Total		109 112	72 802
The following amounts have been included as project costs in expenditure for capital assets:			
Compensation of employees		12 641	9 567
Goods and services		33 772	14 144
Total		46 413	23 711

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

9.1 Analysis of funds utilised to acquire capital assets – 2009/10

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	108 697	–	108 697
Buildings and other fixed structures	22 807	–	22 807
Machinery and equipment	62 272	–	62 272
Land and subsoil assets	23 506	–	23 506
Biological assets	112	–	112
Software and other intangible assets	415	–	415
Other intangibles	415	–	415
Total	109 112	–	109 112

9.2 Analysis of funds utilised to acquire capital assets – 2008/09

Tangible assets	72 402	–	72 402
Buildings and other fixed structures	42 006	–	42 006
Machinery and equipment	30 045	–	30 045
Biological assets	351	–	351
Software and other intangible assets	400	–	400
Other intangibles	400	–	400
Total assets acquired	72 802	–	72 802

10. CASH AND CASH EQUIVALENTS

	2009/10	2008/09
	R'000	R'000
Consolidated Paymaster-General Account	13 888	144 594
Cash receipts	198	933
Cash on hand	152	142
Cash with commercial bank (Local)	13	21
Total	14 251	145 690

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

11. PREPAYMENTS AND ADVANCES

	2009/10	2008/09
	R'000	R'000
Travel and subsistence	1 033	1 793
Advances paid to other entities	26 675	11 718
Total	27 708	13 511

12. RECEIVABLES

	Notes	Less than one year	One to three years	Older than three years	2009/10 Total	2008/09 Total
		R'000	R'000	R'000	R'000	R'000
Claims recoverable	*12.1* *Annex 4*	201	–	–	201	5 006
Recoverable expenditure	*12.2*	50	–	–	50	862
Staff debt	*12.3*	173	–	–	173	45
Other debtors	*12.4*	1 753	539	1 013	3 305	2 727
Total		2 177	539	1 013	3 729	8 640

	Notes	2009/10	2008/09
		R'000	R'000
12.1 Claims recoverable	*12*		
National departments		13	4 681
Provincial departments		188	325
Total		201	5 006
12.2 Recoverable expenditure (disallowance accounts)	*12*		
Disallowance dishonoured cheques		–	20
Disallowance miscellaneous		50	842
Total		50	862

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

		Notes	2009/10	2008/09
			R'000	R'000
12.3	**Staff debt**	*12*		
	Salaries: Deduction disallowance account		81	44
	Salaries: Tax debt		8	1
	Salaries: Reversal control		78	–
	Salaries: Medical aid		6	–
	Total		173	45
12.4	**Other debtors**	*12*		
	Debt account		3 305	2 727
	Total		3 305	2 727

13. INVESTMENTS

Non-current		
Shares and other equity		
Ncera Farms (Pty) Ltd	1	1
Onderstepoort Biological Products (Pty) Ltd	1	1
JS Pistorius Trust Fund	–	77
Greenberg Trust Fund	–	40
SAAU Fund	–	159
Abattoir Industry Fund	18 599	18 614
National Forestry Recreation and Access Trust	4 528	–
Forestry Lease Rental Trust Fund	203 246	–
Total	226 375	18 892
Total non-current	226 375	18 892
Analysis of non-current investments		
Opening balance	18 892	18 680
Additions in cash	209 119	2 016
Disposals for cash	(1 636)	(1 804)
Closing balance	226 375	18 892

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
14. VOTED FUNDS TO BE SURRENDERED TO THE NATIONAL REVENUE FUND			
Opening balance		89 877	141 186
Transfer from Statement of Financial Performance		35 423	89 877
Paid during the year		(89 877)	(141 186)
Closing balance		35 423	89 877
15. DEPARTMENTAL REVENUE TO BE SURRENDERED TO THE NATIONAL REVENUE FUND			
Opening balance		5 158	4 579
Transfer from Statement of Financial Performance		250 534	209 002
Paid during the year		(249 586)	(208 423)
Closing balance		6 106	5 158
16. PAYABLES – CURRENT			
Advances received	*16.1*	–	70 424
Clearing accounts	*16.2*	1 940	409
Total		1 940	70 833
16.1 Advances received	*16*		
Citrus Growers' Association		–	100
Department of Foreign Affairs (Zimbabwe)		–	70 324
Total		–	70 424
16.2 Clearing accounts	*16*		
Salary: ACB recalls		–	48
Salary: Income tax		1 935	165
Salary: Pension fund		5	10
Salary: Bargaining Council		–	1
Salary: Deduction disallowance account		–	6
Salary: Reversal Control Account		–	179
Total		1 940	409

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

17. PAYABLES – NON-CURRENT

	Notes	One to two years	Two to three years	More than three years	2009/10 Total	2008/09 Total
		R'000	R'000	R'000	R'000	R'000
Other payables	17.1	207 698	(210)	18 890	226 378	18 892
Total		207 698	(210)	18 890	226 378	18 892

17.1 Other payables

	Notes	2009/10	2008/09
		R'000	R'000
	17		
Ncera Farms (Pty) Ltd		1	1
Onderstepoort Biological Products (Pty) Ltd		1	1
JS Pistorius Trust Fund		–	77
Greenberg Trust Fund		–	40
SAAU Fund		–	159
Abattoir Industry Fund		18 599	18 614
National Forestry Recreation and Access Trust		4 531	–
Forestry Lease Rental Trust Fund		203 246	–
Total		226 378	18 892

18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES

	2009/10	2008/09
	R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance	285 957	298 879
Add back non-cash/cash movements not deemed operating activities	(310 135)	(131 755)
(Increase)/decrease in receivables – current	4 911	(6 398)
(Increase)/decrease in prepayments and advances	(14 197)	81 456
Increase/(decrease) in payables – current	(68 893)	70 324
Proceeds from sale of capital assets	(1 605)	(330)
Expenditure on capital assets	109 112	72 802
Surrendered to the National Revenue Fund	(339 463)	(349 609)
Net cash flow generated by operating activities	(24 178)	167 124

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

	2009/10	2008/09
	R'000	R'000
Consolidated Paymaster-General Account	13 888	144 594
Cash receipts	198	933
Cash on hand	152	142
Cash with commercial bank (local)	13	21
Total	14 251	145 690

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

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

20. CONTINGENT LIABILITIES

	Notes	2009/10	2008/09
		R'000	R'000
Liable to nature			
Housing loan guarantees – employees	*Annex 3A*	717	1 404
Other guarantees	*Annex 3A*	–	1 594 461
Claims against the department	*Annex 3B*	5 081	20 170
Other departments (interdepartmental unconfirmed balances)	*Annex 5*	938	21 187
Total		6 736	1 637 222

21. COMMITMENTS

	2009/10	2008/09
	R'000	R'000
Current expenditure		
Approved and contracted	53 978	70 794
Subtotal	53 978	70 794
Capital expenditure		
Approved and contracted	4 613	9 802
Subtotal	4 613	9 802
Total commitments	58 591	80 596

22. ACCRUALS

Listed by economic classification	30 days	30+ days	2009/10	2008/09
			Total	Total
	R'000	R'000	R'000	R'000
Goods and services	10 086	3 929	14 015	1 221
Transfer and subsidies	3	267	270	–
Machinery and equipment	5 032	1 057	6 089	–
Other	129	51	180	–
Total	15 250	5 304	20 554	1 221

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
Listed per programme			
Administration		11 452	212
Production and Resource Management		677	59
Agriculture Support Services		334	–
Trade and Agricultural Development		36	–
Food Safety and Bio-security		3 438	–
Forestry		4 617	–
Livelihoods, Economics and Business Development		–	713
Bio-security and Disaster Management		–	61
Sector Services and Partnerships		–	176
Total		20 554	1 221
Confirmed balances with departments/entities	*Annex 5*	30	37 345
Total		30	37 345

23. EMPLOYEE BENEFITS

Leave entitlement	26 832	10 086
Service bonus (thirteenth cheque)	34 720	13 789
Performance awards	31 285	23 759
Capped leave commitments	113 473	31 994
Total	206 310	79 628

For forestry employee benefits included above, refer to disclosure note 34.5.

The value included as leave entitlement and capped leave commitments may be impacted by the decision reached by SOMA on temporary incapacity leave.

24. LEASE COMMITMENTS

24.1 Operating leases expenditure

	Land	Buildings and other fixed structures	Machinery and equip-ment	Total
	R'000	R'000	R'000	R'000
2009/10				
Not later than 1 year	–	13 572	–	13 572
Later than 1 year and not later than 5 years	–	20 342	–	20 342
Later than 5 years	–	42	–	42
Total lease commitments	–	33 956	–	33 956

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

24.1 Operating leases expenditure (*cont.*)

	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000
2008/09				
Not later than 1 year	–	9 780	–	9 780
Later than 1 year and not later than 5 years	–	26 279	–	26 279
Later than 5 years	–	42	–	42
Total lease commitments	–	36 101	–	36 101

The lease commitments for lease office accommodation/building/facilities have been based on the actual lease tariffs and escalation rate per annum as outlined in the signed lease agreements per building/facility.

24.2 Finance leases expenditure

2009/10				
Not later than 1 year	–	–	2 960	2 960
Later than 1 year and not later than 5 years	–	–	1 821	1 821
Total lease commitments	–	–	4 781	4 781
Less: Finance costs	–	–	419	419
Total present value of lease liabilities	–	–	4 362	4 362
2008/09				
Not later than 1 year	–	–	1 611	1 611
Later than 1 year and not later than 5 years	–	–	1 787	1 787
Total lease commitments	–	–	3 398	3 398
Less: Finance costs	–	–	348	348
Total present value of lease liabilities	–	–	3 050	3 050

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Notes	2009/10	2008/09
		R'000	R'000
25. RECEIVABLES FOR DEPARTMENTAL REVENUE			
Sales of goods and services other than capital assets		6 564	4 116
Interest, dividends and rent on land		97 243	112 628
Financial transactions in assets and liabilities		132 779	160 990
Total		236 586	277 734
The departmental debt now include the Agriculture Debt Account debt after the repeal of the ADMA, 2001			
Amounting to respectively capital R132 779 (R160 506) and interest of R95 109 (R111 178)			
25.1 Analysis of receivables for departmental revenue			
Opening balance		277 734	5 709
Less: Amounts received		65 960	56 595
Add: Amounts recognised		24 922	329 531
Less: Amounts written-off/reversed as irrecoverable	*7.3*	110	911
Closing balance		236 586	277 734
Agricultural Debt Account debt to the amount of R27,864 million was written off during the year.			
26. IRREGULAR EXPENDITURE			
26.1 Reconciliation of irregular expenditure			
Opening balance		15 713	–
Add: Irregular expenditure – relating to current year		15 109	15 762
Less: Amounts condoned		(121)	(49)
Less: Amounts not recoverable (not condoned)		(15 592)	–
Irregular expenditure awaiting condonation		15 109	15 713
Analysis of awaiting condonation per age classification			
Current year		15 109	15 691
Total		15 109	15 691
R121 000 in terms of finance leases (photocopiers which were treated as operating leases before condonement by National Treasury).			
National Treasury did not consider the condonement of the R15 592 000 where the department did not obtain the section 38.1(j) certificate before making transfer payments owing to the fact that they classify such action as non-compliance and not as irregular expenditure			

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

26.2 Details of irregular expenditure – current year

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

27. FRUITLESS AND WASTEFUL EXPENDITURE

27.1 Reconciliation of fruitless and wasteful expenditure

	2009/10 R'000	2008/09 R'000
Fruitless and wasteful expenditure – relating to current year	12 197	75
Less: Amounts condoned	–	(75)
Fruitless and wasteful expenditure awaiting condonement	12 197	–
Analysis of awaiting condonement per economic classification		
Current	12 197	–
Capital	–	–
Transfers and subsidies	–	–
Total	**12 197**	**–**

27.2 Analysis of current year's fruitless and wasteful expenditure

Incident	Disciplinary steps taken/criminal proceedings	2009/10 R'000
Purchase of 33 GPS devices	Follow-up of audit findings in progress	200
Durban quarantine station: Purchase of site	Follow-up of audit findings in progress	6 413
Durban quarantine station: Cost incurred	Follow-up of audit findings in progress	5 584
Total		12 197

28. RELATED PARTY RELATIONSHIPS

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

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

29. KEY MANAGEMENT PERSONNEL

	No. of individuals	2009/10 R'000	2008/09 R'000
Political office-bearer: Minister	4	3 175	2 734
Officials: Levels 15 to 16	15	12 599	7 232
Level 14	25	16 854	7 290
Total		32 628	17 256

30. PROVISIONS

	2009/10 R'000	2008/09 R'000
Potential irrecoverable debts		
Other debtors	343	1 309
Total	343	1 309

The provision for Agricultural Debt Account debt, which are not written off against savings on the vote, amounts to R122,598 million (2008/09 – R100,180 million)

