

2015/16 to 2019/20

Strategic Plan



agriculture,
forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

2015/16 to 2019/20

Strategic Plan

March 2015

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

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Acronyms

AFF	agriculture, forestry and fisheries	FSQA	Food Safety and Quality Assurance
AgriBEE	Agricultural Black Economic Empowerment	FTA	free trade area
AG	Auditor-General	FTE	full-time equivalent
APAP	Agricultural Policy Action Plan	GAP	good agricultural practices
APP	Annual Performance Plan	GDP	gross domestic product
ARC	Agricultural Research Council	GHG	greenhouse gas
ARMC	Audit and Risk Management Committee	GICT	Government Information Technology Officer
ATI	Agricultural Training Institute	GMO	genetically modified organism
AU	African Union	HR	Human Resources
ASRDC	Agriculture and Sustainable Rural Development Committee	HRD	Human Resource Development
BCC	Benguela Current Commission	IBSA	India, Brazil and South Africa
BCP	Business Continuity Plan	ICT	Information and Communication Technology
BRICS	Brazil, Russia, India, China and South Africa	ICTS	International Cooperation Trade and Security (Cluster)
BBBEEE	Broad-Based Black Economic Empowerment	IFS	Interim Financial Statement
CAADP	Comprehensive African Agricultural Development Programme	IFSS	Integrated Fisheries Security Strategy
CAAT	computer assisted auditing tool/techniques	IGDP	Integrated Growth and Development Plan
CARA	Conservation of Agricultural Resources Act	IGR	intergovernmental relations
CASP	Comprehensive Agricultural Support Programme	IMF	International Monetary Fund
CC	climate change	IPAP	Industrial Policy Action Plan
CCS	compulsory community services	KIMS	Knowledge and Information Management System
CEO	Chief Executive Officer	ITC	International Trade Centre
CFO	Chief Financial Officer	KZN	KwaZulu-Natal
COGTA	Department of Cooperative Governance and Traditional Affairs	Mafisa	Micro-agricultural Financial Institutions of South Africa
DAFF	Department of Agriculture, Forestry and Fisheries	MDG	millennium development goals
DDG	Deputy Director-General	M&E	Monitoring and Evaluation
DEA	Department of Environmental Affairs	MLRA	Marine Living Resources Act
DEAT	Department of Environmental Affairs and Tourism	MLRF	Marine Living Resources Fund
DEXCO	Departmental Executive Committee	MoU	Memorandum of Understanding
DORA	Division of Revenue Act	MPAT	Management Performance Assessment Tool
DPME	Department of Performance, Monitoring and Evaluation	MSP	Master Systems Plan
DPSA	Department of Public Service and Administration	MTEF	Medium Term Expenditure Framework
DPW	Department of Public Works	MTSF	Medium Term Strategic Framework
DRP	Disaster Recovery Plan	NAMC	National Agricultural Marketing Council
dti	Department of Trade and Industry	NAPF	National Aquaculture Policy Framework
EFTA	European Free Trade Association	NC	Northern Cape
EIA	environmental impact assessment	NDP	National Development Plan
EPA	Economic Partnership Agreement	NFA	National Forests Act
EPWP	Extended Public Works Programme	NFAP	National Forestry Action Programme
ERM	Enterprise Risk Management	NFP	National Forestry Programme
ERP	Enterprise Resource Planning/Extension Recovery Plan	NGP	New Growth Path
EU	European Union	NIPF	National Industrial Policy Framework
FAO	Food and Agriculture Organization	NO	national office
FMD	foot-and-mouth disease	NRM	Natural Resource Management
FORLATS	Forestry Licensing and Tracking System	NT	National Treasury
FOSAD	Forum of South African Directors-General	OBP	Onderstepoort Biological Products
FRAP	Fishing Rights Allocation Process	ODG	Office of the Director-General
FS	Free State	OECD	Organisation for Economic Cooperation and Development
FSC	Forestry Steward	PAHC	Primary Animal Health Care
		PAPA	Performing Animals Protection Act
		PFMA	Public Finance Management Act
		PICC	Presidential Infrastructure Coordinating Commission
		PPECB	Perishable Products Export Control Board

PPR	Pestes des Petits Ruminants	SITA	State Information Technology Agency
PSC	Personnel Suitability Checks	SLA	service level agreement
Q1	quarter 1	SMS	Senior Management Service
Q2	quarter 2	SMME	small, medium and micro enterprise
Q3	quarter 3	SONA	State of the Nation Address
Q4	quarter 4	SO	strategic objective
R&D	Research and Development	SOE	state-owned entity
RFMO	Regional Fisheries Management Organisation	SRPP	social responsibility, policies and programmes
ROD	Records of Decision	SSA	State Security Agency
RSA	Republic of South Africa	S&T	subsistence and travel
		Stats SA	Statistics South Africa
SA	South Africa	TAC	total allowable catch
SADC	Southern African Development Community	TAE	total allowable effort
SACU	Southern African Customs Union	TUP	temporary unplanted area
SAFCOL	South African Forestry Company Ltd	UN	United Nations
SAQA	South African Qualifications Authority	USA	United States of America
SARS	South African Revenue Service	VoIP	Voice over Internet Protocol
SCM	Supply Chain Management		
SDIP	Service Delivery Improvement Plan	WfF	Working for Fisheries
SFM	Sustainable Forest Management	WFFP	Working for Fisheries Programme
SG	strategic goal	WFFP	World Forum of Fisher Peoples
SHG	self-help group	WoF	Working on Fire
SIP	Strategic Integrated Project	WTO	World Trade Organization

Foreword by the Minister of Agriculture, Forestry and Fisheries



Mr Senzeni Zokwana

It gives me pleasure to table the *Strategic Plan for the Department of Agriculture, Forestry and Fisheries* together with the *Annual Performance Plan* to Parliament for the 2015/16 to 2019/20 Medium Term Strategic Framework (MTSF) period. The Strategic Plan is premised on key government medium-term priorities that are informed by the National Development Plan (NDP) and the New Growth Path (NGP), and will contribute towards the strategic priority of stimulating rural development and food security. A high level of rigour was applied to deliver a credible and streamlined Strategic Plan that repositions food security and agrarian transformation high on the economic development agenda of the country.

My vision for the agricultural, forestry and fisheries sectors, as catalysts for radical socio-economic transformation, is food security for all, creation of one million decent jobs by 2030 and significantly increasing the contribution of these sectors to the GDP. However, there are distinct challenges facing the sector and diverse opportunities that the sector can offer. Agriculture has undergone huge structural changes. It has lost rather than gained jobs, yet it is the most labour-intensive productive sector. Fisheries is facing depleted stocks of marine and coastal wild capture fisheries, however, shows enormous potential in terms of aquaculture. Forestry is constrained by stringent water regulations and underinvestment in long-rotation sawlog plantations. Smaller commercial farms are disappearing disproportionately to growth. Growth is happening alongside job loss (5% in real growth, with a decrease of 73 000 jobs in 2013/14).

AGRICULTURAL SECTOR

In leading the department, the focus will be on achieving the set target of creating one million jobs in the agricultural, forestry and fisheries sectors by 2030. The sectors have been identified as key job drivers in the economy and will require the unlocking of growth potential among key industries as specified in the NDP and prioritised in the Agricultural

Policy Action Plan (APAP). It will also require increased engagements, meetings and consultations with stakeholders, including the commercial sector, business partners and government.

APAP begins to address the change agenda. It identifies priority commodities, based on the NDP's logic. It identifies commodities based on their capacity and potential to create jobs, contribute to food security, growth potential and potential contribution to the trade balance. The following commodities were identified as having the potential for growth: red meat integrated value chain, poultry integrated value chain, fruit and vegetables, wine, wheat and forestry: Category B and C refurbishment and Forest Protection Strategy, fisheries: aquaculture and small-scale fisheries schemes and biofuels. Interventions in each commodity have been identified and plans are in place to implement the APAP in the coming MTSF cycle.

Sector interventions to assist smallholder producers with technical, infrastructure and financial support will continue to be rolled out. These include the Comprehensive Agricultural Support Programme (CASP), Ilima/Letsema and LandCare programmes specifically aimed at increasing farm output, especially for the beneficiaries of land reform, contributing towards the Fetsa Tlala Food Production Initiative. Through the Fetsa Tlala initiative, our strategic objective is to utilise one million hectares of land in rural areas for the production of crops. Support will be provided to communities to engage in food production and subsistence farming to promote food security.

To address daily issues in livestock farming, the call is on bringing veterinary health services closer to those who need them the most. To improve our veterinary services, the World Organization for Animal Health (OIE) conducted an evaluation on the performance of veterinary services in South Africa - at our request. The recommendations from the OIE report will be applied to further enrich our interventions on all veterinary issues. We will ensure animal disease management and access to primary health—care services through the implementation of an integrated animal disease and management plan and implementation of compulsory community service by deploying veterinary graduates to the rural areas and delivering primary health-care equipment to the provinces.

We will enforce regulatory frameworks to reduce the level of disease outbreaks in production areas to a minimum by conducting animal and plant disease and pest risk surveillances, and by implementing regulatory compliance and monitoring interventions to prevent plant, animal and pest disease outbreaks (quarantine inspections, surveillance and testing). Furthermore, rural infrastructure will be revitalised and this will include animal health clinics, dipping tanks and other animal handling facilities, as well as border and animal disease security requirements such as personnel, fences and the provision of patrol resources. Extension services will also be brought closer to the people who require their assistance the most.

Safety on farms and stock theft are major security issues compounding the business of agriculture and general safety on farms. This matter is already being attended to by the Ministry of Police. We will continue engaging the Ministry mentioned in this regard.

FORESTRY SECTOR

The forestry sector offers long-term investment opportunities for rural economic development. Increased production and productivity in prioritised areas will be ensured by sustainable forest management through replanting of 8 652 hectares in temporary unplanted areas, certification of three plantations for the Forestry Stewardship Council, conducting environmental impact assessments to enable small, medium and micro enterprises (SMMEs) to obtain afforestation licences and the implementation of the Agro-forestry Strategy. A significant number of jobs will be created through refurbishment of Category B and C plantations and LandCare programmes. In addition, 80 000 hectares of agricultural land and 2 500 hectares of state indigenous forests and woodlands will be restored through rehabilitation that includes area fencing, controlling of weeds and alien invasive species, veld reclamation, clearing of alien invasive plants, tree planting, soil conservation works and natural regeneration.

The highlight not only for the department, but for the entire country, will be the hosting of the XIV World Forestry Congress in September 2015.

Sustainable management of our natural resources, namely land, soil, water and climate systems is critical for the sustainable use of our resources and food security. To address the loss of prime agricultural land to other sectors, the Preservation and Development of Agricultural Land Framework (PDALF) was developed and formulated by the department. During 2015/16, consultation will get under way with all stakeholders, followed by the parliamentary consultation process on the draft Bill.

FISHERIES SECTOR

The fisheries sector is an important element of the Ocean Economy Strategy, Operation Phakisa. We anticipate that Operation Phakisa, which is still under development, will place marine resources in a central position in the economy.

Our approach in this sector will continue to be around responsible management of the marine resources supported by extensive research on the declining marine stock and ensuring that we close the fish protein gap, alleviating food insecurity and increasing growth. Through Operation Phakisa, we can potentially grow the sector value from its current R2 billion to R6 billion, with a possible job creation of up to 210 000 in this sector by 2030.

The Working for Fisheries Programme (WFFP) will remain one of the vehicles for economic growth and sustainable livelihoods for fishing communities. The programme is aimed at creating jobs, empowerment and skills development; and empowering beneficiaries to participate in the mainstream fishing economy.

The Fishing Rights Allocation Process (FRAP) of 2013 was reviewed independently of the department and the final report was received. The legal feasibility of the various options to institute corrective measures where weaknesses have been identified will be considered before an announcement is made on the way forward to correct these anomalies.

Our plans will focus on ensuring that the commercial rights allocation reflects the commitment of government and the industry to transform the sector. To further transform this sector, the implementation of the Small-scale Fisheries Policy will contribute towards equitable participation of coastal and fishing communities and ensure that they gain access to marine resources.

In conclusion, I wish to express my gratitude to the Deputy Minister, General Bheki Cele, for his support in leading the department. Secondly, I would like to thank the chairpersons and members of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries in the National Assembly and the National Council of Provinces for their leadership and oversight work. I would also like to thank the industry, organised agriculture and our business partners for their commitment. Lastly, I want to thank the department under the leadership of the Director-General and her staff, public entities and the provincial departments for their support. Together, we will work towards meeting the objectives of government, striving towards food security and a better life for all.

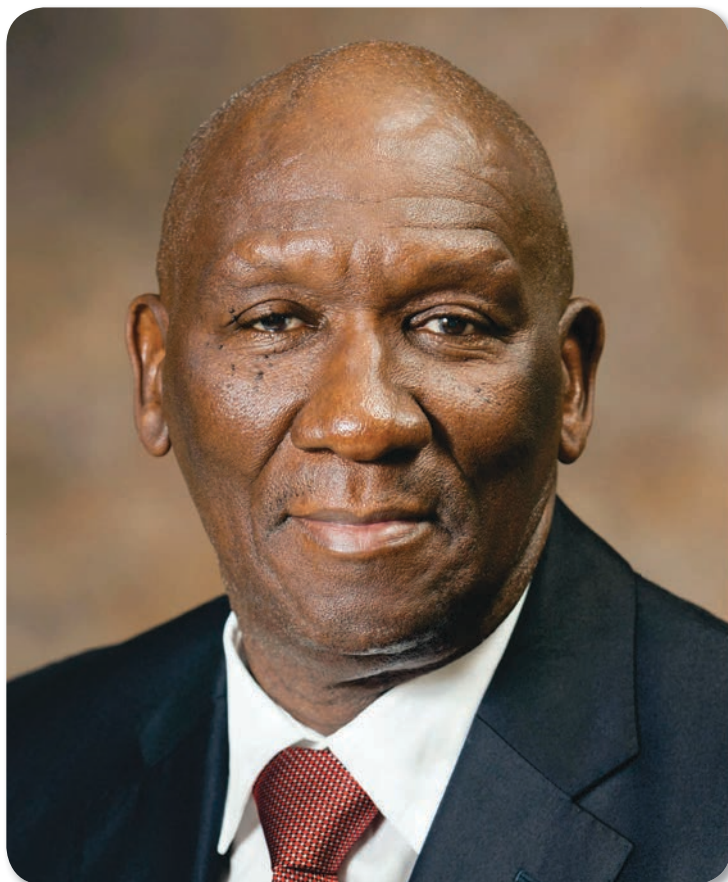


Mr Senzeni Zokwana (MP)

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES



Statement by the Deputy Minister



Gen. Bheki Cele

The 2015/16 to 2019/20 strategic plan covers a five—year period from 2015 to 2020 and sets out courageous and aspiring objectives of the Department of Agriculture, Forestry and Fisheries.

It also provides direction realising outcomes and activities outlined in the MTSF 4,7 and 10, namely decent employment through inclusive economic growth, vibrant, equitable and sustainable rural communities contributing towards food security for all, and protecting and enhancing our environmental assets and natural resources, respectively.

The agricultural, forestry and fisheries sector is facing with numerous challenges: rising input costs, an uneven international trade environment and lack of developmental infrastructure (rail, harbour, electricity) are among a few. Additionally, transformation of the agriculture, forestry and fisheries sector has been slow and tentative.

The department's plans for the sector transformation are clearly articulated in our policies. It is our aim to direct the transformation of these sectors so that our people no longer remain on the periphery, but become economically active and involved in the business of agriculture, forestry and fisheries. The department will work hard to ensure that this noble vision is accelerated.

It also calls for a review of our policies and regulatory frameworks to create an enabling environment for inclusive growth, job creation, food security and rural economic development.

The number of commercial farms in primary agriculture has declined from almost 120 000 in 1950 to around 29 000 currently. This decline has been accompanied by a commensurate increase in the average farm size and a change in the technology mix on farms. As farms grow larger, they tend to rely less on labour and more on capital assets such as mechanisation. While different branches of agriculture have distinct characteristics, the overall trend has been that of job losses, in terms of permanent, casual and seasonal jobs.

Redressing the problem of increasing farm size and declining unemployment requires intervention which encourages the fuller use of land within commercial farming areas; promoting a better balance between large-scale commercial

farms and smallholder farms *via* land reform and development within the former homelands and broadening market participation to include the growing number of smallholder producers. The General Household survey of Stats SA shows a 58% increase in the number of smallholder farmers since 2009.

A key element of both poverty and inequality is unemployment, which in turn, leads to food security. We therefore support the policy perspective and sector mandate of striving for greater inclusivity of our markets and of facilitating the creation of further job opportunities, as identified in the National Development Plan (NDP). The implementation of the NDP will, however, only be successful if it is shared with and owned by our people. We must allow communities to play an active role in the decisions that affect their lives.

The triple challenges of poverty, inequality and unemployment requires all stakeholders to work together towards inclusive economic growth. The shift requires stakeholder engagement and public participation. As much as we need radical socio-economic transformation, we simultaneously have to transform the dynamics and structures of interaction between our government and our people.

The department regards social mobilisation and advocacy key to stakeholder engagement. The department will, therefore engage industry captains, communities, farm workers and farmers.

Twenty years into democracy, remnants of colonialism and apartheid are still apparent in the sector. As such, most youth think of agriculture as oppressive, hard labour with low wages and offering no room for career advancement.

Getting the youth to realise the multiple and diverse economic and career opportunities in the sector can radically change the image and face of agriculture. We will partner with knowledge-based institutions, such as schools, colleges, universities, youth formations and churches to create awareness of agriculture as the sector of the future. We intend to engage with the Ministers of Education on rekindling an interest in and the teaching of agriculture as a subject.

The agricultural, forestry and fisheries sectors have been identified as some of the main drivers for the economy with the potential of creating jobs and contributing towards rural development. Job growth in the agricultural sector is envisaged for the next five to ten years, especially in the areas of agro-processing and marketing, as well as exploring new export opportunities. Growth in the aquaculture sector has increased and could further contribute to job creation in the fisheries sector.

Asia's changing consumption patterns, population growth and improved market access have contributed largely to an escalation in trade, with increased export opportunities. The growth of African markets for agricultural products has also developed and increased considerably. Since becoming a member of the Brazil, Russia, India, China and South Africa (BRICS) group of countries, new trade opportunities have been created and agreements with member countries have been concluded.

I wish to extend my appreciation to the Minister, Mr Senzeni Zokwana, for his commitment and leadership. Secondly, I would like to thank the Chairpersons and members of the parliamentary committees for their guidance. I would also like to thank the Director-General and the department for their contribution. By working together and pursuing unity in action, we can work towards attaining economic freedom, job growth and food security for all South African citizens.



