



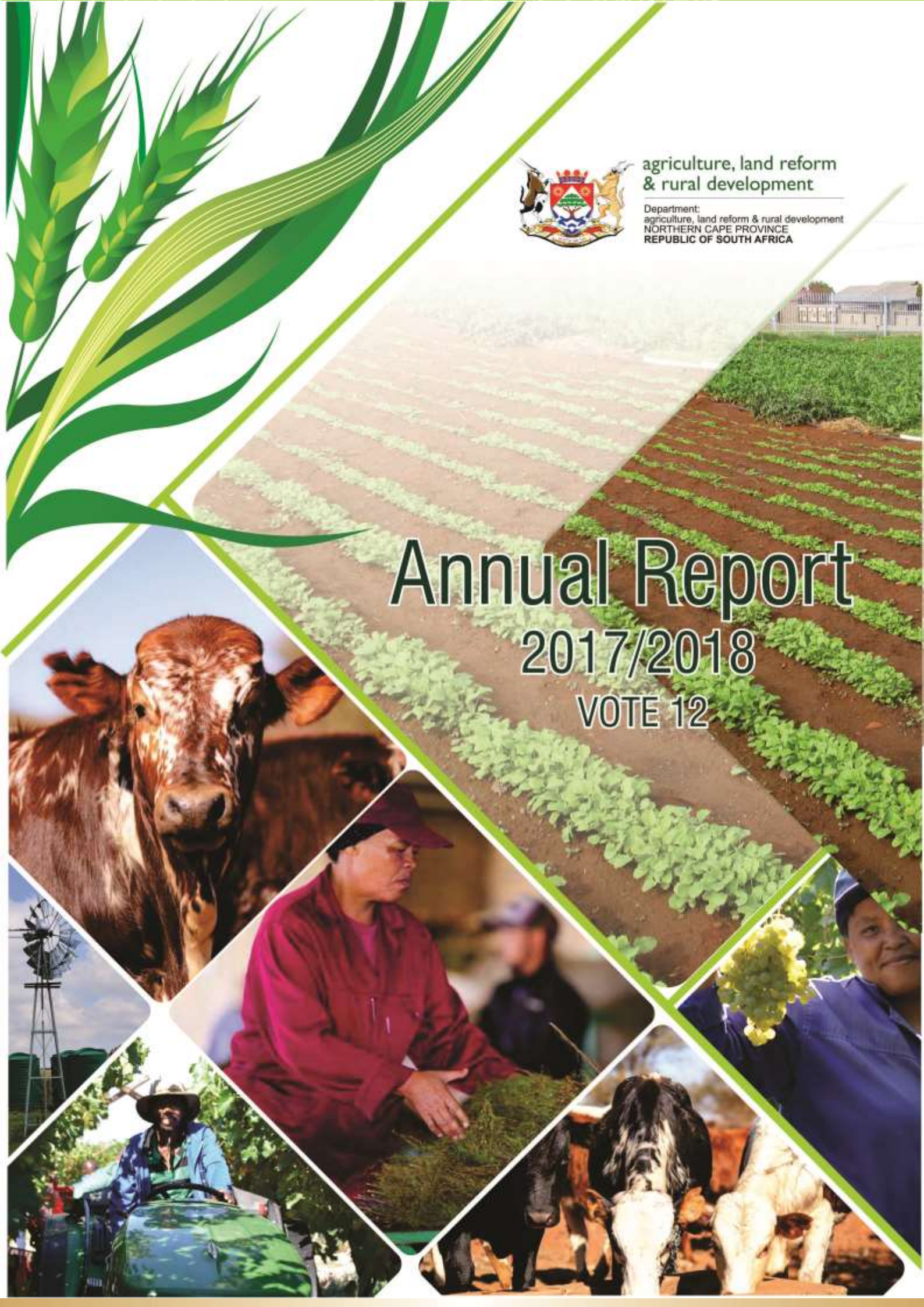
agriculture, land reform  
& rural development

Department:  
agriculture, land reform & rural development  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

# Annual Report

## 2017/2018

### VOTE 12







**agriculture, land reform  
& rural development**

Department:  
agriculture, land reform & rural development  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA

Vote 12  
Annual Report  
2017/18 Financial Year

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# Part A General Information

## 1. DEPARTMENT GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
ADHD	Attention Deficit Hyperactivity Disorder
AFASA	African Farmers Association of South Africa
AFS	Annual Financial Statements
AgriNK	Agri – Noord-Kaap
AGSA	Auditor General of South Africa
AHS	African Horse Sickness
AI	Avian influenza
AIMS	Agriculture Information Management System
AO	Accounting Officer
APAP	Agricultural Policy Action Plan
APR	Agricultural Potential Reports
ARC	Agricultural Research Council
ASF	African Swine Fever
BBBEE	Broad –based Black Economic Empowerment
BTB	Bovine Tuberculosis
CAADP	Comprehensive African Agricultural Development
CASA	Computer Assisted Sperm Analysis
CASP	Comprehensive Agricultural Support Programme
CCS	Compulsory Community Service
CFO	Chief Financial Officer
CITT	Comparative Intradermal Tuberculin Test
CNDC	Community Nutrition Development Centres
COGHSTA	Cooperative Governance, Human Settlement and Traditional Affairs
CoS	Council of Stakeholders
CPA	Communal Property Association
CRD	Comprehensive Rural Development
CRDP	Comprehensive Rural Development Program .
CWP	Community Work Programme
DAFF	Department of Agriculture, Forestry and Fisheries
DALRRD	Department of Agriculture, Land Reform and Rural
DEC	Departmental Executive Committee
DPW	Department of Public Works
DSA	Descriptive Sensory Analysis
DWS	Department of Water and Sanitation
EIA	Environmental Impact Assessment
EMS	electro-magnetic spectrum
EPWP	Expanded Public Works Programme
EU	European Union
FAO	Food & Agriculture Organization
FMD	Foot and Mouth Disease
GADI	Grootfontein Agricultural Development Institute
GEMS	Government Employees Medical Scheme
GI	Geographic Indication
HAS	Hygiene Assessment System
HIV	Human Immunodeficiency Virus
HOD	Head of Department
HPAI	Highly Pathogenic Avian Influenza
IDP	Integrated Development Programme
IFSNP	Integrated Food Security & Nutrition Programme
IFSS	Integrated Food Security Strategy of South Africa



IMI	Independent Meat Inspection
JTG	John Taolo Gaetsewe
KDF Trust	Karoo Development Foundation Trust
LHR	Lawyers for Human Rights
LPAI	Low Pathogenic Avian Influenza
LSU	Large Stock Unit
MCF	Malignant Catarrhal Fever
ME	Molecular Epidemiology
MEC	Member of Executive Council
MIG	Municipal Infrastructure Grant
MISS	Management Information Security Systems
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MPL	Member of the Provincial Legislature
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAFU	National African Farmers Union
NAMC	National Agriculture Marketing Council
NCAIS	Northern Cape Agricultural Information System
NCOP	National Council of Provinces
NDMC	National Disaster Management Centre
NDP	National Development Plan
NEF	National Empowerment Fund
NGO	Non-Governmental Organization
NGP	New Growth Path
NICD	National Institute of Communicable Diseases
NRMP	National Residue Monitoring Programme
NSC	National Surveillance Scheme
NZG	National Zoological Gardens
OCFO	Office of the Chief Financial Officer
OIE	Office International des Epizooties
OTP	Office of the Premier.
PA	Pyrrolizidine alkaloid
PAHC	Primary Animal Health Care
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PAJA	Promotion of Administrative Justice Act
PDF	Provincial Delivery Forum
PDMC	Provincial Disaster Management Centre
PFMA	Public Finance Management Act
PMQS	Pregnant Mare Quarantine Station
PORT	Provincial Outbreak Response Team
PPME	Planning Performance Monitoring & Evaluation
PPP	Public Private Partnerships
PSC	Public Service Commission
PTIF	Provincial Technical Implementation Forum
QLFS	Quarterly Labour Force Survey
REID	Rural Enterprise and Industrial Development
RID	Rural Industrial Development
RMC	Risk Management Committee
RMC	Risk Management Committee
RPA	Remotely Piloted Aircrafts
RVF	Rift Valley Fever
SAQA	South African Qualifications Authority
SASAE	South African Society for Agricultural Extension

SASSA	South African Social Security Agency
SAVC	South African Veterinary Council
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SDVI	Standardized Difference Vegetation Index
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Financial Agency
SHD	Small Harbour Development
SIP	Strategic Integrated Projects
SITA	State Information Technology Agency
SKA	Square Kilometre Array
SMME	Small Medium and Micro Enterprises
SPLUMA	Spatial Planning and Land Use Management Act
SSA	State Security Agency
STC	Social Technical Cluster
STI	Sexual Transmitted Diseases
TB	tuberculosis (
TR	Treasury Regulations
VCi	Vegetation Condition Index
VPH	Veterinary Public Health
WHO	World Health Organisation

### 3. FOREWORD BY THE MEC



The annual report 2017/18 is a key instrument for the department to report against its set performance targets and budget as outlined in the Department's Strategic Plan. In executing its mandate, the Department was guided by key government policies and plans including the National Development Plan (NDP), the New Growth Path (NGP), the Medium Term Strategic Framework (MTSF), and the Agricultural Policy Action Plan (APAP).

However, the delivery environment was constrained and affected by restrained economic performance, natural disasters in the form drought, as well as internal adversities relating to the recruitment of skilled technical workforce. In particular, the drought condition in the province forced the Department to re-channel both financial and human resources to ensuring that farmers are in full production and food security in the Province is not threatened. Even so, the Department has judiciously been able to pursue and fulfil its planned programmes successfully.

The Department has been able to provide tangible and technical support to farmers affected by the drought. Subsequent to that, the Department established a productive fodder bank in an attempt to complement the disbursement of animal feed and ease the financial burden on procurement of fodder and silage for farmers. The Department continues to timeously monitor the situation to avoid adverse outcomes.


During the year under review, the Department planted a total of 1056.53 hectares with various crop cultivars, mainly maize and wheat, as part of the Fetsa Tlala Food Production Programme. This programme aims to put unutilized land into production in



order to promote food security and address structural causes of food insecurity, which continue to perpetuate inequality and social exclusion.

In addressing the plight of slow economic growth and job creation, the Department, through the conditional grant funding was able to support smallholder farmers and black commercial farmers. The Comprehensive Agricultural Support Programme (CASP) and Ilima /Letsema grants combined, supported a total of 32 projects across the province. As a result of these projects, a total of 852 jobs were created and 4266 smallholder producers were supported with the aim of enhancing productivity and transforming the sector.

The veterinary services remain a key component of the Department that plays a fundamental role in ensuring healthy animals, safe animal products, and welfare of the human population in the province. Since the inception of the Compulsory Community Service Programme (CCS) for newly qualified veterinarians, the Department is able to provide Primary Animal Health Care Services (PAHCS) to the most rural areas in the province. Furthermore, since obtaining the South African National System Accreditation (SANAS), our laboratory service has continued to work with determination in providing diagnostic and investigative services, not only for the Northern Cape, but for the neighbouring provinces as well.



*Mr GNJ Shushu, MPL*

*MEC of the Department of Agriculture, Land Reform and Rural Development*

*31 August 2018*

#### 4. REPORT OF THE ACCOUNTING OFFICER



Mr W.V.D Mothibi  
Head of Department

##### **Overview of the operations of the Department:**

The Annual Report 2017/18 outlines key achievements in the quest of government to address unemployment, poverty and inequality. It expresses the specific tasks undertaken to implement programmes that seeks to create a transformed, vibrant agricultural sector for food security and sustainable development.

The service delivery environment was adversely affected by constrained fiscal position as a result of subdued economic growth. Nonetheless the department managed to implement planned programmes without major deviations.

The province continued to experience drought and occurrence of diseases. Pixley ka Seme and Namakwa were classified as provincial stated of drought disaster. The Department of Agriculture, Forestry and Fisheries (DAFF) allocated an amount of about R25 million to the Northern Cape Province for the procurement of drought feed to assist affected farmers. The province reported the occurrences of African swine fever in Pniel, Gong Gong and Alfa farm resulting R132 500 financial loss. Furthermore, the were reported outbreaks of African Horse sickness in Kuruman, Calvinia and De Aar which resulted in about 150 animals succumbing to the disease. In curbing the disease, the department carried out 279 vaccinations around the affected areas.