31. MOVABLE TANGIBLE CAPITAL ASSETS

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

	Opening balance R'000	Current year adjustments to prior year balances R'000	Additions R'000	Disposals R'000	Closing balance R'000
Machinery and equipment	**220 219**	**259**	**43 717**	**21 584**	**242 611**
Transport assets	63 989	260	20 043	7 533	76 759
Specialised military assets	239	(148)	10	–	101
Computer equipment	61 887	(4 654)	11 509	5 220	63 522
Furniture and office equipment	13 888	4 615	3 295	830	20 968
Other machinery and equipment	80 216	186	8 860	8 001	81 261
Biological assets	**232**	**–**	**793**	**496**	**529**
Biological assets	232	–	793	496	529
Total movable tangible capital assets	**220 451**	**259**	**44 510**	**22 080**	**243 140**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

31.2 Additions to movable tangible capital assets per asset register for the year ended 31 March 2010

	Cash	Non-cash fair value	Capital work in progress current costs and finance lease payments	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Machinery and equipment	33 568	6 295	–	3 854	43 717
Transport assets	14 856	4 921	–	266	20 043
Specialised military assets	10	–	–	–	10
Computer equipment	7 493	505	–	3 511	11 509
Furniture and office equipment	3 216	33	–	46	3 295
Other machinery and equipment	7 993	836	–	31	8 860
Biological assets	**92**	**701**	**–**	**–**	**793**
Biological assets	92	701	–	–	793
Total additions to movable tangible capital assets	**33 660**	**6 996**	**–**	**3 854**	**44 510**

31.3 Disposals of movable tangible capital assets register for the year ended 31 March 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Machinery and equipment	7 203	14 381	21 584	1 559
Transport assets	946	6 587	7 533	1 209
Computer equipment	1 479	3 741	5 220	7
Furniture and office equipment	569	261	830	3
Other machinery and equipment	4 209	3 792	8 001	340
Biological assets	**–**	**496**	**496**	**–**
Biological assets	–	496	496	–
Total disposable of movable tangible capital assets	**7 203**	14 877	22 080	**1 559**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

31.4 Movement in movable tangible capital assets per asset register for the year ended 31 March 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Machinery and equipment	194 479	35 846	10 106	220 219
Transport assets	55 685	13 371	5 067	63 989
Specialised military assets	210	29	–	239
Computer equipment	54 299	10 701	3 113	61 887
Furniture and office equipment	11 830	2 856	798	13 888
Other machinery and equipment	72 455	8 889	1 128	80 216
Biological assets	**201**	**648**	**617**	**232**
Biological assets	201	648	617	232
Total movable tangible capital assets	**194 680**	**36 494**	**10 723**	**220 451**

31.5 Minor assets

	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000
Minor assets of the department for 31 March 2010					
Minor assets	4 920	–	39 357	1 464	45 741
Total	**4 920**	**–**	**39 357**	**1 464**	**45 741**
Number of R1 minor assets	15	–	17 824	–	17 839
Number of minor assets at cost	2 335	–	32 299	1 664	36 298
Total number of minor assets	**2 350**	**–**	**50 123**	**1 664**	**54 137**
Minor assets of the department for 31 March 2009					
Minor assets	3 909	–	45 470	1 538	50 917
Total	**3 909**	**–**	**45 470**	**1 538**	**50 917**
Number of minor assets	1 974	–	50 947	1 966	54 887
Total	**1 974**	**–**	**50 947**	**1 966**	**54 887**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

32. INTANGIBLE CAPITAL ASSETS

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

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Computer software	3 573	395	1 910	–	5 878
Other intangibles	2 703	(395)	–	26	2 282
Total intangible capital assets	**6 276**	**–**	**1 910**	**26**	**8 160**

32.2 Additions to intangible capital assets per asset register for the year ended 31 March 2010

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Computer software	373	882	–	655	1 910
Total additions to intangible capital assets	**373**	**882**	**–**	**655**	**1 910**

32.3 Disposals of intangible capital assets per asset register for the year ended 31 March 2010

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Other intangibles	–	26	26	–

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

32.4 Movement for 2008/09

Movement in intangible capital assets per asset register for the year ended 31 March 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	3 172	401	–	3 573
Other intangibles	2 703	–	–	2 703
Total	**5 875**	**401**	**–**	**6 276**

33. IMMOVABLE TANGIBLE CAPITAL ASSETS

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

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	**10 083**	**18**	**9 751**	**9 864**	**9 988**
Dwellings	9 312	–	–	113	9 199
Non-residential buildings	771	18	–	–	789
Other fixed structures	–	–	9 751	9 751	–
Total immovable tangible capital assets	**10 083**	**18**	**9 751**	**9 864**	**9 988**

33.2 Additions to immovable tangible capital assets per asset register for the year ended 31 March 2010

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	**46 099**	**–**	**(36 348)**	**–**	**9 751**
Other fixed structures	46 099	–	(36 348)	–	9 751
Total additions to immovable tangible capital assets	**46 099**	**–**	**(36 348)**	**–**	**9 751**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

33.3 Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2010

	Sold for cash	Transfer out or de-stroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	**–**	**9 864**	**9 864**	**–**
Dwellings	–	113	113	–
Other fixed structures	–	9 751	9 751	–
Total disposal of immovable tangible capital assets	**–**	**9 864**	**9 864**	**–**

33.4 Movement for 2008/09

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2009

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Buildings and other fixed structures	**(11 175)**	**21 258**	**–**	**10 083**
Dwellings	9 312	–	–	9 312
Non-residential buildings	(20 487)	21 258	–	771
Total tangible capital assets	**(11 175)**	**21 258**	**–**	**10 083**

Immovable assets valued at R1

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

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Invest-ment property	Total
	R'000	R'000	R'000	R'000	R'000
R1 immovable assets	22	–	–	–	22
Total	**22**	**–**	**–**	**–**	**22**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

34 STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES

Name of province/ grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Comprehensive Agricultural Support Programme											
Eastern Cape	120 364	–	–	120 364	120 364	–	–	120 364	111 310	92,5	90 018
Free State	65 659	–	–	65 659	65 659	–	–	65 659	58 822	89,6	49 089
Gauteng	33 844	–	–	33 844	33 844	–	–	33 844	33 844	100,0	25 329
KwaZulu-Natal	117 762	–	–	117 762	117 762	–	–	117 762	117 762	100,0	88 037
Limpopo	108 483	–	–	108 483	108 483	–	–	108 483	108 483	100,0	84 309
Mpumalanga	70 892	–	–	70 892	70 892	–	–	70 892	70 892	100,0	53 019
Northern Cape	49 232	–	–	49 232	49 232	–	–	49 232	49 232	100,0	36 807
North West	91 518	–	–	91 518	91 518	–	–	91 518	84 684	92,5	68 432
Western Cape	57 640	–	–	57 640	57 640	–	–	57 640	57 640	100,0	43 084
Subtotal	**715 394**	**–**	**–**	**715 394**	**715 394**	**–**	**–**	**715 394**	**692 669**	**96,8**	**538 124**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

34. STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES (*cont.*)

Name of province/grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Infrastructure development and poverty relief (LandCare)											
Eastern Cape	8 227	–	–	8 227	8 227	–	–	8 227	7 233	87,9	7 345
Free State	4 113	–	–	4 113	4 113	–	–	4 113	4 113	100,0	3 428
Gauteng	3 599	–	–	3 599	3 599	–	–	3 599	3 599	100,0	3 428
KwaZulu-Natal	8 227	–	–	8 227	8 227	–	–	8 227	8 227	100,0	7 345
Limpopo	7 713	–	–	7 713	7 713	–	–	7 713	7 713	100,0	10 359
Mpumalanga	4 627	–	–	4 627	4 627	–	–	4 627	4 378	94,6	4 407
Northern Cape	5 656	–	–	5 656	5 656	–	–	5 656	5 656	100.0	6 366
North West	6 170	–	–	6 170	6 170	–	–	6 170	6 096	98,8	4 897
Western Cape	3 085	–	–	3 085	3 085	–	–	3 085	3 085	100,0	3 428
Subtotal	**51 417**	**–**	**–**	**51 417**	**51 417**	**–**	**–**	**51 417**	**50 100**	**97,4**	**51 003**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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34. STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES (*cont.*)

Name of province/grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Agricultural disaster management											
Eastern Cape	4 000	–	20 000	24 000	24 000	–	–	24 000	24 000	100,0	–
Free State	11 000	–	–	11 000	11 000	–	–	11 000	11 000	100,0	–
Gauteng	10 000	–	–	10 000	10 000	–	–	10 000	10 000	100,0	–
KwaZulu-Natal	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	–
Limpopo	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	45 000
Mpumalanga	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	36 618
Northern Cape	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	6 219
North West	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	–
Western Cape	10 000	–	76 900	86 900	86 900	–	–	86 900	86 900	100,0	–
Subtotal	**60 000**	**–**	**96 900**	**156 900**	**156 900**	**–**	**–**	**156 900**	**156 900**	**100,0**	**87 837**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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34. STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES (*cont.*)

Name of province/ grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Agricultural starter packs											
Eastern Cape	–	–	–	–	–	–	–	–	–	–	12 790
Free State	–	–	–	–	–	–	–	–	–	–	6 974
Gauteng	–	–	–	–	–	–	–	–	–	–	3 599
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–	12 508
Limpopo	–	–	–	–	–	–	–	–	–	–	11 523
Mpumalanga	–	–	–	–	–	–	–	–	–	–	7 533
Northern Cape	–	–	–	–	–	–	–	–	–	–	5 229
North West	–	–	–	–	–	–	–	–	–	–	9 723
Western Cape	–	–	–	–	–	–	–	–	–	–	6 121
Subtotal	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**76 000**

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

34. STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES (*cont.*)

Name of province/ grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Veld fires											
Eastern Cape	–	–	–	–	–	–	–	–	–	–	2 000
Free State	–	–	–	–	–	–	–	–	–	–	15 000
Gauteng	–	–	–	–	–	–	–	–	–	–	5 000
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–	5 000
Limpopo	–	–	–	–	–	–	–	–	–	–	5 000
Mpumalanga	–	–	–	–	–	–	–	–	–	–	6 000
North West	–	–	–	–	–	–	–	–	–	–	2 000
Subtotal	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**40 000**
Floods											
Western Cape	–	–	–	–	–	–	–	–	–	–	9 000
Subtotal	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**9 000**

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34. STATEMENT OF CONDITIONAL GRANTS PAID TO PROVINCES (*cont.*)

Name of province/ grant	Grant allocation				Transfer			Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	Funds withheld	Reallocations by National Treasury or national department	Amount received by department	Amount spent by department	% of avail-able funds spent by department	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000	%	R'000
Ilima/Letsema											
Eastern Cape	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	–
Free State	6 500	–	–	6 500	6 500	–	–	6 500	6 500	100,0	–
Gauteng	2 500	–	–	2 500	2 500	–	–	2 500	2 500	100,0	–
KwaZulu-Natal	7 500	–	–	7 500	7 500	–	–	7 500	7 500	100,0	11 000
Limpopo	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	–
Mpumalanga	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	–
Northern Cape	7 500	–	–	7 500	7 500	–	–	7 500	7 500	100,0	45 000
North West	5 000	–	–	5 000	5 000	–	–	5 000	5 000	100,0	40 000
Western Cape	6 000	–	–	6 000	6 000	–	–	6 000	6 000	100,0	–
Subtotal	**50 000**	**–**	**–**	**50 000**	**50 000**	**–**	**–**	**50 000**	**50 000**	**100,0**	**96 000**
Total	**876 811**	**–**	**96 900**	**973 711**	**973 711**	**–**	**–**	**973 711**	**949 669**	**97,5**	**897 964**

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35. STATEMENT OF UNCONDITIONAL GRANTS PAID TO PROVINCES

Name of province/grant	Grant allocation				Transfer		Spent			2008/09
	Division of Revenue Act	Roll-overs	Adjust-ments	Total available	Actual transfer	% of available funds transferred	Amount received by province	Amount spent by province	% of available funds spent by province	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
KwaZulu-Natal	–	–	3	3	3	100,0	–	–	–	–
Mpumalanga	–	–	56	56	51	91,1	–	–	–	–
Gauteng	–	–	5	5	5	100,0	–	–	–	–
Subtotal	**–**	**–**	**64**	**64**	**59**	**92,0**	**–**	**–**	**–**	**–**
Total	**–**	**–**	**64**	**64**	**59**	**92,2**	**–**	**–**	**–**	**–**

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36. TRANSFER OF FUNCTION

The President of South Africa announced during his State of the Nation Address that the forestry and fishery functions will reside with the Department of Agriculture. During the adjustments estimate, an amount of R579,104 million was shifted to the Department of Agriculture, Forestry and Fisheries for the transfer of the forestry function. The budget for the fishery function will only be appropriated in the 2010/11 financial year. The following reflects the implications of the split and transfers in the 2009/10 financial statements:

36.1 Statement of Financial Performance

	Forestry adjusted appropriation	Virement on forestry	Forestry	DoA	DAFF
	R'000	R'000	R'000	R'000	R'000
Revenue					
Annual appropriation	579 104	(10 359)	568 745	3 195 055	3 763 800
Revenue	–	–	28 698	221 836	250 534
Aid assistance	–	–	–	590	590
Total appropriation	**579 104**	**(10 359)**	**579 443**	**3 417 481**	**4 014 924**