Gen. Bheki Cele (MP)

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

Overview by the Director-General



Ms Edith V. Vries

It is an honour for me to present the *Strategic Plan for the Department of Agriculture, Forestry and Fisheries* for the 2015/16 to 2019/20 MTSF period for approval by the Minister and tabling in Parliament. The department's plans are informed by the NDP as the apex of the policy framework that informs sector-specific policies such as the Integrated Growth and Development Plan (IGDP) and the APAP. Our service delivery targets are guided by the MTSF priorities oriented to the outcomes-based performance management approach; primarily on outcome 7 and supporting outcomes 4 and 10, as stated:

- Outcome 7:** Vibrant, equitable and sustainable rural communities contributing towards food security for all
- Outcome 4:** Decent employment through inclusive economic growth
- Outcome 10:** Protect and enhance our environmental assets and natural resources

This Strategic Plan represents a high-level corporate business plan that is mainstreamed along four strategic goals, namely:

- Strategic goal 1:** Effective and efficient strategic leadership, governance and administration
- Strategic goal 2:** Enhance production, employment and economic growth in the sector
- Strategic goal 3:** Enabling environment for food security and sector transformation
- Strategic goal 4:** Sustainable use of natural resources in the sector

The 2015/16 to 2019/20 Strategic Plan comprises three parts. *Part A* provides a strategic overview and the mission statement of the department, legislative and other mandates, a situational analysis of the agricultural, forestry and fisheries sectors and the organisational overview.

Part B focuses on programme plans and information is provided on the problem statement, implementation strategy and planned expenditure for the six budgetary programmes for the MTEF cycle as allocated by National Treasury.

Part C contains information on links to other plans, including the acquisition and asset management plans, public entities and other agencies, i.e. the Agricultural Research Council, the Marine Living Resources Fund, the National Agricultural Marketing Council, Ncera Farms (Pty) Ltd, Onderstepoort Biological Products Ltd and the Perishable Products Export Control Board.

The Strategic Plan is inevitably linked to and supported by the robust Annual Performance Plan (published in a separate cover), which contains the technical indicator descriptions of all six programmes and the Service Delivery Improvement Plan.

In conclusion, I wish to thank the Minister, the Deputy Minister and the Chairpersons of the Parliamentary Committees for their guidance and support. I would also like to express my appreciation to the public entities for their contribution. Finally, I wish to thank my management team and all the staff members in the department for their dedication and efforts in contributing towards meeting our objectives and commitments towards the people of South Africa.



Ms Edith V. Vries

DIRECTOR-GENERAL: AGRICULTURE, FORESTRY AND FISHERIES



agriculture, forestry & fisheries

Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Sign-off

It is hereby certified that this *Strategic Plan* 2015/16 to 2019/20 was developed by the management of the Department of Agriculture, Forestry and Fisheries (DAFF) under the guidance of the Minister of Agriculture, Forestry and Fisheries, taking into account all the relevant policies, legislation and other mandates for which the department is responsible.

The plan accurately reflects the strategic outcome oriented goals and objectives, which the department will endeavour to achieve over the period 2015/16 to 2019/20.

Mr J.B. Hlatshwayo
CHIEF FINANCIAL OFFICER

Mr R.D. Dredge
HEAD OFFICIAL RESPONSIBLE FOR PLANNING

Ms Edith V. Vries
ACCOUNTING OFFICER

Approved by:

Mr Senzeni Zokwana
EXECUTIVE AUTHORITY





PART A

Strategic overview

1. Vision

United and transformed agriculture, forestry and fisheries sector that ensures food security for all and economic prosperity

2. Mission

Advancing food security, job creation, economic growth and transformation of the sector through innovative, inclusive and sustainable policies, legislation and programmes

3. Values

Drive: driven to deliver excellent service

Attitude: being an ambitious, passionate, reliable and dedicated workforce

Fairness: acting with objectivity, empathy, integrity and transparency

Focus: focusing on people, food security, job creation, growth and transformation

4. Legislative and other mandates

4.1 LEGAL MANDATE

The Department of Agriculture, Forestry and Fisheries' legal mandate covers the agriculture, forestry and fisheries value chains: from inputs, production and value adding to retailing.

4.2 LEGISLATIVE MANDATE

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

The following Acts reflect the legislative mandate of the department:

Act number and year	Purpose	Functional competence	Responsibility
Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)	Establishes the Agricultural Debt Account and provides for the use of the account as a mechanism to manage agricultural debt repayment	National	Directorate: Financial Accounting
Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)	Provides for the extension of the application of certain laws relating to agricultural matters to certain territories which form part of the national territory of the Republic of South Africa; the repeal of certain laws which apply in those territories; and for matters connected therewith	National	Executing Authority
Agricultural Laws Rationalisation Act, 1998 (Act No. 72 of 1998)	Provides for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the Republic prior to the commencement of the Constitution of the Republic of South Africa	National	Executing Authority
Agricultural Pests Act 1983 (Act No. 36 of 1983)	Provides for measures by which agricultural pests may be prevented and combated	National	Directorates: Plant Health Inspection Services and Land Use and Soil Management
Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)	Provides for the establishment of an Agricultural Produce Agents Council and fidelity funds in respect of agricultural produce agents and for the control of certain activities of agricultural produce agents	Local	Directorate: Marketing
Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)	Provides for the control over the sale and export of certain agricultural products, control over the sale of certain imported agricultural products and control over other related products	National	Directorate: Food Safety and Quality Assurance

Act number and year	Purpose	Functional competence	Responsibility
Agricultural Research Act, 1990 (Act No. 86 of 1990)	Provides for the establishment of a juristic person to deal with agricultural research; the determination of its objectives, functions, powers and duties	Concurrent	Directorate: Policy Research Support
Animal Diseases Act, 1991 (Act No. 35 of 1984)	Provides for the control of animal diseases and parasites as well as for measures to promote animal health	Concurrent	Directorate: Animal Health
Animal Identification Act, 2002 (Act No. 6 of 2002)	Consolidates the law relating to the identification of animals and provides for incidental matters	Concurrent	Directorate: Veterinary Public Health
Animal Improvement Act 1998 (Act No. 62 of 1998)	Provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals	National	Directorate: Animal Production
Animal Protection Act, 1962 (Act No. 71 of 1962)	Consolidates and amends the law relating to the prevention of cruelty to animals	Concurrent	Directorate: Animal Production
Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983)	Provides for control over the utilisation of the natural agricultural resources of the Republic in order to promote the conservation of the soil, water sources and vegetation and the combating of weeds and invader plants	Concurrent	Directorate: Land Use and Soil Management
Fencing Act, 1963 (Act No. 31 of 1963)	Consolidates the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto	Concurrent Local	Directorate: Land Use and Soil Management
Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)	Provides for the appointment of a Registrar of Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilisers, farm feeds, agricultural remedies and stock remedies and the designation of technical advisers and analysts	National	Directorate: Agriculture Inputs Control
Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)	Provides for measures to promote the responsible development, production, use and application of genetically modified organisms, provides for an adequate level of protection during all activities involving genetically modified organisms that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health	National	Directorate: Genetic Resources
Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)	Makes provision for the incorporation of the Groot Constantia Control Board as an association not for gain; for the transfer of the Groot Constantia Estate to the association mentioned; and for matters connected therewith	National	Executing Authority
KwaZulu Cane Growers' Association Act Repeal Act, 2002 (Act No. 24 of 2002)	Repeals the KwaZulu Cane Growers' Association Act, 1981 and provides for matters connected therewith	National	Executing Authority
Liquor Products Act, 1989 (Act No. 60 of 1989)	Provides for control over the sale and production for sale of certain alcoholic products, the composition and properties of such products and the use of certain particulars in connection with the sale of such products; for the establishment of schemes; and for control over the import and export of certain alcoholic products	Concurrent	FSQA

Act number and year	Purpose	Functional competence	Responsibility
Marine Living Resources Act, 1998 (Act No. 18 of 1998)	Provides for the conservation of the marine ecosystem, the long-term sustainable utilisation of marine living resources and the orderly access to exploitation, utilisation and protection of certain marine living resources; and for these purposes for the exercise of control over marine living resources in a fair and equitable manner to the benefit of all the citizens of South Africa	National, except for aquaculture	Fisheries
Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)	Provides for the authorisation of the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products; and to establish a National Agricultural Marketing Council	Concurrent	Directorate: Marketing
Meat Safety Act, 2000 (Act No. 40 of 2000)	Provides for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat; to establish meat safety schemes; and to provide for matters connected therewith	Concurrent Provincial Local	Directorate: Veterinary Public Health
National Forests Act, 1998 (Act No. 84 of 1998)	Promotes the sustainable management and development of forests for the benefit of all; creates the conditions necessary to restructure forestry in State forests in relation to protection and sustainable use	National, except indigenous forests Concurrent	Branch: Forestry
National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)	Combats veld, forest and mountain fires throughout the Republic	Concurrent Local	Branch: Forestry
Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)	Provides for the establishment of a company to manage the institution known as Onderstepoort Biological Products	National	Directorate: Animal Health
Performing Animals Protection Act, 1935 (Act No. 24 of 1935)	Provides for the regulation of the exhibition and training of performing animals and the use of dogs for safeguarding	Concurrent Provincial Local	Directorate: Animal Production
Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)	Provides for the control of perishable products intended for export from the Republic of South Africa	National	Directorate: Food Safety and Quality Assurance
Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)	Provides for a system whereby plant breeders' rights relating to varieties of certain kinds of plants may be granted and registered; for the requirements which have to be complied with for the granting of such rights; for the protection of such rights and the granting of licences in respect of the exercising thereof	National	Directorate: Genetic Resources
Plant Improvement Act, 1976 (Act No. 53 of 1976)	Provides for the registration of premises from which the sale of certain plants or the cleansing, packing and sale of certain propagating material may be undertaken; prescribes the conditions subject to which such plants or propagating material may be sold for the purposes of cultivation	National	Directorate: Plant Production
Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993)	Provides for control of societies for the prevention of cruelty to animals and for matters connected therewith	Concurrent Provincial Local	Directorate: Animal Production
Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)	Provides for the subdivision and, in connection therewith, the use of agricultural land	Concurrent Provincial Local	Directorate: Land Use and Soil Management

Act number and year	Purpose	Functional competence	Responsibility
Veterinary and Para-veterinary Professions Act, 1992 (Act No. 19 of 1992)	Provides for the establishment, powers and functions of the South African Veterinary Council	National (only in respect of the regulation of veterinary services) Provincial (except the regulation of veterinary services)	Directorate: Veterinary Public Health

4.3 NATIONAL POLICY MANDATES

4.3.1 National Development Plan

The strategic goals and associated objectives of the Department of Agriculture, Forestry and Fisheries (DAFF), namely: **Effective and efficient strategic leadership, governance and administration; enabling environment for food security and sustainable agrarian transformation; and enhance production, employment and economic growth in the sector**, are a response to achieve the National Development Plan's (NDP) objectives and targets. The goals and associated objectives have been reviewed to address the priorities identified in the NDP.

To align with these priorities, objectives and targets, the department aims to continue providing comprehensive support to all categories of producers. The support will increase the number of people participating in different sectoral activities and, therefore, participating in the economy of the country. In rural areas, the focus will be on support to subsistence and smallholder producers in line with the expectations of the NDP, namely that a third of the food surplus should be produced from small-scale farmers or households. The department aims to support targeted land reform beneficiaries as the NDP also supports the land reform objective. In contributing to the **sustainable use of natural resources in the sector**, DAFF will implement sustainable development programmes that ensure protection of biomes and endangered species, rehabilitation of degraded land and climate change mitigation and adaptation strategies.

The department also aims to contribute by implementing various strategies to improve the production efficiencies for smallholder producers. These include organising smallholder producers into commodity-based organisations, increasing their collective bargaining power in negotiations for production inputs and markets, as well as providing support and training to SMMEs. Implementation of our transformation initiatives such as the AgriBEE Charter, Forestry Charter and allocation of commercial fishing rights will facilitate and promote participation in the economy of the country. Three key programmes are aligned with the priorities, namely Fetsa Tlala, aimed at massive production of staple foods on fallow land that has the potential for agricultural production; Ilima/Letsema, aimed at supporting sustainable agriculture and promoting rural development for smallholder producers; and LandCare to address land degradation problems and encourage sustainable use of natural resources.

In addition to the above, the NDP also states that agriculture has the potential to create close to 1 million new jobs by 2030 through:

- Expanding irrigated agriculture—the 1,5 million ha under irrigation could be expanded by at least another 500 000 ha to 2 million ha
- Cultivating underutilised land in communal areas and land-reform projects for commercial production
- Supporting commercial agricultural industries and regions with the highest growth and employment potential
- Supporting upstream and downstream job creation
- Finding creative opportunities for collaboration between commercial farmers, communal farmers and complementary industries
- Developing strategies that give new entrants access to value chains and support.

4.3.2 New Growth Path

The New Growth Path (NGP) is a national policy which broadly aims to unblock private investment and job creation to address systematic blockages to employment-creating growth (infrastructure, skills, regulatory framework, etc.). It focuses on productive sectors and proactively intends to support industries, activities and projects that will generate

employment. The NGP has identified job drivers for growth, namely: Infrastructure, agricultural value chains, mining value chain, manufacturing, tourism and high-level services, green economy, knowledge economy, social economy, public sector, rural development and African regional development. The NGP manages the job drivers for growth such as in mining, commercial agriculture and smallholders, higher industries, etc.

The DAFF will capitalise on the job drivers mentioned above and specifically in areas relevant to the sector such as the agricultural value chains, rural development and African regional development. In the short to medium term the department will institutionalise the various value chain networks, which support labour-absorbing activities to accelerate employment creation through agricultural smallholder schemes. In pursuance of job creation in agro-processing, DAFF has contributed to the implementation of intergovernmental agro-processing programmes. Through the implementation of an agro-processing policy the department will continue to facilitate access to appropriate agro-processing technology and mainstream markets.

As contribution to the African regional development, DAFF continues to implement South Africa's foreign policy objectives, through the facilitation of SADC and AU engagements, implementation of the South-South Cooperation Agreement with emphasis on BRICS. The International Relations Strategy is an instrument put into place to interact with various sector stakeholders at regional and international level in support of producers to access international markets.

4.3.3 Industrial Policy Action Plan

The Industrial Policy Action Plan (IPAP) takes place within the framework of continuous improvements and upscaling of concrete industrial development interventions, as set out in the National Industrial Policy Framework (NIPF). IPAP aims to upscale key interventions over a rolling three-year period, with a 10-year outlook on desired economic outcomes. The NIPF has the following core objectives, namely to:

- Facilitate diversification beyond the economy's current reliance on traditional commodities and non-tradable services that require the promotion of value addition, characterised particularly by the movement into non-traditional tradable goods and services that compete in export markets and against imports.
- Ensure the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy.
- Promote a labour-absorbing industrialisation path, with the emphasis on tradable labour-absorbing goods and services and economic linkages that create employment.
- Promote industrialisation, characterised by the increased participation of historically disadvantaged people and marginalised regions in the industrial economy.
- Contribute towards industrial development in Africa with a strong emphasis on building the continent's productive capacity and securing regional economic integration.

The IPAP is framed by and constitutes a key pillar of the NGP and has a particular role to play in making employment dynamic and ensuring growth in the economy through its focus on value-adding sectors that embody a combination of relatively high employment and growth multipliers. Government interventions set out in the NGP, the National Development Plan Vision 2030 and other policy documents aim to ensure that critical steps in support of the restructuring of the economy are secured to set it on a more value-adding and labour-intensive growth path. The success of the IPAP depends fundamentally on working towards stronger coherence and mutual support between macro and microeconomic policies. Agro-processing is strongly linked to South and Southern Africa's economic growth rate. The domestic market, therefore, represents an attractive prospect for the agro-processing sector in general. South Africa possesses competitive advantages in a number of fruit and beverage subsectors, which if fully exploited, would place the country among the top 10 export producers of high-value agricultural products. Products such as high-quality wines, indigenous rooibos and honeybush tea and certain fruit types are highly sought after in export markets.

The decline in natural fish resources and growing demand create opportunities for farming of a range of fish species. South Africa has the potential to create significant numbers of jobs in meeting local demand for fish, for example, trout and international demand for abalone and mussels.

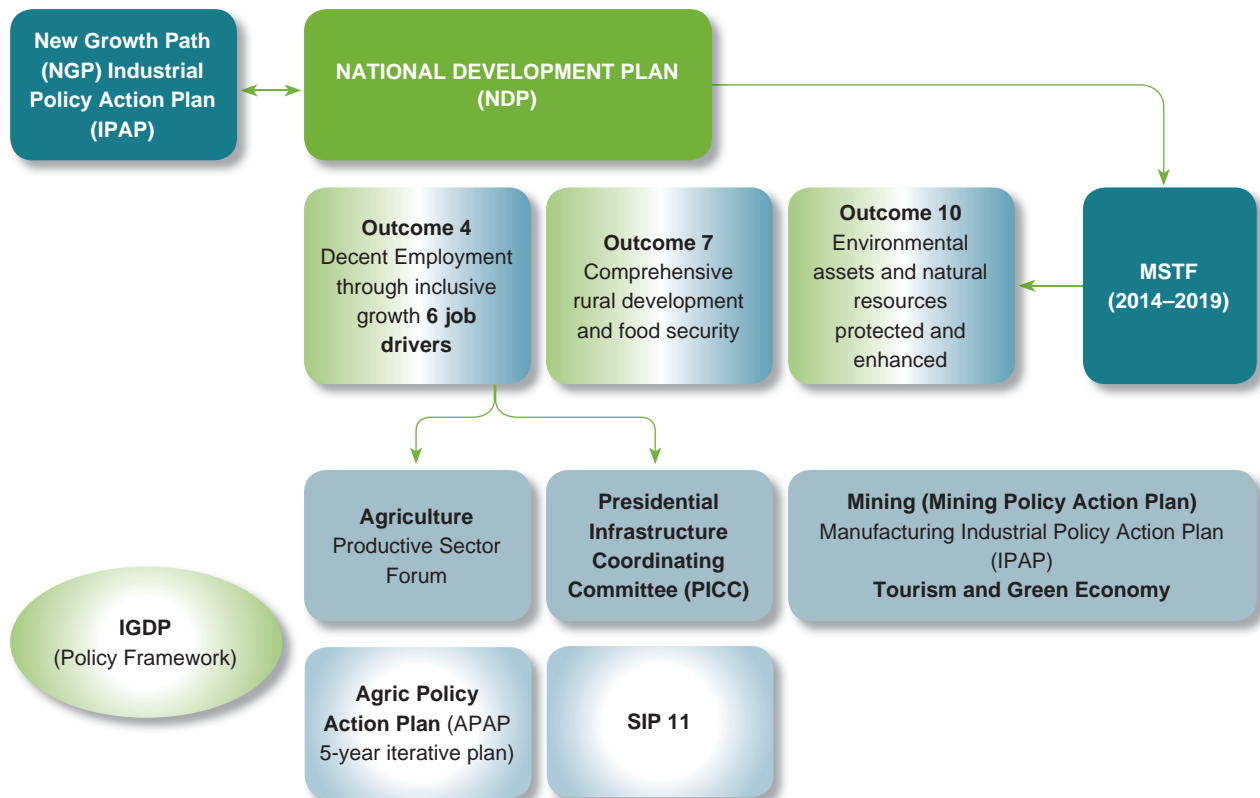
The small-scale milling sector appears to be viable and with moderate assistance from government, it could play an important role in reducing the cost of basic food products, thereby alleviating poverty, reducing hunger and contributing to a competitively priced milling and baking subsector.