## Overview of the financial results of the Department:

### Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimate	Actual Amount Collected	(Over) / Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
Casino taxes						
Horse racing taxes						
Liquor licences						
Motor vehicle licences						
Sale of goods and services other than capital assets	2 748	4 078	(1 330)	2 557	2 838	(281)
Sale of scrap, waste & other goods	54	236	(182)			
Transfers received						
Fines, penalties and forfeits						
Interest, dividends and rent on land	30	104	(74)	4	5	(1)
Sale of capital assets	112	90	22	648	648	-
Financial transactions in assets and liabilities	141	163	(22)	102	221	(119)
<b>Total</b>	<b>3 085</b>	<b>4 671</b>	<b>(1 586)</b>	<b>3 311</b>	<b>3 712</b>	<b>(401)</b>

The Department collected R4.671 million of own revenue for the 2017/18 financial year and this represents an increase of almost 26 percent when compared to the previous financial year. This increase is noted in the category of "Sale of goods and services other than capital assets" and is related to the sales of biological assets from research stations.

As has been the trend over the past few years, the Department has over collected on its revenue estimates. The over collection of 51 percent is attributed to the incidental sale of biological assets which are used for breeding and research purposes on our research stations and the Livestock Improvement Programme (LIP) as well as the introduction of the Compulsory Community Service (CCS) Programme which has extended the reach of veterinary services in the province.

The tariffs related to services rendered by the Department are reviewed annually and when necessary increased with the approval of the Provincial Treasury. There were



no bad debts written off during the period under review.

The list below represents those free services rendered by the Department that if a fee/tariff were charged, could have yielded a significant amount of revenue.

- Veterinary Services
- Primary animal health care (e.g. spay campaigns)
- Awareness campaigns (radio talks, farmer's days & workshops)
- Vaccination campaigns
- Agricultural business development
- Business plan development
- Feasibility studies
- Training and capacity building of farmer's
- Extension and advisory services

#### Programme Expenditure

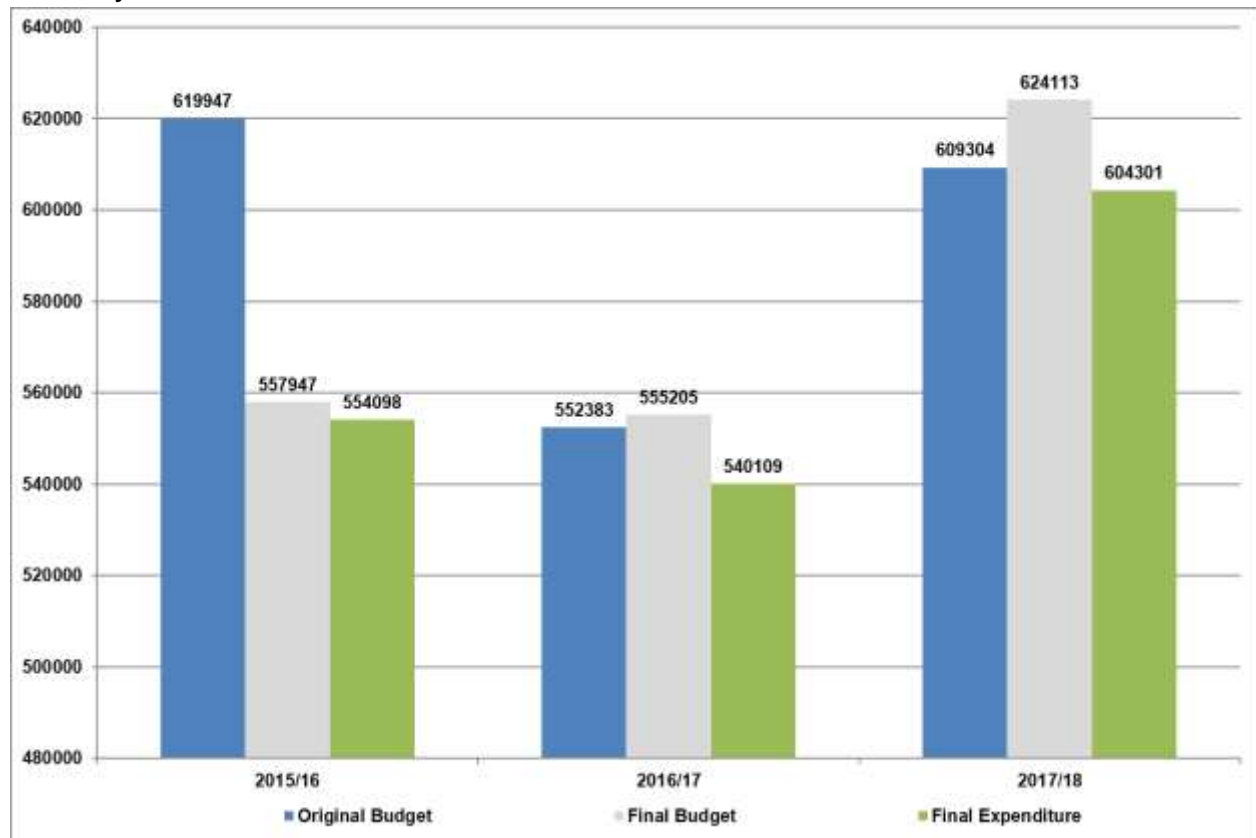
Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure	Final Appropriation	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Pr1: Administration	120 337	120 337	-	118 608	118 606	2
Pr2: Sustainable Resource Management	32 623	29 377	3 246	95 698	95 444	254
Pr3: Farmer Support & Development	351 702	335 137	16 565	226 885	212 071	14 814
Pr4: Veterinary Services	50 312	50 312	-	44 659	44 659	-
Pr5: Research & Technology Development Services	44 327	44 326	1	46 656	46 656	-
Pr6: Agricultural Economics	9 716	9 716	-	9 061	9 043	18
Pr7: Rural Development Coordination	15 096	15 096	-	13 638	13 630	8
<b>Total</b>	<b>624 113</b>	<b>604 301</b>	<b>19 812</b>	<b>555 205</b>	<b>540 109</b>	<b>15 096</b>

The final adjusted budget allocation of the Department, including conditional grants, for the 2017/18 financial year was R624.113 million of which R604.301 million or

97 percent was spent. The unspent portion mainly related to the conditional grants however these funds were committed and rollover of funds was requested from the Provincial Treasury.

The total budget available from the conditional grants amounted to R315.199 million of which R298.176 million or 95 percent was spent. The conditional grant allocation included a portion related to flood disasters of R111.500 million within the CASP grant. R17.018 million of the unspent funds from the CASP and LandCare grants have been requested to be rolled over to the 2017/18 financial year.

The graph below shows the overall budget and expenditure trend of the Department for the past three financial years.



### Virements/roll overs

The Department has effected virements between the main divisions and shifted funds within the main divisions in terms of section 43 of the PFMA and Treasury Regulation 6.3 to defray excess expenditure in some programmes with savings from other programmes. The details of the virements are summarised in the table. The virements were approved by the Accounting Officer and both the Executive Authority and the

Provincial Treasury were duly informed.

Virement from		Virement to	
Programme / Economic classification	R'000	Programme / Economic classification	R'000
<b>Programme 1:</b>	<b>(1 866)</b>	<b>Programme 1:</b>	<b>5 421</b>
<b>Current payments</b>	<b>(1 866)</b>	<b>Current payments</b>	<b>4 143</b>
Compensation of employees	(1 866)	Compensation of employees	764
Goods and services		Goods and services	3 379
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>421</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>857</b>
<b>Programme 2:</b>	<b>(3 506)</b>	<b>Programme 2:</b>	<b>3 773</b>
<b>Current payments</b>	<b>(3 506)</b>	<b>Current payments</b>	<b>679</b>
Compensation of employees	(3 506)	Compensation of employees	
Goods and services		Goods and services	679
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>6</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>3 088</b>
<b>Programme 3:</b>	<b>(80 836)</b>	<b>Programme 3:</b>	<b>79 411</b>
<b>Current payments</b>	<b>(80 836)</b>	<b>Current payments</b>	<b>-</b>
Compensation of employees	(836)	Compensation of employees	
Goods and services	(80 000)	Goods and services	
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>5 245</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>74 166</b>
<b>Programme 4:</b>	<b>(1 953)</b>	<b>Programme 4:</b>	<b>2 615</b>
<b>Current payments</b>	<b>(1 953)</b>	<b>Current payments</b>	<b>1 584</b>
Compensation of employees	(1 953)	Compensation of employees	
Goods and services		Goods and services	1 584
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>18</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>1 013</b>
<b>Programme 5:</b>	<b>(5 899)</b>	<b>Programme 5:</b>	<b>2 616</b>
<b>Current payments</b>	<b>(5 899)</b>	<b>Current payments</b>	<b>-</b>
Compensation of employees	(2 642)	Compensation of employees	
Goods and services	(3 257)	Goods and services	
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>18</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>2 598</b>
<b>Programme 6:</b>	<b>(1 174)</b>	<b>Programme 6:</b>	<b>357</b>
<b>Current payments</b>	<b>(994)</b>	<b>Current payments</b>	<b>328</b>
Compensation of employees	(922)	Compensation of employees	



Virement from		Virement to	
Programme / Economic classification	R'000	Programme / Economic classification	R'000
Goods and services	(72)	Goods and services	328
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>29</b>
<b>Payment for capital assets</b>	<b>(180)</b>	<b>Payment for capital assets</b>	
<b>Programme 7:</b>	<b>(1 044)</b>	<b>Programme 7:</b>	<b>2 085</b>
<b>Current payments</b>	<b>(1 044)</b>	<b>Current payments</b>	<b>1 936</b>
Compensation of employees	(1 044)	Compensation of employees	1 041
Goods and services		Goods and services	895
<b>Transfers and Subsidies</b>		<b>Transfers and Subsidies</b>	<b>5</b>
<b>Payment for capital assets</b>		<b>Payment for capital assets</b>	<b>144</b>

The Department received roll-over funds amounting to R14.809 million on the CASP and Ilima/Letsema conditional grants during the adjustment estimates process of the 2017/18 financial year. The details thereof are summarised in the table below.

The unspent funds for the 2017/18 financial year amounted to R19.812 million. The unspent portion relates to conditional grants (CASP – R16.545 million & LandCare – R0.474 million) and equitable share (R2.775 million) that had been requested for roll over to the 2018/19 financial year.

Grant Name	Original Budget	Roll-over	Adjusted Budget
R'000			
<b>Programme 3: Farmer Support and Development</b>			
Comprehensive Agriculture Support Programme Grant (Projects, ERP & Flood Disaster)	232 772	11 609	244 381
Ilima/Letsema Projects Grant	58 480	3 200	61 680

### Unauthorised, fruitless and wasteful expenditure

There has been no unauthorised expenditure incurred in the 2017/18 financial year.

The Department went through a thorough exercise to ensure that all fruitless and wasteful expenditure is identified and treated appropriately. During the 2017/2018 financial year a total amount of R0.214 million was identified as fruitless and wasteful expenditure. Investigations to determine whether there was gross negligence or circumstances beyond reasonable care that resulted in the fruitless and wasteful

expenditure is underway and expected to be finalised during the 2018/19 financial year.

### **Future plans of the Department**

The future plans of the Department are contained in its strategic and operational plans. These plans are aligned with the government's MTSF and the NDP.

### **Public Private Partnerships**

None

### **Discontinued activities / activities to be discontinued**

None

### **New or proposed activities**

All the activities undertaken as outlined in the operations were in pursuance of the goals and objectives of the approved annual performance plan and no new activities were proposed or implemented for the year under review.

### **Supply chain management**

The Department did not receive or conclude unsolicited bids for the year under review. Immense progress was made during this financial year with regard to the identification and reporting of irregular expenditure within the Department.

Investigations for the huge backlog of cases since 2014/15 were prioritised. The outcome indicated that for most of these cases, though proper supply chain management procedures were not always followed, there were indeed justifiable circumstances that resulted in deviations from normal SCM processes being the only option, so as not to compromise service delivery.

The investigations indicated however, that there was a huge gap in the awareness of new developments in the legislation pieces that lead to the non-adherence. The Internal Control unit and SCM unit embarked on training workshops to update officials involved. The training focused on procurement officials and other users within our Department that were linked to the procurement process.

### **Gifts and Donations received in kind from non-related parties**

No gifts and donations have been received in kind from non-related parties.

### **Exemptions and deviations received from the National Treasury**

For the 2017/18 financial year, the Department did not receive any exemptions and/or deviations from National Treasury.

### **Events after the reporting date**

There are no reportable events subsequent to the reporting date of 31 March 2018.

### **Other**

There are no other material facts or circumstances, which may have an impact on the understanding of the state of the financial affairs of the Department, not addressed elsewhere in the report.

### **Acknowledgement/s or Appreciation**

I would like to thank all the officials of the Department who worked diligently and tirelessly with the support of our partners and the relevant stakeholders in the sector to ensure that our priorities, goals and objectives are achieved.