	Forestry	DoA	DAFF
	R'000	R'000	R'000
Current expenditure	**522 886**	**1 047 281**	**1 570 167**
Compensation of employees	349 921	592 363	942 284
Goods and services	172 214	454 444	626 658
Interest on land	751	–	751
Financial transaction in assets and liabilities	–	474	474
Transfers and subsidies	**5 783**	**2 043 315**	**2 049 098**
Transfers and subsidies	5 783	2 043 315	2 049 098
Expenditure for capital assets	**25 479**	**83 633**	**109 112**
Tangible capital assets	25 387	59 804	85 191
Software and other intangibles	92	323	415
Land and subsoil assets	–	23 506	23 506
Total expenditure	**554 148**	**3 147 229**	**3 728 377**

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for the year ended 31 March 2010

			Forestry	DoA	DAFF
			R'000	R'000	R'000
36.2	Contingent liabilities		4 966	115	5 801
36.3	Commitments		1 139	57 452	58 591
36.4	Accruals		4 617	15 937	20 554
36.5	Employee benefits				
	Leave entitlement		16 218	10 614	26 832
	Service bonus		18 103	16 617	34 720
	Capped leave		80 818	32 655	113 473
36.6	Key management personnel				
	Minister		–	3 175	3 175
	Officials:	Levels 15–16 (Forestry: 1 individual)	1 019	11 580	12 599
		Level 14 (Forestry: 5 individuals)	4 040	12 814	16 854

36.7 Annexure 5	
Intergovernmental claims: Department of Water Affairs	**834**
Salary	13
Dishonoured cheques	728
Staff debt	93

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1B
STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

Type	Grant allocation				Transfer		Spent			2008/09
	Amount	Roll-overs	Adjust-ments	Total available	Actual transfer	% of avail-able funds transferred	Amount received by municipality	Amount spent by municipality	% of avail-able funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Tshwane	383	–	97	480	420	87,5	–	–	–	
Inxuba Yethemba	12	–	1	13	12	92,3	–	–	–	–
Municipalities*	–	–	–	–	–	–	–	–	–	452
Total	**395**	**–**	**98**	**493**	**432**	**87,6**	**–**	**–**	**–**	**452**

* 2008/09 no region segment

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ANNEXURE 1C
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental agencies and accounts	Transfer allocation				Transfer		2008/09
	Adjusted Appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
National Agricultural Marketing Council	28 360	–	–	28 360	28 360	100,0	22 459
Agricultural Research Council	537 153	–	–	537 153	537 153	100,0	514 556
Water Research Commission	1 200	–	–	1 200	–	–	2 500
National Student Financial Aid Scheme	8 500	–	–	8 500	8 500	100,0	5 022
Public Service Education and Training Authority	650	–	–	650	649	99,8	586
Perishable Products Export Control Board	600	–	–	600	600	100,0	600
Owen Sithole Agricultural College	1 000	–	–	1 000	–	–	1 000
Tompi Seleke Agricultural Training Centre	1 000	–	–	1 000	1 000	100,0	1 000
Taung Agricultural College	1 000	–	–	1 000	–	–	–
Elsenburg Agricultural College	1 000	–	–	1 000	–	–	–
Eastern Cape Rural Finance Corporation	–	–	–	–	–	–	65 000
Total	**580 463**	**–**	**–**	**580 463**	**576 262**	**99,3**	**612 723**

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ANNEXURE 1D
STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

Universities	Transfer allocation				Transfer			2008/09
	Adjusted Appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Final Appropriation Act
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Pretoria	200	–	–	200	–	200	–	–
University of the Free State	1 900	–	–	1 900	1 900	–	–	1 641
University of Stellenbosch	–	–	–	–	–	–	–	3 604
University of Fort Hare	–	–	–	–	–	–	–	1 000
Total	**2 100**	**–**	**–**	**2 100**	**1 900**	**200**	**–**	**6 245**

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ANNEXURE 1E
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

Name of public corporation/private enterprise	Transfer allocation				Expenditure				2008/09
	Adjusted Appropriation Act	Rol-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
Ncera Farms (Pty) Ltd	2 550	–	–	2 550	2 550	100,0	–	–	2 395
Red Meat Industry Forum	2	–	–	2	1	50,0	–	–	1
Land and Agricultural Bank of SA	415 610	–	–	415 610	415 610	100,0	–	–	72 100
Sub: Non Fin Pub Cor Production	2 683	–	–	2 683	–	–	–	–	–
Development Bank of South Africa	–	–	–	–	–	–	–	–	60 000
Subtotal	**420 845**	**–**	**–**	**420 845**	**418 161**	**99,4**	**–**	**–**	**134 496**
Private enterprises									
Claims against the State	136	–	20 505	20 641	20 628	100,0	–	–	1 358
Non-life insurance premiums	245	–	–	245	149	60,8	–	–	64
Bluelilliesbush Dairy Farming (Pty) Ltd	–	–	–	–	–	–	–	–	21 100
Subtotal	**381**	**–**	**20 505**	**20 886**	**20 777**	**99,5**	**–**	**–**	**22 522**
Total	**421 226**	**–**	**20 505**	**441 731**	**438 938**	**99,4**	**–**	**–**	**157 018**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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ANNEXURE 1F
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANISATIONS

Foreign governments/international organisations	Transfer allocation				Expenditure		2008/09
	Adjusted Appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Foreign rates and taxes	110	–	36	146	144	98,6	231
International Union for the Protection of New Varieties of Plants	413	–	(8)	405	405	100,0	390
Office International des Epizooties	990	–	10	1 000	967	96,7	1 045
Organisation for Economic Co-operation and Development	150	–	–	150	45	30,0	99
International Grains Council	192	–	(22)	170	144	84,7	135
Office International de la Vigne et du Vin	574	–	9	583	582	99,8	613
Food and Agriculture Organization of the United Nations	11 346	–	604	11 950	11 083	92,7	11 469
Consultative Group on International Agricultural Research	4 025	–	4 982	9 007	4 043	44,9	3 889
Commonwealth Agricultural Bureau International	182	–	(38)	144	144	100,0	155
International Dairy Federation	50	–	–	50	50	100,0	40
International Seed Testing Association	96	–	(33)	63	60	95,2	54
Food and Agriculture Organization of the United Nations: Capacity building	12 000	–	–	12 000	12 000	100,0	12 000
International Cotton Advisory Council	170	–	–	170	–	–	194
Commission Internationale du Génie Rural	20	–	–	20	–	–	–
International Fund for Agricultural Development	5 000	–	(5 000)	–	–	–	5 046
International Commission of Agricultural Engineering	–	–	–	–	–	–	12
Total	**35 318**	**–**	**540**	**35 858**	**29 667**	**82,7**	**35 372**

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ANNEXURE 1G
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

Non-profit institutions	Transfer allocation				Expenditure		2008/09
	Adjusted Appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Food Bank SA	8 000	–	–	8 000	8 000	100,0	–
Sterile Insect Technique	6 270	–	–	6 270	6 270	100,0	6 000
Limpopo Youth Orchestra donation	10	–	–	10	10	100,0	–
Nokane Primary School donation	10	–	–	10	10	100,0	–
Agri SA	–	–	10	10	10	100,0	–
National Movement for Rural Women	–	–	–	–	–	–	966
Agribusiness linking projects	–	–	–	–	–	–	400
Cotton SA	–	–	–	–	–	–	4 500
National African Farmers' Union	–	–	–	–	–	–	5 000
Total	**14 290**	**–**	**10**	**14 300**	**14 300**	**100,0**	**16 866**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 1H
STATEMENT OF TRANSFERS TO HOUSEHOLDS

Households	Transfer allocation				Expenditure		2008/09
	Adjusted Appropriation Act	Roll-overs	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Social benefits	5 416	–	4 877	10 293	10 130	98,4	1 996
Classical swine fever	–	–	5 000	5 000	1 080	21,6	163 900
Foot-and-mouth disease	–	–	–	–	–	–	42
Claims against the State	33	–	19	52	46	88,5	27
Female Farmer of the Year awards	2 800	–	–	2 800	2 530	90,4	2 380
African Eagles	10	–	–	10	10	100,0	–
Morokweng Women in Greening	–	–	3	3	3	100,0	–
Mashudu Lukwareng	–	–	2	2	2	100,0	–
Tshwane Municipality (World Environment Day 2009)	–	–	29	29	28	96,5	–
Total	**8 259**	**–**	**9 930**	**18 189**	**13 829**	**76,0**	**168 345**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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ANNEXURE 1I
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2009/10 R'000	2008/09 R'000
Received in cash			
OIE	77th Annual General Session of the World Organisation for Animal Health	9	–
Greenhouse Gases and Animal Agriculture	Conference in Christchurch, New Zealand	–	26
International Fund for Agricultural Development (IFAD)	MERCOSUR seminar on family agriculture in Brazil	–	51
OIE	2nd Global conference on animal welfare in Cairo	–	3
Subtotal		**9**	**80**
Received in kind			
Several gifts and donations	16 days of Activism for No Violence Against Women and Children celebration	2	–
Several gifts and donations	Woman's Day celebration: GADI	3	–
Philagro South Africa and Du Plessis Blasting	Year-end function	2	–
Several gifts and donations	Team-building day	115	–
Previous financial year 2008/09			
Philagro South Africa	Cocktail function	–	5
UP and Maize Trust	Gift voucher of appreciation as speaker at a workshop held by the University of Pretoria and Maize Trust	–	1
Various sponsors	Casual day 2008	–	28
Former Female Farmer of the Year	Trophies for the female winners	–	5
Future View Holdings and Mustek	Sponsor received for the year-end function for Human Resources Management	–	3
Timber preservation services CC	Team-building day for the Directorate: Financial Administration, Subdirectorate Debt Recovery	–	2

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ANNEXURE 1I (*cont.*)
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2009/10 R'000	2008/09 R'000
Various donations	Department's annual team-building day	–	137
Nestle, Sita, Xpert and Paracon	Nedbank Golf Challenge at Sun City, Cricket Test at Wanderers	–	1
Several gifts and donations	Grootfontein students association	–	86
Sixwe Business Networking	Team-building day for the Directorate: Budgets and Reporting	–	1
Ms H Steyn	Donate Beagle dog to Sedupe K9 Sniffer Dog Unit	–	5
Subtotal		**122**	**274**
Total		**131**	**354**

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ANNEXURE 1K
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE FOR THE YEAR ENDED 31 MARCH 2010

Nature of gift, donation or sponsorship	2009/10 R'000	2008/09 R'000
Paid in cash		
10th World Conference on Animal Production	–	100
Contribution to Onderstepoort Centenary Celebrations	–	666
Nelson Mandela Metropolitan University	–	7
Total	**–**	**773**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES AS AT 31 MARCH 2010

Name of public entity	State entity's PFMA Schedule type (state year-end if not 31 March)	% held 2009/10	% held 2008/09	Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(loss) for the year R'000		Losses guaran-teed
				2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	Yes/No
National/Provincial Public Entity												
Ncera Farms (Pty) Ltd	Farmer support and related activities in Kidds Beach district	–	–	1	1	–	–	–	–	–	–	–
Onderstepoort Biological Products Ltd	Manufacturing of vaccines and related products	–	–	1	1	–	–	–	–	–	–	–
Total		**–**	**–**	**2**	**2**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2010 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2009	Guarantees draw downs during the year	Guarantees repayments/ cancelled/ reduced/ released during the year	Currency revaluations	Closing balance 31 March 2010	Guaranteed interest for year ended 31 March 2010	Realised losses not recoverable
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Standard Bank	Housing	687	210	33	26	–	217	–	–
Nedbank (Cape of Good Hope)	Housing	26	13	–	13	–	–	–	–
Nedbank Ltd	Housing	252	336	17	289	–	64	–	–
First Rand Bank FNB	Housing	425	86	8	42	–	52	–	–
Nedbank (included BOE Bank)	Housing	59	19	–	–	–	19	–	–
ABSA	Housing	1 239	301	53	238	–	116	–	–
Peoples Bank (FBC FID)	Housing	84	35	–	14	–	21	–	–
Nedbank Ltd (NBS)	Housing	216	57	–	43	–	14	–	–
FNB (formerly Saambou)	Housing	521	112	–	72	–	40	–	–
Old Mutual Bank (Ned/Perm)	Housing	454	160	–	16	–	144	–	–
Green Star Home Loans	Housing	17	62	–	45	–	17	–	–
Unique Finance	Housing	13	13	–	–	–	13	–	–
Total		**3 993**	**1 404**	**111**	**798**	**–**	**717**	**–**	**–**

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES
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for the year ended 31 March 2010

ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010

Nature of liability	Opening balance 01/04/2009	Liabilities incurred during the year	Liabilities paid/ cancelled/reduced during the year	Liabilities recoverable	Closing balance 31/03/2010
	R'000	R'000	R'000	R'000	R'000
Claims against the department	20 170	5 046	20 135	–	5 081
Total	**20 170**	**5 046**	**20 135**	**–**	**5 081**