4.3.4 Agricultural Policy Action Plan

The challenges facing the agricultural, forestry and fisheries (AFF) sectors are numerous: Rising input costs, an uneven international trade environment, lack of developmental infrastructure (rail, harbour, electricity), and a rapidly evolving

policy and production environment. At the same time, transformation of the AFF sectors has been slow and tentative. Based on this analysis of the various challenges within the AFF sectors the Agricultural, Forestry and Fisheries Strategic Framework was developed to outline appropriate responses to these challenges. The APAP aims to translate these high-level responses offered in the Agricultural, Forestry and Fisheries Strategic Framework, into tangible, concrete steps. The IGDP identifies four broad sector goals (Equitable growth and competitiveness; Equity and transformation; Environmental sustainability; and Governance) which translate into a comprehensive, abiding intervention framework, which will be supported through iterations of APAP *via* short and medium-term interventions targeting specific value chains (sectoral interventions) or transversal challenges (transversal interventions).

As illustrated in the following diagram, APAP aligns itself to the NGP, NDP and the MTSF in respect of Outcomes 4, 7 and 10.



For APAP to effectively address Outcomes 4, 7 and 10, and to attain the objectives set out in the NGP, NDP and IPAP, it has to unlock the productive potential of agriculture, forestry and fisheries by considering the nature of their binding constraints, whether these be at the level of primary production, beneficiation, or marketing, or, indeed, a combination of these. However, different subsectors within agriculture, forestry and fisheries operate according to different dynamics and face distinct challenges, there is therefore a need to be selective as to which subsectors or value chains to focus upon in the short and medium term, while also recognising that agricultural commodities in particular are often inter-related, in which case it is more helpful to speak of “integrated value chains”. Using the following general selection criteria, this first APAP focuses on a discrete number of value chains identified as strategic in meeting the objectives of the NGP, NDP and IPAP:

- Contribution to food security
- Job creation
- Value of production
- Growth potential
- Potential contribution to trade balance (including *via* export expansion and import substitution).

However, the first iteration of APAP is not offered as a fully comprehensive plan; rather, based on the model of the Industrial Policy Action Plan (IPAP), it identifies an ambitious, but manageable number of focused actions, in anticipation of future APAP iterations that will take the process further. APAP is planned over a five-year period and will be updated on an annual basis.

4.4 DEPARTMENTAL POLICY FRAMEWORKS

The department is currently implementing the policies tabled below:

Policy name	Aim/purpose	Key impact	Responsibility
Biosafety Policy	Establishes mutual measures, requirements and criteria for risk assessments, environmental impact assessments and assessment of the socio-economic impact to ensure that GMOs are appropriate and do not present a hazard to the environment, human, animal or plant health	Sustainable agricultural production through safe and responsible use of technology	Director: Genetic Resources
Pesticides Management Policy	Improves the legislative framework for protecting the health and the environment to promote economic growth and sector competitiveness	Ensures that farmers and other sectors affected have got access to agricultural inputs that are relatively safe to humans and the environment	Director: Agriculture Inputs Control
Small-scale Fisheries Policy	Introduces fundamental shifts in government's approach to the small-scale fisheries sector	Transformation of the fisheries sector	Director: Small Scale Fisheries
Food and Nutrition Security Policy	Ensures the availability, accessibility and affordability of safe and nutritious food at national and household levels	Effective food assistance networks, improved nutrition education and alignment of investments in agriculture towards local economic development	Chief Director: Food Security
International Training Policy (2005)	Provides guidelines for the coordination and management of international training programmes	Capacity development	Director: Sector Education and Training
Experiential Training, Internship and Professional Development Policy (2004)	Provides guidelines for the implementation and management of the Experiential Training, Internship and Professional Development Programme	Capacity development	Director: Sector Education and Training
DAFF External Bursary Scheme Policy (2004)	Provides guidelines for the implementation and management of the External Bursary Scheme	Capacity development	Director: Sector Education and Training
The Participatory Forestry Policy and Strategy, 2004	Creates enabling management frameworks for forests through which local communities adjacent to or within forests gain rights and responsibilities	Awareness among communities on sustainable forest management	Directors: Woodlands and Indigenous Forestry, and Forestry Regulation and Oversight
Agro-forestry Policy	Provides policy direction and a framework for implementation of agro-forestry practices in the country	Food security for small growers, while still waiting for their harvest	Director: Small Scale Forestry
Marketing Policy	Promotes and facilitates an efficient and effective agricultural marketing system	Improved market access	Director: Marketing
Agro-processing Policy	Supports entry and growth of competitive, rural-based, small and medium-scale agro-processors in the local and global agriculture, forestry and fisheries value chains	Access to markets and finance, transfer of appropriate processing technology, competitiveness improvement and agro-processor skills and capacity building (incubation)	Director: Agro-processing

In the medium term, DAFF anticipates to develop and review policies in a number of important areas, including:

Policy name	Aim/purpose	Key impact	Responsibility
Animal Identification and Traceability Policy	Establishes an effective individual animal identification and full value chain traceability system in South Africa	The growing need for accurate livestock statistics and reliable information on herd health, the origin and movement of farm animals and guarantees on the safety of meat and other products	Director: Veterinary Public Health
Animal Welfare Policy	Develops a single animal welfare Act in line with relevant sections of the Constitution, as well as international animal welfare legislation	Improved animal welfare coordination in the country	Director: Veterinary Public Health
Mafisa Credit Policy Framework	Guides the sector in the provision of production loans	At the institutional level—efficient and effective agricultural finance system and financial services that are more accessible, relevant and responsive to the market. At the beneficiary level—ensure enterprise, entrepreneurial development; job creation and economic growth	Director: Development Finance
Development Finance Policy Framework	Guides the provision of financial services to producers and operators in the sector	Increased number of entrepreneurs, job creation, increased wealth creation, reduced poverty and inequalities in the sector	Director: Development Finance
Agricultural Insurance Policy Framework	Facilitates the development of an innovative, demand-orientated and economically sustainable insurance product against systemic climate perils for producers in the sector	Mitigation or protection for producers against unforeseen events, i.e. climatic perils, diseases and pests	Director: Development Finance
National Policy on Extension and Advisory Services	Facilitates the establishment of effective and efficient extension and advisory services	Professional, accessible, reliable, relevant and accountable national extension and advisory services that are result oriented	Director: National Extension Reform
National Research and Development Policy	Promotes research and innovation in the agricultural, forestry and fisheries sectors	Increased production efficiency, productivity and competitiveness of the sectors	Director: Policy Research Support
National Policy on Organic Production	Creates a framework to develop a prosperous organic sector that is globally competitive	Mitigation against climate change. Conservation of natural resources and ensuring food safety	Director: Plant Production
Veld and Forage Policy	Provides a framework and guidelines that promote and facilitate the sustainable use of South Africa's veld and forage resources for animal production	Natural resource management and animal production	Chief Director: Agricultural Production, Health and Food Safety
Crop Production Policy	Positions the plant production sector to respond to emerging challenges while increasing its contribution to food security, job creation, rural development, poverty alleviation and economic development	Increased productivity and profitability of the sector for all categories of producers	Director: Plant Production
National Policy on Plant Improvement	Provides a broad framework for supporting and regulating the production and trade of propagation material and related matters	Improved production and performance of crops used for food, shelter, fibre and raw material for the manufacturing sector	Director: Plant Production

Policy name	Aim/purpose	Key impact	Responsibility
Plant Health (Phytosanitary) Policy	Ensures that the national phytosanitary regulatory system operates in compliance with relevant international and national obligations	Better aligned phytosanitary system with national and international plant health responsibilities and obligations in the interest of safe and fair trade	Director: Plant Health
Plant Breeders' Rights Policy	Stimulates economic growth by ensuring the availability of plant varieties for South African agriculture	Sustainable agricultural production by ensuring availability of appropriate plant varieties	Director: Genetic Resources

4.5 RELEVANT COURT RULINGS

4.5.1 National Societies for the Prevention of Cruelty to Animals vs Minister of Agriculture, Forestry and Fisheries and Others, 2013 (5) SA 571 (CC)

The constitutionality of sections 2 and 3 of the current Performing Animals Protection Act, 1935 (Act No. 24 of 1935) ("PAPA") was challenged by the National Societies for the Prevention of Cruelty to Animals during 2013. The Constitutional Court of South Africa subsequently declared sections 2 and 3 of the PAPA to be unconstitutional insofar as these related to Magistrates' deciding applications for, and, issuing animal training and exhibition licences to persons, intending to train for exhibition any animal or who uses dogs for safeguarding.

The court's finding was based on the fact that the issuing of such licences is an administrative function that should be performed by the Executive and not by the Judiciary, while sections 2 and 3 of the PAPA require a member of the Judiciary (that is a magistrate), to perform a such function. The court suspended the declaration to give Parliament the opportunity of rectifying the deficiency in sections 2 and 3 of the Act. The suspension of the order of invalidity means that until Parliament amends the Act, sections 2 and 3 of the Act will continue to operate.

However, DAFF must comply with the Constitutional Court order on or before 12 July 2015. After the Act has been amended, the function will then be performed by DAFF and not by the magistrates.

5. Situational analysis

5.1 PERFORMANCE ENVIRONMENT—SECTOR PERFORMANCE

5.1.1 Economic setting

The South African economy is expected to grow at 2,1% in 2015, compared with less than 1,5% in 2014. A growth rate of at least 5,4% is needed if the country wants to gain ground in the war against unemployment and poverty. The OECD and IMF also project dampened global economic growth rates, particularly in key emerging economies such as China and India. South African agriculture will, therefore, increasingly look to rapidly growing African economies as potential markets. However, the demand for food products continues to grow primarily owing to increasing population numbers.

Within the global context, bumper harvests in the 2013/14 production season have resulted in rapidly declining farm gate prices for most crops. While prices are not expected to plummet to pre-2006 levels, food prices are expected to be below the price levels of the past three years. In contrast, a confluence of factors, including weather conditions and various disease outbreaks has restricted the supply of livestock products, pushing prices to record levels. However, food prices are at least likely to remain stable and no food price shocks are expected in 2015.

Weak El Niño conditions developed during the austral summer of 2014/15. Most international climate models reacted with forecasts for below-normal rainfall during mid to late summer. Widespread above-normal rain occurred during November and December 2014, resulting in favourable conditions for planting over the western and eastern production regions. Since early January 2015, rainfall events have been much more isolated in nature, coupled with hot conditions over much of the production region since late January 2015. The effect of an uneven spatial distribution typical of thunderstorms since early January 2015, following wet conditions earlier, resulted in a salt-and-pepper effect regarding above-normal and below-normal crop yields. Recent dry conditions have therefore resulted in permanent damage in some (not all) production areas.

The South African economy is being held back by strikes, electricity shortages and household finances that are under pressure owing to high debt levels, slowing income growth, unemployment and inflation. Some of these problems are "home-grown", but our economy typically also follows the global cycle. If world growth improves, our economy will ben-

efit in the form of increased exports. It is expected that the prime lending rate of 9,25% will remain unchanged in 2015, which is higher than that of the USA (3,25%), Britain (1,5%) and Japan (1,15%). Inflation was 5,3% in December 2014, and therefore within the Reserve Bank's target range of 3% to 6%. The weak economy also limits the pass-through impact of the weak rand on inflation. The rand is still vulnerable, given the country's reliance on foreign capital inflows to fund large current account and fiscal deficits. However, a bright spot on the economic horizon is the plunging oil prices, which have more than halved to almost \$50 per barrel in less than a year and should considerably reduce input costs.

Radical socio-economic transformation, as evidenced through economic growth and job creation, is a key priority for the 2014/19 Medium Term Expenditure Framework (MTEF). Thus in the 2015 State of the Nation Address the President stated that "our economy needs a major push forward," and announced a "nine point plan to ignite growth and create jobs," one of which is 'Revitalizing agriculture and the agro-processing value chain.'

The contribution of agriculture to economic growth and job creation is far below the potential of the sector and thus agriculture was identified as "a catalyst for growth and food security." The strategic logic for identifying agriculture as a growth sector is because agriculture delivers more jobs per Rand invested than any other productive sector. As such the National Development Plan (NDP) estimates that Agriculture could potentially create 1 million jobs by 2030. However, the conditions for meeting this target include a focus on high growth commodities, in combination with improved delivery on land reform and improved livelihoods within communal areas.

The February 2015 Quarterly Labour Force Survey confirmed that Agriculture contributed the greatest number of employees at 56 000 quarter-on-quarter; and sustained increases in job creation year-on-year of 28 000. The department is confident that this growth will be sustained through the institutionalisation of the Agricultural Policy Action Plan (APAP) and the increase the productivity and production of strategic commodities by smallholder producers. The National Agricultural Marketing Council will monitor the trends in jobs growth and losses in commercial sector. The department will during 2015/16 develop a system of measuring the full-time equivalents of the significant number of temporary and seasonal workers in the sector.

5.1.2 Agricultural sector

The contribution of agriculture to the GDP declined over the past 20 years to an average of 2,8% and has been showing an average decline of about 3,0% per annum since 1993. Although the contribution of primary agriculture to the GDP is low, the broader agro-food complex contributes about 14% to the GDP.

The number of commercial farms in primary agriculture has decreased from almost 120 000 in 1950 to around 37 000 at present. This decline has been accompanied by a commensurate increase in average farm size and a change in the technology mix on farms. As farms grow larger, they tend to rely less on labour and more on capital and industrial inputs. While different branches of agriculture have distinct characteristics, the overall trend has been one of job losses, both in terms of regular and permanent jobs, as well as casual and seasonal jobs, while 33% was engaged as casual/seasonal workers in 2010.

The phenomenon of increasing farm sizes and declining farm employment is common to many other countries. However, whereas elsewhere this phenomenon normally coincides with a growing scarcity of labour because of more attractive opportunities elsewhere in the economy, in South Africa it is happening amid a deepening problem of rural unemployment. Reversing this trend requires a combination of interventions such as encouraging the fuller use of land within commercial farming areas, especially *via* conservation agriculture and land redistribution; strengthening the smaller stratum of large-scale commercial farms, which account for a disproportionate share of farm jobs; and promoting a better balance between large-scale commercial farms and smallholder farms *via* land reform and development within the former homelands.

It is important to note that the competitiveness of agriculture is being eroded by high and rising input costs. For example, the value of imported fertilisers, diesel and machinery, has for many years, exceeded the value of agricultural exports, meaning that even though agriculture may appear to make a positive contribution to the trade balance, this is not necessarily the case. An argument is currently emerging that the key is to promote a shift from conventional agriculture to "climate-smart agriculture" such as conservation agriculture. Whereas climate-smart agriculture has long been argued on grounds of environmental sustainability and reducing production risk, another advantage is that it can achieve the same or greater productivity, but with greatly reduced production inputs. This will have the effect of making producers more competitive by lowering input costs, while reversing the trend of agriculture's negative contribution to the trade balance.

The challenge of growing the smallholder sector (small-scale farmers who produce for the purpose of deriving an income) is closely tied to the challenge of making smallholder agriculture more remunerative. Currently, more than half

of all smallholder households live below the poverty line. The footprint of government support services reaching smallholders has been improving. For instance, in 2010, only 8% of smallholders were visited by extension officers, but this increased to 14% in 2012/13, despite the considerably larger number of smallholders in 2012. This momentum must be increased and other forms of support must improve as well.

Presently, about three quarters of smallholders farm within the former homelands, and the rest of them are split between urban areas and commercial farming areas. There is scope to increase the size of the smallholder sector in each of these areas. In the former homelands, there are thousands of hectares of underutilised arable land that can be put back into production, especially with a concerted support for input access, mechanisation services, technical support and linkages to markets. Smallholders in urban areas are poorly supported at present, but could contribute to local vegetable production in particular.

While the 2013 General House Hold Survey report indicated that between 2002 and 2013 the percentage of households that experienced hunger decreased from 29,3% to 13,4% and while households with inadequate to severely inadequate access to food decreased from 23,9% in 2010 to 23,1% in 2013, the need to ensure increased availability and affordability of food for all South Africans remains critical.

5.1.3 Forestry sector

Although forestry contributes a modest 0,7% to the GDP, it supports manufacturing subsectors such as sawmilling and paper and pulp production, as well as mining and construction. It is estimated that in 2011 there were about 63 000 jobs in commercial forestry itself, and another 52 000 in direct processing. Of the total land area of 122,3 million ha in South Africa, only 1% or 1,273 million ha is used for forestry. In 2012, the plantation area as a percentage of land area by province totalled 40,9% in Mpumalanga, 39,6% in KwaZulu-Natal, 11,2% in the Eastern Cape, 4,4% in the Western Cape and 3,8% in Limpopo. The production of round wood in the same year came to 18,776 million cubic metres, while the value of sales amounted to R20,7 billion.

An analysis of the trends of commercial forestry hectares planted by tree type and primary use, indicates that, firstly, there has been a marked decline in both softwood and hardwood plantation hectares planted since the mid-1990s, and secondly, there has been a marked increase in hectares for pulpwood purposes as compared to the hectares for sawlogs and mining timber.

Underlying these trends are various factors, but in particular the tighter regulatory framework governing water usage—forestry is regarded as a water diversion land use, therefore permits are required to expand the area under plantations. Other factors include the privatisation of much of what had been state forests, which has resulted in private sector lessees favouring shorter-term returns *via* pulpwood use over longer-term returns from sawlogs, as well as the State's poor upkeep of Category B and C plantations, which has reduced their productivity.