### **Conclusion**

The successes and accomplishments of the Department are driven by a common understanding throughout its structures that ensures that the agriculture sector is served best. The economical and efficient use of scarce resources to deliver services is appreciated by sector stakeholders. While it is acknowledged that all is not perfect, the Department will pursue relentlessly and learn from past errors.



**Approval and sign off**

The Annual Financial Statements set out on pages 256 to 338 have been approved by the Accounting Officer



**Mr WVD Mothibi**

**Accounting Officer**

**Department of Agriculture, Land Reform and Rural Development**

**Date: 31 August 2018**

## 5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

*All information and amounts disclosed throughout the annual report are consistent.*

*The annual report is complete, accurate and is free from any omissions.*

*The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.*

*The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.*

*The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.*

*The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.*

*The external auditors are engaged to express an independent opinion on the annual financial statements.*

*In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2018.*

Yours faithfully



**Accounting Officer**

**Mr WVD Mothibi**

**Department of Agriculture, Land Reform and Rural Development**

**Date: 30 August 2018**

## **6. STRATEGIC OVERVIEW**

### **6.1 Vision**

A transformed, vibrant agricultural sector for food security and sustainable rural development.

### **6.2 Mission**

The Department as a lead agent in the sector, will champion land and agrarian transformation, promote and facilitate increased production and provide expertise for improved livelihoods, sustainable rural development and food security for all.

### **6.3 Values**

The Department will aspire to the following values:

- Responsiveness
- Sacrifice
- Professionalism
- Accountability
- Respect
- Innovation



## 7 LEGISLATIVE AND OTHER MANDATES

The Department of Agriculture, Land Reform and Rural Development is an integral part of the South African Public Service established in terms of section 197 of the Constitution and read with section 7 (1) and 7 (2) of the Public Services Act of 1994. In particular, the following sections are relevant to the Department. Chapter 2, Sections 23, 25 and 27 Schedule 4 and 5 of the Constitution.

The Department functions under several legislative mandates, which include among others the following:

- Agricultural Development Fund Act, 1993 (Act No 175 of 1993)
- Agricultural Product Standards Act, 1990 (Act No 119 of 1990)
- Animal Diseases Act, 1984 (Act 35 of 1984)
- Agricultural Research Act, 1990 (Act No 86 of 1990)
- Animal Identification Act, 2002 (Act No 6 of 2002)
- Animal Improvement Act, 1998 (Act 62 of 1998)
- Broad Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003)
- Codex Alimentarius of the World Health Organization (WHO) and Food and Agricultural Organization (FAO) (International Code on Food Safety)
- Communal Land Rights Act, 2004
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983)
- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Disaster Management Act, 2002 (Act No 57 of 2002)
- Fencing Act, 1963 (Act No 31 of 1963)
- Fertilizers, Farm feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947)
- Genetically Modified Organisms Act, 1997 (Act 15 of 1997)
- Land Redistribution for Agricultural Development (LRAD)
- Land Reform Act, 1997 (Act 3 of 1997)
- Marketing of Agricultural Produce Act, 1996 (Act 47 of 1996)
- Meat Safety Act, 2000 (Act 40 of 2000)
- Northern Cape Land Administration Act, 2003
- Perishable Product Export Control Act, 1983 (Act 9 of 1983)
- Plant Improvement Act, 1976 (Act 53 of 1976)
- Public Finance Management Act, 1999 (PFMA), Act 1 of 1999 as amended by Act 29 of 1999
- Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000)
- Preferential Procurement Regulations of August 2001
- Provincial Supply Chain Management Policy (April 2006)
- South African Abattoir Corporation Act, 2005 Repeal (Act no 17 of 2005)
- Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970) (pending repeal)
- The International Animal Health Code of the World Organization for Animal Health (OIE – Office International des Epizooties)
- The international Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organization for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organization (WTO)
- Treasury Regulations for Departments, constitutional institutions and public entities issued in March 2005 in terms of the PFMA
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982)
- Water Act, 1998

## 8 ORGANISATIONAL STRUCTURE

### Northern Cape Provincial Government Department of Agriculture, Land Reform and Rural Development Organisational Structure



## 9 ENTITIES REPORTING TO THE MEC

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Kalahari Kid Corporation	Public Finance Management Act	Transfer payments	Commercialization of Goats





## Part B Performance Information



## **1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES**

Refer to page 248 of the Report of the Auditor General, published as Part E: Financial Information.

## **2. OVERVIEW OF DEPARTMENTAL PERFORMANCE**

### **2.1 Service Delivery Environment**

The performance environment during the year under review was characterized by a subdued economic outlook; high levels of unemployment; deteriorating poverty levels and widening inequality. These factors have had an adverse effect on the poverty levels and food security. Accordingly, the Department sought to respond to service delivery challenges while contributing to the broad developmental goals of government.

In terms of the global economic outlook, the International Monetary Fund projected that the world economy would grow by 3.7 percent in 2017 and 3.9 percent in 2018 and 2019. The South African economy grew by an estimated 1.3 percent in 2017, and is expected to grow by 2 percent in 2018 as economic conditions strengthen. This represents a very modest growth which places a strain on the government revenue and its ability to expand public services.

In terms of the province, the economy grew negatively by 0.3 percent in 2016 which is substantially lower than growth of 0.9 percent in 2015. The agricultural sector in the Northern Cape has been growing at a slow pace since 2015. This demonstrates the support from the agricultural sector towards positive provincial growth. Constraints facing the Agricultural sector are numerous, including rising inputs costs, an uneven international trade environment, fluctuations in the global markets, lack of development infrastructure and the impeding drought conditions.

One of the priorities of government is the creation of decent jobs. The 2017 Labour Force Survey by Statistics South Africa indicated an increase in the provincial

unemployment by roughly 11 000 in 2017. This increased the provincial unemployment numbers from 288 000 to 299 000. As a response to the job losses experienced, the department created 1052 jobs through the CASP, Ilima/Letsema, and the LandCare Conditional Grants.

Furthermore, the province has been affected by the worst drought in this century. The Department has had to provide technical and material support to the affected farmers. As part of the disaster management strategy, under-utilised portions of irrigation lands on three Research Stations have been used for the production of fodder to assist farmers in the event of natural disasters. In this respect, the Department initiated a fodder bank concept with the aim to provide a support service to the Disaster Management Unit through the production and storage of fodder crops such as Lucerne and yellow maize on research stations.

As part of the Drought Relief Initiative, 413 tons of lucerne and 13 tons of maize have been donated through the fodder bank initiative. Approximately 100 tons of lucerne was still in stock at Eiland Research Station as at the end of the financial year.

Agriculture plays an important role in the process of economic development and can contribute significantly to household food security. Consequently, the Department implements key programmes aimed at addressing food insecurity and bringing relief to the most affected households. During the 2017/18 financial year, 1 266 households benefitted from the Department's food security initiatives. Moreover, the Department established 680 household food gardens and 39 institutional gardens. Throughout the Fetsa Tlala Food Production Programme, 1056.5 hectares were planted in communal areas and land reform projects.

In terms of the General Household Survey of 2017, the percentage of households with limited access to food decreased from 23.9 percent in 2010 to 22.3 percent in 2016. It is therefore encouraging to note a marginal decrease in the percentage of households that are food insecure. Simultaneously, the percentage of persons with more limited access to food declined from 28.6 percent in 2010 to 24.9 percent in 2016. In the

Northern Cape 33.6 percent of the households had inadequate or severely inadequate food access.

Furthermore, about 10.4 percent of households in the Northern Cape are involved in agricultural production activities. From the households involved in agricultural activities, 7.5 percent constitutes the households main source of income and for 9.1 percent of the households, these agricultural activities are the main source of food for the household.

The service delivery environment was also plagued by threats of disease outbreaks that required the province to deploy resources in monitoring and surveillance. In particular, during the second quarter of the 2017/18 financial year South Africa was hard hit by the H5N8 Avian Influenza virus.

The most affected provinces were Mpumalanga, Gauteng and Western Cape. Although, the Northern Cape and Limpopo were the two provinces that were not affected by the outbreak, trade in live poultry and poultry products were disrupted.

The province has at least 26 ostrich compartments and about 10 commercial poultry establishments which have strict biosecurity measures in place. Warrenton Super Chicken is one of the 10 commercial poultry establishments which has departmental support. The assistance the Department rendered at this facility reduced the threat of Avian Influenza and there has not been any confirmed human cases so far. Similarly, the department's Veterinary Public Health (VPH) component heightened hygiene compliance particularly deep cleaning at abattoirs in the province in response to the Listeriosis outbreak in the country.



## 2.2 Service Delivery Improvement Plan

The Department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

### **Main services and standards**

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Extension and advisory Services	Smallholder Farmers	4258 farmers and beneficiaries	2700 smallholder farmers supported with agricultural advice	2974 smallholder farmers received support through agricultural advice, information days, demonstrations, site visits and meeting.
			1300 training in agricultural skills programmes	1998 farmers were trained in agricultural skills programmes
	20 projects supported with CASP (Comprehensive Agricultural Support Programme)		18 projects supported with CASP	
	14 Projects supported with Ililma/Letsema		14 Projects supported with Ililma/Letsema	
	1000 work opportunity created		852 work opportunity created	
	1200 Household benefitting from agricultural food security initiatives		1266 Household benefitting from agricultural food security initiatives	
	800 hectares cultivated for food production in communal areas and land reform projects		1056.5 hectares cultivated for food production in communal areas and land reform projects	
	400 household gardens to be established		680 household gardens established	
	5 war on poverty change agents supported		21 war on poverty change agents supported	
	Communities			

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
Primary Animal HealthCare interventions using the mobile veterinary truck	Resource poor communities in the most remote and rural areas of the province with special emphasis on 1. Indigent persons 2. Pensioners 3. Child headed households 4. Persons with disability	At least 7 primary animal health outreach interventions to the rural poor communities in the province targeting between 20 and 40 animals sterilization at each session.	18 food safety campaigns  3000 epidemiological units visited  22 000 tests performed for diagnostic services and epidemiological investigations  250 clients were serviced for animal and animal products export control	18 safety campaigns and 8 community outreach programmes conducted  4486 epidemiological units visited for veterinary intervention  28 356 tests performed for diagnostic services and epidemiological investigations  265 clients were serviced for animal and animal products export control

***Batho Pele arrangements with beneficiaries (Consultation access etc.)***

Current/actual arrangements	Desired arrangements	Actual achievements
<ul style="list-style-type: none"> <li>Information is disseminated to the community by Animal Health Technicians and Community Development Workers.</li> <li>Local radio and newspapers is also used to reach the people in a particular area.</li> <li>Sharing of information also takes place during tribal, community meetings and Agricultural forum meetings.</li> </ul>	Community to be informed of visit 4 weeks in advance. Itinerary to be placed on notice board at Tribal offices, municipal offices.  Conduct food safety campaigns	<ul style="list-style-type: none"> <li>Notice of visit was communicated to the community 4 weeks in advance</li> <li>A total of 52 awareness interventions and 2 workshops were carried out throughout the State Vet areas with emphasizes on zoonosis by VPH officials. Public Institutions (42), community outreach programs (8) as well as schools (52) were targeted.</li> </ul>
Support all the farming communities and beneficiaries through various engagement Meetings, workshops, information sessions, individual contact sessions, Agricultural demonstrations and farmers' days.	Support all the farming communities and beneficiaries.	<ul style="list-style-type: none"> <li>3218 smallholder farmers received support through agricultural advice, information days, demonstrations, site visits and meeting.</li> <li>1998 farmers were trained in agricultural skills programmes.</li> </ul>

### Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<ul style="list-style-type: none"> <li>Information is disseminated to the community by Animal Health Technician and Extension Officers.</li> <li>Local radio and newspapers is also used to reach the people in a particular area.</li> <li>Sharing of information also takes place during tribal, community meetings and Agricultural Forum meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Departmental website should be updated and be accessible to clients.</li> <li>Departmental Annual Report should be made accessible to client.</li> <li>Conduct Food Safety awareness campaigns.</li> </ul>	<ul style="list-style-type: none"> <li>The website is accessible to clients for information.</li> <li>The Departmental Annual report and Quarter performance reports are published on the Departmental website</li> <li>A total of 52 awareness interventions and 2 workshops were carried out throughout the State Vet areas with emphasizes on zoonosis by VPH officials. Public Institutions (42), community outreach programs (8) as well as schools (52) were targeted.</li> </ul>
Meetings, workshops, information sessions, individual contact sessions, telephones.	<ul style="list-style-type: none"> <li>Conduct Agricultural demonstrations, courses and farmers' days</li> <li>Explore the use of Electronic media.</li> </ul>	<ul style="list-style-type: none"> <li>3218 Farmers supported through information days, demonstrations, site visits and meeting.</li> <li>1615 farmers were trained.</li> <li>Use of departmental website for information sharing.</li> </ul>

### Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<ul style="list-style-type: none"> <li>All complaints are directed to the Deputy Director: Animal Health who may refer the complaint to the Director.</li> <li>Code of conduct exists for public servants and professionals e.g. PSC code and SAVC code.</li> </ul>	Departmental grievance procedure should be explained to clients.	No formal complaints received by the Deputy Director: animal Health due to high level of service delivery satisfaction from most of our farmers.
Response given to the grievances by the Senior manager, HOD office, and the MEC to the farmers	<ul style="list-style-type: none"> <li>Shorten the turn -around time of responses and act on the grievances.</li> <li>Put in the corrective measures on grievances lodged.</li> </ul>	Due to high level of transparency and the improved reporting system introduced by the Department grievances and feedback to farmers are immediately attended to during farmers days and Agricultural demonstration days.
Reports to Director, HOD or Ministry	<ul style="list-style-type: none"> <li>Reports to Director, HOD or Ministry</li> </ul>	Most of the complaints are attended and resolved during the MEC Exco meetings, information days and Agricultural



## 2.3 Organisational Environment

The organisational environment was largely affected by the subdued economic outlook and the pressure placed on human resources to attend to the drought affected areas. In particular, the Department had to grapple with the impact that previous technical budget adjustments had on overall achievement of targets.