Nature of liabilities recoverable	Opening balance 01/04/2009	Details of liability and recoverability	Movement during year	Closing balance 31/03/2010
	R'000		R'000	R'000
Vehicle accidents – compensation	170		(55)	115
Claim on culling of pigs in the eradication of classical swine fever	20 000		(20 000)	–
Fire claim – C J Rance	–		714	714
Fire claim – Amathole Forestry Company	–		978	978
Fire claim – N Qindisa	–		70	70
Fire claim – Sanparks and EC Parkboard	–		1 600	1 600
Fire claim – WC Grabouw	–		1 600	1 600
Compensation – M Khephe	–		4	4
Total	**20 170**		**(15 089)**	**5 081**

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for the year ended 31 March 2010

ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
Departments						
Environmental Affairs and Tourism	–	–	–	1	–	1
National Treasury (GEPF)	10	–	–	–	10	–
South African Police Service	–	1	2	–	2	1
Arts and Culture	1	–	–	–	1	–
Department of Rural Development and Land Reform	–	3 557	–	–	–	3 557
International Relations and Co-operation	–	–	–	1 108	–	1 108
Health	–	14	–	–	–	14
Subtotal	**11**	**3 572**	**2**	**1 109**	**13**	**4 681**
Provincial departments						
Department of Labour – Gauteng	–	5	13	102	13	107
Department of Agriculture – Eastern Cape	12	–	–	199	12	199
Limpopo	–	–	–	19	–	19
Other government entities						
Citrus Growers' Association	163	–	–	–	163	–
Subtotal	**175**	**5**	**13**	**320**	**188**	**325**
Total	**186**	**3 577**	**15**	**1 429**	**201**	**5 006**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 5
INTER-GOVERNMENT PAYABLES

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
CURRENT						
National departments						
Department of Justice and Constitutional Development	–	–	71	–	71	–
Department of Co-operative Governance and Traditional Affairs	12	–	–	–	12	–
Department of Communication	18	–	–	–	18	–
South African Police Service	–	–	–	23	–	23
Labour	–	–	–	9	–	9
Environmental Affairs and Tourism	–	–	–	25	–	25
Public Works	–	–	–	19 590	–	19 590
Education	–	2	–	2	–	4
Department of Rural Development and Land Reform	–	–	–	180	–	180
Government Communication and Information System	–	–	–	186	–	186
Department of Water Affairs	–	–	834	–	834	–
Public Administration and Leadership and Management Academy	–	–	–	788	–	788
Provincial departments						
Gauteng Province						
Health	–	–	1	15	1	15
Western Cape Province						
Agriculture	–	28	3	369	3	397
KwaZulu-Natal						
Agriculture	–	33 540	–	–	–	33 540
Limpopo						
Agriculture	–	–	29	–	29	–
Total	**30**	**33 570**	**4 736**	**21 187**	**968**	**54 757**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

ANNEXURE 6
INVENTORY

Inventory	Quantity	2009/10 R'000
Opening balance	37 837	909
Add/(less): Adjustments to prior year balances	(167)	317
Add: Additions/purchases – Cash	183 072	4 600
Add: Additions – Non-cash	(83)	(53)
(Less): Issues	(135 219)	(3 838)
Add/(less): Adjustments	–	25
Closing balance	**85 440**	**1 960**

5 Human resources management

OVERVIEW

On 31 March 2010, the establishment of the department totalled 3 307 posts. During the period under review the vacancy rate in the department decreased from 17% to 14,8%. One of the challenges experienced during the year under review was the turnaround time for the filling of vacancies. The process was hampered by the implementation of the compulsory National Vetting Strategy, the competency assessment of SMS members and the lengthy job evaluation coordination process with the provincial departments of agriculture. Because of the organisational restructuring of the department, a moratorium was placed on the filling of all vacant posts and this had an influence on the vacancy rate. The ODC, established in 2006, still monitors the management of vacancies in the department on a monthly basis with a view to downscaling the vacancy rate.

A total of 238 new staff members (appointments and transfers), including six members of the SMS, were employed during the period under review and a total of 144 employees, including two members of the SMS, were promoted to higher positions in the department. During the period under review two special advisers were appointed in the Office of the Minister and one SMS member was seconded from the Mpumalanga Province (Department of Agriculture, Rural Development and Land Administration) to the Office of the Minister.

The department lost the services of 185 employees, which includes six members of the SMS, as a result of resignations, transfers, deaths, retirements and dismissals/discharges, and the contract of the Director-General was re-determined. Most of the employees who left the department were on salary levels 6 to 8. The staff turnover rate for the period under review was 6,8%.

The number of jobs that were subjected to job evaluation was 464. The evaluation resulted in the upgrading of the salary levels of 80 posts and the downgrading of the salary levels of 81 posts. The Job Evaluation Unit of the Directorate: Human Resources Management also played a lead role in the job evaluation coordination process for the agricultural public sector in order to develop generic job descriptions and to harmonise the salary levels for identified agricultural cross-cutting posts in the sector.

Altogether 16 disciplinary hearings were held and 11 disputes were lodged. A total of 34 injury-on-duty cases were addressed, of which 33 cases required only basic medical attention. During the 2009/10 performance cycle 42,6% of the employees qualified for performance rewards.

The information reflected in Table 2 (Expenditure) includes the budget of Programme 6: Forestry, which was transferred to the department with effect from 24 March 2010. The rest of the information/statistics excludes Programme 6: Forestry.

STATISTICS

Statistical data are structured as follows:

1. Service delivery
2. Expenditure
3. Employment and vacancies
4. Job evaluation
5. Employment changes
6. Employment equity
7. Signing of performance agreements by SMS members
8. Filling of SMS posts
9. Performance rewards
10. Foreign workers
11. Leave utilised for the period 1 January 2009 to 31 December 2009
12. HIV/Aids and health promotion programmes
13. Labour relations
14. Skills development
15. Injury on duty
16. Utilisation of consultants

1. SERVICE DELIVERY

All departments are required to develop a Service Delivery Improvement (SDI) Plan. The following tables reflect the components of the SDI Plan as well as progress made in the implementation of the plans.

TABLE 1.1 Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
LandCare	PDAs	PDAs	Transfer of funding for LandCare projects	Approved funding transferred to PDAs in four quarterly payments in accordance with the approved payment Schedule 5 Conditional Grant of the Division of Revenue Act
Production loan	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers and household producers	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers and household producers	Loan application turnaround time	30-day loan application turnaround time
Food price monitoring	Consumers (rural and urban), Competition Commission	Consumers (rural and urban), Competition Commission	Food pricing information that is accurate and is provided quarterly	Food price reports published quarterly and sometimes used by competition authorities to ensure competitive pricing
Issuing import permits (animals and animal products)	Producers of animals and animal products, processors of animal products, traders of animals and animal products, importers of animals and animal products	Producers of animals and animal products, processors of animal products, traders of animals and animal products, importers of animals and animal products	Processing turnaround time	Walk-in clients are assisted immediately and routine import permits are issued within 60 minutes. Turnaround time for faxed/posted applications is three working days.
Facilitating investment opportunities and relations	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and agricultural industry	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and agricultural industry	Sound agreement to protect their interests	Ensuring that both countries' interests are met

TABLE 1.2 Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievements
National LandCare Secretariat and provincial LandCare coordinators	PDAs	PDAs	Funding LandCare projects
Mafisa Programme Office, tel: 012 319 7216	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers and household producers	Small and emerging farmers, agribusinesses that have access to the use of land and/or production facilities, land and agrarian reform beneficiaries, women and youth, self-help groups, cooperatives, farmers on communal land in the transitional stage from subsistence to emerging farmers and household producers	Disbursements of Mafisa
Directorate: Marketing, tel: 012 319 8456	Consumers (rural and urban), Competition Commission	Consumers (rural and urban), Competition Commission	Creating awareness on food price trends
Directorate: Veterinary Quarantine and Public Health, tel: 012 319 7514/7632	Producers of animals and animal products, processors of animal products, traders of animals and animal products, importers of animals and animal products	Producers of animals and animal products, processors of animal products, traders of animals and animal products, importers of animals and animal products	Issuing veterinary import permits in terms of the Act
Directorate: International Relations, tel: 012 319 6801	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and agricultural industry	The Minister, DAFF directorates, other government departments, countries of priority interest (China, India and Brazil), foreign countries and agricultural industry	Making informed business decisions

TABLE 1.3 Service delivery access strategy

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

TABLE 1.4 Service information tool

Types of information tool	Actual achievements
Documentation, reports, promotional material and format for business plans relating to the LandCare Programme, LandCare projects and Junior LandCare	Timely approval of business plans
Pamphlets at PDA and departmental website: *http://www.daff.gov.za*	Timely accessible information
Departmental website: *http://www.daff.gov.za/mis*	Accessible information
Directorate: Veterinary Quarantine and Public Health, tel: 012 319 7514/7632	Accessible application forms
Directorate: International Relations, tel: 012 319 6801	Timely accessible information

2. EXPENDITURE

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

TABLE 2.1 Personnel costs by programme 2009/10

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services (R'000)	Personnel cost as a % of total expenditure	Average personnel cost per employee (R'000)
1. Administration	402 171	166 267	3 290	9 749	41,3	196
2. Production and Resources Management	303 309	101 765	1 091	15 596	33,6	196
3. Agriculture Support Services	1 997 751	82 228	7 761	14 985	4,1	237
4. Trade and Agricultural Development	69 144	33 416	276	220	48,3	309
5. Food Safety and Bio-security	401 854	221 328	1 452	5 184	55,1	205
6. Forestry	554 148	349 921	1 238	15 956	63,1	109
Total	**3 728 377**	**954 925**	**15 108**	**61 690**	**25,6**	**156**

TABLE 2.2 Personnel costs by salary band 2009/10

Salary bands	Personnel expenditure (R'000)	% of total personnel costs	Average personnel cost per employee (R'000)
Lower skilled (levels 1–2)	122 296	12,8	64
Skilled (levels 3–5)	178 492	18,7	96
Highly skilled production (levels 6–8)	281 911	29,5	193
Highly skilled supervision (levels 9–12)	291 844	30,6	436
Senior management (levels 13–16)	56 871	6,0	374
Contract (levels 1–2)	1 947	0,2	65
Contract (levels 3–5)	1 215	0,1	110
Contract (levels 6–8)	3 351	0,3	186
Contract (levels 9–12)	2 549	0,3	364
Contract (levels 13–16)	3 716	0,4	929
Periodical remuneration	2 174	0,2	4
Abnormal appointments	8 560	0,9	29
Total	**954 925**	**100,0**	**137**

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

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

TABLE 2.3 Salaries, overtime, homeowner's allowance (HOA) and medical assistance by programme 2009/10

Programme	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
1. Administration	105 221	11,0	997	0,1	4 077	0,4	8 093	0,9
2. Production and Resources Management	66 513	7,0	327	0,0	2 660	0,3	4 691	0,5
3. Agriculture Support Services	50 785	5,3	364	0,0	1 880	0,2	3 399	0,4
4. Trade and Agricultural Development	23 157	2,4	–	–	566	0,1	1 238	0,1
5. Food Safety and Bio-security	143 225	15,0	21 192	2,2	4 409	0,5	9 634	1,0
6. Forestry	246 345	25,	5 539	0,6	15 980	1,7	15 379	1,6
Total	**635 246**	**66,5**	**28 419**	**3,0**	**29 572**	**3,1**	**42 434**	**4,4**

TABLE 2.4 Salaries, overtime, HOA and medical assistance by salary band 2009/10

Salary bands	Salaries		Overtime		Homeowner's allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical assistance as a % of personnel cost
Lower skilled (levels 1–2)	89 938	9,4	2 508	0,3	8 957	0,9	5 635	0,6
Skilled (levels 3–5)	120 601	12,6	3 468	0,4	8 854	0,9	10 335	1,1
Highly skilled production (levels 6–8)	183 264	19,2	3 928	0,4	6 796	0,7	16 363	1,7
Highly skilled supervision (levels 9–12)	186 510	19,5	1 373	0,1	3 534	0,4	9 171	1,0
Senior management (levels 13–16)	43 934	4,6			1 431	0,2	932	0,1
Contract (levels 1–2)	1 562	0,2						
Contract (levels 3–5)	982	0,1						
Contract (levels 6–8)	2 768	0,3	17 142	1,8				
Contract (levels 9–12)	2 163	0,2						
Contract (levels 13–16)	3 524	0,4						
Total	**635 246**	**66,5**	**28 419**	**3,0**	**29 572**	**3,1**	**42 435**	**4,4**

3. EMPLOYMENT AND VACANCIES

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

TABLE 3.1 Employment and vacancies by programme as at 31 March 2010

Programme	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
1. Administration	826	705	14,6	11
2. Production and Resources Management	601	520	13,5	4
3. Agriculture Support Services	407	352	13,5	7
4. Trade and Agricultural Development	129	106	17,8	–
5. Food Safety and Bio-security	1 344	1 136	15,5	3
Total	**3 307***	**2 819**	**14,8**	**25**