While there is still a net surplus of sector exports over imports, the margin has narrowed by 32% since 1992, and the sector predicts that South Africa will soon become a net importer, especially of sawlogs. These, will in turn, likely result in a significant increase in costs in the construction industry, with further implications for the property market and human settlement. One subsector that has already been affected by the decline in timber supply is sawmilling, with the number of sawmills increasing from 96 to 115 between 1996 and 2004, but then decreasing to 90 by 2010. While it is clear that the private sector does have good management capacity and has also ushered in efficiencies across the value chain, the state must still play a significant role to ensure adequate levels of investment, especially for longer-rotation timber/sawlog plantations.

The forest products industry ranks among the top exporting industries in the country. The forestry sector maintained a positive trade balance, with a total value of R19,3 billion in 2013 for exported forestry products. The main markets for forestry exports in 2013 were China (11%), Indonesia (10%), Namibia (8%), Japan (8%) and Botswana (7%). Paper and paper board, pulp of wood, wood and articles of wood, and charcoal were the leading export products and constituted 94% of total forestry products.

Total investment in forestry amounts to R25,6 billion. Mpumalanga has the highest investment in plantations of R10,7 billion (42%), followed by KwaZulu-Natal with R8,9 billion (35%), the Eastern Cape with R3,2 billion (12,8%), the Western Cape with R1,5 billion (6%) and Limpopo with R1,1 billion (4,2%).

5.1.4 Fisheries sector

The fisheries sector contributes roughly 0,1% of the GDP, which is small, even by agricultural standards. However, it is more important for economic development in the Western Cape where 11 of the 13 proclaimed fishing harbours are situated. These contribute more the 5% to Gross Provincial Domestic Product.

The total output is estimated at 600 000 tons worth about R6 billion, depending on the pelagic catch of pilchards and anchovy, which could be as much as 600 000 tons.

It is estimated that the direct employment in the industry constitutes approximately 27 000 jobs (16 000 in the primary sector and 11 000 in the secondary and tertiary sectors), while an additional 81 000 people are indirectly employed in industries that are at least partially dependent on the fishing sector. Fisheries output is determined by catch volumes, which, in turn, depend on the health and management of fish stocks, varying according to ecological changes and subjected to overexploitation through illegal, unreported and unregulated fishing activities.

Inshore species are especially vulnerable to stock depletion, as they are easily accessed, especially illegally. According to one study, 68% of commercial linefish stocks have collapsed, and another 11% is overexploited. DAFF seeks to prevent overexploitation by means of assigning Total Allowable Catch (TAC) and/or Total Allowable Effort (TAE) per species, which are adjusted on a regular basis, depending on the estimated state of the resource. DAFF has also sought to promote transformation in the sector through inclusion of small-scale fishing communities.

The amended Marine Living Resources Act (MLRA) will grant small-scale fishing communities better access to fishing rights and resources.

The effective management of the existing 12 harbours and proclamation of additional new harbours will support resource management. Although wild catch fisheries appear unlikely to expand beyond their present levels, aquaculture is becoming more important as a substitute for wild capture fisheries. While the marine-based “mari-culture” part of aquaculture has been around for some years, focusing on species such as abalone, oysters and mussels, freshwater aquaculture is experiencing a rapid expansion, owing in part to government’s multipronged aquaculture promotion campaign.

In 2011 the total output of aquaculture was 1 884 tonnes with an estimated value of R0.5billion. Growth of production in this sector has been increasing at the rate of 7% per annum since 2010 providing 3 000 direct jobs and another 3 000 indirect jobs.

Unlocking the economic potential of the ocean along the 3 000 kilometer coastline was crystallised through the Operation Phakisa initiative. Operation Phakisa focused on the pillars of the oceans economy, each of which was treated as a laboratory and which developed a number of aspirations. The aspirations of the aquaculture laboratory, if all the identified inhibitors are addressed, are that aquaculture will by 2019 be grown to a R3 billion sector producing 20 000 tonnes of fish and 15 000 direct jobs. Thus in 2015/16, 23 projects will be piloted to find lasting solutions to the inhibitors facing the sector and to create an enabling environment for the sector to achieve the projected aspirations.

5.2 ORGANISATIONAL ENVIRONMENT

To develop an effective and efficient strategy, the department conducted internal and external analyses of resources, capabilities, core competencies to support its strategy implementation and opportunities and threats, respectively. The outcome of the internal analysis helped the department to determine what it can do, while the outcome of the external environment analysis helped the department to identify what it may choose to do. DAFF has a vast knowledge base with skilled and dedicated researchers and scientists across different fields and highly qualified staff relevant to its mandate. Fisheries research is recognised as one of the best in the world. The *African Journal of Marine Science* is also one of the best journals on the continent. In terms of information systems, DAFF has one of the best agricultural geographical information systems in Africa. The high levels of expertise in the department are recognised and used on important international platforms such as the Food and Agriculture Organization (FAO), multinational and bilateral platforms, and international organisations, forums, etc. There is a high level of agricultural economics expertise, knowledge of agricultural marketing chains, knowledge of competition legislation, agricultural tariff policies and administration of preferential market access quotas, knowledge of trade policy and trade-related matters.

DAFF owns a fleet of six large, customised modernised sophisticated protection and research vessels, regarded as the best in the Southern Hemisphere, which are used for important collaborations between countries, on the continent and collaboration in terms of research training, capacity sharing, as well as MCS-related training. DAFF hosts the biggest marine science library in Africa. There are 12 harbours under the management of DAFF, with the option to increase such harbours along the entire coastline. The natural resources such as snoek, abalone, West Coast rock lobster and hake provide DAFF with a competitive advantage.

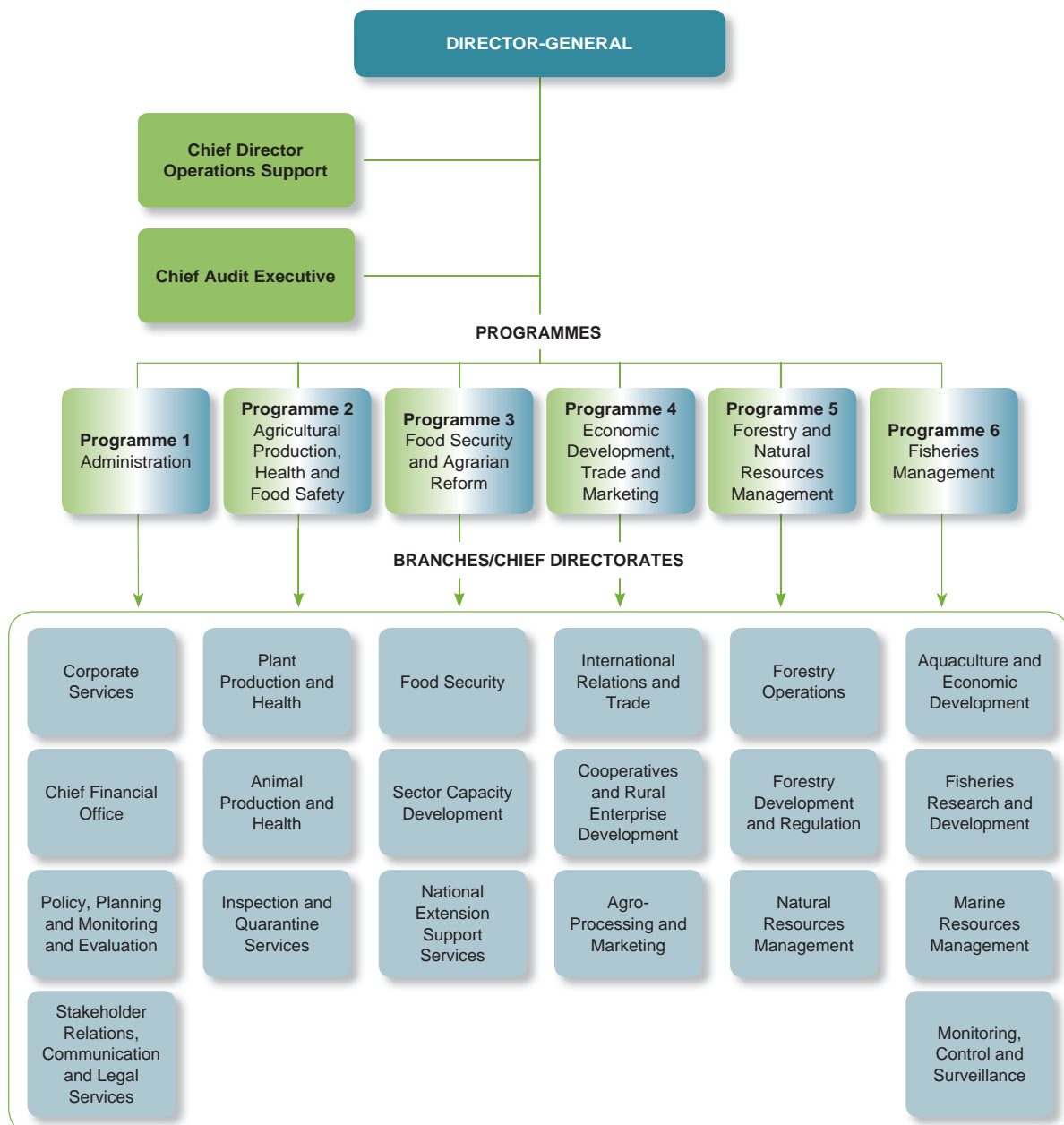
The sector has not been creating more jobs, instead it has shed jobs. However, it is expected to create 1 million jobs by 2030. Agriculture has been identified as a key jobs driver, which presents many opportunities. The fallow agricultural land in the former homelands presents opportunities to increase production. It is also an opportunity for creating a

market for smallholders. However, there is a need to guard against developing a two-tiered marketing system in South Africa with government procurement earmarked for smallholders and the commercial markets reserved for established commercial producers.

The CEO's Forum presents an ideal opportunity to develop relations with industry partners. DAFF's membership to international organisations and signed agreements with international partners present various opportunities for trade and training, for example, BRICS. It must be noted though that SA only has a positive trade balance with Russia, while the other countries are overwhelming the country with their exports.

In our mission to ensure food security, job creation and economic growth there are a plethora of focus areas which require strategic interventions. These challenges include market access, climate change, high production costs and sustainable resource management.

The department will embark on a process to review the current approved organisational structure (shown on page 14) to address the challenges of integration, alignment and optimal utilisation of resources (human, technological and financial). The intended reconfiguration of the structure aims at maximising the economic, efficient and effective performance of the department, thereby improving service delivery and ensuring transformation of the agricultural, forestry and fisheries sectors. Furthermore, the exercise will focus on the strengthening of the internal audit and risk management capacity to enable the department to respond to the Auditor-General's audit findings and achieve a clean audit.



The post establishment has been developed based on the current approved organisational structure and comprises professional, managerial, functional and auxiliary occupational categories. The total funded post establishment (permanent) for the DAFF is 5 988 as at 1 January 2015. The post establishment is monitored through the Departmental Organisational Development Committee, which ensures that only funded positions are captured on PERSAL, thereby maintaining PERSAL clean-up on a continuous basis.

Details of approved establishment and personnel numbers according to salary levels are as follows:

Personnel post status as at 1 January 2015				Number of posts filled on funded establishment						
Posts	No. of posts on approved establishment	No. of funded posts	No. of posts additional to establishment	Actual/filled			Actual/filled (as at 1 January 2015)	Medium-term estimate		
				2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Department	6 737	6 737	241	6 137	6 171	6 095	5 988	6 737	6 737	6 737
Salary levels 1–6	3 878	3 878	213	3 877	3 812	3 686	3 493	3 878	3 878	3 878
Salary levels 7–10	2 255	2 255	4	1 814	1 892	1 926	1 979	2 255	2 255	2 255
Salary levels 11–12	476	476	19	355	357	373	402	476	476	476
Salary levels 13–16	128	128	5	91	110	110	112	128	128	128

5.2.1 Human Resources Strategy

Implementation of HR Vision 2017, which is outlined in the finalised Human Resources Strategy (HR Strategy), has commenced and although much has been achieved in this regard, a lot still has to be done to fully reposition the HR function. In line with the HR strategic intent, the focus during the 2015/16 financial year will be, *inter alia*, on implementation of HR measures, improving employee engagement and implementation of the employee satisfaction survey results.

Critical projects are being implemented towards the realisation of the HR Vision 2017, e.g., development and roll-out of the Executive Coaching and Mentorship Programme will be central to the leadership capability and culture in line with the NDP, which aims to establish focused leadership in the public service. Furthermore, dedicated interventions to improve the culture of performance and consequence management will be intensified. This will enable the department to improve organisational performance, directed from the top.

Introduction of the HR dashboard as an HR information monitoring and reporting tool has resulted in the strategic utilisation of employee information when making decisions regarding employees. This tool will be further refined to ensure continuous improvement and accuracy of decisions on people management. Frequency of reporting against the dashboard is done monthly, quarterly and annually.

Implementation of the strategic partnering approach in the provision of human resource services has improved the working relations between line managers and HR and this is contributing to the achievement of the department's mandate and directing the transformation agenda of government, as well as assisting it to become a high-level performing organisation.

The Management Performance Assessment Tool (MPAT) information is utilised to ensure continuous improvement on HR practices.

5.2.2 HR planning

Human resource planning is central to the determination of the departmental capacity requirements to maximise achievement on the planned strategic deliverables as outlined in this Strategic Plan 2015/16 to 2019/20. In line with the

revised DPSA Directive on Human Resource Planning, which came into effect on 1 July 2014, the DAFF has developed a three-year HR Plan, which will be reviewed annually to ensure that the department is responsive to environmental and policy directive changes to achieve its mandate. Therefore, the required number of officials with the right competencies, in the right places and representativeness in line with the demographics and specified targets, is determined annually.

The following five HR priorities are identified for the current MTEF HR Plan:

- Repositioning HR as a strategic partner to enable DAFF to achieve its strategic objectives
- Employment of the youth in the agricultural, forestry and fisheries sectors
- Transformation of the workforce
- Review of the departmental organisational structure to facilitate integration and eliminate duplication of functions
- Management of the challenges of an ageing and ailing workforce and employee absenteeism.

Key performance indicators are developed for each HR priority to monitor implementation and achievement of the identified priority areas. This approach enables accurate reporting and management of performance information.

The National Treasury has reduced the budget allocation for compensation of employees over the MTEF period 2015/16 to 2017/18. The implications of this reduction are that although the department's human resource needs analysis forecasts a specific number of posts to be filled in each financial year, the deficit in the budget allocation necessitates that fewer posts be filled over the period. It is anticipated that the National Treasury will review its decision on the compensation of employees' budget limitation in view of the centrality of the DAFF to food security and transformation of the sectors.

5.2.3 DAFF's contribution to job creation

5.2.3.1 Refurbishment of Category B and C forest plantations

The DAFF manages approximately 64 000 ha of plantations categorised into Category B and C. These plantations have vast areas suitable for planting, but which are temporarily unplanted. To revitalise the plantations, a large number of jobs will be created by employing workers from the surrounding communities. The funding for this is from the current budget allocation and amounts to R25,6 million for 2013/14; R27,5 million for 2014/15; R29,1 million for 2015/16; and R30,9 million for 2016/17. No funding is obtained for this through CASP or by other means.

South Africa is currently experiencing a shortage of timber and is constrained to meet the national demand for sawlog timber, therefore, by planting the approximately 30 000 ha of currently fallow areas, a strategic contribution can be made to timber supply in order to meet needs along the value chain.

5.2.3.2 LandCare

The LandCare Programme is aligned with government's broader objective of job creation. The temporary jobs created under the programme are funded through the Expanded Public Works Programme (EPWP) and the LandCare Programme adheres to the target of 55% women, 40% youth and 2% people with disabilities as specified by the EPWP. Funding for these projects is transferred quarterly to the respective provincial departments as implementing agents, as conditional grants under the Division of Revenue Act (DORA). Assessment and reporting requirements are specified in DORA, as well as by the EPWP. The provincial departments use the reporting tools provided by the EPWP to report on the number of jobs created. Additional monthly, quarterly and annual reports are forwarded by the provincial departments to DAFF to monitor performance and the impact of the programme on the state of the natural agricultural resources.

The EPWP was introduced as a nation-wide government-led initiative aimed at drawing a significant number of unemployed South Africans into productive work in a manner that will enable them to gain skills and increase their capacity to earn an income. This programme advances the principle of government expenditure, across all three spheres, to provide employment opportunities and skills development to the unemployed.

5.2.3.3 Working for Fisheries Programme

The WfFP serves to render a programme management support function to the DAFF Fisheries Branch. The main objective of the programme is to contribute towards poverty alleviation through interventions that are public-directed while advancing the mandates of the DAFF and the EPWP's Environment and Culture Sector Plan to address the following policy objective:

“Provide work opportunities and income support to poor and unemployed people through the delivery of public and community assets and services, thereby contributing to development”.

The programme, through the implementation of projects, aims to contribute towards the alleviation of poverty while empowering beneficiaries to participate in the mainstream fishing economy in a manner that aligns the programme and projects to government outcomes 4 (decent employment through inclusive economic growth); 7 (vibrant, equitable and sustainable rural communities contributing towards food security for all); 10 (protect and enhance our environmental assets and natural resources); and 12 (efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship) and the department’s associated strategic goals:

1. Effective and efficient strategic leadership, governance and administration.
2. Enhanced production, employment and economic growth in the sector.
3. Enabling environment for food security and sector transformation.

The programme focuses on supporting three key directorates within the department in terms of both mandate and the projects funded. These directorates are:

- Aquaculture and Economic Development
- Monitoring, Control and Surveillance
- Marine Resource Management.

The beneficiary targeting as set by the EPWP III Environment and Culture Sector Plan for 2014/15 to 2018/19 will be implemented by the WfFP. The Sector Plan stipulates that preference should be given to providing work opportunities to, and empowering women, youth and people with disabilities. The environmental and cultural sector beneficiary targeting is as follows:

- 55% of beneficiaries should be women
- 55% of beneficiaries should be youth (to be aligned to the Youth Employment Accord passed by Cabinet)
- 2% of beneficiaries should be people with disabilities.