Given the slow growth of the South African Economy, further budget cuts were anticipated in the 2017-19 financial years. This further put pressure on achievements of key policy imperatives such as the National Development Plan and MTSF priorities. This also meant the Department should look at innovative ways to achieve targets in an extremely constrained budgetary environment.

The Department therefore looked at how it can increase efficiency, implement cost saving measures, work with sector partners to pool resources, target high impact projects, reduce the cost of doing business with government, especially when procurement is done directly by government. Moreover, the Department devised means to institutionalize long-term planning and developed a disciplined, people-centred and professional public servant.

Terms of Reference of the Departmental Technical Committees and Departmental Project Coordinating Committees were revised in order to institutionalise long-term planning and provided platform for the private sector to engage government on pooling resources and efficient implementation of high impact projects.

Government resources continued to be drained by replacement of material lost through theft, especially at research stations. Theft at the research stations has resulted in some projects, especially where edible products are researched, being temporarily stopped until access control and patrols were instituted. Subsequently, a Comprehensive Security Plan to secure government assets was prioritised.

The audit of the 2016/17 by the Auditor-General of South Africa (AGSA) highlighted some of the administrative and compliance issues that the Department must focus on.

In addition, the Management Performance Assessment Tool (MPAT) enabled the Department to reflect on the functionality of key management performance areas. These included amongst others the planning and monitoring and evaluation capacity; the capacity of human resource function to provide strategic support to line functions thereby achieving performance objectives; and functionality of internal control measures as they relate mainly to financial management.

Accordingly, the results of MPAT 1.7 showed continued improvement in the key management functionality areas. Provincially the Department moved from position nine (MPAT 1.5) to position four (MPAT 1.7). This indicates an improvement on governance of the Department. Nonetheless, the Department will continue to develop and implement improvement plans as well as institutionalise good corporate governance.

The Compulsory Community Service for Veterinarians programme was implemented from the 1st of January 2016. A preliminary assessment suggests that the cohort in the Northern Cape is generally satisfied with the type of exposure they are getting. Coverage of the most rural communities in the provinces has increased significantly in attempting to eradicate diseases of economic importance in the province

The Northern Cape Provincial Veterinary Laboratory was finally assessed on the 14th and 15th March 2017 and was recommended for accreditation of 5 diagnostic methods it had applied for. Amongst these methods, was the accreditation for sheep scab, making it the first laboratory to be accredited for sheep scab in the country.

The laboratory showed its competitiveness through its performance in Proficiency testing schemes and has proven to be one of the best performing laboratories among

the 15 participants. It is expected that there the laboratory will receive more demand for services due to the new status.

## **2.4 Key policy developments and legislative changes**

There were no key policy and legislative changes.



### 3. STRATEGIC OUTCOME ORIENTED GOALS

3.1 The Department has the following goals that are linked to the MTSF 2015-2019 outcomes.

<b>Strategic outcome oriented goal 1</b>	<b>EFFECTIVE AND EFFICIENT GOVERNANCE</b>
<b>Goal statement</b>	To ensure effective and efficient governance
<b>Strategic outcome oriented goal 2</b>	<b>SUSTAINABLE USE AND MANAGEMENT OF NATURAL RESOURCES</b>
<b>Goal statement</b>	To ensure sustainable use and management of natural resources
<b>Strategic outcome oriented goal 3</b>	<b>SUSTAINABLE AGRICULTURAL PRODUCTION</b>
<b>Goal statement</b>	Optimal and sustainable agricultural production to ensure food security
<b>Strategic outcome oriented goal 4</b>	<b>BIO-SAFETY AND BIO-SECURITY FOR THE WELLNESS OF THE PUBLIC</b>
<b>Goal statement</b>	To ensure bio-safety and bio-security for the wellness of the public
<b>Strategic outcome oriented goal 5</b>	<b>EXPERT AND NEEDS BASED RESEARCH AND TECHNOLOGY</b>
<b>Goal statement</b>	To render expert and needs based research and technology transfer services to clients
<b>Strategic outcome oriented goal 6</b>	<b>INCLUSIVE AGRICULTURAL ECONOMIC GROWTH</b>
<b>Goal statement</b>	Inclusive Agricultural Economic Growth
<b>Strategic outcome oriented goal 7</b>	<b>COMPREHENSIVE RURAL DEVELOPMENT</b>
<b>Goal statement</b>	To ensure the effective implementation of the Comprehensive Rural Development Programme.

## Outcomes Reports

### **Outcome 7: Comprehensive Rural Development**

#### **Overview:**

Overall annual performance for the 2017/18 financial year

#### **Sub-Outcome 1: Improved land administration and spatial planning for integrated development in rural areas**

##### **A. Spatial Planning and Land Use Management (SPLUMA) support to the Northern Cape Local Municipalities.**

Twenty-six local municipalities have been supported with the implementation of SPLUMA in all five districts. A total of four District Rural Development Plans were developed.

##### **B. Strengthening Coordination across the three spheres of government and external stakeholders to implement CRD**

As per the resolution of the Service Delivery workshop held on the 28<sup>th</sup> 29<sup>th</sup> of March 2017 and the Social Technical Cluster (STC) dated 6<sup>th</sup> April 2017, delivery partners to the Outcome are to meet on a quarterly basis to discuss Comprehensive Rural Development as a whole and to monitor progress against activities and milestones agreed in the implementation plan, to resolve blockages and to report to the relevant clusters in the Province. For the financial year at hand 4 Provincial Technical Implementation Forum were held on the following dates:

Quarter	Dates
First Quarter	19 <sup>th</sup> July
Second Quarter	12 October
Third Quarter	25 <sup>th</sup> January
Fourth Quarter	10 April
Kindly note the meetings can only be held after all departments have submitted reports to the office of the Premier	



The role of the Implementation Forums is to coordinate work towards the achievements of the Outcome. Each outcome should be managed by an Implementation Forum, comprising of all delivery partners and an outcome coordinator and a data custodian nominated by the lead Department.

As part of coordination, the lead Department requested that delivery partners:

- Nominate representatives from their respective Departments to participate in the Forum
- Attend the Provincial Technical Implementation Forum and
- Submit and present their reports.

Herewith progress on the participation of delivery partners for the year under review:

17/18 Financial year									
Provincial Sector Departments	Nominated Outcome 7 Representative	Attendance of PTIF				Submission of quarterly reports			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
DEDA	No	Yes	Yes	No	No	Yes	Yes	Yes	No
DOE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
DOH	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
DALRRD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
DTSL	Yes	Yes	No	No	No	No	No	No	No
COGHSTA	Yes	Yes	No	No	No	No	No	No	No
DRPW	Yes	Yes	Yes	Yes	No	No	No	No	No
DSD	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes
DENC	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes
DSAC	No	No	No	No	Yes	No	No	No	Yes



17/18 Financial year									
National Sector Departments	Nominated Outcome 7 Representative	Attendance of PTIF				Submission of quarterly reports			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
DRDLR	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
DWS	No	No	No	No	No	Yes	Yes	Yes	No
DOENERGY	Yes	No	No	Yes	No	Yes	No	No	No
SASSA	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes

17/18 Financial year									
District Municipality	Nominated Outcome 7 Representative	Attendance of PTIF				Submission of Quarterly reports			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FRANCES BAARD	Yes	No	No	No	No	No	No	No	No
JTG	Yes	No	No	No	No	No	No	No	No
NAMAKWA	Yes	No	No	No	No	No	No	No	No
PIXLEY KA SEME	Yes	No	No	Yes	Yes	No	No	No	No
ZF MGCAWU	Yes	No	No	No	No	No	No	No	No

### **Sub-Outcome 2: Sustainable Land Reform contributing to agrarian transformation**

34 399.74ha land was acquired and allocated, 3 368.42ha were allocated to smallholder farmers for the purpose of Agri-Parks where 12 farms were allocated to support Agri-Parks. A total of 97 land claims were finalised. A total of 3 land claims were settled. A total of 21952.3098ha was allocated to farm dwellers and labour tenants. A total of 1 Proactive Land Acquisition Strategy (PLAS) farms was identified for incubation and training of agricultural graduates and National Rural Youth Service Corps (NARYSEC) participants.

### **Sub-Outcome 3: Improved Food Security**

1266 households benefited from Agricultural food initiatives throughout the year. A total of 680 household gardens were established. A total of 39 institutional gardens were established. A total of 21 War on Poverty Change Agents were supported.

1 415 292 grants in payment including Grant in Aid were processed. A total of 13684 applications for children aged 0-1 years. 27 816 Social Relief of Distress application were awarded.

The Department of Social Development (DSD) provided 5 197 vulnerable households accessed nutritious and affordable foods. 82 717 people were accessing food through DSD feeding (centre-based).

32 169 beneficiaries benefited from social relief programmes. 10160 hectares protected/ rehabilitated to improve agricultural production.

343 842 quantile1-3 learners with access to the National Schools Nutrition Programme (NSNP).

**Sub-Outcome 4: Smallholder producers' development and support (Technical, financial, infrastructure) for agrarian transformation**

A total of 1266 smallholder farmers were supported through infrastructure development and supply of production inputs through Comprehensive Agricultural Support Program (CASP) and Ilima/ Letsema Funds as well as drought relief interventions. A total of 51 agriculture infrastructure were established. A total of 1056.53 hectares were cultivated for food production in communal areas and land reform projects. A total of 2974 smallholder producers were supported with agriculture advice. A total of 12 disaster risk reduction programmes was managed.

A total of 13 research projects were implemented to improve agricultural production and 2 scientific papers were published with 6 research infrastructure managed. A total of 8 research presentation were made nationally or internationally.

The Veterinary Directorate serviced 265 clients for animal and animal products export control. An average of 85.7 abattoir compliance was achieved. A total of 4624 epidemiological units were visited for veterinary interventions. A total of 36 466 tests were performed the equal of which meets the International Organization for Standardization (ISO) 17 025 standard and OIE (World Organization for Animal Health) requirements. 41% water use authorisation application finalised as per the

water use authorisation guidelines. A total of 111 rainwater harvesting tanks were installed for food production and other household productive uses.

**Sub-Outcome 5: Increased access to quality infrastructure and functional services, particularly in education, healthcare and public transport in rural areas**

13 additional clinics, community health centre were constructed. A total of 3 additional hospitals and mortuaries were constructed. 160 libraries provided free internet. 1 new library was constructed in Petrusville. 225 495 learners were subsidised with transport.

**Sub-Outcome 6: Growth of sustainable rural enterprises and industries – resulting in rural job creation**

**Rural enterprises**

14 Cooperatives were established. A total of 7 Agri-business supported with agricultural economic services to access markets. A total of 770 clients benefitted from agricultural economic advice provided.

A total of 9 agricultural economic information responses were provided. A total of 8 economic reports were compiled. A total of 14 agricultural enterprises supported in the 5 districts. A total of 7 non-agricultural enterprises supported in the 5 districts.

A total of 852 work opportunities were created through EPWP (CASP/ILIMA LETSEMA). A total of 200 green jobs were created. A total of 228 jobs created in Rural Enterprise and Industrial Development (REID) initiatives. A total of 80 jobs created in Rural Industrial Development (RID) initiatives.

A total of 1998 participants were trained in agricultural skill development programmes. 7 Agricultural higher education and training graduates. 16 environmental capacity building activities conducted. 220 environmental stakeholders (community members



attending capacity building workshops) 328 skills development opportunities provided in rural development initiatives. 321 skills development opportunities were provided to NARYSEC.