* Number of posts, including Minister and Deputy Minister

TABLE 3.2 Employment and vacancies by salary band as at 31 March 2010

Salary band	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Lower skilled (levels 1–2)	454	410	9,7	3
Skilled (levels 3–5)	832	752	9,6	4
Highly skilled production (levels 6–8)	1 195	1 005	15,9	7
Highly skilled supervision (levels 9–12)	754	593	21,4	6
Senior management (levels 13–16)	70	57	18,6	5
Total	**3 305***	**2 817**	**14,8**	**25**

* Number of posts, excluding Minister and Deputy Minister

TABLE 3.3 Employment and vacancies by critical occupation as at 31 March 2010

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Administration-related	103	85	17,5	3
Agricultural animal, oceanography, forestry and other science	194	149	23,2	–
Agriculture-related	259	221	14,7	4
Aircraft pilots and related associate professionals	1	1	–	–
All artisans in building, metal, machinery, etc.	30	28	6,7	–
Appraisers/valuers and related professionals	20	16	20,0	–
Auxiliary and related workers	93	81	12,9	–
Biochemistry, pharmacology, zoology and life science technicians	48	42	12,5	–
Building and other property caretakers	23	21	8,7	–
Bus and heavy vehicle drivers	5	5	–	–
Chemists	1	1	–	–
Cleaners in offices, workshops, hospitals, etc.	77	71	7,8	1
Client information clerks (switchboard, reception and information clerks)	8	8	–	2
Communication and information-related	9	8	11,1	–
Computer system designers and analysts	10	9	10,0	–
Economists	81	60	25,9	–
Engineering sciences-related	1	–	100,0	–
Engineers and related professionals	12	4	66,7	–
Farmhands and labourers	184	165	10,3	2
Farming forestry advisors and farm managers	13	9	30,8	–
Finance and economics	26	21	19,2	–
Financial and related professionals	24	20	16,7	–

TABLE 3.3 Employment and vacancies by critical occupation as at 31 March 2010 (*cont.*)

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Financial clerks and credit controllers	94	80	14,9	–
Food services aids and waiters	25	23	8,0	–
Head of department/chief executive officer	1	–	100,0	–
Health sciences	5	5	–	–
Horticulturists, foresters, agricultural and forestry technicians	337	266	21,1	1
Household and laundry workers	17	16	5,9	–
Human resources and organisational development and related professionals	29	22	24,1	–
Human resources clerks	53	49	7,5	–
Human resources-related	12	10	16,7	–
Information technology-related	1	1	–	–
Language practitioners, interpreters and other communicators, permanent	23	21	8,7	–
Legal and related	6	3	50,0	–
Librarians and related professionals	3	2	33,3	–
Library mail clerks and related	70	66	5,7	1
Light vehicle drivers	13	11	15,4	–
Logistical support personnel	26	23	11,5	–
Material-recording and transport clerks	82	70	14,6	–
Messengers, porters and deliverers	52	50	3,8	–
Motor vehicle drivers	46	44	4,3	–
Motorised farm and forestry plant operators	4	4	–	–
Nature conservation and oceanographic technicians and related	66	50	24,2	–
Other administrative and related clerks and organisers	259	219	15,4	2
Other administrative policy and related officers	112	101	9,8	2
Other information technology personnel	8	5	37,5	–
Photographic, lithographic and related workers	4	3	25,0	–
Printing and related machine operators	15	15	–	–
Printing planners and production controllers	1	–	100,0	–
Rank: Minister	1	1	–	–
Rank: Deputy Minister	1	1	–	–
Regulatory inspectors	18	15	16,7	–
Risk management and security services	6	4	33,3	–
Road trade workers	12	10	16,7	–
Safety, health and quality inspectors	50	38	24,0	–
Secretaries and other keyboard operating clerks	79	63	20,3	2
Security officers	80	70	12,5	–
Senior managers	64	51	20,3	5
Social sciences-related	1	1	–	–

TABLE 3.3 Employment and vacancies by critical occupation as at 31 March 2010 (*cont.*)

Critical occupation	Number of posts	Number of posts filled	Vacancy rate %	Number of posts filled additional to the establishment
Statisticians and related professionals	24	21	12,5	–
Trade labourers	345	331	4,1	–
Veterinarians	35	24	31,4	–
Veterinary assistants	5	5	–	–
Total	**3 307***	**2 819**	**14,8**	**25**

* Number of posts, including Minister and Deputy Minister

The information in each case reflects the situation as at 31 March 2010. For an indication of changes in staffing patterns over the year under review, please refer to Table 5: Employment changes.

4. JOB EVALUATION

The Public Service Regulations, 1999, introduced job evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executive authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations all vacancies at salary levels 9 and higher must be evaluated before they are filled. This was complemented by a decision by the Minister of Public Service and Administration (MPSA) that all SMS jobs must be evaluated before 31 December 2002.

The following table (Table 4.1) summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 Job evaluation, 1 April 2009 to 31 March 2010

Salary band	Number of posts	Number of jobs evaluated	% of posts evaluated by salary bands	Posts upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (levels 1–2)	454	69	15,2	16	3,4	–	–
Skilled (levels 3–5)	832	116	13,9	53	11,4	6	1,3
Highly skilled production (levels 6–8)	1 195	143	12,0	8	1,7	44	9,4
Highly skilled supervision (levels 9–12)	754	135	17,9	3	0,6	31	6,4
Senior Management Service Band A	48	–	–	–	–	–	–
Senior Management Service Band B	15	1	6,7	–	–	–	–
Senior Management Service Band C	6	–	–	–	–	–	–
Senior Management Service Band D	1	–	–	–	–	–	–
Total	**3 305***	**464**	**14,0**	**80**	**17,2**	**81**	**17,5**

* Number of posts, excluding Minister and Deputy Minister

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

TABLE 4.2 Profile of employees whose positions were upgraded because of their posts being upgraded, 1 April 2009 to 31 March 2010

Beneficiaries	African	Asian	Coloured	White	Total
Female	19	–	6	8	33
Male	38	–	12	3	53
Total	**57**	**–**	**18**	**11**	**86**

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

TABLE 4.3 Employees whose salary level exceeded the grade determined by job evaluation, 1 April 2009 to 31 March 2010 (in terms of PSR 1.V.C.3)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Material-recording and transport clerks	1	4	6	Job evaluation
Material-recording and transport clerks	2	5	6	Job evaluation
Appraisers, valuers and related professionals	1	12	14	Retention
Administration-related	1	11	12	Job evaluation
Administration-related	1	10	12	Job evaluation
Administration-related	3	9	10	Job evaluation
Administration-related	1	11	12	Retention
Communication and information-related	1	11	12	Job evaluation
Auxiliary and related workers	13	5	6	Job evaluation
Other administrative and related clerks and organisers	9	4	6	Job evaluation
Other administrative and related clerks and organisers	1	4	5	Job evaluation
Other administrative and related clerks and organisers	14	5	6	Job evaluation
Other administrative and related clerks and organisers	2	6	7	Job evaluation
Other administrative and related clerks and organisers	3	7	8	Job evaluation
Other administrative policy and related officers	1	6	7	Job evaluation
Finance and economics-related	1	10	9	Job evaluation
Finance and economics-related	1	12	11	Retention
Human resources-related	1	11	12	Job evaluation
Human resources and organisational development and related	1	11	12	Retention
Agriculture-related	1	11	12	Job evaluation

TABLE 4.3 Employees whose salary level exceeded the grade determined by job evaluation, 1 April 2009 to 31 March 2010 (in terms of PSR 1.V.C.3) (*cont.*)

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Agriculture-related	1	8	10	Retention
Agriculture-related	1	9	10	Retention
Agriculture-related	1	10	12	Retention
Agriculture-related	1	11	12	Retention
Agricultural animal, oceanography, forestry and other sciences	2	9	10	Retention
Agricultural animal, oceanography, forestry and other sciences	3	11	12	Retention
Risk management and security services	1	11	12	Retention
Security officers	2	3	4	Job evaluation
Security officers	4	3	5	Job evaluation
Security officers	10	3	6	Job evaluation
Safety health and quality inspectors	1	9	10	Job evaluation
Library, mail and related clerks	1	4	5	Job evaluation
Library, mail and related clerks	4	4	6	Job evaluation
Financial clerks and credit controllers	4	5	6	Job evaluation
Financial clerks and credit controllers	1	8	9	Retention
Secretaries and other keyboard operating clerks	1	4	6	Job evaluation
Statisticians and related professionals	5	10	11	Job evaluation
Statisticians and related professionals	1	8	11	Job evaluation
Statisticians and related professionals	9	8	9	Job evaluation
Economist	11	10	11	Job evaluation
Total number of employees whose salaries exceeded the level determined by job evaluation in 2009/10				**123**
% of total employment				**4,4**

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

TABLE 4.4 Profile of employees whose salary level exceeded the grade determined by job evaluation, 1 April 2009 to 31 March 2010 (in terms of PSR 1.V.C.3)

Beneficiaries	African	Asian	Coloured	White	Total
Female	20	–	5	37	62
Male	29	1	6	25	61
Total	**49**	**1**	**11**	**62**	**123**
Employees with a disability	–	–	–	–	–
% of total employment	**1,7**	**0,1**	**0,4**	**2,2**	**4,4**

5. EMPLOYMENT CHANGES

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

TABLE 5.1 Annual turnover rates by salary band for the period 1 April 2009 to 31 March 2010

Salary band	Number of employees per band as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Lower skilled (levels 1–2)	476	46	23	4,8
Skilled (levels 3–5)	662	51	52	7,9
Highly skilled production (levels 6–8)	954	107	67	7,0
Highly skilled supervision (levels 9–12)	575	28	37	6,4
Senior Management Service Band A	39	5	2	5,1
Senior Management Service Band B	12	–	2	16,7
Senior Management Service Band C	5	1	1	20,0
Senior Management Service Band D	1	–	1	100,0
Total	**2 724***	**238**	**185**	**6,8**

* Number of employees, excluding Minister and Deputy Minister

TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2009 to 31 March 2010

Occupation	Number of employees per occupation as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Administration-related, permanent	105	10	14	13,3
Agricultural animal, oceanography, forestry and other sciences, permanent	119	11	7	5,9
Agriculture-related, permanent	231	7	7	3,0
Aircraft pilots and related associate professionals, permanent	1	–	–	–
All artisans in building, metal, machinery, etc., permanent	46	–	2	4,3
Appraisers, valuers and related professionals, permanent	17	–	–	–
Archivists curators and related professionals, permanent	2	–	–	–
Auxiliary and related workers, permanent	72	5	2	2,8
Biochemistry, pharmacology, zoology and life science, technicians, permanent	33	4	2	6,1
Building and other property caretakers, permanent	23	–	1	4,3

TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2009 to 31 March 2010 (*cont.*)

Occupation	Number of employees per occupation as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Bus and heavy vehicle drivers, permanent	5	–	–	–
Chemists, permanent	1	–	–	–
Cleaners in offices, workshops, hospitals, etc., permanent	86	8	3	3,5
Client information clerks, permanent	7	–	–	–
Communication and information-related, permanent	7	2	1	14,3
Computer programmers, permanent	1	–	1	100,0
Computer system designers and analysts, permanent	8	2	1	12,5
Custodian personnel, permanent	1	–	–	–
Economists, permanent	27	4	4	14,8
Engineering sciences-related, permanent	1	–	–	–
Engineers and related professionals, permanent	6	–	1	16,7
Farmhands and labourers, permanent	161	18	14	8,7
Farming, forestry advisors and farm managers, permanent	4	1	1	25,0
Finance and economics-related, permanent	53	–	2	3,8
Financial and related professionals, permanent	24	–	1	4,2
Financial clerks and credit controllers, permanent	71	9	7	9,9
Food services aids and waiters, permanent	23	1	2	8,7
Head of department/chief executive officer, permanent	1	–	1	100,0
Health sciences-related, permanent	4	–	–	–
Horticulturists, foresters, agricultural and forestry technicians, permanent	221	59	18	8,1
Household and laundry workers, permanent	17	2	1	5,9
Human resources and organisational development and related professionals, permanent	22	4	4	18,2
Human resources clerks, permanent	49	6	4	8,2
Human resources-related, permanent	10	1	–	–
Information technology-related, permanent	1	–	–	–
Language practitioners, interpreters and other communicators, permanent	19	3	1	5,3
Legal and related, permanent	4	–	1	25,0
Librarians and related professionals, permanent	1	–	1	100,0
Library, mail and related clerks, permanent	57	3	2	3,5
Light vehicle drivers, permanent	6	1	1	16,7

TABLE 5.2 Annual turnover rates by critical occupation for the period 1 April 2009 to 31 March 2010 (*cont.*)