The jobs created through the WfFP are dependent on the funding approved by the National Treasury for the programme and will either increase or decrease in line with the approved MTEF budgets. DAFF’s contribution to job creation over the MTSF follows below:

Key outcome 4: Decent employment through inclusive economic growth Strategic goal 2: Enhance production, employment and economic growth in the sector Strategic objective 2.1: Ensure increased production and productivity in prioritised areas, as well as value chains					
Indicators	2015/16	2016/17	2017/18	2018/19	2019/20
Number of jobs created through refurbishment of Category B and C plantations	1 575 jobs	1 575 jobs	1 575 jobs	1 575 jobs	1 575 jobs
Number of LandCare jobs [full-time equivalents (FTEs)] created	800 FTEs	800 FTEs	800 FTEs	800 FTEs	800 FTEs
Number of FTE jobs (WfFP)	535 FTEs	600 FTEs	558 FTEs	558 FTEs	–
Number of jobs created through CASP	8 000 jobs	12 000 jobs	15 000 jobs	15 000 jobs	15 000 jobs
Number of jobs created through Ilima/Letsema	7 000 jobs	8 000 jobs	10 000 jobs	10 000 jobs	10 000 jobs

5.3 DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

The DAFF strategic planning process was largely informed by the MTSF for Outcomes 4, 7 and 10. The NDP serves as the umbrella for the cross-cutting strategies, namely the NGP, the IPAP and other government plans. The MTSF Framework took cognisance of the cross-cutting strategies and aligned these clearly and precisely to identify key targets and indicators from the NDP and from other plans, such as the NGP, National Infrastructure Plan and IPAP to be achieved in the period 2014 to 2019. The MTSF identified critical actions and key outputs to be delivered by various departments responsible for delivery during the 2014 to 2019 period to put the country on a positive trajectory towards the achievement of the NDP 2030 Vision. The MTSF became the guiding framework for DAFF to develop its strategic planning process.

In response to the Vision 2030, DAFF reviewed its Vision, Mission, Values, strategic goals and objectives to ensure alignment to the NDP trajectory. The review process developed four strategic goals and eleven strategic objectives, which will form the basis for organising DAFF's work. The process was initiated at the *Bosberaad* with DAFF management reviewing the current Vision, Mission, Values, strategic goals and objectives to support the radical socio-economic transformation. Key indicators for transformation were determined as food security for all, the sector's ability to produce one million decent jobs by 2030 and increasing the contribution of the sector to the GDP.

Workshops were facilitated with all the branches to agree on key actions, indicators and targets for priority areas where DAFF is implicated for Outcomes 4, 7 and 10. The process implied unpacking the key actions from the MTSF and spreading the targets over the five-year period as required by the MTSF process.

To align to the National Treasury Framework for Strategic Planning, the prescribed strategic planning template, which stipulates the strategic goals, strategic objectives, goal statements and objective statements, was utilised to populate the required information. The Annual Performance Plan template was used to populate strategic objectives, indicators and annual targets for the upcoming financial year and the MTEF with quarterly targets for the coming financial year.

The indicators and targets in the Annual Performance plans were broken down into implementable activities in the operational plans. Operational plans highlight clear milestones and various action steps to be undertaken in order to address the respective units' priorities in delivering the Strategic Plan outputs. The plan articulates various deliverables and their associated performance indicators, responsible persons, target dates, etc. The operational plans inform the individual workplans of staff members. The plans and budgets are integrated and operational or line managers are held accountable for the inputs that are allocated to resource their strategic plans. Better budgeting, in terms of the PFMA, extends accountability, not only to expenditure of inputs, but more importantly, to the efficient and effective achievement of outputs in line with strategic priorities. The implementation strategy will reflect on the aspects of daily service delivery activities of DAFF to ensure that its business community is served well.

5.3.1 The departmental planning process

- Step 1** In May, the department commences with the strategic planning process, undertakes an environmental scan and reviews strategic goals, objectives and key priorities.
- Step 2** From the Lekgotla, the department identifies high-level priorities to inform department-wide planning.
- Step 3** The department now undertakes detailed planning to ensure that the priorities outlined in the July Lekgotla and State of the Nation Address (SONA) are considered. This process has to be completed by the end of July/August in preparation for submission of the first draft Strategic Plan/Annual Performance plans to the Department of Performance Monitoring and Evaluation (DPME).
- Step 4** The detailed, facilitated consultations with branches to unpack high-level priorities into actionable plans, thereby determining interventions, setting targets and reviewing indicators takes place in October to November, in preparation for submission of the second draft Strategic Plan/Annual Performance Plan to the DPME.
- Step 5** During February and March, the priorities are communicated to the entire department. This is when detailed annual operational plans are developed at implementation level.

5.3.2 Departmental monitoring and evaluation

The department uses an electronic system known as the Knowledge Bank for reporting purposes. The Annual Performance Plan information from the Strategic Plan together with information on services rendered by the department focusing on external clients, which are in the Service Catalogue, is loaded onto the Knowledge Bank reporting system on an annual basis to be used from May, which is the first period under review for the new financial year. Business unit managers are allocated passwords for reporting rights against targets relating to their functions while Monitoring and Evaluation (M&E) specialists are allocated to each branch for continuous support in ensuring that not only those targets are met, but importantly, also ensuring that reported performance information is, at all times, credible, useful and reliable.

Underperforming services, in particular, are isolated through analysis of in-year reports for consideration in developing the Service Delivery Improvement Plan (SDIP). Reported performance is analysed and obstacles identified and this assists with the implementation of corrective measures as early as possible. Underperforming targets (both services and APP) are escalated for discussion at various management structures with authority to enforce various remedial actions to improve performance.

The department is placing greater emphasis on evidence-based monitoring in which evidence for reported status is analysed to determine its admissibility. There are regular meetings between the M&E and Strategic Planning units to discuss the performance status and mechanisms that can yield improved performance. Performance reports play a key

role in guiding the process of strategic and performance reviews and are discussed at different levels of management meetings to guide decision-making processes.

5.3.3 Strategic goals and objectives

DAFF's strategic goals and objectives are grounded in the MTSF for 2014–19. The MTSF was analysed and issues relevant to the department were identified and developed into four strategic goals and 11 strategic objectives to support each goal.

The strategic goals and objectives tabled on page 19 will be implemented over the medium term through strategic action programmes.

Strategic goals	Strategic objectives
1. Effective and efficient strategic leadership, governance and administration	1.1 Ensure compliance with statutory requirements and good governance practices 1.2 Strengthen support, guidance and interrelations with stakeholders 1.3 Strengthen institutional mechanism for integrated policy, planning, monitoring and evaluation in the sector
2. Enhance production, employment and economic growth in the sector	2.1 Ensure increased production and productivity in prioritised areas as well as value chains 2.2 Effective management of biosecurity and related sector risks 2.3 Ensure support for market access and processing of agriculture, forestry and fisheries products
3. Enabling environment for food security and sector transformation	3.1 Lead and coordinate government food security initiatives 3.2 Enhance capacity for efficient delivery in the sector 3.3 Strengthen planning, implementation and monitoring of comprehensive support programmes
4. Sustainable use of natural resources in the sector	4.1 Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources 4.2 Ensure adaptation and mitigation to climate change through effective implementation of prescribed frameworks

6. Strategic outcome oriented goals of the department

Strategic outcome oriented goal 1: **Effective and efficient strategic leadership, governance and administration**

Goal statement: Provide leadership and administrative support to achieve sector and all organisational goals in accordance with prescribed frameworks

Strategic outcome oriented goal 2: **Enhance production, employment and economic growth in the sector**

Goal statement: Ensure profitable and safe production that contributes to increased market access

Strategic outcome oriented goal 3: **Enabling environment for food security and sector transformation**

Goal statement: Lead and create an enabling environment for the transformation of the sector and the effective implementation of government's initiatives directed at food security job creation and growth

Strategic outcome oriented goal 4: **Sustainable use of natural resources in the sector**

Goal statement: Ensure sustainable use of natural resources





PART B

Strategic objectives

- programme and subprogramme plans -

7. Programme 1: Administration

7.1 PURPOSE

To provide strategic leadership, management and support services to the department.

The programme comprises the Ministry; Office of the Director-General; Financial Administration; Internal Audit; Risk Management; Corporate Services; Stakeholder Relations, Communication and Legal Services; and Policy, Planning and Monitoring and Evaluation.

Ministry: Provides political leadership, decision-making strategic direction, as well as sets national policy on agricultural, forestry and fisheries development.

Office of the Director-General: Provides leadership, strategic direction, policy development, decision-making support and financial oversight for the department.

Financial Administration: Provides the department with sound financial services.

Corporate Services: Renders sound human resource management and development, security and information management services.

Stakeholder Relations, Communication and Legal Services: Provides legal support services, establishes and strengthens intergovernmental and stakeholder relations, manages communication support services, as well as fisheries partnership management services.

Policy, Planning and Monitoring and Evaluation: Directs the provision of policy analysis, formulation, planning and monitoring and evaluation in order to facilitate the improvement of the department's performance.

7.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 1.1: Ensure compliance with statutory requirements and good governance practices

Objective statement	Maintain a sound system of internal controls and risk management by 2019 through the implementation of: <ul style="list-style-type: none"> • Risk Management Plan • Fraud Prevention and Anti-corruption Strategy • Effective oversight of departmental performance management • Development of Internal Audit Plan • Strengthening the skills and human resource base through implementation of the HR Plan • Reducing the number of days to finalise cases of misconduct • Improvement in financial management to obtain an unqualified audit opinion • Development of a Finance Policy Framework to align and integrate funding facilities in the department • Designing of Business Continuity Plan (BCP) • Legislation Review Programme
Baseline	Draft Risk Register and Audit Plan; Fraud Prevention and Anti-corruption Strategy; Human Resources Strategy; Integrated Human Resources Plan submitted to the DPSA; unqualified audit report on financial statements; ICT Disaster Recovery Plan; Mafisa; CASP; Ilima/Letsema; AgriBEE; and LandCare
Justification	Ensure effective and efficient internal controls, ICT, financial and human resource management contributing to the proper, economic and effective use of resources, resulting in improved audit outcomes and improved access to funding by different categories of producers
Links	Public Finance Management Act (PFMA); Public Service Act; Public Service Regulatory Framework; Public Audit Act; Treasury Regulations; Mafisa; CASP; Ilima/Letsema; AgriBEE; LandCare; and Public Sector Risk Management Framework

Strategic objective 1.2: Strengthen the support, guidance and interaction with stakeholders

Objective statement	Strengthen relations and communication between national, provincial and international stakeholders through the coordination of institutional structures and development of media plans by 2019/20
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Baseline	Stakeholder Engagement Implementation Plan developed and Communication Strategy implemented in line with the new priorities of government
Justification	Increased awareness of the department's mandate, projects, programmes and partnerships
Links	Chapter 3 of the Constitution of the Republic and Intergovernmental Relations Framework (Act No. 13 of 2005); Government Communications Strategy

Strategic objective 1.3: Strengthen institutional mechanisms for integrated policy, planning, monitoring and evaluation in the sector

Objective statement	Institutionalise integrated planning processes and mechanisms to reflect broad strategic outcomes of government by 2019 through: <ul style="list-style-type: none"> • Coordination of the policy and research agenda to align with the department's mandate and key strategic priorities and protocols • Providing oversight to public entities • Ensuring a mutual project management approach • Implementing performance measures to improve decision-making • Strengthening the sector information management system • Provision of reports on the implementation of APAP interventions
Baseline	APAP; MTSF Outcome 4; IGDP; Strategic Plan; Annual Performance plans; quarterly performance reports and annual reports; draft Public Entities Governance and Reporting Framework; 2014/15 economic baseline data; Research and Technology Fund; and R&D Strategy
Justification	Availability of comprehensive information to plan, monitor and assess the performance of DAFF and the sector
Links	APAP; MTSF Outcome 4; Agricultural, Forestry and Fisheries Strategic Framework; Treasury Framework for Strategic Plans and Annual Performance Plans; Treasury Framework for Managing Programme Performance Information; Policy Framework for the Government-wide Monitoring and Evaluation System; Framework for Strategic Plans and Annual Performance Plans; and Government R&D Strategy

7.3 PROBLEM STATEMENT

The DAFF is charged with the responsibility of coordinating the development and implementation of agricultural, forestry and fisheries policies, strategies and programmes within the country. While there have been a variety of sector strategies established in the past, and while some progress has been made in some subsectors, there is recognition of a need to sharpen our response to food insecurity, slow growth and job losses in the sector. To this effect the detailed response provided by the recently Cabinet approved Agriculture, Forestry and Fisheries Strategic Framework and its implementation plan, the Agricultural Policy Action Plan (APAP) provides for a programmatic response to the challenges plaguing the sector. The value chain approach espoused by APAP identifies commodities that have the potential to enhance economic growth and to address food security and job creation.

Moreover, DAFF is expected to take a leading role in ensuring food security for all. In carrying out this responsibility, it is expected that key stakeholders and key intergovernmental partners would actively participate in the process throughout the three spheres of government to bring about coherent outcomes.

Furthermore, the approved organisational structure is not fully aligned to the operations of the department, resulting in the inadequate utilisation of resources (human, facilities, technological and financial) and partial achievement of set targets. Planned efforts to review the organisational structure were commenced, but not finalised during the 2014/15 financial year. The delays in the personnel suitability checks (verification of qualifications, criminal and credit record checks) contributed to the slow turn-around times in the filling of positions. The lack of capacity has been exacerbated by the reduction in the budget for compensation of employees, which has been imposed by the National Treasury over the MTEF for the period 2015/16, 2016/17 and 2017/18. The pace of transformation of the workforce with respect to the achievement of the 50:50 ratio between males and females at senior management level and the 2% disability target have been slow, coupled with the challenge of an ageing and ailing workforce, in labour intensive areas, particularly in the Branch: Forestry and Natural Resources Management, which remains a reality that the department is addressing on an ongoing basis.

While technology is an enabler for efficient service delivery, the department's Information Communication Technology (ICT) infrastructure is aged, leaving the organisation vulnerable to imminent failure of systems. The insufficient ICT resources, both human and financial resources, the lack of a Business Continuity Plan to direct the ICT Disaster Recovery Plan (ICT DRP), are regarded as critical risks. Current real experiences of this matter are tested by the Eskom power failure and later electricity surges that are systematically destroying the current ICT infrastructure.

The main challenge within the Risk Management Unit relates to insufficient human resources to adequately and comprehensively implement the unit's mandate. The major challenge within the Internal Audit Unit is the achievement of the approved Internal Audit Plan. There were various vacant positions and a few resignations during the financial year, which further contributed to the challenge to complete all projects on the approved Annual Audit Plan.

Lack of access to finance is also one of the critical constraints for the development or expansion of producers within the value chains in the AFF sectors, mostly at the smallholder level. The provision of adequate funds could make a significant contribution to increasing growth and incomes, creating job opportunities and reducing the vulnerability of producers to economic swings in the sector. While this has the potential to increase incomes and create employment opportunities, it requires the development of an effective and efficient financial development value chain system that will be able to reach a large number of producers on a sustainable basis. Finally, in order to determine success from failure, there is a need for an integrated approach towards planning, measuring and reporting of organisational performance.

7.4 IMPLEMENTATION STRATEGY

The department has developed and approved the Stakeholder Engagement Strategy, which is currently in the implementation stage. The strategy serves as a tool to coordinate, facilitate and formalise structures of engagement with stakeholders within the AFF sectors. There is also a need to review existing structures and initiatives that relate to intergovernmental relations (IGR) engagement.

Cabinet has approved the Agriculture, Forestry and Fisheries Strategic Framework which has been developed to provide a long-term strategy framework for the growth and development of South Africa's agriculture, forestry and fisheries sectors. This strategic framework will enable the sector to address key national priorities and outcomes. The strategic framework is supported by APAP, which is the implementation plan which is expected to evolve on an annual basis. APAP focuses on value chains with high potential for food security, job creation and economic contribution. Spatial planning as espoused in APAP will also focus on the comparative advantages of provinces.

As a result of the reduced budget allocation for the compensation of employees, the department will be reprioritising the vacant positions to be filled on a monthly basis, utilising the savings made from the natural attrition process. During this period, the review of the current approved organisational structure will be expedited. The process will not only address the integration of functions, but also strengthen the internal audit, security and risk management functions, as well as focus on the definition of business processes and development of the departmental service delivery model. Implementation of the HR Strategy is in progress and critical deliverables for this period are on implementation of the recommendations from the employee satisfaction survey and implementation of the Coaching and Mentorship Programme to develop a leadership cadre capable of directing high performance and transformation in the AFF sectors. Monitoring of the implementation of the Job Access Strategy Framework Implementation Plan and Gender Equality Framework Implementation Plan is also on the radar to achieve the desired transformation of the workforce. In order to improve employee health and wellness and reduce the disease burden, a hybrid model of wellness services is being implemented as part of a phased approach, which is outlined in the employee health and wellness concept document.

A final Business Continuity Plan (BCP) will require urgent availability of funds through a reviewed ICT financing model. This will enable the overhaul of the ICT infrastructure that will ensure the effectiveness and success of the BCP. In addition, this will improve the implementation of the DAFF Master Systems Plan (an ICT plan also referred to as MSP). Unfortunately, the technology overhaul is not a one-off exercise, but should be repeated during every MTEF period and measured regularly for improvement.

To address the capacity challenge within the Internal Audit Unit, the department will engage in a co-sourcing agreement for at least a period of two years. This co-sourcing agreement will assist the Internal Audit Unit to achieve the internal audit annual plans and will uplift the current skills within the unit as the transfer of skills must be the major outcome of this agreement.

To improve access to finance, the department is working on an Integrated Development Finance Policy that will integrate similar funding instruments, propose new innovative funding instruments and delivery mechanisms for the finance of smallholder operators. If success cannot be measured and reported, the department cannot learn from it. The department has developed an Integrated Planning Framework, which will guide integration and alignment of planning, monitoring and reporting with other functions within the department.

7.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Ministry	33 798	35 382	37 329
Department Management	23 443	24 642	25 982
Financial Administration	170 668	177 920	188 247
Internal Audit	8 011	8 150	8 554
Corporate Services	163 811	170 197	180 631
Stakeholder Relations, Communication and Legal Services	72 750	75 585	79 858
Policy, Planning and Monitoring and Evaluation	78 460	86 689	87 349
Office Accommodation	179 006	186 764	194 315
Total	729 947	765 329	802 265

7.6 RISK MANAGEMENT

Risk description	Mitigating factors
Scarce and critical skills not retained by the department—a high turnover of employees in critical service delivery areas, resulting in a loss of skills, which will hamper the department in performing optimally and achieving planned targets	<ul style="list-style-type: none"> • Revision of Retention Policy • Employee Satisfaction Survey • Review of the of the implementation of the OSD Framework
Fragmented ICT systems/antiquated knowledge and information management systems, Integration of knowledge and information management	Procurement/development of an integrated system that will link national to the provincial offices
Lack of business continuity plans for the department	Analysis of State Information Technology Agency (SITA) Electronic Content Management system (ECM) solution and other industry solutions
Lack of risk management software	<ul style="list-style-type: none"> • Budget for the new software in the 2015/16 financial year • Procurement of Barn Owl software
Non-availability of CAATs (computer assisted auditing tool/techniques)	Acquire a computer assisted auditing tool and train staff on how to use the tool during audits
Non-adherence to internal audit methodology	In-depth reviews and sign-off of all audit work and audit files to ensure compliance with the internal audit methodology
Inability to coordinate strategic stakeholder engagements	Stakeholder engagements. Year calendar submitted for approval by the Director-General and the Minister
Knowledge and understanding of the significance of IGR	Increase the role of IGR that all stakeholders are knowledgeable
The absence of a guiding policy between the three spheres of government	The mechanism for structured bilateral engagements is Service Level Agreements (SLAs)
Partners may have different objectives to DAFF and this may have a negative impact on implementation	Introduce penalty clauses in SLAs with partners and undertake regular monitoring

8. *Programme 2: Agricultural Production, Health and Food Safety*

8.1 PURPOSE

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

The programme comprises three subprogrammes, namely Plant Production and Health; Animal Production and Health; and Inspection and Quarantine Services.