## **Outcome 4: Decent Employment through Inclusive Growth**

### **Background and Basis for Outcome #4 Analysis**

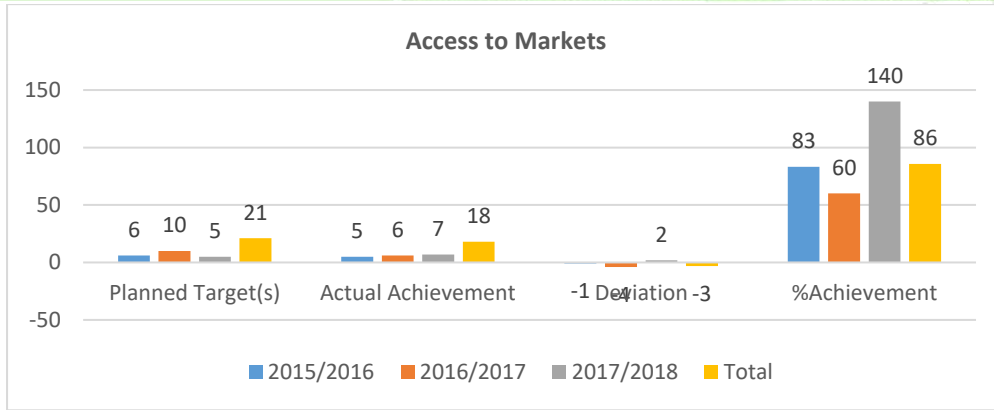
In response to achieving the objectives of the National Development Plan (NDP) which its vision includes better integration of the country's rural areas, achieved through successful land reform, job creation and poverty alleviation, the Department of Agriculture, Land Reform and Rural Development (DALRRD), has developed a five-year vision or Medium Term Strategic Framework that spans from the financial year 2015 to 2020. The following key strategic indicators have been identified by the Department as catalyst to achieve the ultimate goal of NDP in agriculture, fisheries and forestry sector:

- Access to markets by both smallholder and commercial farmers,
- Access to finance,
- Co-operative formation and support,
- Penetration of export markets particularly by the smallholder farmers,
- Employment creation,
- As well as rendering necessary support to all aspiring individuals in the sector including vulnerable groups of the society such as youth, female and people with disability.
- 

Comparative analysis of the performance indicators from the three financial years, viz. 2015/2016 to 2017/2018 is done with a view to track progress made with regard to achieving the NDP 2030 vision.

### **Access to Markets: Market Linkages Created**

**Figure 1: Number of Agri-Businesses Supported with Marketing Services**



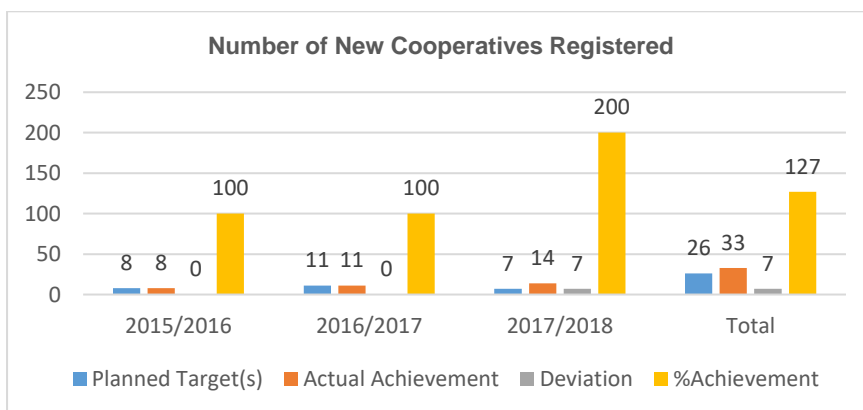
The figure above indicates that there has been a huge improvement in the number of agricultural economic services given to agribusinesses with a view to help them access markets. Year-on-year, the percentage increase from 2016/2017 to 2017/2018 financial year has been recorded at 133% as compared to 28% recorded from the previous financial year 2015/2016 to 2016/2017.

### Establishment of New Co-operatives

During the three financial years under review, the Department has been performing very well in terms of planned targets (see Figure 2 below).

The Department contributed by establishing 14 Cooperatives in the 2017/2018 financial year.

Figure 2: Number of New Co-operatives Registered

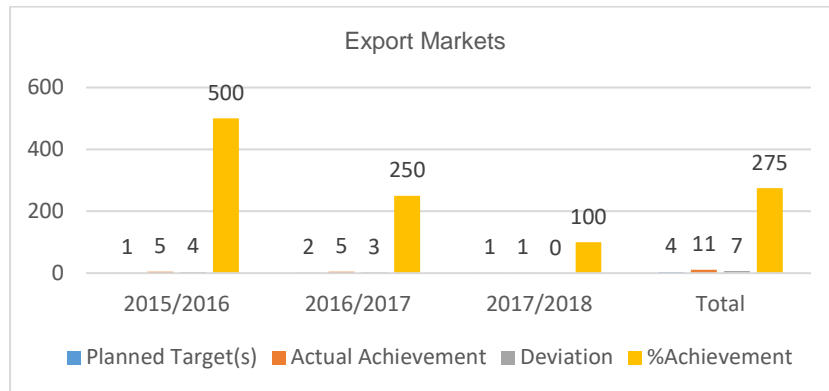


### Export Markets

Figure 3 below depicts that during the three financial years under review, the Department has been achieving its planned targets (i.e. 500% and 250%) financial

years 2015/2016 and 2016/2017 respectively. The Department continued to be consistent in terms of its performance on this indicator by further scoring 100% as per its expectations during the financial year 2017/2018. However, it should be noted that these are not necessarily actual linkages to export markets but exposure given to smallholder farmers to various potential international investors.

**Figure 3: Number of Export Opportunities Created**



## Support to the Vulnerable Groups

### *Support to the Youth and Female Farmers*

The government is committed to promote the inclusion of both youth and women owned agricultural enterprises with a view to address the issue of gender based inequality, poverty, unemployment amongst women and youth, improve food security as well as stimulating local economies.

During the three financial years under review, the department made considerable strides to support many youth farmers. It has achieved far beyond planned targets (i.e. 102% and 184%) financial year 2015/2016 and 2016/2017 respectively and continued to maintain a positive movement in terms of achieving the planned targets. The Department recorded a staggering 158% during the financial year 2017/2018 (see Figure 4 below).

Figure 4: Number of Youth Farmers Supported

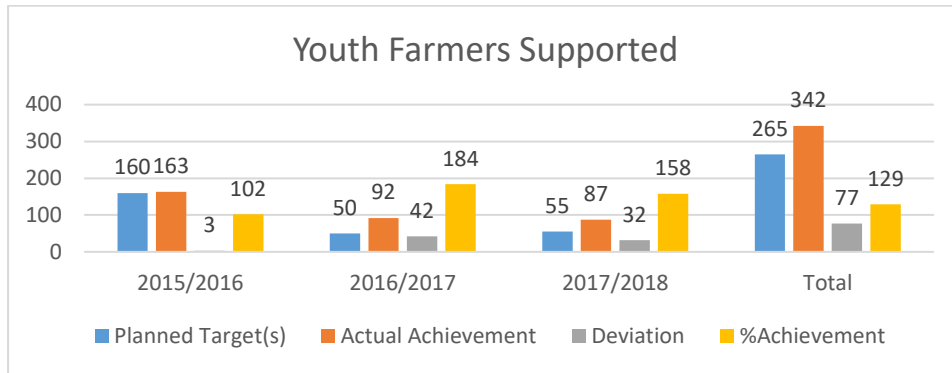
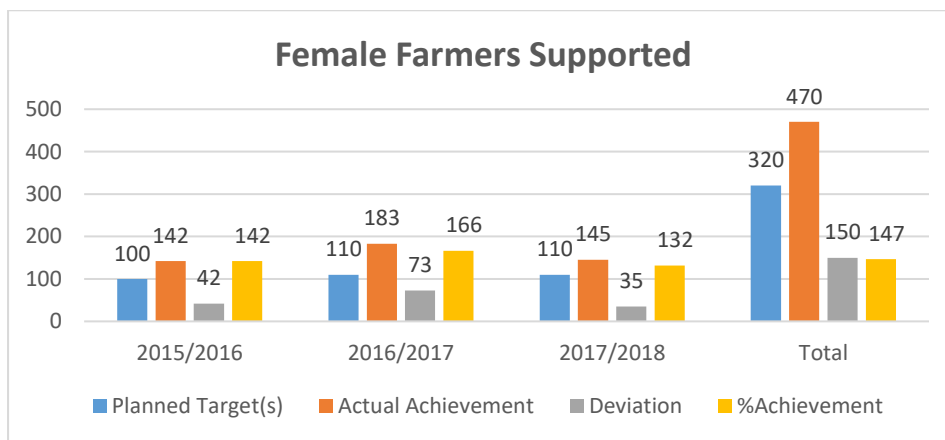


Figure 5: Number of Female Farmers Supported



As for the support rendered to the female farmers, although there was a regression in terms of maintenance of upward trend as shown during the financial year 2017/2018. The Department has been doing well in terms of its plans to achieve this indicator (see Figure 5 above).

### Employment Creation

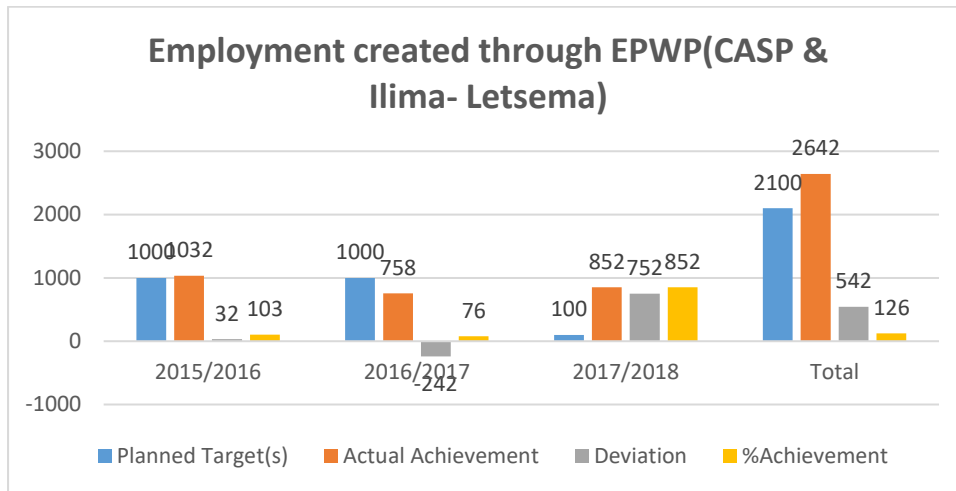
The Northern Cape Department of Agriculture, Land Reform and Rural Development finds its expression within the NDP vision 2030 and trajectory that aim to support all employment intensive programmes and initiatives especially those that target the youth and women. Investment in new sources of growth as clearly defined in the NDP statement of intention will be encouraged and incentivised. The NDP provides a long-term vision through 2030 for accelerating Gross Domestic Product (GDP) growth so that unemployment and inequality can be reduced and for creating a more inclusive society (National Planning Commission, 2011).



## Jobs from Expanded Public Work Programme (EPWP)

In 2017/2018 financial year, the Department showed an improvement in terms of the jobs created through Expanded Public Works Programme (EPWP) when compared to the previous financial year of 2016/2017 (see Figure 6 below).

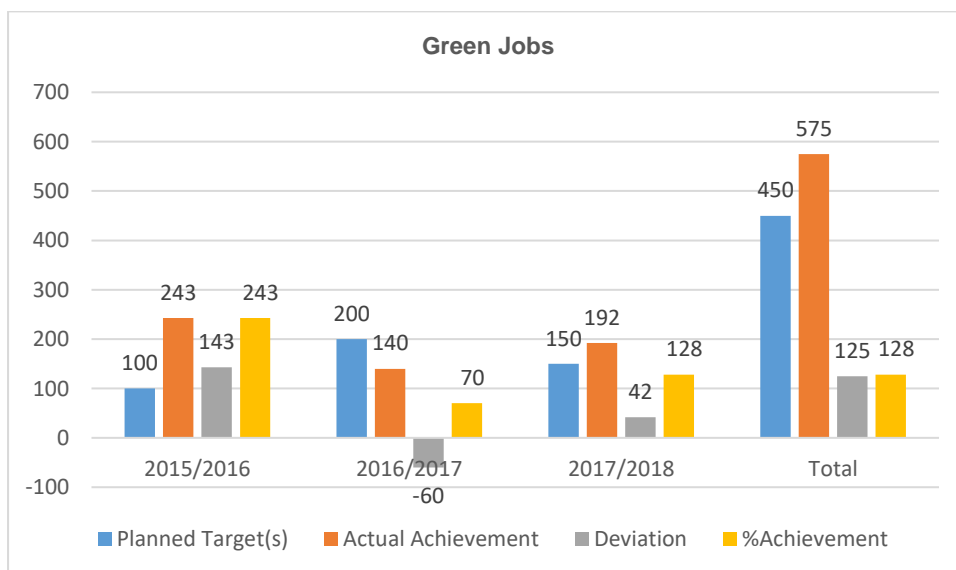
Figure 6: Number of Jobs Created through EPWP



## Green Jobs

As for the green jobs, despite the performance regression experienced in the financial year 2016/2017 yielding the percentage drop year-on-year of 71.2% (see Figure 7 below). There was meaningful increase in the year 2017/2018 recording 128% of jobs created as a result of additional funds allocated to projects by the Department.