Occupation	Number of employees per occupation as at 1 April 2009	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate (%)
Logistical support personnel, permanent	17	3	2	11,8
Material-recording and transport clerks, permanent	67	6	3	4,5
Mechanical engineering technicians, permanent	2	1	–	–
Messengers, porters and deliverers, permanent	58	3	6	10,3
Motor vehicle drivers, permanent	38	–	3	7,9
Motorised farm and forestry plant operators, permanent	5	–	–	–
Nature conservation and oceanography-related technicians, permanent	49	3	2	4,1
Other administrative and related clerks and organisers, permanent	222	23	13	5,9
Other administrative policy and related officers, permanent	61	4	6	9,8
Other information technology personnel, permanent	4	–	2	50,0
Printing and related machine operators, permanent	7	–	–	–
Printing planners and production controllers, permanent	1	–	1	100,0
Rank: Minister	1	1	1	100,0
Rank: Deputy Minister	1	1	1	100,0
Regulatory inspectors, permanent	16	–	2	12,5
Risk management and security services, permanent	4	1	1	25,0
Road trade workers, permanent	12	–	–	–
Safety health and quality inspectors, permanent	49	1	6	12,2
Secretaries and other keyboard operating clerks, permanent	60	5	3	5,0
Security guards, permanent	9	–	–	–
Security officers, permanent	65	4	8	12,3
Senior managers, permanent	51	6	5	9,8
Statisticians and related professionals, permanent	20	–	1	5,0
Trade labourers, permanent	333	14	13	3,9
Veterinarians, permanent	24	3	1	4,2
Veterinary assistants, permanent	2	–	–	–
Water plant and related operators, permanent	1	–	–	–
Total	**2 726***	**240**	**187**	**6,9**

* Number of employees, including Minister and Deputy Minister

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

TABLE 5.3 Reasons why staff members are leaving the department

Termination type	Number	% of total
Death	23	12,3
Resignation	37	19,8
Discharged because of ill health	3	1,6
Dismissal misconduct	4	2,1
Retirement	26	13,9
Transfers	88	47,1
Severance package	5	2,7
Head of department, contract expiry	1	0,5
Total	**187**	**100,0**

TABLE 5.4 Granting of employee-initiated severance package

Category	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (salary levels 1–2)	1	1	1	1
Skilled (salary levels 3–5)	1	1	1	1
Highly skilled production (salary levels 6–8)	2	2	2	2
Highly skilled production (salary levels 9–12)	–	–	–	–
Senior management (salary levels 13 and higher)	1	1	1	1

TABLE 5.5 Promotions by critical occupation

Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Administration-related	105	15	14,3	58	55,2
Agricultural animal, oceanography, forestry and other sciences	119	16	13,4	74	62,2
Agriculture-related	231	13	5,6	179	77,5
Aircraft pilots and related associate professionals	1	–	–	1	100,0
All artisans in building, metal, machinery, etc.	46	–	–	33	71,7
Appraisers, valuers and related professionals	17	1	5,9	9	52,9
Archivists, curators and related professionals	2	–	–	1	50,0

TABLE 5.5 Promotions by critical occupation (*cont.*)

Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Auxiliary and related workers	72	3	4,2	38	52,8
Biochemistry, pharmacology, zoology and life science technicians	33	1	3,0	15	45,5
Building and other property caretakers	23	–	–	17	73,9
Bus and heavy vehicle drivers	5	–	–	5	100,0
Chemists	1	–	–	–	–
Cleaners in offices, workshops, hospitals, etc.	86	–	–	53	61,6
Client information clerks (switchboard, reception and information clerks)	7	–	–	6	85,7
Communication and information-related	7	–	–	1	14,3
Computer programmers	1	–	–	1	100,0
Computer system designers and analysts	8	1	12,5	5	62,5
Custodian personnel	1	–	–	–	–
Economists	27	5	18,5	17	63,0
Engineering sciences-related	1	–	–	1	100,0
Engineers and related professionals	6	–	–	4	66,7
Farmhands and labourers	161	–	–	114	70,8
Farming, forestry advisors and farm managers	4	2	50,0	3	75,0
Finance and economics-related	53	2	3,8	26	49,1
Financial and related professionals	24	–	–	9	37,5
Financial clerks and credit controllers	71	10	14,1	31	43,7
Food services aids and waiters	23	–	–	16	69,6
General, legal, administration and related professionals		–	–	–	–
Head of department/chief executive officer	1	–	–	–	–
Health sciences-related	4	–	–	2	50,0
Horticulturists, foresters, agricultural and forestry technicians	221	25	11,3	82	37,1
Household and laundry workers	17	–	–	14	82,4
Human resources, organisation development and related professionals	22	1	4,5	9	40,9
Human resources clerks	49	11	22,4	21	42,9
Human resources-related	10	–	–	6	60,0
Information technology-related	1	–	–	–	–
Language practitioners, interpreters and other communicators	19	2	10,5	3	15,8
Legal and related	4	–	–	–	–

TABLE 5.5 Promotions by critical occupation (*cont.*)

Occupation	Employees as at 1 April 2009	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within salary level	Notch progressions as a % of employees by occupation
Librarians and related professionals	1	–	–	–	–
Library, mail and related clerks	57	1	1,8	28	49,1
Light vehicle drivers	6	–	–	5	83,3
Logistical support personnel	17	1	5,9	9	52,9
Material-recording and transport clerks	67	7	10,4	29	43,3
Mechanical engineer	2	–	–	–	–
Messengers, porters and deliverers	58	1	1,7	40	59,0
Motor vehicle drivers	38	–	–	27	71,1
Motorised farm and forestry plant operators	5	–	–	1	20,0
Nature conservation and oceanography-related technicians	49	–	–	37	75,5
Other administration-related clerks and organisers	222	12	5,4	122	55,0
Other administrative policy and related officers	61	2	3,3	30	49,2
Other information technology personnel	4	–	–	2	50,0
Printing and related machine operators	7	–	–	4	57,1
Printing planners and production controllers	1	–	–	–	–
Rank: Minister and Deputy Minister	2	–	–	–	–
Regulatory inspectors	16	–	–	11	68,8
Risk management and security services	4	–	–	3	75,0
Road trade workers.	12	–	–	10	83,3
Safety, health and quality inspectors	49	–	–	19	38,8
Secretaries and other keyboard operating clerks	60	6	10,0	38	63,3
Security guards	9	–	–	–	–
Security officers	65	3	4,6	43	66,2
Senior managers	51	2	7,8	–	–
Social sciences-related		1	–	–	–
Statisticians and related professionals	20	–	–	4	20,0
Trade labourers	333	–	–	253	76,0
Veterinarians	24	–	–	16	66,7
Veterinary assistants	2	–	–	1	50,0
Water plant and related operators	1	–	–	1	100,0
Total	**2 726***	**144**	**5,4**	**1 587**	**58,2**

* Number of employees, including Minister and Deputy Minister

TABLE 5.6 Promotions by salary band

Salary band	Employees as at 1 April 2009	Promotions to another salary level	Salary band promotions as a % of employees by salary band	Progressions to another notch within salary level	Notch progressions as a % of employees by salary band
Lower skilled (levels 1–2)	476	2	0,4	318	66,8
Skilled (levels 3–5)	662	28	4,2	475	71,8
Highly skilled production (levels 6–8)	954	71	7,4	419	43,9
Highly skilled supervision (levels 9–12)	575	41	7,1	375	65,2
Senior Management (levels 13–16)	57	2	7,0	–	–
Total	**2 724***	**144**	**5,4**	**1 587**	**58,2**

* Number of employees, excluding Minister and Deputy Minister

6. EMPLOYMENT EQUITY

The tables in this section are based on the formats prescribed by the Employment Equity Act of 1998.

TABLE 6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2010

Occupational category **(SASCO)	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	19	3		6	11	2		2	43
Professionals	217	16	7	86	177	18	13	69	603
Technicians and associated professionals	272	40	7	67	257	17	8	50	718
Clerks	106	25	1	10	205	43	6	174	570
Service and sales workers	34	3	1	16	18	3		1	76
Craft and related trade workers	39	3		11					53
Plant, machine operators and assemblers	50	8		1	1				60
Elementary occupations	465	85	1	5	103	32		3	694
Total	**1 202**	**183**	**17**	**202**	**772**	**115**	**27**	**299**	**2 817***
Employees with disabilities	**2**	**1**		**2**	**1**			**7**	**13**

* Number of employees, excluding Minister and Deputy Minister

** South African Students Congress

TABLE 6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2010

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	3	–	–	–	2	–	–	–	5
Senior management	23	3	1	6	10	2	2	5	52
Professionally qualified and experienced specialists and mid-management	216	14	8	100	165	14	10	66	593
Skilled technical and academically qualified workers, junior management, supervisors, foremen	315	35	7	70	370	29	13	166	1 005
Semiskilled and discretionary decision making	354	85	–	25	175	50	2	61	752
Unskilled and defined decision making	291	46	1	1	50	20	–	1	410
Total	**1 202**	**183**	**17**	**202**	**772**	**115**	**27**	**299**	**2 817***

* Number of employees, excluding Minister and Deputy Minister

TABLE 6.3 Recruitment for the period 1 April 2009 to 31 March 2010

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	1	–	–	–	–	–	–	–	1
Senior management	3	1	–	–	1	–	–	–	5
Professionally qualified and experienced specialists and mid-management	10	1	1	3	10	–	–	3	28
Skilled technical and academically qualified workers, junior management, supervisors, foremen	45	4	1	1	47	2	3	4	107
Semiskilled and discretionary decision making	23	2	–	–	21	3	–	2	51
Unskilled and defined decision making	15	6	–	–	16	8	–	1	46
Total	**97**	**14**	**2**	**4**	**95**	**13**	**3**	**10**	**238**

TABLE 6.4 Promotions for the period 1 April 2009 to 31 March 2010

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	–	–	–	–	–	–
Senior management	1	–	–	–	1	–	–	–	2
Professionally qualified and experienced specialists and mid-management supervisors, foremen	13	2	–	2	16	1	2	5	41
Skilled technical and academically qualified workers, junior management,	26	1	–	–	40	2	–	2	71
Semiskilled and discretionary decision making	8	5	–	–	9	4	1	1	28
Unskilled and defined decision making	2	–	–	–	–	–	–	–	2
Total	**50**	**8**	**–**	**2**	**68**	**7**	**3**	**8**	**144**

TABLE 6.5 Terminations for the period 1 April 2009 to 31 March 2010

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top management	–	–	–	1	1	–	–	–	2
Senior management	–	–	–	2	1	–	–	1	4
Professionally qualified and experienced specialists and mid-management	11	1	–	7	15	–	–	3	37
Skilled technical and academically qualified workers, junior management, supervisors, foremen	26	2	–	3	29	–	1	6	67
Semiskilled and discretionary decision making	24	3	–	1	23	1	–	–	52
Unskilled and defined decision making	12	5	–	1	3	1	–	1	23
Total	**73**	**11**	**–**	**15**	**72**	**2**	**1**	**11**	**185**

TABLE 6.6 Disciplinary action for the period 1 April 2009 to 31 March 2010

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Disciplinary action	4	–	–	–	2	–	–	–	6

TABLE 6.7 Skills development for the period 1 April 2009 to 31 March 2010

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	48	7	6	12	21	4	0	18	116
Professionals	177	6	0	36	166	10	8	31	434
Technicians and associate professionals	173	18	8	34	177	7	7	13	437
Clerks	161	15	0	27	234	55	21	119	632
Service and sales workers	40	0	0	7	26	0	0	6	79
Craft and related trade workers	52	9	3	16	45	3	4	6	138
Plant, machine operators and assemblers	39	3	0	0	3	4	0	0	49
Elementary occupations	34	15	0	0	4	3	2	0	58
Total	**724**	**73**	**17**	**132**	**676**	**86**	**42**	**193**	**1 943**
Employees with disabilities	**1**	**0**	**0**	**1**	**1**	**0**	**0**	**3**	**6**

7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 7.1 Signing of performance agreements by SMS members as at 30 September 2009

SMS level	Total number of funded SMS posts per level	Total number of SMS members per level	Total number of signed performance agreements per level	Signed performance agreements as a % of total number of SMS members per level
Director-General	1	1	–	–
Salary level 15	6	4	3	75,0
Salary level 14	15	11	11	100,0
Salary level 13	48	44	41	93,1
Total	**70**	**60**	**55**	**91,7**

TABLE 7.2 Reasons for not having concluded performance agreements for all SMS members as at 30 September 2009

1. Media Liaison Officer – Office of the Minister (Political)
2. Parliamentary Officer – Office of the Minister (Political)

TABLE 7.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 30 September 2009

N/A

8. FILLING OF SMS POSTS

TABLE 8.1 Information on SMS posts as at 31 March 2010

SMS level	Total number of funded SMS posts per level	Total number of SMS posts filled per level	% of SMS posts filled per level	Total number of SMS posts vacant per level	% of SMS posts vacant per level
Director-General	1	–	–	1	100,0
Salary level 15	6	5	83,3	1	16,7
Salary level 14	15	11	73,3	4	26,7
Salary level 13	48	41	85,4	7	14,6
Total	**70**	**57**	**81,4**	**13**	**18,6**

TABLE 8.2 Advertising and filling of SMS posts as at 31 March 2010

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised within six months of becoming vacant	Number of vacancies per level filled within six months of becoming vacant	Number of vacancies per level not filled within six months but filled in 12 months
Director-General	1	–	–
Salary level 15	1	–	–
Salary level 14	1	1	–
Salary level 13	3	2	2
Total	**6**	**3**	**2**

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

Reasons for vacancies not advertised within six months
Because of the process of restructuring the current organisational structure of the department, a moratorium was placed on the filling of all vacant posts.
Reasons for vacancies not filled within 12 months
No suitable candidates could be obtained – posts were readvertised and in some cases headhunting took place.