Plant Production and Health: Focuses on providing national leadership and guidance for increasing agricultural productivity with emphasis on a sustainable plant production system, efficient use of genetic resources and managing risks associated with plant pests, diseases and GMOs.

Animal Production and Health: Aims to improve livestock production, health and safety of animal products through the provision of national leadership and guidance on the implementation of animal production, health and public health strategies, projects and programmes founded on sound animal health and production management principles, an informed extension service and sustainable natural resource management.

Inspection and Quarantine Services: Focuses on the provision of leadership, guidance and support in ensuring compliance with agricultural legislation and regulatory frameworks and overseeing the effective implementation of risk management strategies and plans for regulated agricultural products.

8.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 2.1: Ensure increased production and productivity in prioritised areas, as well as value chains

Objective statement	Promote animal production and products through monitoring the implementation of 2 animal and 2 plant improvement schemes for prioritised value-chain commodities per annum by 2019/20
Baseline	Implementation of 2 animal improvement schemes (Kaonafatso ya dikgomo and poultry) and 1 plant improvement scheme (seed)
Justification	This objective will contribute to increased production efficiency of livestock to ensure food security, sustainable management of farm animals and animal genetic resources and sustainable management of plant genetic resources
Links	Animal improvement schemes; Animal Improvement Act; Livestock Development Strategy; and Animal Improvement Policy. Plant Improvement Act, 1976 (Act No. 53 of 1976) and plant improvement schemes

Strategic objective 2.2: Effective management of biosecurity and related sector risks

Objective statement	<p>Enforce regulatory frameworks to reduce the level of disease outbreaks in production areas to a minimum by 2019/20 through:</p> <ul style="list-style-type: none"> • Conducting 2 planned animal (<i>Pestes des Petits Ruminants</i> (PPR), African horse sickness and avian influenza) risk surveillances per annum • Conducting 1 planned plant (exotic fruit fly) pests and disease risk surveillance • Implementing regulatory compliance and monitoring interventions to prevent plant and animal pest and disease outbreaks (quarantine inspections, surveillance and testing) • Ensure animal disease management and access to primary health-care services through the implementation of the Animal Diseases and Management Plan and implementation of Compulsory Community Services (CCS) by deploying 740 veterinary graduates to rural areas and delivering 18 primary animal health-care clinics to provinces
Baseline	Animal and plant disease surveillance surveys conducted (<i>Pestes des Petits Ruminants</i> (PPR), avian influenza and exotic fruit fly), draft CCS Regulations published and 27 mobile veterinary units delivered to provinces; reports on regulatory compliance of monitoring and interventions; and animal disease management gap analysis report
Justification	This objective will harmonise plans, institutional arrangements and disease and pest management at all levels of government and at ports of entry, as well as promote access to primary animal health care
Links	Animal Diseases Act, 1984 (Act No. 35 of 1984); Agricultural Pests Act (draft Plant Health Bill); Agricultural Pests Act, 1983 (Act No. 36 of 1983); Agricultural Product Standards Act, 1990 (Act No. 119 of 1990); Plant Improvement Act, 1976 (Act No. 53 of 1976); Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976); Liquor Products Act, 1989 (Act No. 60 of 1989); Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997); Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947); Animal Protection Act, 1962 (Act No. 71 of 1962); Livestock Brands Act, 1962 (Act No. 87 of 1962); Livestock Improvement Act, 1977, (Act No. 25 of 1977); Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982); Animal Diseases Act, 1984 (Act No. 35 of 1984); Animal Improvement Act, 1998 (Act No. 62 of 1998); Meat Safety Act, 2000 (Act No. 40 of 2000); Animal Identification Act, 2002 (Act No. 6 of 2002); and Animal Health Act, 2002 (Act No. 7 of 2002)

Strategic objective 4.1: Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources

Objective statement	Promote conservation by developing and implementing the National Plan for Conservation and Sustainable Use of Farm Animal Genetic Resources by 2019
Baseline	Two animal species (Afrikaner cattle and Zulu sheep) conserved and 5 landrace crops repatriated
Justification	Ensure the sustainable use of natural resources
Links	Strategy for sustainable use of genetic resources for food and agriculture; SADC mandated species list for food and agriculture; and FAO Global Plan of Action for Animal Genetic Resources

8.3 PROBLEM STATEMENT

The world population is estimated to increase to nine billion by the year 2050 from the current seven billion. This represents an increase of two billion people in 36 years. This increase in population numbers will require agricultural production to increase by at least 70% to meet the people's dietary requirements. Agricultural production remains a key contributor to the South African economy and a means for the livelihoods of the majority of the country's rural population. Sustained agricultural growth is critical for uplifting the living standards of all South Africans. The required increase in agricultural production will have to take place in the context of increasing competition for financial resources, land resources, a declining natural resource base, variable and unpredictable weather patterns and disease and pest outbreaks. Access to appropriate production inputs, research and development, information dissemination (transfer of technology) and effective regulatory frameworks are critical to ensure sustainable food production and market access.

According to the NGP and the NDP, agriculture has the potential to create close to one million jobs by 2030. In achieving this target, the NGP and NDP provide for, among other interventions, the expansion of irrigated agricultural production, the conversion of underutilised communal land into commercial production and supporting commercial agricultural subsectors with the highest growth potential and regional integration within the context of agriculture. It is, therefore, necessary to provide the required technical support to the producers for optimal utilisation of these resources. Youth unemployment levels remain unacceptably high, despite various interventions. Young people should be encouraged to take up agriculture and farming as a profession and this would require that they be given appropriate technical support to enable them to succeed.

The opening up of international markets in 1994, led to increased exports and imports of agricultural products, as well as the increased movement of goods and people, which, in turn, has led to higher risks to the country and the necessity for improved measures to anticipate and prevent the possible introduction of animal diseases, plant pests, and other undesirable articles such as unsafe food and feed, including agricultural remedies. The international trade environment is highly regulated; as a result, several procedural and technical requirements have to be met before the movement of agricultural goods can occur. Further, consequent to the slowdown in the global economy, we have seen many countries adopting protectionist measures to reduce imports. This has negatively affected South African products/produce. Technical requirements in themselves remain in a state of constant evolution, which requires constant engagement in the relevant standard-setting bodies. The Branch: Agricultural Production, Health and Food Safety will implement policies, programmes and strategies which support sustainable agricultural production, while ensuring that the produced food is safe.

8.4 IMPLEMENTATION STRATEGY

It is important to note that increasing agricultural production requires maximum stakeholder participation across the full value chain. In recognising that agriculture is a functional area of concurrent national and provincial legislative competence, stronger emphasis will be placed on ensuring cooperation between these two spheres of government. The public entities and delegated authorities, as implementation wings within the sector, will be utilised to achieve the goals as set for the sector. In the context of intergovernmental cooperation, the branch will engage with other departments, including the departments of Environmental Affairs, Rural Development and Land Reform, Water and Sanitation, Science and Technology, Health and Trade and Industry, to address cross-cutting issues affecting the sector. To this effect, the department will work with all stakeholders within the sector on initiatives and interventions to increase production within the subsistence, smallholder and commercial environments.

The Branch: Agricultural Production, Health and Food Safety will also engage all spheres of government to support institutional capacity towards the comprehensive implementation of its programmes and strategies. Job and wealth creation lie at the epicentre of these programmes and strategies; coordinated implementation is therefore crucial in delivering the expected targets.

The strategic interventions for the programme aim to support production and enable safe and fair trade through the implementation of plant and animal production policies and strategies and managing and maintaining risk management systems. This will be achieved by maintaining and, where required, strengthening the regulatory and policy frameworks for agricultural production, health and food safety; responding to the threat of quarantine pests and diseases of economic importance through periodic surveillance and maintenance of early warning systems and response plans; supporting the production of commodities with high growth and labour absorbing potential, contributing to the conservation of indigenous plant and animal genetic resources; increasing public sector investment in agricultural production; maintaining coherent participation in international standard-setting forums; promoting public awareness of national and international regulatory measures; improving compliance with legislation and international requirements through effective biosecurity and food safety frameworks; and the effective implementation of risk management strategies. The programme recognises that its regulatory oversight role involves several role players across all spheres of government; it will therefore continue its efforts to appropriately clarify roles and responsibilities across the value chain.

The branch is also responsible for several pieces of legislation, which aim to manage the risks associated with food, diseases, pests and trade, as well as the safety and quality of agricultural inputs and remedies. In an effort to improve the administration of these pieces of legislation, a process of systematic amendments was initiated under the department's legislative review process. In general, all amendments aim to bring about technical enhancements, alignment with other relevant legislation and the post-1996 Constitutional Framework. The branch will continue further work on the Agricultural Product Standards Amendment Bill, Animal Diseases Amendment Bill, Animal Identification Amendment Bill, Animal Improvement Bill, Animal Welfare Bill, Fertilizers and Feeds Bill, Liquor Products Amendment Bill, Meat Safety Amendment Bill, Plant Breeders' Rights Amendment Bill, Plant Health (Phytosanitary) Bill, Plant Improvement Bill, the National Pounds Bill, the Onderstepoort Biological Products Amendment Bill and the Perishable Products Export Control Board Bill.

8.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Management	2 756	2 824	2 632
Inspection and Quarantine Services	321 630	336 884	360 472
Plant Production and Health	549 578	575 027	611 151
Animal Production and Health	456 873	194 103	204 938
Agricultural Research	803 933	812 989	974 583
Total	2 134 770	1 921 827	2 153 776

8.6 RISK MANAGEMENT

Risk description	Mitigating factors
Outbreaks of plant and animal pests and diseases	<ul style="list-style-type: none"> Regular surveillance of existing and emerging pests and diseases Managing regulatory frameworks
Inadequate implementation of production improvement schemes	<ul style="list-style-type: none"> Regular monitoring of weather patterns and advices Adaptation and mitigation to climate change
Restrictive conditions of export markets for agricultural products	Regular monitoring of market access requirements

9. *Programme 3: Food Security and Agrarian Reform*

9.1 PURPOSE

The programme facilitates and promotes household food security and agrarian reform programmes and initiatives through the implementation of the National Policy on Food and Nutrition Security, targeting subsistence, smallholder and commercial producers. It comprises three subprogrammes, namely Food Security; Sector Capacity Development; and National Extension Support Services.

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

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

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

9.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 3.1: Lead and coordinate government food security initiatives

Objective statement	Institutionalise the National Policy on Food and Nutrition Security initiative by 2019/20, through: <ul style="list-style-type: none"> • Coordination of the implementation of the National Policy on Food and Nutrition Security • Increasing the number of households benefiting from food and nutrition security initiatives by 200 000 • Establishing and supporting 80 000 smallholder producers • Cultivating 600 000 ha of underutilised land in communal areas for production
Baseline	National Policy on Food and Nutrition Security; Comprehensive Food Security and Nutrition Strategy; IFSS; and Fetsa Tlala
Justification	Coordinate food security initiatives to enhance access and availability of food
Links	Comprehensive Food Security and Nutrition Strategy; IFSS; and Fetsa Tlala

Strategic objective 3.2: Enhance capacity for efficient delivery in the sector

Objective statement	Improve delivery capacity in support of sustainable growth in the sector through the implementation of the National Agriculture, Forestry and Fisheries Training and Education Strategy and National Policy on Extension and Advisory Services, as well as deploying 100 extension support practitioners to commodity organisations by 2019/20
Baseline	Agricultural Education and Training Strategy (2005) and draft National Policy on Extension and Advisory Services
Justification	Improve extension services in the sector and promote agricultural training institutes to be centres of excellence
Links	Extension Recovery Plan (ERP); National Policy on Extension and Advisory Services; and National Education and Training Strategy

Strategic objective 3.3: Strengthen comprehensive support systems and programmes

Objective statement	Provide strategic leadership to ensure effective and efficient utilisation of all producer development support through the development and implementation of the Comprehensive Producer Support Policy by 2019/20
Baseline	Smallholder Development Strategy and the Norms and Standards on Comprehensive Producer Development Support
Justification	Ensure the provision of relevant support to different categories of producers
Links	Smallholder Development Strategy; CASP; Ilima/Letsema; and Mafisa

9.3 PROBLEM STATEMENT

There is a growing threat of food insecurity, not only in South Africa, but also in the rest of the African continent. This threat is further compounded by a growing population and evidence of a decline in farm yields. The challenges of the rising costs of farming relating to the agricultural inputs, ineffective utilisation of available agricultural land (including mismanagement of natural resources), the increasing threat of climate change and inadequate investment in agricultural production, all pose a threat to food security. There is a need to coordinate and integrate all the support provided to subsistence and smallholder producers to ensure the accessibility, stability and availability of food in the context of the National Policy on Food and Nutrition Security.

9.4 IMPLEMENTATION STRATEGY

The National Policy on Food and Nutrition Security will be implemented to support food security production programmes. The success of these programmes will depend on the establishment of relevant food security structures such as the National Food and Nutrition Security Advisory Council, provincial and local food security committees, including the food security technical task teams, where all role players and contributors to food security will regularly meet to address pertinent food security-related matters. In terms of production by subsistence and smallholder producers, specific commodities will be targeted (as outlined in the APAP and Fetsa Tlala) in line with the food and market demand within a given geographical area. Over the medium term, the focus will be on household food production and food security through targeted support to subsistence and smallholder producers and/or processors. Optimum production by smallholder farmers/producers will ensure that a third of what they produce is for own consumption, a third for storage, while the last third will be for national and international markets. Through the Enhanced Mechanisation Policy and the implementation thereof, improved public-private partnerships on food production and improved planning and logistics on the handling, storage and distribution of food products, as well as the revitalisation of colleges of agriculture into agricultural training institutions, food availability will be enhanced.

9.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Management	2 781	2 876	3 021
Food Security	1 298 028	1 322 573	1 426 039
Sector Capacity Development	255 708	232 148	248 157
National Extension Support Services	373 780	385 244	404 318
Total	1 930 297	1 942 841	2 081 535

9.6 RISK MANAGEMENT

The following risk factors and mitigating factors were identified for the Food Security and Agrarian Reform Programme:

Risk description	Mitigating factors
Insufficient human resources and appropriate skills in key positions (especially at SMS level for the Extension Recovery Plan, implementation roll-out and monitoring and evaluation)	Recruitment and appointment of capable personnel to fill vacant posts. Furthermore, there will be skills development training on project management, people management and coordination for officials in middle and senior management positions in the programme
Lack of information management and effective coordination of reporting	Skills development in the areas of information management and reporting will be provided to the relevant officials
Insufficient financial resources for the implementation of priority food security projects	This will be mitigated through effective budgeting and planning and the programme will participate in the national Agricultural Sector Budgeting Forum, commonly referred to as the 10 x 10
Delay in procurement processes	A procurement plan outlining all procurement needs for the branch will be developed on a yearly basis

10. Programme 4: Trade Promotion and Market Access

10.1 PURPOSE

Promote economic development, trade and market access for agricultural, forestry and fisheries products and foster international relations for the sector. The programme comprises three subprogrammes, namely International Relations and Trade; Agro-processing and Marketing; and Cooperatives and Rural Enterprise Development.

International Relations and Trade: Facilitates and coordinates international relations and trade through negotiations, development and implementation of appropriate policies and programmes.

Agro-processing and Marketing: Develops and implements support programmes to promote market access and value addition for agricultural, forestry and fisheries products.

Cooperatives and Rural Enterprise Development: Facilitates and supports the development of businesses to ensure transformation of the agricultural, forestry and fisheries sectors.

10.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 2.3: Ensure support for market access and processing of agriculture, forestry and fisheries products

Objective statement	Improve market access by 2019/20 through implementation of: <ul style="list-style-type: none"> • Smallholders linked to markets • Fruit and Aquaculture Value Chain Round Table (AVCRT) /network • Trade Strategy and International Relations Strategy • Trade Competiveness Development Plan • Establish 78 new cooperatives, support (training) of 595 exiting cooperatives • Monitoring the implementation of the AgriBEE Sector Code and Forestry Sector Code
Baseline	Integrated Marketing Strategy for Agriculture, Forestry and Fisheries; aquaculture and fruit value chain network institutionalised; 108 commodity-based cooperatives established and 110 cooperatives supported; implementation of the Trade Competitiveness Development Plan, building of market research capacity South-South Cooperation Agreement with emphasis on BRICS; approved AgriBEE Sector Code; and report on status of transformation in the forestry sector
Justification	Increase market access for agricultural, forestry and fisheries sector products domestically and internationally by providing an avenue for private sector and government partners to build and implement joint action plans for market success over the medium to long term, as well as transformation of the agricultural and forestry sectors in line with the Sector Code scorecards
Links	Outcome 7; Outcome 4; Marketing Strategy; Agro-processing Strategy; Trade Strategy; International Relations Strategy; AgriBEE Sector Code; and Forestry Sector Code

10.3 PROBLEM STATEMENT

Since the advent of deregulation of agricultural markets and liberalisation of international trade, the South African agriculture, forestry and fisheries sectors have become integral parts of the global economy. The re-entry and expansion of these sectors into the global trade environment necessitated the sectors to adjust in order to become relevant to the changed environment, as well as to play a significant role in world trade in AFF products. In particular, the sectors had to play leading roles in ensuring that technical issues remain relevant to the sectors and prominent in trade negotiations with a view to maintain and access new markets. This had to be achieved while ensuring the safety of our borders through the implementation of phytosanitary measures. From a trade point of view, the challenge facing the sectors is to diversify their export destinations, as well as to broaden the basket of commodities and value-added products that are destined for the export markets. Market access for developing producers has also been identified as one of the key challenges for the department.

In pursuit of addressing the challenges, the DAFF will implement the strategy aimed at lifting market access barriers such as facilitating the establishment of agricultural marketing infrastructure, providing marketing information to producers, participating in trade negotiations and implementation of trade agreements, as well as providing access to capacity-building training programmes as part of increasing the knowledge base of producers. In the implementation of South Africa's foreign policy objectives, the DAFF will continue to interact with various sector stakeholders at national, regional and international levels. The department will consolidate its interactions through bilateral and multilateral engagements. A new strategic partner should be identified in line with the consolidation of the African Agenda.