Figure 7: Number of Jobs Created through Green Jobs





**PERFORMANCE INFORMATION BY PROGRAMMES**





# Programme I Administration

#### **4.1 Programme 1: Administration**

**Purpose:** The purpose of this programme is to manage and formulate policy directives and priorities and, to ensure there is appropriate support service to all other programmes with regard to finance, personnel, information, communication and procurement.

##### **Sub- Programmes:**

- Office of the MEC
- Senior Management
- Corporate Services
- Financial Management
- Communication Services

##### **Strategic Objectives:**

- To determine policy and set priorities for the Department.
- To provide strategic leadership and support throughout the organization.
- To ensure effective human resource management of 624 employees.
- To provide sound financial and risk management support services to the Department.
- To provide communication services and information technology support.



**Strategic objectives, performance indicators planned targets and actual outputs****Strategic Objectives:**

<b>Programme: 1 Administration</b>					
<b>Strategic objective</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/12018</b>	<b>Comment on deviations</b>
To determine policy and priorities for the Department	3.7	4	3.6	-0.4	Ethics Officers could not complete the online training due to the system being off-line.
To provide strategic leadership and support throughout the organization	3.8	4	3.3	-0.7	A completed Evaluation Improvement Plan was not developed and the Evaluation not published on the Departmental Website.
To ensure effective human resource management of 624 employees	2.4	3	2.6	-0.4	Department did not have an approved organisational structure.
To provide sound financial and risk management support services to the Department	3.3	3	3.6	0.6	Department is fully compliant with financial regulatory requirements.
To provide communication services and Information Technology support	4	4	4	0	

## Performance Indicators

Sub-programme: 1.2. Senior Management								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
1.2.1	Number of performance reports Produced	5	5	5	5	5	0	
1.2.2	Number of performance plans developed	1	1	2	2	2	0	
1.2.3	Number of evaluations conducted	-	-	1	1	0	-1	Due to resignation of staff members completion of the evaluation was delayed.
1.2.4	Number of monitoring reports produced	-	1	3	2	2	0	

Sub-programme : 1.3 Corporate Services								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
1.3.1	Percentage of employees who signed Performance Agreement	-	5	99%	100%	99.8%	-0.2	There were employees who were on suspension and did not submit their Performance Agreements (PA's)
1.3.2	An approved employee health and wellness operational plan	-	-	1	1	1	0	
1.3.3	Number of Agricultural Higher Education And Training graduates	-	-	6	7	7	0	
1.3.4	All disciplinary cases captured on PERSAL	-	-	-	4	4	0	
1.3.5	Gender equality strategic framework implementation plan	-	-	-	2	2	0	
1.3.6	Job access strategic framework implementation plan	-	-	-	2	2	0	
1.3.7	Number of officials subjected to vetting process	-	62	80	20	20	0	
1.3.8	Number of PAIA reports produced	-	4	3	4	4	0	
1.3.9	Number of PAJA reports produced	-	-	3	4	4	0	

### Strategy to overcome areas of under performance

None

Sub-programme : 1.4 Financial Management								
Performance Indicators		Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.4.1	Number of In-Year Monitoring reports	12	12	12	14	14	0	
1.4.2	Number of MTEF budget submissions	1	1	1	2	2	0	
1.4.3	Number of expenditure and revenue projection reports	1	1	1	1	1	0	
1.4.4	Number of monthly compliance certificates on or before due date	12	12	12	12	12	0	
1.4.5	Number of annual and interim financial statements	3	3	3	4	4	0	
1.4.6	Number of risk management reviews conducted	4	4	4	4	4	0	
1.4.7	Number of statistical reports regarding procurement submitted to the provincial treasury on or before due date	12	12	12	12	12	0	
1.4.8	Number of DAMP reports submitted to the provincial treasury	12	12	12	12	12	0	
1.4.9	Number of reports on verified and reconciled asset registers	4	4	4	4	4	0	

### Strategy to overcome areas of under performance



Sub-programme : 1.5 Communication Services								
Performance Indicators		Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
1.5.1	Number of communication plans developed	1	1	1	1	1	0	
1.5.2	Number of publications produced	40	40	50	56	56	0	
1.5.3	Number of end-user training conducted on Microsoft Office application	-	-	-	10	10	0	
1.5.4	Response time on User call resolution				Less than 5 days	Less than 5 days	None	
1.5.5	Number of media campaigns	8	10	30	7	24	17	Additional campaigns were conducted as a result of ad-hoc events that were not part of the calendar but service delivery relevant

### Strategy to overcome areas of under performance

None

## Changes to planned targets

## Linking performance with budgets

## Sub programme expenditure

Pr1: Administration	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	12 843	12 843	-	12 680	12 680	-
Senior Management	21 666	21 666	-	22 454	22 452	2
Corporate Services	47 320	47 320	-	45 658	45 658	-
Financial Management	28 414	28 414	-	27 908	27 908	-
Communication Services	10 094	10 094	-	9 908	9 908	-
<b>Total</b>	<b>120 337</b>	<b>120 337</b>	<b>-</b>	<b>118 608</b>	<b>118 606</b>	<b>2</b>

## SERVICE DELIVERY HIGHLIGHTS

### 4.1.1.1 Human Resource Management

During the 2017/18 financial year the total workforce was 586 and on the 31 March 2018 we closed the financial year with a total workforce of 562. For the period under review 24 employees left the Department as a result of death (5), resignations (6), retirements (9), dismissals(4) and transfers. This had a negative impact on the staff establishment as we have unable to recruit and fill the vacancies of the previous financial year.

The Recruitment unit monitors the post establishment and PERSAL on a continuous basis to improve the accuracy, reliability and the integrity of the information on the system. This is done through PERSAL Clean-up process which identifies the cleaning of establishment information, and the identification and removal of unfunded vacancies from the system as crucial aspects towards improving the accurate reflection of vacancy rates in the department. .

In view of recognizing employees who have served the public service continuously and qualified for long service recognition in line with Resolution 1 of 2012, 36 employees received certificates and their annual leave days increased to 30 days for 10 years of service, 15 received certificates and cash bonus of R9 886 each for 20 years of service, while 6 received certificates and cash bonus of R19 771 each for 30 years of service and 1 received certificate and cash bonus of R26 362 for 40 years' service. The total cash bonus amounted to R293 278.

As part of the job review process, 7 posts (2 of Programme 2 and 5 of Programme 1) were submitted to the provincial job evaluation panel and two of them were upgraded to a higher level, the job descriptions of the Security Officer's and the Registry Clerks in the Corporate Services Directorate were reviewed and finalized.

Workforce planning is one of the key components in Human Resource Directorate and as a result a Human Resource Plan was developed in order to highlight personnel needs of the Department to attract and recruit skilled and capable workforce.

The skills programme of the Department managed to place 209 employees through different short skills development courses and also 17 employees were awarded bursaries to further their studies to ensure that their performance is enhanced and to encourage lifelong learning in the working environment.

As part of our role to reduce the unemployment of young people the Department funded 58 youth from the province to attain formal higher education in different study fields e.g. BVSC, BSc Agriculture. This strategy will assist the Department greatly to narrow the gap of skills shortage in certain agricultural fields.

### ***Employee Performance Management***

The provincial EPMDS policy dictates all employee of the Department should enter and sign a performance on or before 31 May each financial year. All the PA's are to be submitted and captured on PERSAL as per department of Public Service and Administration (DPSA) Directive. Therefore, the Department had a 99% compliance with only 1 exception due to the employee being on suspension.

The performance incentive process was also implemented in line with the Provincial Policy and all committees, Intermediate Review Committees (IRC) and Departmental Moderating Committee (DMC), convened accordingly. For the 2016/17 financial year 541 employees qualified for performance assessment incentives of which 271 qualified and received cash bonus, and 392 employees qualified and received pay progression. The total expenditure for Employee Performance Management Development System (EPMDS) incentive payments was R3 897. The Department managed to assess and concluded incentive payments for all SMS's members, the



assessments period was for three financial years 2014/15, 2015/16 and 2016/17 financial years and all qualifying employees received their incentives. The Department had 4 employees who qualified for grade progression under Resolution 9 of 2009 for OSD employees.

Employee health and wellness programmes are increasingly being recognized as a strategic contributor towards Departmental success. Incapacity leave has been identified as the key problem in ensuring that employees are performing optimally. For 17/18, 20 cases were reported due to the severity of the illness and this constitute 2.81% of production lost for the financial year.

The Department conducted awareness on the following types of illnesses: chronic fatigue, Hepatitis, Human papillomavirus and Attention Deficit Hyperactivity Disorder (ADHD) by disbursing pamphlets all employees in the Department. Information sessions were done in conjunction with Department of Health and Lifeline NGO, and were conducted under the Health and productivity pillar. It is imperative that the Department conduct these awareness's programmes to all employees to empower them with knowledge, and identify symptoms.

The Department also continued its partnership with GEMS (Government Employees Medical Scheme) by enrolling for the GEMS workplace fitness. GEMS also assisted the Department with wellness screenings in the different districts. A total of 5520 condoms were distributed in Departmental buildings as a preventative measure.

An analysis was also done on the financial wellness of employees and the outcome thereof urged the department to partner with Standard Bank to assist employees with financial wellbeing.

The Department had a successful Heritage Day event. The Human Immunodeficiency Virus (HIV) Workplace Programme is guided by the Provincial Strategic Plan on

HIV/AIDS, Sexual Transmitted Diseases (STI) and tuberculosis (TB) 2016-2020. It is aimed at minimizing the impact of HIV/AIDS in the workplace and subsequently minimise the prevalence of HIV/AIDS in the Province. The unit also participated in the World AIDS day and TB day celebrations in the Z.F.Mgcawu district. A collaboration was formed with the different Departments and Office of the Premier (OTP).

#### **4.1.2 Legal Services and Logistics**

The courts handled four (4) cases: namely; the Timkulu, Thetha, Unyathi and Obontse cases. PAJA legislative compliance on both Veterinary Services and tender process were concluded.

The Department led the investigations in the Umsobomvu Fencing Project where funds cannot be accounted for and the suspense account cannot be cleared.

PAJA mainstreaming for Veterinary Services has been completed and will be discussed with the directorate for their inputs and comments for final document. Legislative audit questioner has been completed and will be distributed to all programs.

#### ***Transport***

Two sources provide transport to employees to use as tools for work namely the Northern Cape Transport entity and Mela, a financing institution for subsidized vehicles.

The Provincial fleet entity provides ninety-two vehicles distinctly marked with the ALR registration. The budget for the use of this is significantly high for this financial year. 78% of the old fleet had been replaced and had significantly affected the lease amount from the fleet entity.

With subsidized, applications, had not been approved for more than two years and this had caused the Department to approve the use of private vehicles in place and also increase the use of fleet entity vehicles allocated.

***White fleet***

The total number of white fleet in the Department is ninety-two (92). A total of thirty-eight (38) cars were added to the fleet that must be replaced, bringing the total replaced to twenty-two (22) and leaving the ones that require replacement to sixty (60). Equally we have also not seen with our performance on the white fleet a significant decline on the bill as well nor has there been a shift from the white fleet to the subsidized vehicles. We need the organisation to start to encourage officials to apply for subsidized vehicles. We see officials buying private vehicles for private use and requesting GG vehicles for official usage. Transport policy was reviewed during the period under review

**4.3.1 Security Management*****Vetting***

The Department has coordinated and submitted twenty (20) vetting forms to State Security Agency (SSA) for the 2017/2018 financial year.

Since 2011 only one-hundred and sixty-two (162) applications for vetting have been submitted. From the total submitted, over a period of four years little processing was done over the period.

***Screening***

Annually the Department is required to coordinate vetting and screening of new and personnel in the Department, who their post has as an inherent requirement must complete a vetting application before executing their responsibility. For the past year to date a number of applications were submitted to the State Security Agency but not much feedback had been provided leaving the Department with the risk of appointing and allowing personnel in areas identified for vetting, working without the appropriate clearance certificate.

***Theft and losses***

A procedure manual has been drafted for all theft and loss experienced in the Department. The draft document considers both movable and biological assets. The draft document therefore seeks to explain the process.