TABLE 8.4 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

N/A

9. PERFORMANCE REWARDS

To encourage good performance, the department granted the performance rewards listed below during the year under review. The information is presented in terms of race, gender and disability (Table 9.1), salary band (Table 9.2) and critical occupation (Table 9.3).

TABLE 9.1 Performance rewards by race, gender and disability, 1 April 2009 to 31 March 2010

Race, gender and disability	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group	% of total within group	Total cost (R'000)	Average cost per employee
African, female	271	771	35,1	4 368	16 118
African, male	462	1 200	38,5	5 953	12 885
Asian, female	9	27	33,3	249	27 667
Asian, male	8	17	47,1	268	33 500
Coloured, female	44	115	38,3	606	13 773
Coloured, male	64	182	35,2	601	9 391
White, female	208	292	71,2	3 940	18 942
White, male	128	200	64,0	3 453	26 977
Employees with disabilities	7	13	53,8	232	33 143
Total	**1 201**	**2 817**	**42,6**	**19 670**	**16 378**

* Number of employees, excluding Minister and Deputy Minister

TABLE 9.2 Performance rewards by salary band for personnel below SMS level, 1 April 2009 to 31 March 2010

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower skilled (levels 1–2)	177	410	43,2	947	5 350	
Skilled (levels 3–5)	262	752	34,8	1 856	7 084	
Highly skilled production (levels 6–8)	448	1 005	44,6	7 144	15 944	
Highly skilled supervision (levels 9–12)	290	593	48,9	7 983	27 524	
Total	**1 177**	**2 760**	**42,6**	**17 930**	**15 232**	

TABLE 9.3 Performance rewards by critical occupation, 1 April 2009 to 31 March 2010

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Administration-related	53	85	62,4	1 252	23 623
Agricultural animal, oceanography, forestry and other sciences	56	149	37,6	1 036	18 500
Agriculture-related	108	221	48,9	2 573	23 824
Aircraft pilot and related associate professionals	1	1	100,0	28	28 000
All artisans in building, metal, machinery, etc.	17	28	60,7	166	9 765
Appraisers, valuers and related professionals	9	16	56,3	277	30 778
Auxiliary and related workers	44	81	54,3	443	10 068
Biochemistry, pharmacology, zoology and life science technicians	23	42	54,8	464	20 174
Building and other property caretakers	12	21	57,1	66	5 500
Bus and heavy vehicle drivers	3	5	60,0	21	7 000
Chemists	1	1	100,0	17	17 000
Cleaners in offices, workshops, hospitals, etc.	41	71	57,7	254	6 195
Client information clerks (switchboard, reception and information clerks)	3	8	37,5	42	14 000
Communication and information-related	3	8	37,5	76	25 333
Computer system designers and analysts	6	9	66,7	224	37 333
Economists	25	60	41,7	614	24 560
Engineers and related professionals	4	4	100,0	145	36 250
Farmhands and labourers	68	165	41,2	378	5 559
Farming, forestry advisors and farm managers	3	9	33,3	35	11 667
Finance and economics-related	15	21	71,4	610	40 667
Financial and related professionals	14	20	70,0	251	17 929
Financial clerks and credit controllers	22	80	27,5	273	12 409
Food services aids and waiters	12	23	52,2	68	5 667
Head of department/chief executive officer	1	–	–	225	225 000
Health sciences-related	2	5	40,0	47	23 500
Horticulturists, foresters, agricultural and forestry technicians	40	266	15,0	677	16 925
Household and laundry workers	7	16	43,8	42	6 000
Human resources and organisational development and related professionals	10	22	45,5	216	21 600
Human resources clerks	23	49	46,9	354	15 391
Human resources-related	7	10	70,0	299	42 714
Information technology-related	1	1	100,0	52	52 000

TABLE 9.3 Performance rewards by critical occupation, 1 April 2009 to 31 March 2010 (*cont.*)

Critical occupation	Beneficiary profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total cost (R'000)	Average cost per employee
Language practitioners, interpreters and other communicators	10	21	47,6	150	15 000
Legal and related	1	3	33,3	30	30 000
Library, mail and related clerks	32	66	48,5	372	11 625
Light vehicle drivers	2	11	18,2	18	9 000
Logistical support personnel	8	23	34,8	131	16 375
Material-recording and transport clerks	17	70	24,3	166	9 765
Messengers, porters and deliverers	40	50	80,0	250	6 250
Motor vehicle drivers	17	44	38,6	101	5 941
Motorised farm and forestry plant operators	1	4	25,0	6	6 000
Nature conservation and oceanography related technicians	17	50	34,0	288	16 941
Other administrative and related clerks and organisers	110	219	50,2	1 265	11 500
Other administrative policy and related officers	40	101	39,6	802	20 050
Other information technology personnel	3	5	60,0	74	24 667
Photographic, lithographic and related	1	3	33,3	21	21 000
Printing and related machine operators	7	15	46,7	42	6 000
Printing planners and production controllers	1	–	–	12	12 000
Regulatory inspectors	3	15	20,0	47	15 667
Risk management and security services	2	4	50,0	81	40 500
Road trade workers	5	10	50,0	29	5 800
Safety health and quality inspectors	33	38	86,8	735	22 273
Secretaries and other keyboard operating clerks	47	63	74,6	788	16 766
Security officers	11	70	15,7	101	9 182
Senior managers	15	51	29,4	1 048	69 867
Social sciences-related	–	1	–	–	–
Statisticians and related professionals	13	21	61,9	414	31 846
Trade labourers	106	331	32,0	551	5 198
Veterinarians	21	24	87,5	839	39 952
Veterinary assistants	2	5	40,0	60	30 000
Total	**1 201**	**2 817**	**42,6**	**19 670**	

* Number of employees, excluding Minister and Deputy Minister

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

Salary band	Beneficiary profile			Cost		
	Number of beneficiaries	Number of employees	% of total within salary band	Total cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	17	41	41,5	1 121	65 941	4,7
Band B	4	11	36,4	274	68 500	3,2
Band C	2	5	40,0	120	60 000	2,2
Band D	1	–	–	225	225 000	4,1
Total	**24**	**57**	**42,1**	**1 740**	**72 500**	**4,0**

10. FOREIGN WORKERS

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

TABLE 10.1 Foreign workers, 1 April 2009 to 31 March 2010, by salary band

Salary band	1 April 2009		31 March 2010		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (levels 1–2)	–	–	–	–	–	–
Skilled (levels 3–5)	–	–	–	–	–	–
Highly skilled production (levels 6–8)	–	–	–	–	–	–
Highly skilled supervision (levels 9–12)	–	–	–	–	–	–
Senior management (levels 13–16)	1	100	1	100	–	–
Total	**1**	**100**	**1**	**100**	**–**	**–**

TABLE 10.2 Foreign workers, 1 April 2009 to 31 March 2010, by major occupation

Major occupation	1 April 2009		31 March 2010		Change	
	Number	% of total	Number	% of total	Number	% change
Professionals and managers	1	100	1	100	–	–
Total	**1**	**100**	**1**	**100**	**–**	**–**

11. LEAVE UTILISED FOR THE PERIOD 1 JANUARY 2009 TO 31 DECEMBER 2009

The Public Service Commission has identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 11.1) and disability leave (Table 11.2). In both cases, the estimated cost of the leave is also provided.

TABLE 11.1 Sick leave, 1 January 2009 to 31 December 2009

Salary band	Total days	% days with medical certification	Number of employees using sick leave	Number of employees per band	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	989	75,6	130	410	31,7	8	201
Skilled (levels 3–5)	3 389	75,1	464	752	61,7	7	870
Highly skilled production (levels 6–8)	4 829	83,2	700	1 005	69,7	7	2 426
Highly skilled supervision (levels 9–12)	3 059	68,2	470	593	79,3	7	2 592
Senior management (levels 13–16)	268	52,6	43	57	75,4	6	448
Total	**12 534**	**76,1**	**1 807**	**2 817***	**64,1**	**7**	**6 537**

* Number of employees, excluding Minister and Deputy Minister

TABLE 11.2 Disability leave (temporary and permanent), 1 January 2009 to 31 December 2009

Salary band	Total days	% days with medical certification	Number of employees using sick leave	Number of employees per band	% of total employees using sick leave	Average days per employee	Estimated cost (R'000)
Lower skilled (levels 1–2)	398	100,0	6	410	1,5	66	81
Skilled (levels 3–5)	184	100,0	21	752	2,8	9	48
Highly skilled production (levels 6–8)	599	100,0	25	1 005	2,5	24	249
Highly skilled supervision (levels 9–12)	298	100,0	12	593	2,0	25	233
Senior management (levels 13–16)	26	100,0	1	57	1,8	26	56
Total	**1 505**	**100,0**	**65**	**2 817***	**2,3**	**23**	**667**

* Number of employees, excluding Minister and Deputy Minister

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

TABLE 11.3 Annual leave, 1 January 2009 to 31 December 2009

Salary band	Total days taken	Average per employee
Lower skilled (levels 1–2)	6 359	19
Skilled (levels 3–5)	17 536	23
Highly skilled production (levels 6–8)	18 967	20
Highly skilled supervision (levels 9–12)	15 039	23
Senior management (levels 13–16)	1 448	22
Total	**59 349**	**21**

TABLE 11.4 Capped leave, 1 January 2009 to 31 December 2009

Salary band	Total days of capped leave taken	Average no. of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of employees who took capped leave
Lower skilled (levels 1–2)	106	5	8	20
Skilled (levels 3–5)	141	4	27	32
Highly skilled production (levels 6–8)	268	6	18	45
Highly skilled supervision (levels 9–12)	143	8	23	17
Senior management (levels 13–16)	13	7	13	2
Total	**671**	**6**	**20**	**116**

TABLE 11.5 Leave payouts for the period 1 April 2009 to 31 March 2010

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

Reason	Total amount (R'000)	Number of employees	Average payment per employee
Leave payout for 2009/10 because of non-utilisation of leave for the previous cycle	5	1	5 087,78
Capped leave payouts on termination of service for 2009/10	995	146	6 815,00
Current leave payout on termination of service for 2009/10	274	60	4 567,00
Total	**1 274**	**207**	**6 154,59**

12. HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

TABLE 12.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
Laboratory workers Abattoir workers Agricultural machine users (farm workers, engineering services) Migrant workers (borderposts and fence, quarantine stations and camps) Projects (D: AES, D: WUID) Shift workers General workers (when coming into contact with body fluids), shift workers General workers (when coming into contact with body fluids) First aiders Truck drivers (D: AES) Business travellers	Preventative strategies through awareness campaigns, voluntary counselling and testing, and health education Treatment through referrals Care and support through home visits Employee Assistance Programme Provision of protective clothing and equipment

TABLE 12.2 Details of health promotion and HIV/Aids programmes

Questions	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Ms Maria Sekgobela, Acting Director: Employee Development
2. Does the department have a designated unit or have you designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		Subdirectorate: Employee Health and Wellness • 8 employees (1 Deputy Director: Employee Wellness) • 1 EAP coordinator • 1 EAP Practitioner • 1 Health Promotion Coordinator • 1 Health Promotion Officer • 1 OHS Coordinator • 2 Administrative Officers (PILIR and IOD) • R105 million for the section (There is no specific budget for HIV/Aids programmes)

TABLE 12.2 Details of health promotion and HIV/Aids programmes (*cont.*)

Questions	Yes	No	Details, if yes
3. Has the department introduced an employee assistance or health promotion programme for your employees? If so, indicate the key elements/services of the programme.	√		**Health promotion and HIV/Aids** • Lifestyle disease management • HIV counselling and testing • Awareness campaigns • Weight management and nutrition counselling • Intranet messages The Employee Assistance Programme of the department is aimed at improving the quality of life of employees and their families by providing counselling, advice and support. The programme helps to alleviate the impact of everyday work and personal problems. The EAP unit is dealing with various cases such as family problems, working relations, trauma debriefing, HIV/Aids counselling and conflict management, and refers employees to specialists. The EAP offers various skills, which include rendering effective EAP services to the employees, i.e. counselling at individual level, including assessment/analysis of the problem and deciding on an action plan, writing session reports, assisting in the marketing of the EAP programme, rendering first aid to injury-on-duty (IOD) cases and EAP support groups and project management. **Available financial wellness statistics for 1 April to 31 March 2010**: • Buffelspoort – 1 to 3 April 2009 – 13 employees attended with their families. Of interest was the fact that a teenager disclosed that he was smoking and the presenter from the Department of Health had a consultation with him. • Head Office – presentations were conducted from 1 to 5 June 2009 by ABSA Bank and Ubuntu Debt Counsellors and 49 employees attended. • Silverton – presentations were conducted from 13 to 17 July 2009 by ABSA Bank and Ubuntu Debt Counsellors and 15 employees attended. • Bonaero Park — presentations were conducted from 17 to 21 August 2009 by ABSA Bank and Ubuntu Debt Counsellors and 13 employees attended. • Head Office – presentations were conducted on 13 October 2009 by ABSA Bank and Ubuntu Debt Counsellors and 49 employees attended. • Amsterdam/Ermelo presentations were conducted by Ubuntu Debt Counsellors and nine employees attended. • Giyani (Nalatsi camp) – presentations were conducted by ABSA Bank and 72 employees attended. • Polokwane – presentations were conducted from 14 to 18 October 2009 by ABSA Bank and 20 employees attended. • Bonearo Quarantine Station (Kempton Park) – a presentation was conducted by Ubuntu Debt Counsellors on 17 March 2010 and 12 employees attended. • Delpen Building – a presentation was conducted by Ubuntu Debt Counsellors on 26 March 2010 and 19 employees attended.