A further need has been identified to put systems/mechanisms into place to monitor engagements with international partners through the identification of priority countries as per the foreign policy.

10.4 IMPLEMENTATION STRATEGY

Strategies and interventions aimed at improving market access will continue to be implemented. The interventions will focus on training, providing marketing information and facilitating the establishment of agricultural marketing infrastructure for developing farmers and addressing trade barriers for all exports. The DAFF will participate in trade negotiation sessions aimed at improving access of South African AFF products to regional and international markets. Furthermore, to enhance and protect South Africa's AFF interests within the multilateral trade environment and rules, trade analysis will be provided. In addition, capacity building within government and the sector with regard to trade and investment intelligence will be supplied through cooperation agreements with international and local service providers. Furthermore, a close working relationship with the sector on trade issues will be maintained. In an effort to strengthen international relations, the main focus will be on the implementation of agreements, especially through continuous engagements with both bilateral and multilateral partners. Special emphasis will also be placed on engagements with new strategic partners, in line with the consolidation of the African Agenda.

The implementation strategy will focus on finalising the signing of the Comprehensive African Agricultural Development Programme (CAADP) Compact by DAFF, as well as developing investment plans, strengthening South-South cooperation (India, Brazil and South Africa) and North-South relations, as well as contributing towards the United Nations reform process. The strategy is informed by the foreign policy objectives and the International Cooperation Trade and Security Cluster (ICTS) priorities. In addition to the signing of agreements with different international partners, the sub-programme will focus on the implementation and monitoring of agreements, which will take centre stage. Various funding options will be explored to assist with the implementation of the agreements. The success of this process will depend on the collective collaboration and existing partnerships with relevant stakeholders. In this context, there is the questionable ability of partners to implement the agreements because of capacity constraints. It is, therefore, critical that partnerships with the SADC, BRICS and IBSA be prioritised. Furthermore, as recommended by the ICTS cluster, post-conflict reconstruction efforts will take preference.

10.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Management	2 732	2 809	2 963
International Relations and Trade	112 385	115 838	122 114
Cooperatives and Rural Enterprise Development	68 240	120 962	74 676
Agro-processing and Marketing	54 805	56 020	64 140
Total	238 162	295 629	263 893

10.6 RISK MANAGEMENT

A risk profile for the branch has been developed and this feeds into the DAFF risk profile. Measures to mitigate risks have been put into place. These range from the training of officials on information security measures with the view to mitigate the risk of loss of trade information as well as the implementation of the existing International Relations Strategy to lessen the risk of the fragmented coordination of DAFF's bilateral and multilateral engagements.

Risk description	Mitigating factors
Global trade regulations on agriculture	<ul style="list-style-type: none"> Quarterly bilateral meeting with the dti The dti to agree to following the Agricultural Trade Competiveness Development Plan
Agricultural sector not transforming to expectation	AgriBEE enforcement measures to be put into place
Non-competitive behaviour of players in the agricultural sector	Engage the Competition Commission to agree on a strategy to improve healthy competition within the agricultural, forestry and fisheries sectors
The department does not have direct control over agricultural production	<ul style="list-style-type: none"> Clear Agricultural Policy Implementation of the Agricultural Policy

11. Programme 5: Forestry and Natural Resources Management

11.1 PURPOSE

To provide strategic direction and leadership to the department with regard to the promotion of the sustainable management, use and protection of forests and natural resources to achieve social and economic benefits and to promote development.

The programme comprises three subprogrammes, namely: Forestry Operations; Forestry Development and Regulations; and Natural Resources Management.

Forestry Operations: Ensures the sustainable management of state forests and assets (e.g. nurseries) in order to optimise social and economic benefits in rural areas and to promote sector growth in the nine provinces of South Africa.

Forestry Development and Regulations: Provides leadership, advice and direction in the formulation of forestry development and regulation policies, strategies and frameworks and ensures the effective promotion and development of small-scale and commercial forestry.

Natural Resources Management: Facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests, the efficient development and revitalisation of irrigation schemes and water use. The subprogramme facilitates climate change mitigation and adaptation, risk and disaster management, as well as promotes, regulates and coordinates the sustainable use of natural resources (land and water).

11.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 4.1: **Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources**

Objective statement	Ensure the conservation, protection, rehabilitation and sustainable management of forests by 2019/20 through: <ul style="list-style-type: none"> • Replanting of 8 625 ha in TUP areas • Certification of 3 plantations for the Forestry Stewardship Council (FSC) • Conducting environmental impact assessments to enable SMMEs to obtain afforestation licences • Implementation of the Agro-forestry Strategy • Revitalise 1 250 ha on irrigation schemes • Promulgation of the Preservation and Development of Agricultural Land Framework Bill by Parliament • Restoring 80 000 ha of agricultural land and 1 500 ha of state indigenous forests and woodlands through rehabilitation that includes area fencing; controlling of weeds and alien invasive species; veld reclamation; clearing of alien invasive plants; tree planting; soil conservation works; and natural regeneration
Baseline	30 000 ha of agricultural land and 500 ha state indigenous forests and woodlands rehabilitated; 2 300 ha TUP; 1 468, 25 FTEs
Justification	Rehabilitation is a long-term effort that is aimed at restoring the degraded forests and agricultural land (caused by fire, unsustainable harvesting of timber, road construction and weed infestation), back to their productive use for sustainable natural resource management Reduction of TUPs in the state plantations is critical in pursuit of sustainable forest management, thereby ensuring the supply of timber in the country Track number of hectares on revitalised irrigation schemes and irrigated areas expanded using CASP and Ilima/Letsema funding to increase irrigation water-use efficiency
Links	Forestry Sector Charter; DAFF Agricultural, Forestry and Fisheries Strategic Framework; National Forestry Action Programme (NFAP); National Forestry Programme (NFP); Forestry 2030 Roadmap; NGP; Forestry FSC; Conservation of Agricultural Resources Act (CARA); and NGP

Strategic objective 4.2: Ensure adaptation to climate change through implementation of effective prescribed frameworks

Objective statement	Implement Climate Change Mitigation and Adaptation Plan to improve adaptability and productivity of livestock and plant species by 2019/20 (implement Climate Change Plan through the biogas production integrated crop-livestock system)
Baseline	Develop and submit climate change adaptation and mitigation programmes for approval
Justification	The biogas production integrated Crop-livestock System aims to raise awareness of climate change among different stakeholders in the agricultural community. It will promote the integrated crop-livestock production system. The main activity is to build biodigesters for generation of biogas for cooking and lighting from livestock manure. It proposes to integrate crop and livestock production, tackling both mitigation and adaptation to climate change
Links	DAFF IGDP and NGP

11.3 PROBLEM STATEMENT

The forestry and natural resource management sector experienced challenges which impeded the sector from realising its potential for contributing to job creation and conservation of biological diversity. Challenges include shortages of timber products; biased equity distribution in the value chain; slow afforestation uptake owing to cumbersome licensing processes; and the impact of natural hazards, which threaten food security. Unsustainable land-use practices are intensifying and this has contributed to the deterioration of soils. The collapse and reduced efficiency of smallholder government irrigation schemes remains a challenge. Research and development is not currently addressing the full extent of the challenges, mainly because of budget constraints.

South Africa is approaching the limits of increasing productivity from a declining natural resource base, especially high-potential crop land. There is an urgent requirement to intensify agriculture and enhance food production systems in order to achieve food security. On the other hand, there is a requirement to implement an afforestation programme in line with the obligations of the Forest Sector Charter to ensure meaningful social and economic transformation. While most of these challenges are capital intensive to address, they also present an opportunity for a collaborative and integrated approach to maximise on synergies that catalyse contributions of forests to food security.

11.4 IMPLEMENTATION STRATEGY

The department has developed a number of strategies, including the Forestry Protection and Research Strategy and the Forestry 2030 Roadmap. Furthermore, in the APAP, the need to improve fire management throughout the country is acknowledged. The NDP identifies successful land reform, job creation and rising agricultural production as key to the development of the economy. To this end, the DAFF will plant up 2 300 ha of temporary unplanted areas (TUPs) annually for five years, renewing 11 500 ha of state-owned plantations, thereby creating 12 000 jobs. Of these jobs, approximately 500 will provide full-time employment opportunities. The forestry component will support 1 400 small forestry growers a year, resulting in improved silviculture and forest protection for 7 000 small growers. Refurbishment of infrastructure for government irrigation schemes will benefit small-scale farmers on an ongoing basis, with a refurbishment plan that will support 250 ha of irrigated agricultural land in 2014/15.

Over a period of five years, refurbishments supporting a total of 1 250 ha will be undertaken for optimum production. For the next five years, the Climate Change and Adaptation Programme will focus on one adaptation intervention category annually and will cover the following initiatives: Climate change research on crop suitability; climate change vulnerability mapping for farming systems; climate change capacity building and awareness creation; climate change adaptation and mitigation; and research on biogas production integrated with crop/livestock systems. Through the LandCare Programme, 90 000 ha will be rehabilitated over three years and this will create 900 FTE jobs per year. A total of 500 ha of land will be rehabilitated in 2014/15 by means of the Woodlands and Indigenous Forest Management Programme and a total of 1 500 ha over three years.

11.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Management	6 516	3 939	3 759
Forestry Operations	469 531	487 978	516 102
Forestry Development and Regulations	55 092	57 992	61 107
Natural Resources Management	375 425	404 133	406 481
Total	906 564	954 042	987 449

11.6 RISK MANAGEMENT

Adequate consideration has been given to potential risks that may affect the realisation of the strategic objectives/indicators as stated, and mitigation interventions are outlined. Rehabilitation of the state plantations by planting of TUPs is cost intensive and newly planted areas are always exposed to the risk of unwanted fires or pests and diseases. The DAFF is utilising its own funding allocation for both the planting of TUPs, as well as for forest protection from fires or pests and diseases. Plans for mitigation of forest fires include collaboration with the Working on Fire (WoF) Programme to obtain assistance with fire management at the cost of the WoF Programme. This arrangement helps to free some funding for plantation rehabilitation. Another important collaboration is with the EPWP, which provides an incentive to the amount of R4,5 million a year towards labour for the planting of TUPs, thereby also assisting DAFF to free some funding for plantation rehabilitation. DAFF is in the process of procuring fire tankers each year over the five-year period, seven of which will be ordered during 2014/15. This equipment will improve DAFF's fire readiness and forest fire fighting capacity. Another notable risk is inadequate funding support for the 7 000 small timber growers.

The department recognises that supporting small growers is important to enable them to become technically proficient in forestry and to access development funding, as well as the necessary afforestation licences. At present, access to funding is limited and work is under way strongly motivating for the inclusion of forestry development in existing farmer support programmes, such as the CASP and relevant incentive schemes offered by the dti and other development finance institutions.

Meanwhile, DAFF, has in the past, made provision to fund the requisite EIAs for small growers towards afforestation licensing, and this category of the indigent populace will continue to be supported in this manner over the next few years. This support has had a positive effect on the number of afforestation licences granted and has contributed to food security because small growers integrate agro-forestry into their plantings, whereby short rotation agricultural crops are inter-planted with trees. Refurbishment of government irrigation schemes to support smallholder farmers in accordance with the plan for optimum production on irrigated land, has historically been threatened by inadequate funding.

At present, the refurbishment is done within the limits of available funds supported by CASP. Considering the importance of this branch in supporting the contribution of smallholder farmers to food security, the programme is a contender for emergency funding, for which business plans have been compiled. The projected impact of climate change on the AFF sectors presents both threats and opportunities. Planned climate change interventions are funded by the annual appropriation and will be available for the MTEF period. It is, however, uncertain whether the implementation of all proposed interventions can be adequately provided for by government alone, and in this regard, collaborative partnerships are a feasible option. The identified risk and mitigation factors are outlined in detail in the following table:

Risk description	Mitigating factors
Loss of agricultural land	Development of a Policy for the Protection and Preservation of Agricultural Land
Revitalisation, establishment and expansion of irrigation schemes	Development of the following: <ul style="list-style-type: none"> • Draft revitalisation of irrigation schemes' irrigation infrastructure • Draft business plan for the expansion and establishment of new irrigation schemes • Irrigation Strategy

12. Programme 6: Fisheries

12.1 PURPOSE

Promote the development, management, monitoring and sustainable use of marine living resources and the development of South Africa's fisheries sector. Sustainable livelihoods will be promoted through aquaculture growth and fisheries economic development. The programme comprises five subprogrammes, namely Aquaculture and Economic Development; Fisheries Research and Development; Marine Resources Management; Monitoring, Control and Surveillance; and Fisheries Operations Support.

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

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

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

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

Fisheries Operations Support: Provides support for fisheries and aquaculture economic development and livelihood opportunities.

12.2 PROGRAMME AND SUBPROGRAMME PLANS

Strategic objective 2.1: Ensure increased production and productivity in prioritised areas as well as value chains

Objective statement	Create an enabling environment for the sector's growth by 2019/20 through: <ul style="list-style-type: none"> • Implementation of the Aquaculture Act • Providing support to 23 aquaculture catalyst projects for sustainable development of the aquacultural sector as per Operation Phakisa • Providing support to 10 research projects
Baseline	National Aquaculture Strategic Framework; 10 fish farms supported; and research projects on interactions between aquaculture operations and the environment
Justification	Facilitate an enabling environment for investment in production, support of infrastructure and to promote expansion and diversification for aquaculture to increase fish production and improve livelihoods
Links	National Aquaculture Policy Framework (NAPF); Agricultural, Forestry and Fisheries Strategic Framework; NGP; and EPWP

Strategic objective 3.1: Lead and coordinate government food security initiatives

Objective statement	Framework for allocation of fishing rights (access to harvest fish for a specific period of time) and the implementation of the Small-scale Fishing Policy to alleviate poverty, promote food security and to ensure sustainable utilisation, as well as equitable and orderly access to the marine living resources by 2019/20
Baseline	Fishing Rights Allocation Process (FRAP) 2013 policies; regulations promulgated under the MLRA amended to include the management of small-scale fisheries
Justification	Control and regulate the sustainable and equitable utilisation of marine living resources and advance transformation of the fisheries sector, and to alleviate poverty through the promotion of food security and employment
Links	MLRA; Small-scale Fisheries Policy; Conservation of Agricultural Resources Act; Agricultural, Forestry and Fisheries Strategic Framework; and NGP

Strategic objective 4.1: Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources

Objective statement	Ensure compliance and management of fish stocks by 2019/20 through: <ul style="list-style-type: none"> • Implementation of the IFSS, enforcement mechanisms to combat illegal fishing activities • Updating of recovery plans for the two sectors: Abalone and West Coast rock lobster to increase fish stock levels
Baseline	4 598 compliance and enforcement measures in the 4 prioritised fisheries sectors: Hake, abalone, rock lobster and linefish implemented. Regulations promulgated under the MLRA amended to include the management of Small-scale Fisheries and Fishing Rights Allocation Process (FRAP) Framework drafted
Justification	Reduce the rate of depletion of threatened fish stocks
Links	MLRA; IFSS, Agricultural, Forestry and Fisheries Strategic Framework; and NGP

12.3 PROBLEM STATEMENT

The fisheries sector is a small, yet significant contributor to the country's economy and provides food and jobs for many South Africans. However, this sector, like many other traditional economic sectors, has been experiencing a considerable decline over the past few years. Challenges in this regard include the international economic recession and increasing global competition and shrinking markets; environmental factors such as migratory patterns of marine species and climate change, increasing illegal fishing and poaching and a higher demand for access to the finite marine resources.

These challenges necessitate strategic shifts in the way in which resources are allocated, accessed, managed and policed.

- **Limited natural resources:** The sector is facing declining, and in some instances, collapsing fish stocks, while at the same time the country is experiencing a growing reliance on the fish resources as a source of food security. The challenge to the department is to address recovery and rebuild measures for depleted stocks; to allocate the finite resources in a way that deals with the competing challenges of transforming the sector; to provide access to resources to the previously excluded small-scale fishing sector, while remaining globally competitive, but managing the resources sustainably; broadening the scope of aquaculture and supporting fishing communities to find alternative livelihood avenues in order to ensure sustainable food security.
- **Access to markets:** Persistent changes in the global market conditions continue to pose challenges to the fisheries sector's ability to access markets for the exportation of fishing products and economic growth.
- **Climate change:** This has resulted in the migration of natural resources from their original habitat, therefore leading to increasing levels of poverty, unemployment, infrastructure dilapidation owing to either closure and/or relocation of fish-processing facilities to other areas.
- **Illegal fishing:** Fisheries generally is a highly contested industry, both locally and globally. It is plagued by syndicated crime, overexploitation of high-value species, corruption and poor compliance levels. The department, therefore, has to introduce comprehensive responses to this complex, highly technical and technologically advanced challenge by intensifying its monitoring and compliance efforts and working in close cooperation with other law enforcement agencies.

12.4 IMPLEMENTATION STRATEGY

The department will promote the conservation and sustainable use of marine resources and the recovery of depleted fish stocks by implementing the stock recovery plans and strategies for hake, abalone, West Coast rock lobster and linefish by 2016/17. While implementing an ecosystem approach for fisheries management, the department will continue to embark on fishery specific research, which will inform the setting of Total Allowable Catches/Total Allowable Effort (TACs/TAEs) in 22 fishing sectors. Fishing rights will be reallocated on a long-term basis in those fisheries where rights are due to expire in 2015, 2016 and 2020. The department will also focus on the implementation of the Small-scale Fisheries Policy and broadening the scope of the aquacultural sector, including the development of a legislative framework for the management of marine and freshwater aquaculture.

The department will continue to grow the fisheries sector by broadening the scope of the aquacultural subsector through facilitation of investments in production and support infrastructure, provision of support to community-based projects and commercial freshwater and marine fish farms, and by expanding the production base through ongoing pilot research projects on the commercial viability of new aquaculture species and full implementation of the Aquaculture Research and Technology Development Programme. Fisheries and aquaculture are guided by national and international obligations and legislation. Regional Fisheries Management Organisations (RFMOs) and regional programmes such as the Benguela Current Commission (BCC) and other related programmes will be implemented. The Fisheries Implementation Strategy, as aligned to Outcomes 4, 7 and 10, will consider the departmental key strategic thrusts, i.e. job creation, food security and Smallholder Development Strategy.

The Working for Fisheries Programme (WFFP) will remain one of the vehicles for economic growth and sustainable livelihoods. The IFSS will be implemented in order to coordinate and improve enforcement efforts, to reduce illegal fishing and to ensure compliance with the MLRA.