The highest percentage of theft and losses occurred at the Vaalharts Research Station. Most of the losses were reported as per the Theft and Loss Register.

### ***Registrations of Vehicles***

The Department has started the registration processes of newly procured tractors and trailers so as to have a record of mechanization assets.

### ***Security Audit***

A joint physical compliance security audit was done at the Department's head office by SAPS National Key Points and Strategic Installations. The results are expected during the first quarter of the financial year.

#### **4.1.4 Records Management**

In order to comply with the National Archives Act, all Departmental files have now been incorporated into a single Departmental filing system. The revisions and additions to the file plan was approved by the provincial archivist and amended accordingly for series h2.5 (MPAT), h3.3.1 cash flow and h3.12.4 (treasury instructions) for finance unit. The Department has received an approval letter from the Provincial Archivist.

#### **4.1.5 Gender**

The Department hosted eight (8) information sessions in all five (5) districts, and facilitated four (4) quarterly Gender Forum and Capacity Development Workshops. The Succession Plan and Resettlement Policies were analysed to ensure that these were gender responsive.

### **Information Technology**

#### ***Telephone management system***





**Programme 2**  
**Sustainable Resource Management**



SITA will then schedule the Project Meeting soon to communicate on the plan.

#### Deployment of Windows 10 and Microsoft Office Professional Plus 2016

IT staff visited the under mentioned regions to deploy Windows 10 and Microsoft Office 2016, the visited regions resulted in more than 80 percent completion of the deployment: (ZF Mgcawu, John Taolo Gaetsewe, Frances Baard and Pixley Ka Seme) Namaqua was completed during the second quarter.

Global Computing have completed deploying Microsoft infrastructure on our cloud platform that the Department has through the Microsoft Enterprise Agreement.

Three (3) trainings were conducted on Windows 10 Microsoft Office 2016 and all incidents/problems reported were resolved within five (5) working days.



## 4.2 Programme 2: Sustainable Resource Management

**Purpose:** The purpose of the programme is to provide agricultural engineering support service to farmers in order to ensure sustainable development and management of agricultural resources.

### Sub- Programmes:

- Engineering Services;
- LandCare;
- Land Use Management; and
- Disaster Risk Management.

### Strategic Objectives:

- To provide engineering support (planning, development, monitoring and evaluation) with regards to irrigation technology, on-farm mechanization, value adding, farm structures, resource conservation management, operation and maintenance of farm equipment, machinery, tools, and implements solutions;
- To plan and coordinate the implementation of 25 LandCare projects;
- To Promote sustainable use of natural resources through the implementation of regulated land use Act (Act 43 of 1983, Act 70 of 1970, and related legislation); and
- To provide agricultural disaster risk management support services to clients/farmers by implementing programmes on disaster plans for droughts, veld fires and floods.

## Strategic objectives, performance indicators planned targets and actual outputs

### Strategic Objectives:

Programme: 2 Sustainable Resource Management					
Strategic objective	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide engineering support (planning, development, monitoring and evaluation) with regards to irrigation technology, on-farm mechanization, value adding, farm structures, resource conservation management, operation and maintenance of farm equipment, machinery, tools, and implements solutions.	88	50	53	3	Due to additional infrastructure requirements at 3 projects.
To plan and coordinate the implementation of 25 LandCare projects	6	6	7	1	Due to additional funds allocated to project.
To Promote sustainable use of natural resources through the implementation of regulated land use Act (Act 43 of 1983, Act 70 of 1970, and related legislation)	22	25	9	16	Indicator is demand driven. Achievements are based on applications/ requests received.
To provide agricultural disaster risk management support services to clients/ farmers by implementing programmes on disaster plans for droughts, veld fires and floods	1	-	2	2	Two disaster relief schemes were implemented: i. Drought scheme – DAFF procured feed and transport services to value of R25 million for farmers of Namakwa drought stricken area. Department coordinate the delivery of feed to farmers. Scheme implemented April – June 2017.



Programme: 2 Sustainable Resource Management					
Strategic objective	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/12018	Comment on deviations
					ii. Flood Scheme – Department continue with implementation of 2011 flood assistance scheme with R92 million allocation through CASP.

### Performance indicators

Sub-programme: 2.1 Engineering Services							
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/12018	Comment on deviations
2.1.1 Number of Agricultural infrastructure established	-	54	88	50	53	3	Due to additional infrastructure requirements at 3 projects.

### Strategy to overcome areas of under performance

None

Sub-programme: 2.2 LandCare								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
2.2.1	Number of hectares protected/rehabilitated to improve agricultural production	-	6500	4700	5500	7118	1618	Due to environmental considerations (i.e. Veld fires) Most projects commenced in the 3rd quarter and additional funding was re-allocated to some projects which resulted in more hectares of land being rehabilitated
2.2.2	Number of green jobs created	364	100	153	150	200	50	As a result of additional funds being allocated to projects extra workers were employed.
2.2.3	Number of awareness campaigns conducted on LandCare	1	2	2	3	3	0	
2.2.4	Number of capacity building exercises conducted within approved LandCare projects	2	2	2	2	2	0	
2.2.5	Number of beneficiaries adopting/practising sustainable production technologies & practices	100	100	100	200	228	28	Additional beneficiaries, who were mistakenly left out of the initial project beneficiaries list prior

Sub-programme: 2.2 LandCare							
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
							to project implementation, were added on the list after conducting a validation process in the midst of project implementation.

### Strategy to overcome areas of under performance

None

Sub-programme: 2.3 Land Use Management							
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
2.3.1 Number of hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	-	20	16609	200	710.1	510	Indicator is demand driven. Achievements are based on applications/ requests received.

### Strategy to overcome areas of under performance

None

Sub-programme: 2.4 Disaster Risk Management								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
2.4.1	Number of disaster risks reduction programme managed	12	13	12	12	12	0	
2.4.2	Number of disaster relief schemes managed	1	3	1	-	2	2	<p>Two disaster relief schemes were implemented:</p> <p>iii. Drought scheme – DAFF procured feed and transport services to value of R25 million for farmers of Namaqua drought stricken area. Department coordinate the delivery of feed to farmers. Scheme implemented April – June 2017.</p> <p>iv. Flood Scheme – Department continue with implementation of 2011 flood assistance scheme with R92 million allocation through CASP.</p>

### Strategy to overcome areas of under performance

None



## Changes to planned targets

None

## Linking performance with budgets

### Sub programme expenditure

Pr2: Sustainable Resource Management	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Engineering Services	6 755	6 755	-	7 126	7 126	-
Land Care	7 094	6 621	473	9 320	9 306	14
Land Use Management	18 774	16 001	2 773	15 055	14 815	240
Disaster Risk Management			-	64 197	64 197	-
<b>Total</b>	<b>32 623</b>	<b>29 377</b>	<b>3 246</b>	<b>95 698</b>	<b>95 444</b>	<b>254</b>

## **SERVICE DELIVERY HIGHLIGHTS**

### **4.2.1 Engineering Support for Development of Infrastructure and Mechanisation Systems to Increase Production, Food and Product Processing and Marketing.**

#### **Namakwa district**

Focus was on the Namakwa Irrigation Development Programme with the following achievements:

- Coboop - Supply portable pump units and delivery pipes for irrigation.
- Onseepkans – Installation of irrigation and trellising systems for 17.6 ha vineyards completed.
  - Procured a vineyard tractor and boom sprayer.
- Pella - Procured a tractor and implements for vineyard production.

#### **ZF Mgcawu district**

- Blucoso Trust- Construction of fence and soil preparation for raisin drying area.
- Eksteenskuil Grape- Support with soil preparation on 10 ha.

#### **Pixley Ka Seme district**

- Intswenekazi Vegetable Garden – Survey and design a shade net structure, tanks, drip irrigation system, security fence and solar pump system to establish a 1 ha food security garden.
- Emthanjeni hydroponics - Repair of greenhouse.
- Bakengraf - Construction of 3 centre pivot irrigation systems for 13.3 ha and water supply infrastructure for 5.7 ha dragline systems completed.
- Elim Trust - Soil preparation; de-bushing, de-stumping, cross ripping and levelling; for irrigation of 19 ha completed.

#### **Frances Baard district**

- Pniel, Kalkput and Rooibult projects - Supply and deliver tractors and farming implements for irrigation.
- Plot 5J14 - Installation of a 17.8ha centre pivot completed.
- Oreratile Project - Construction of fence and an ostrich house completed.
- Reetsang - Establish food garden.
- Vula-Vula - Establish food garden

## John Taolo Gaetsewe district

- Manyeding - Construction of a storage facility was done.

## Stock handling facilities

Farmers were supported with the construction of fixed handling facilities and supply of mobile stock handling facilities.

Projects supplied with mobile handling facilities:

- Hartswater commonage

Projects where fixed stock handling facilities were constructed:

District	Project/ Farm	Designed	Under Construction	Completed
John Taolo Gaetsewe	Mapoteng	1		1
	Gasehunelo - Wyk 1	1		1
	Masilebetsane	1		1
	Tauntan	1		1
Frances Baard	Doornkloof	1		1
	Dipitsing	1		1
	Alfa farm	1	1	
	Caerwining farm	1	1	
	Bellsbank	1	1	
	Rust & Vrede	1	1	
	Waterbron	1	1	
	Pniel	1	1	
Namaqua	Kammiesberg	3		
<b>Total</b>		<b>15</b>	<b>6</b>	<b>6</b>

## Assistance with Construction of Fences

Large areas of communal land are not well fenced and with no or little inner or camp fences which make effective veld management difficult. To overcome the problem farmers are supported with the construction of fences.

### **Fences constructed:**

District	Inner Camp Fences staked out and constructed (Km)	Border Fences staked out and constructed (Km)
John Taolo Gaetsewe	76.713	36.09
Pixley Ka Seme	14.506	32.33
Namaqua	5.0	-

Frances Baard	7.865	26.3
<b>Total</b>	<b>104.084</b>	<b>94.72</b>

## Stock Water Supply

Availability and on – farm distribution of adequate stock water on rural and land reform farms is one of the limiting factors to ensure effective utilisation of rangeland by emerging stock farmers.

Stock water systems were designed, service providers appointed and construction of stock water systems completed:

### *Support towards development of stock water*

District	Number of projects/ Farms Serviced	Boreholes Drilled/ Rehabilitated	Pumps Installed	Windmills Installed/ Upgraded	Stock Water Systems Installed/ Upgraded	Area Serviced with Stock Water (Ha)
John Taolo Gaetsewe	46	-	24	2	33	59 134
Pixley Ka Seme	9	4	6	-	18	10 597
Namaqua	14	14	26	45	40	597 000
Frances Baard	2	2	4	2	10	5 619
<b>Total</b>	<b>71</b>	<b>20</b>	<b>60</b>	<b>49</b>	<b>98</b>	<b>672 350</b>

## 4.2.2 LANDCARE

The LandCare Programme was conceptualised in the year 1997 in South Africa because the Government, communities and individuals accepted the need for changing the way we manage and use our land and water resources, so that their long-term potentials are sustained and optimised.

LandCare Programme pursues the goal of optimizing productivity and sustainability of natural resources resulting in greater productivity, food security, job creation and a better quality of life for all. The principles that define and guide LandCare in South Africa must be explicitly incorporated within any initiative claiming to incorporate LandCare processes and achieve LandCare outcomes.

In the 2017/2018 fiscal year the Department through the provincial LandCare programme allocated a total sum of R 7.094 million towards the implementation of



seven (7) community led natural resource management projects and one (1) LandCare awareness project aimed at school learners.

*The following projects were implemented in the 2017/2018 fiscal year*

Project	District Municipality	Local Municipality	Location	Budget R'000
Bothithong Gnidia Burchelli control	John Taolo Gaetsewe	Joe Morolong	Danoon, Kiang Kop & Bothitong	R1.000m
Frances Baard VeldCare	Frances Baard	Magareng & Dikgatlong	Majeng, Witfontein & Delpportshoop	R1.100m
Gamagara Bush control	John Taolo Gaetsewe	Gamagara	Deben, Olifantshoek, Vredebron & Broughton	R1.000m
Joe Morolong Bush control	John Taolo Gaetsewe	Joe Morolong	Dutton, Garapoana & Metsimantsi (Wyk 7)	R1.200m
JTG Wetlands rehabilitation	John Taolo Gaetsewe	Joe Morolong		R0.800m
Niekerkshoop Prosopis control	Pixley Ka Seme	Siyathemba	Niekerkshoop	R0.300m
Pixley Ka Seme SoilCare	Pixley Ka Seme	Ubuntu	Richmond	R1.200m
NC LandCare Awareness	John Taolo Gaetsewe, Pixley Ka Seme and Frances Baard			R0.354m

#### 4.2.2.1 SoilCare:

This theme addresses issues of soil acidity, soil erosion and the reduction in soil fertility caused by the selective removal of fine particles, nutrients and organic matter. e.g Gully erosion or dongas.