TABLE 12.2 Details of health promotion and HIV/Aids programmes (*cont.*)

Questions	Yes	No	Details, if yes
4. Has the department established committees as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee(s) and the stakeholder(s) that they represent.	√		Names of officials serving on committee(s) and stakeholder(s) that they represent: Queeneth Mokale – D: SCM Mathews Sefura – D: IR Hellen Mthombeni – D: RTD Matshwane Motlhatlhedi – D: FA Rendani Thovhogi – D: PRE Siphiwe Mtshali – D: HRM Yandisa Ndaba – D: HRM Michael Mubva – D: HRM Celia Maluleke – D: VS Dudu Mogale – D: M Mabel Morontse – D: AIS Mpanana Mothoa – D: AIS Kate Makhonjwa – D: SS Philemon Marota – D: SCM Mavis Mashele – D: LS Jerry Phangiso – D: FSQA Sarie Louw – D: HRM Felicity Ntsimane – D: ADM Lebogang Motlhathudi – D: HRM Benny Kgomo – D: PH Rupert Hefer – D: FSQA Refilwe Ngoepe – D: GR Hilda Kamanyane – D: PP Maria Sekgobela – D: ED Nosipho Mkhumane – D: APIS Rorisang Moleki – D: PH Sylvia Beckford – D: AES Tokkie Mitchell – D: WUID Anastasia Davis – D: AAP Lisa Letoaba – D: Legal services John Tladi – D: LUSM Anita Willms – D: FA Sandra Lekhuleni – D: HRM Yolo Philisiwe – D: HRM Evon Ramunyati – D: HRM
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		HIV/Aids Policy, Occupational Health and Safety Policy, Employee Assistance Programme Policy, Recruitment and Selection, Sexual Harassment, Code of Good Conduct, DoA resolutions, Public Service resolutions, Camping Allowance Policy
6. Has the department introduced measures to protect HIV positive employees or those perceived to be HIV positive from discrimination? If so, list the key elements of these measures.	√		HIV/Aids Policy of the department incorporated: • Employment Equity Act of 1998 • Promotion of Equality and Prevention of Unfair Discrimination Act, 2000
7. Does the department encourage its employees to undergo voluntary counselling and testing? If so, list the results that you have achieved.	√		• Accredited by the Department of Health in October 2005. Gradual improvement in participation • The programme runs quarterly • Total participation in the 2009/10 financial year is 171
8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme? If so, list these measures/indicators.	√		KAPB study biannually

13. LABOUR RELATIONS

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

TABLE 13.1 Collective agreements, 1 April 2009 to 31 March 2010

Subject matter	Date
Policy on Camping Facilities and Allowances	17 November 2009
Secondment Policy	17 November 2009
Recruitment and Selection Policy	17 November 2009
Employee Development	17 November 2009

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

TABLE 13.2 Misconduct and disciplinary hearings finalised, 1 April 2009 to 31 March 2010

Outcomes of disciplinary hearings	Number	% of total
Final written warning	–	–
Suspended without pay	7	43,75
Dismissal	3	18,75
Not guilty	–	–
Case withdrawn	6	37,50
Total	**16**	**100,0**

TABLE 13.3 Types of misconduct addressed and disciplinary hearings

Type of misconduct	Number	% of total
Misuse of government vehicle	2	14,3
Abscondment	6	42,9
Theft	3	21,4
Absent without authorisation	–	–
Alcohol abuse	–	–
Assault	–	–
Prejudicing the administration of the department	3	21,4
Performing remunerative employment without prior permission	–	–
Total	**14**	**100,0**

TABLE 13.4 Grievances lodged for the period 1 April 2009 to 31 March 2010

Number of grievances addressed	Number	% of total
Number of grievances resolved	17	23,6
*Number of grievances not resolved	55	76,4
Total number of grievances lodged	**72**	**100,0**

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

TABLE 13.5 Disputes lodged with councils for the period 1 April 2009 to 31 March 2010

Number of disputes addressed	Number	% of total
Number of disputes upheld	1	9,1
Number of disputes dismissed	3	27,3
Still pending	7	63,6
Total number of disputes lodged	**11**	**100,0**

TABLE 13.6 Strike actions for the period 1 April 2009 to 31 March 2010

Strike actions	Total
Total number of person working days lost	–
Total cost of working days lost	–
Amount recovered as a result of no work no pay	–

TABLE 13.7 Precautionary suspensions for the period 1 April 2009 to 31 March 2010

Precautionary suspensions	Total
Number of people suspended	
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	2
Cost (R'000) of suspensions	49,6

14. SKILLS DEVELOPMENT

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

TABLE 14.1 Training needs identified for the period 1 April 2009 to 31 March 2010

Occupational category	Gender	Number of employees as at 1 April 2009	Training needs identified at start of period under review			
			Learnerships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	19	0	43	2	45
	Male	25	0	73	6	79
Professionals	Female	331	0	215	15	230
	Male	324	0	219	26	245
Technicians and associate professionals	Female	233	0	204	25	229
	Male	323	0	233	21	254
Clerks	Female	424	0	429	41	470
	Male	123	0	203	10	213
Service and sales workers	Female	22	0	32	2	35
	Male	60	0	47	5	52
Craft and related trades workers	Female	–	0	58	0	58
	Male	58	0	80	0	80
Plant and machine operators and assemblers	Female	1	0	7	0	7
	Male	62	0	42	3	45
Elementary occupations	Female	129	0	9	2	11
	Male	585	0	49	42	91
Gender subtotals	Female	1 159	0	997	87	1084
	Male	1 565	0	946	145	1091
Total		**2 724***	**0**	**1943**	**232**	**2175**

* Number of employees, excluding Minister and Deputy Minister

TABLE 14.2 Training provided for the period 1 April 2009 to 31 March 2010

Occupational category	Gender	Number of employees as at 1 April 2009	Training provided within the period under review				
			Learnerships	Skills programmes and other short courses	Other forms of training		Total
					Bursaries	ABET	
Legislators, senior officials and managers	Female	19	0	34	2	0	36
	Male	25	0	25	6	0	31
Professionals	Female	331	0	219	15	0	234
	Male	324	0	204	26	0	230
Technicians and associated professionals	Female	233	0	134	25	0	159
	Male	323	0	153	21	0	174
Clerks	Female	424	0	207	41	0	248
	Male	123	0	84	10	0	94
Service and sales workers	Female	22	0	13	2	0	15
	Male	60	0	21	5	0	26
Craft and related trade workers	Female	–	0	49	0	0	49
	Male	58	0	62	0	0	62
Plant and machine operators and assemblers	Female	1	0	2	0	0	2
	Male	62	0	14	1	2	17
Elementary occupations	Female	129	0	52	2	0	54
	Male	585	0	30	1	41	72
Gender subtotals	Female	1 159	0	710	87	0	797
	Male	1 565	0	593	102	43	738
Total		**2 724***	**0**	**1303**	**189**	**43**	**1535**

* Number of employees, excluding Minister and Deputy Minister

15. INJURY ON DUTY

The following tables provide basic information on injuries on duty.

TABLE 15.1 Injuries on duty, 1 April 2009 to 31 March 2010

Nature of injury on duty	Number	% of total
Required basic medical attention only	33	97,05
Temporary total disablement	1	2,95
Permanent disablement		
Fatal		
Total	**34**	**100,0**

16. UTILISATION OF CONSULTANTS

TABLE 16.1 Report on consultant appointments using appropriated funds

Project title	Total number of consultants who worked on the project	Duration: Work days	Contract value in Rand
1. Agricultural Production Strategy (CD: AP)	1	3	18 000,00
2. Layout and design of commodity profiles (D: M)	1	30	369 320,00
3. Advert in *Government Gazette* (D: M)	1	30	15 427,20
4. Advert in G*overnment Gazette* (D: M)	1	30	23 655,03
5. Duplicate and labelling of CDs (D: M)	1	30	18 858,39
6. Publication of an article in *Nufarmer* magazine (D: M)	1	30	5 000,00
7. Training of farmers (D: M)	1	180	153 900,00
8. Cellphone-based market price information (D: M)	1	210	98 000,00
9. Market information system (D: M)	1	180	36 120,00
10. Excellence Model Training towards Entrepreneurship Capacity Building (D: BED)	1	180	2 821 500,00
11. Central support structure (D: ETES)	1	365	1 102 944,00
12. Development of a framework for performance measurement of key performance areas for evaluation and accountability of extension in the DAFF (D: ETES)	1	180 (still in progress)	355 000,00
13. Audit compliance of agricultural training institutes (D: ETES)	1	90	486 780,00
14. Development of the Master Mentorship Programme Implementation Framework (D: ETES)	1	30	28 943,00
15. Capturing and sorting of application forms for 2010/11 interns (D: ETES)	1	30	195 000,00

TABLE 16.1 Report on consultant appointments using appropriated funds (*cont.*)

Project title	Total number of consultants who worked on the project	Duration: Work days	Contract value in Rand
16. Evaluation of proposal to release the rust fungus *Puccinia xanthii* for the biological control of *Parthenium* weed (D: PH)	3	2	8 050,00
17. Evaluation of proposal to release the rust fungus *Prospodium transformans* for the biological control of yellow bells (D: PH)	3	2	7 450,00
18. Evaluation of registration applications for stock remedies by External Technical Advisor (D: FSQA)	7	365	76 994,00
19. Evaluation of registration applications for fertilisers by External Technical Advisor (D: FSQA)	2	365	153 610,75
20. Evaluation of registration applications for farm feeds by External Technical Advisor (D: FSQA)	1	365	10 465,00
Total number of projects	**Total individual consultants**	**Total duration: Work days**	**Total contract value in Rand**
20	31	2 697	5 985 017,37

TABLE 16.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
1. Agricultural Production Strategy (CD: AP)	–	–	–
2. Layout and design of commodity profiles (D: M)	–	–	–
3. Advert in *Government Gazette* (D: M)	–	–	–
4. Advert in *Government Gazette* (D: M)	–	–	–
5. Duplicate and labelling of CDs (D: M)	–	–	–
6. Publication of an article in *Nufarmer* magazine (D: M)	–	–	–
7. Training of farmers (D: M)	–	–	–
8. Cellphone-based market price information (D: M)	–	–	–
9. Market information system (D: M)	–	–	–
10. Excellence Model Training towards Entrepreneurship Capacity Building (D: BED)	100	100	1
11. Central Support Structure (D: ETES)	100	100	1
12. Development of a framework for performance measurement of key performance areas for evaluation and accountability of extension in the DAFF (D: ETES)	100	100	1

TABLE 16.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs) (*cont.*)

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
13. Audit compliance of agricultural training institutes (D: ETES)	100	100	1
14. Development of the Master Mentorship Programme Implementation Framework (D: ETES)	100	100	1
15. Capturing and sorting of application forms for 2010/11 interns (D: ETES)	100	100	1
16. Evaluation of proposal to release the rust fungus *Puccinia xanthii* for the biological control of *Parthenium* weed (D: PH)	–	–	–
17. Evaluation of proposal to release the rust fungus *Prospodium transformans* for the biological control of yellow bells (D: PH)	–	–	–
18. Evaluation of registration applications for stock remedies by External Technical Advisor (D: FSQA)	–	–	2
19. Evaluation of registration applications for fertilisers by External Technical Advisor (D: FSQA)	–	–	1
20. Evaluation of registration applications for farm feeds by External Technical Advisor (D: FSQA)	–	–	1

TABLE 16.3 Report on consultant appointments using donor funds

Project title	Total number of consultants who worked on the project	Duration: Work days	Donor and contract value in Rand
1. The development of a GHG emission inventory and capacity building for the agricultural sector in SA (D: ADM)	2	365	British High Commission 755 873.65
Total number of projects	**Total individual consultants**	**Total duration: Work days**	**Total contract value in Rand**
1	2	365	755 873.65

TABLE 16.4 Analysis of consultant appointments using donor funds, in terms of HDIs

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
1. The development of a GHG emission inventory and capacity building for the agricultural sector in SA (D: ADM)	–	–	–

NOTES

NOTES