The department will also embark upon strategies to assist the fishing industry to remain globally competitive by adopting internationally accepted fisheries management practices. Further, opportunities and livelihood alternatives in the fishing communities will be created through the implementation of WFF projects in coastal and rural communities.

12.5 RESOURCE CONSIDERATIONS

Per subprogramme	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Management	2 168	2 283	2 427
Aquaculture and Economic Development	32 298	34 010	36 152
Monitoring, Control and Surveillance	72 950	76 818	81 656
Marine Resources Management	19 653	20 694	21 998
Fisheries Research and Development	57 575	60 625	64 445
Marine Living Resources Fund	258 623	268 441	281 864
Total	443 267	462 871	488 542

12.6 RISK MANAGEMENT

The Fisheries Branch (and the MLRF, as a public entity) has identified the following six enterprise risks and the corresponding corrective actions:

Risk description	Mitigating factors
Inability to carry out core fisheries functions and mandates and inability to meet predetermined objectives	Involve the formulation of a plan to improve the efficiency of revenue collection; investigate potential additional sources of revenue; making a business case to National Treasury for additional MTEF allocations; realistic planning and target setting matched to available budget and human and other resources; utilising underexpenditure in other cost centres, and revisiting the Strategic Plan as a last resort with the aim of revising some of the targets
Inadequate ICT processes and ageing technology	Develop appropriate, approved policies aligned to business objectives, including an Infrastructure Replacement Plan; the development of an electronic data management system; and tightened security with accompanying training
Inadequate Supply Chain Management (SCM) processes	Further training will be conducted for SCM practitioners and line managers to ensure that staff are kept up to date on Treasury Regulations; ensuring that SCM staff have an understanding of MLRF operations and requirements. An enterprise procurement plan has to be developed on a yearly basis
Insufficient human resources and appropriate skills in key positions	Coordination with of the Branch: Corporate Services and the office of the CFO to ensure adequate personnel and HR budget. The MLRF must formally adopt HR policies applicable to staff in the Fisheries Branch
Insufficient budget to cover personnel and operational requirements	Make business case motivations to National Treasury and increase efforts to collect all revenue sources



PART C

Links to other plans

13. Fixed capital assets

13.1 ACQUISITION AND ASSET MANAGEMENT

The department normally plans for the construction of new buildings and repairs and maintenance of fixed capital assets in conjunction with the official programme of the DPW. Once needs have been identified, a certified needs assessment is submitted to the DPW as the custodian of all government buildings.

Project name	Type of infrastructure	Service delivery outputs	2015/16	2016/17	2017/18
			R'000	R'000	R'000
Foot-and-mouth disease border fence	Fence and access roads and water control structures	20-km elephant control fence and 20-km normal fence	29 896	31 271	29 902
Drilling	Boreholes	120 boreholes a year	9 571	10 014	10 300
Pretoria	Parking	Revamping of parking area at Harvest House	400	800	800
Pretoria	Office building	Replacement of leaking roof at Sefala Building	800	200	200
Cape Town	Office building	Minor capital projects along the coastline of the RSA	300	300	300
Upington	Office building and laboratory	Office and laboratory building	500	500	1,319
Site clearance and acquisition: Construction of seed banks	Seed banks	Site clearance and acquisition: Construction of seed banks	300	300	300
Cape Town	Kennels	Sniffer dog kennels	300	300	300
Pretoria	Reception areas	Upgraded reception areas: Agriculture Place, Harvest House and Sefala Building	600	600	600
Limpopo: Mthali Municipality District	Seed bank	New seed bank building	400	400	400
Eastern Cape: Sterkspruit	Seed bank	New seed bank building	400	400	400
Stellenbosch: Plant Health	Main entrance	Alterations to entrance, Polka Drive in terms of traffic regulations	250	250	250
Mpumalanga, Skukuza: Alterations to offices/laboratories	Building upgrades	Upgrading of existing buildings	2 400	1 800	200
Stellenbosch	Electrical sub-station	Upgrading of electrical substation	300	300	–
Durban	Quarantine station	Construction of Animal Quarantine Station: WCS 045521	6 267	8 156	800
Stellenbosch Plant Health	Office building	Upgrade and maintenance of building and laboratory facility	28 600	30 116	10 000
Pretoria	Office building	Upgrading of plant genetic centre in Roodeplaat	1 200	7 000	2 318
Pretoria	Office building	Sefala Building: Repair and maintenance programme	350	400	328
Pretoria	Office building	Sefala Building: Repair and maintenance programme: Status quo report	364	–	–

Project name	Type of infrastructure	Service delivery outputs	2015/16	2016/17	2017/18
			R'000	R'000	R'000
Port Elizabeth	Office building	Upgrading of infrastructure at Grootfontein Agricultural Development Institute	500	7 000	7 000
Total			74 481	83 901	62 330

13.2 MOVABLE ASSETS

The following is a summary of the anticipated acquisition of movable assets and related costs:

Asset type	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Buildings and other fixed structures	42 471	42 200	47 004
Machinery and equipment	53 192	52 168	55 084
Biological assets	540	547	552
Software and other intangible assets	–	–	–
Total	96 203	94 915	102 640

13.3 REHABILITATION AND MAINTENANCE OF PHYSICAL ASSETS

All departmental assets are being serviced as and when required or in terms of a maintenance plan. Assets which are not serviceable are normally auctioned off, the proceeds of which are deposited into the National Revenue Fund.

13.4 CAPITAL TRANSFERS

The department plans to transfer the following capital funds:

Item	2015/16	2016/17	2017/18
	R'000	R'000	R'000
ARC: Renovations and upgrading	96 444	101 556	106 634
ARC: Agricultural research and infrastructure	16 205	17 064	17 917
CASP: Flood damaged infrastructure	58 601	76 734	60 327
OBP: Building and vaccine facility	268 400	–	–
Total	439 650	195 354	184 878

13.5 MULTI-YEAR PROJECTIONS AND PROJECTED RECEIPTS FROM THE SALE OF ASSETS

Departmental receipts	2015/16	2016/17	2017/18
	R'000	R'000	R'000
Sales of goods and services	160 613	171 212	182 511
Sale of scrap, waste and other used current goods	10	11	12
Transfers received	135	144	154
Fines, penalties and forfeits	31	33	35
Interest, dividends and rent on land	17 629	18 792	20 032
Sales of capital assets	1 176	1 254	1 337
Financial transactions in assets and liabilities	18 804	20 045	21 368
Total	198 398	211 491	225 449

13.6 INFORMATION AND COMMUNICATION TECHNOLOGY PLAN

The Information and Communication Technology Plan for the department will assist the DAFF to standardise hardware and software, achieve internal standardisation, come up with solutions such as leasing of computers, be innovative to resolve budget and ensure the use of limited resources to achieve targets.

The ICT SDO values are as follows:

- D** = Done and deliver
- I** = Integrity and innovation
- C** = Communication and compliance
- T** = Technology and trust

The following DAFF strategic ICT objectives were formulated in response to the external and strategic drivers and are a major, comprehensive means for accomplishing the vision:

- Ensure interoperability and integration of different applications across the DAFF;
- Align ICT operations and processes with the DAFF strategic objectives;
- Build an ICT organisation that is better prepared to lead, consolidate and support ICT initiatives across the DAFF;
- Enhance, build or acquire business systems to improve service delivery;
- Assist the DAFF business units in harnessing their intellectual property and make information readily available and accessible;
- Develop or implement communication and change management procedures and provide a stable and secure ICT environment.

Outcome	Output	Medium-term targets				
		2015/16	2016/17	2017/18	2018/19	2019/20
Implementation of priority technology projects (technology architecture) as specified by the approved Master Systems Plan	Approved MSP and Implementation Roadmap	<ul style="list-style-type: none"> • Support the testing and roll-out of the AIMS in the first two pilot provinces • AIMS systems architecture framework developed 	<ul style="list-style-type: none"> • Support the testing and roll-out of the AIMS in the next two provinces • Procurement and pilot phase of AIMS in 2 provinces 	<ul style="list-style-type: none"> • Support the testing and roll-out of the AIMS in 2 provinces • AIMS phased in 3 provinces 	<ul style="list-style-type: none"> • Support the testing and roll-out of the AIMS in the last two provinces • AIMS phased in four provinces 	–
		Business case for the mobilisation of resource funding for MAST	<ul style="list-style-type: none"> • Phase 1 of MAST enhancements (data migration, development) • Analysis of 8 MAST modules • SMS integration into MAST • MAST dashboard solution evaluation 	<ul style="list-style-type: none"> • Implement 8 MAST modules • Evaluate new MAST development architecture • Acquire and implement portal • Implement Phase I MAST dashboard solution (MRM and R&D) • Master data management developed 	<ul style="list-style-type: none"> • Implement Phase II MAST dashboard solution (MCS & AED) • Implement business intelligence stack 	–
		<ul style="list-style-type: none"> • Business case for the mobilisation of resource funding for IFMS • Supply and install all software licences 31 March 2015 	<ul style="list-style-type: none"> • Product development and lead site implementations completed 1 March 2016 • Early implementations commence 01 April 2016 	–	–	–

Outcome	Output	Medium-term targets				
		2015/16	2016/17	2017/18	2018/19	2019/20
Implementation of priority technology projects (technology architecture) as specified by the approved Master Systems Plan (cont.)	Approved MSP and Implementation Roadmap (cont.)	<ul style="list-style-type: none"> Co-deploy first phase of SARS's ISODA Systems Architecture Framework and system to facilitate trade Design/develop phase 2 	<ul style="list-style-type: none"> Roll-out phase 1 of SARS ISODA Systems Architecture Framework and system to facilitate trade Develop phase 2 	Co-deploy phase 2 of SARS ISODA Systems Architecture Framework and system to facilitate trade	<ul style="list-style-type: none"> Roll-out phase 2 of SARS ISODA Systems Architecture Framework and system to facilitate trade Develop phase 3 	<ul style="list-style-type: none"> Co-deploy phase 3 of SARS ISODA Systems Architecture Framework and system to facilitate trade
	Design and implement an integrated Knowledge and Information Management System (KIMS), allowing for the integration of all relevant data layers, capable of supporting decision-making and planning within the sector (partial fulfilment of MSP)	<ul style="list-style-type: none"> Information plan developed Knowledge management audit conducted 	Business and functional requirements developed	<ul style="list-style-type: none"> Software design developed, documented Software tested and deployed 	EDMS rolled out	–
	Digitisation and preservation of DAFF institutional memory for information availability and access (implementation of ECM) (partial fulfilment of MSP Plan)	4 million pages scanned	4 million pages scanned	4 million pages scanned	4 million pages scanned	4 million pages scanned
	ICT (Governance Framework)	<ul style="list-style-type: none"> Departmental Corporate Governance of ICT Policy and Charter depicting how CGICT will be implemented and managed in the context of the department Designation of a Governance Champion to coordinate the development and implementation of CGICT 	<ul style="list-style-type: none"> ICT Strategic Plan (ICT Plan), ICT Implementation Plan (depicted in the MTEF) and ICT Operational Plan (ICT APP), which is aligned with the departmental Strategic Plan 	Continuous improvement of Roadmap depicting the department's improvement plans for its CGICT, GICT and strategic alignment arrangements to optimise ICT enablement of service delivery	–	–

Outcome	Output	Medium-term targets				
		2015/16	2016/17	2017/18	2018/19	2019/20
Implementation of priority technology projects (technology architecture) as specified by the approved Master Systems Plan (cont.)	ICT (Governance Framework) (cont.)	Departmental governance and management of ICT Framework for the governance and management of the ICT unit by the Government Information Technology Officer (GITO)	<ul style="list-style-type: none"> Optional deliverables that will allow departments to improve the articulation of ICT enablement and information management 	–	–	–
	ICT DRP	<ul style="list-style-type: none"> Develop the BCP for DAFF Test DRP plans 	Test run and record the outcomes	Review the BCP for DAFF	Test run and record the outcomes	Review the BCP
	<ul style="list-style-type: none"> Design ICT Disaster Recovery Plan ICT server upgrade done 	<ul style="list-style-type: none"> First draft of ICT Disaster Recovery Plan ICT server overhaul 	Refinement and finalisation of the Business Continuity Plan (Includes infrastructure upgrade)	<ul style="list-style-type: none"> ICT Disaster Recovery Plan DRP testing, adoption and implementation—cost implications (includes infrastructure upgrade) 	Monitor the business environment and update or review the ICT Disaster Recovery Plan (includes infrastructure upgrade)	–

13.7 PUBLIC ENTITIES AND OTHER AGENCIES

Name of public entity	Mandate	Outputs	Current annual budget (R million)	Date of next evaluation
Agricultural Research Council	The ARC's primary mandate in terms of the Act is to conduct research and development, and effect the transfer of technology in order to promote agriculture and industry	<ul style="list-style-type: none"> General knowledge Develop human capital and foster innovation in agriculture through technology development and dissemination Commercialisation of research results 	803,9	
Marine Living Resources Fund	The fund's mandate and core business is to manage the development and sustainable use of South Africa's marine resources, as well as to protect the integrity and quality of the marine ecosystem	<ul style="list-style-type: none"> Conducting annual fisheries specific research, surveys and stock assessments to inform the setting of TACs/TAEs in 22 fishing sectors Investigation of the feasibility of 6 potential new fisheries; the continued implementation of stock recovery strategies for hake, abalone, West Coast rock lobster and linefish 	258,6	

Name of public entity	Mandate	Outputs	Current annual budget (R million)	Date of next evaluation
Marine Living Resources Fund (cont.)	The fund's mandate and core business is to manage the development and sustainable use of South Africa's marine resources, as well as to protect the integrity and quality of the marine ecosystem (cont.)	<ul style="list-style-type: none"> • Implementing the Small-scale Fisheries Policy • Relocating long-term rights in those fisheries sectors where rights expire in 2015; 2016 and 2017; offering a better and decentralised range of services to stakeholders through the development and implementation of a proactive stakeholder and customer services strategy • Broadening the scope of aquaculture and developing a legislative framework for the management of fresh water and marine aquaculture • Implementing the Integrated Fisheries Security Strategy to ensure better compliance, monitoring and enforcement efforts • Facilitating the creation of 3 500 job opportunities in the coastal and rural communities through the implementation of projects under the WFFP 		
National Agricultural Marketing Council	Provide strategic advice to the Minister of Agriculture, Forestry and Fisheries on all agricultural marketing issues, improve market efficiency and market access by all participants, optimise export earnings, and improve the viability of the agricultural sector	<ul style="list-style-type: none"> • Providing development programmes that will link smallholder farmers to markets • Increased market access for all market participants • Efficiency in the marketing of agricultural products • Optimisation of export earnings from agricultural products and enhancement of the viability of the agricultural sector 	34,6	
Ncera Farms	The mandate of Ncera Farms is to provide extension, mechanical services and training and agricultural support services to the farmers settled on Ncera farmland, as well as the neighbouring communities	<ul style="list-style-type: none"> • Livestock and crop production • Partnerships with other stakeholders/entities and institutions 	3,8	
Onderstepoort Biological Products	The company's mandate is to prevent and control animal diseases that impact on food security, human health and livelihoods	<ul style="list-style-type: none"> • Introduction of new viral and bacterial vaccines • Reduction of production input costs and ensuring that vaccines remain affordable on the market 	268,4	
Perishable Products Export Control Board (PPECB)	Ensure orderly export of perishable agricultural products and monitor the proper maintenance of a continuous cold chain for exports	<ul style="list-style-type: none"> • Export competitiveness of SA's perishable product industries • Strengthening PPECB's capacity as a credible source of information 	6,0	

Name of public entity	Mandate	Outputs	Current annual budget (R million)	Date of next evaluation
Perishable Products Export Control Board (PPECB) (cont.)	Ensure orderly export of perishable agricultural products and monitor the proper maintenance of a continuous cold chain for exports (cont.)	<ul style="list-style-type: none"> Confidence in quality assurance and food safety systems for local perishable product markets Systems to ensure compliance with South African food safety and quality standards for imported perishable products 		

14. CONDITIONAL GRANTS

Name of grant	CASP
Purpose	To provide post settlement support to targeted beneficiaries of land reform and redistribution and other producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or involved in export
Performance indicator	<ul style="list-style-type: none"> Number of subsistence, smallholder and black commercial farmers supported through CASP Number of youth and women farmers supported through CASP Number of CASP beneficiaries of trained in farming methods, etc. Number of CASP beneficiaries of accessing markets Number of jobs created Number of extension personnel recruited and maintained in the system Number of extension officers upgrading qualifications at various institutions Agricultural Information Management System implemented in 9 provinces Number of ha of land ploughed and planted
Continuation	Yes
Motivation	It is not sufficient to provide prospective farmers with land and even capital alone; they must be empowered to manage their businesses effectively and profitably in a competitive and often hostile environment and as such the CASP and the Ilima/Letsema grants serve as the launching pad for smallholder farmers with a comprehensive support package

Name of grant	Ilima/Letsema
Purpose	Fight poverty by increasing food production in South Africa through farming. The programme also focuses on unlocking agricultural production by investing in other strategic programmes that include the revitalisation of the irrigation schemes
Performance indicator	<ul style="list-style-type: none"> Number of ha planted Number of tons produced within agricultural development corridors, e.g. maize Number of beneficiaries/entrepreneurs supported by the grant Number of ha of rehabilitated and expanded irrigation schemes
Continuation	Yes
Motivation	It is not sufficient to provide prospective farmers with land and even capital alone; they must be empowered to manage their businesses effectively and profitably in a competitive and often hostile environment and as such the CASP and the Ilima/Letsema grants serve as the launching pad for smallholder farmers with a comprehensive support package

Name of grant	LandCare
Purpose	Promote sustainable development and use of natural resources by engaging in the community-based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better quality of life for all

Name of grant	LandCare
Performance indicator	<ul style="list-style-type: none"> • Number of ha of agricultural land under rehabilitation/ rehabilitated • Number of job opportunities as measured by FTEs created through the EPWP
Continuation	Yes, as indicated in the MTSF
Motivation	<p>Assessments of the state of natural agricultural resources, including environment, concluded that up to 80% of the surface area of South Africa is degraded. The degree of degradation varies from slightly to severely degraded. The degradation of our natural capital impacts directly on the agro-ecosystem, reducing the capacity to deliver production, ecological and socio-economical services. This results in the reduction of household and national food security, the ability of farmers to generate an income and the livelihoods of rural communities. The focus of the LandCare Programme is to promote stewardship and to assist farmers and rural communities with the rehabilitation of the natural agricultural resources to achieve the long-term sustainable use of agricultural land</p>

15. PUBLIC-PRIVATE PARTNERSHIPS

None.