Through the Pixley Ka Seme SoilCare project 300ha of eroded soil was rehabilitated using bio-engineering techniques. A total of 16 people were employed during the implementation of this project and all were trained on different methods of erosion control. The objective on this project was to rehabilitate the unproductive lands of Richmond communal farm to optimize agricultural production.

#### 4.2.2.2 VeldCare:

This theme deals with the reduction in ground cover of rangelands, exposing soil to different forms of erosion, and degrading the species composition relative to the nutritional requirements of the grazing animals. Widespread bush encroachment has reduces the livestock productivity of the veld and this theme concentrates on addressing these broader degradation issues. A total of five (5) projects were implemented under this theme at a total budget of R4 300 000.

- *Bothithong Gnidia Burchelli Control*

1038ha of rangeland were rehabilitated using manual control of Harpuebos (Gnidia Burchelli), 81 job opportunities were created during project implementation. A total of R1 100,000 was allocated for implementation of this project and approximately 1000 farmers will benefit from this support.

- *Frances Baard VeldCare*

A total of 2020ha of rangeland were rehabilitated through the chemical control of *senegalia mellifera* (Swarthaak/Black torn/Mongana). A total sum of R1 259 060 and 280 farmers will benefit from this support. The project was implemented at Majeng village, Fairfield farm (Delpoortshoop) and Witfontein (Majeng village) and 35 job opportunities were created.

- *Gamagara Bush Control*

Through the chemical control of *senegalia mellifera* (Swarthaak/Black torn/Mongana) 2600ha of rangeland were rehabilitated at Deben, Olifantshoek, Vredebron and Broughton. A total of 31 job opportunities were created and approximately 2300 farmers will benefit differently from this support. R1 150 000 was spent during implementation.

- *Joe Morolong Bush Control*

A total of 1460ha of rangeland were rehabilitated through the chemical control of *senegalia mellifera* (Swarthaak/Black torn/Mongana). A total sum of R1 233 327 and 2000 farmers will benefit from this support. The project was implemented at Dutton, Garapoana, Metsimantsi (Wyk7) in the Kuruman area and 33 job opportunities were created and an allocation.

#### 4.2.2.3 Water Care

This theme includes the huge problem of soil loss which has damaged the catchments and hydrological systems by accelerating the siltation of dams used for irrigation, reducing infiltration and lowering the water tables. It also deals with the control of alien invader plant species that reduces underground over utilises underground water.

*John Taolo Gaetsewe Wetlands Rehabilitation*

Eleven (11) freshwater ecosystems (Wetlands) were rehabilitated around the Joe Morolong local Municipality. The rehabilitation process included removal of alien plant species around wetlands and fencing critical areas of the wetlands to minimise trampling.

A total of 45 job opportunities were created at a total allocation of R800 000. These water bodies support sustainable livelihoods in the Joe Morolong area as they provide water for households and agricultural use.

#### **4.2.2.4 Junior Care:**

Junior-LandCare seeks to empower previously disadvantaged young people with regard to training in facilitation and leadership skills. This includes the promotion of food security at home and at schools by establishing food gardens, creating awareness in sustainable agriculture, stimulating the formation of youth clubs and small projects that aim to promote other components of LandCare. Junior-LandCare addresses the needs of young people in an integrated way that involves interdisciplinary approaches.

#### ***NC LandCare Awareness (Junior LandCare Weekend Camp)***

The Department through the LandCare programme held a weekend long camp for learners from three (3) districts namely; Frances Baard, John Taolo Gaetsewe and Pixley Ka Seme district. The camp was attended by 110 learners and teachers from their respective schools. The objective of Junior LandCare weekend camp was to capacitate learners in different environmental issues and how they can contribute positively in their own environment.

The learners were tasked with establishing school projects which will be evaluated by the end of June 2018; the winning school/learners will receive a prize and will represent the province during the 8th Biennial National LandCare Conference in 2018. As part of the weekend program MEC Norman Shushu launched the “*LandCare adopt a tree program*” This program seeks to promote greening (Tree planting) of communities across the province.

### 4.2.3 LAND-USE MANAGEMENT

Engineering inputs were delivered to ensure sustainable utilisation of agricultural resources as provided for in the Conservation of Agricultural Resources Act; Act 43 of 1983.

#### 4.2.3.1 Subdivision/rezoning/change of agricultural land use applications for Rezoning

##### Frances Baard

- Middelpoos No 241 - Middelpoos Guest Farm; Rezoning for a guest farm-369.3 ha
- Kraanvogel Vallei No 29; Rezoning to establish a filling station- 9.7ha

#### 4.2.3.2 Applications for Plough Certificates

##### ZF Mgcawu

- FGJ Wiid; Portion 29 of Uap 418;- 25 ha
- FGJ Wiid; Portion 21 of Uap 418;- 150 ha
- BN Kilian; Portion 27 of Rouville West:- 12 ha

##### Frances Baard

- Van Deventer Familie Trust; Por 4 of Brakpan 143; Kimberley- 7 ha

##### Pixley Ka Seme

- Mahoebe (De Kalk 37, Por 1 of Klipfontein 38 and Por 1 of Torquay 157)-91ha
- MJ van Wyk; Farm Buffelsvlei; Umsobomvu- 40ha
- AL Murray; Farm Slingsfontein; Umsobomvu- 6ha

#### 4.2.3.4 Assistance with Farm Planning

Land use plans and maps were compiled for effective planning and design of on farm infrastructure development.

Farm plans compiled:

District	Number of Farm Plans Compiled	Total area of Farm Plans Compiled (Ha)
John Taolo Gaetsewe	25	104 488
Pixley Ka Seme	9	23 314
Frances Baard	15	7 360
Total	49	135 162



#### 4.2.3.5 Vaalharts Revitalisation

This is a long term programme to rebuild the water supply, main drainage infrastructure, installation of on-farm drainage and rebuilding of old overnight reservoirs to minimize water logging. The following were achieved with R12 million allocation from the Ilima Letsema programme:

The Environmental Impact Assessment (EIA) for Vaalharts Revitalisation -Basic Assessment Report (BAR) was submitted to Department of Environmental Affairs (DEA) for construction of the following works:

##### *Awaiting approvals*

- 800mm concrete pipeline and new balancing dam to service VH Farms.
- A new balancing dam and supply pipeline to Ganspan from the North Canal.
- 4 x new balancing dams.
- 11 x new feeder dams and the replacement of feeder canals with pipelines.
- Construction of new storm water drains.

##### *Approvals issued*

- Ganspan - sub-surface drainage and communal main outfall drain.
- North main supply canal.

##### *Construction works completed in the year:*

- Subsurface drainage systems on Plots 5I6 and 4G5 for drainage of 41 ha.
- Installation of 2.9 km communal drainage pipeline to service 201 ha irrigation land in block G5 and I6B farms.
- Storage dam on Plot 4G8 (30% completed)
- Storage dam on Plot 5H16 (70% completed)

## 4.2.4 SUB-PROGRAMME DISASTER MANAGEMENT

### 4.2.4.1 Disaster Risk Reduction Programmes

The Department implemented programmes aimed to minimize the agricultural vulnerabilities and disaster risks. It includes prevention, mitigation, adaptation, prediction and early warning systems. The following activities were implemented in support during the year:

#### **Early warning system**

An Early Warning Committee was established which analyses data collected through remote-sensing techniques, seasonal climatic data and grazing capacity data to inform the Department and farmers of developing disaster drought situations.

Twelve (12) early warning reports have been generated for the whole province and disseminated to farmers through extension services and communication as an integral component of an effective Early Warning System.

#### **Awareness campaigns**

The objective of the campaigns is to promote a culture of risk avoidance among stakeholders by capacitating them through integrated education, training and public awareness programmes informed by scientific research.

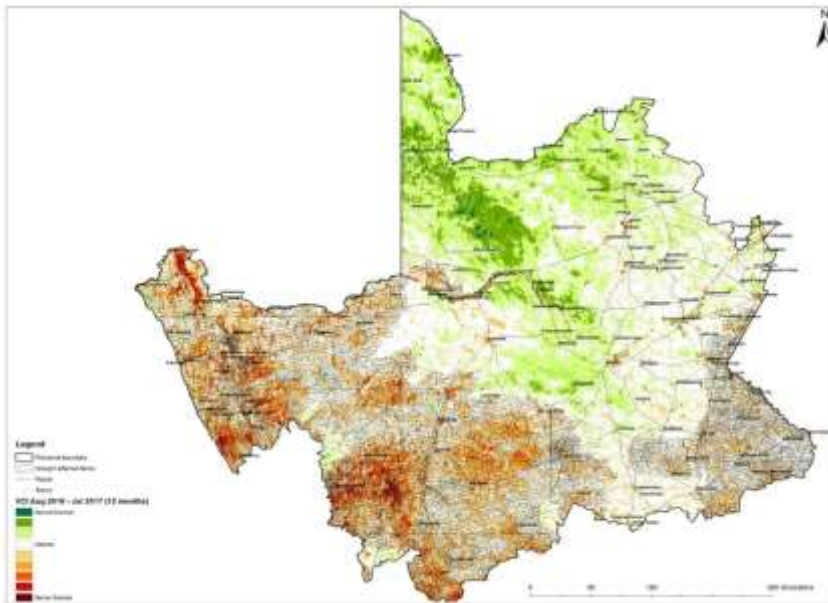
The following campaigns were conducted on veld fires and disaster management processes:

- On the 18th of September 2017, the disaster unit conducted a disaster management information session day for farmers in Barkley West. Purpose of the workshop was on Veld Fire awareness, LandCare and Provincial Disaster Management Centre (PDMC) processes when veld fires become disastrous.
- Disaster Funding and Process Workshop On the 14th of September 2017, disaster management workshop was held to clear disaster management challenges in the province. Different types of available for disasters and requirements were presented by the National Disaster Management Centre (NDMC). Drought status of the province was reflected and way forward tabled.

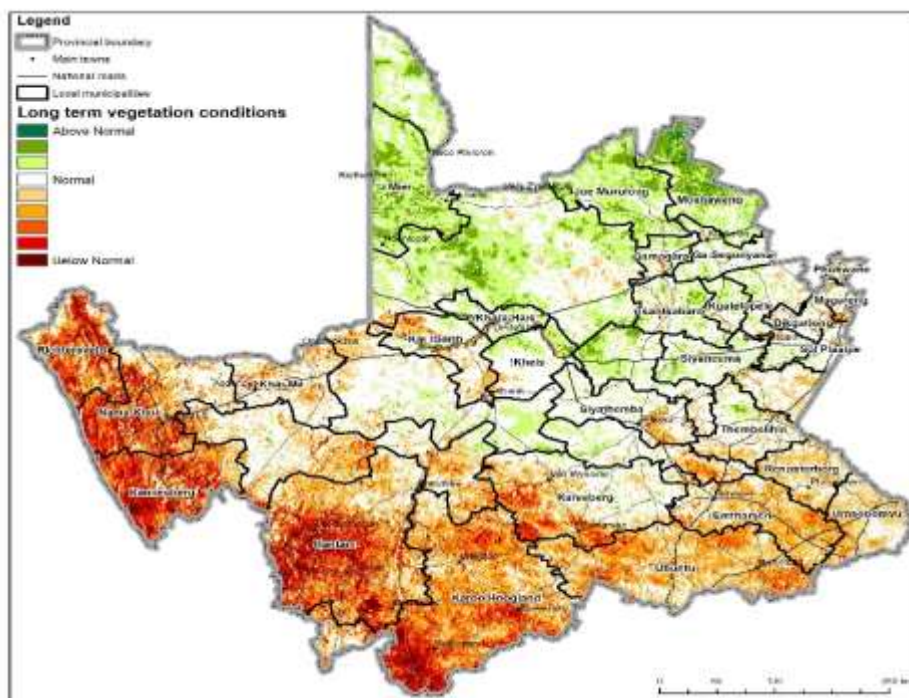
### Early Warning Committee

The committee disseminates early warning information to farmers through extension services, external districts disaster managers and communication as an integral component of an effective early warning system in support of disaster risk reduction. Meetings are held on a bi-monthly basis.

### Drought Monitoring



**Map 1: Drought Map of the province**



**Map 2: 12 Months VCI**



The Province is still experiencing severe drought conditions as indicated on the maps above. The Province has received below normal rainfall for the past years and in the 2017/18 financial year. Animal conditions are in a bad shape and some areas are experiencing shortage of water due to the crippling drought.

#### 4.2.4.2 Project Monitoring and Visits

On the 26 until the 28<sup>th</sup> of March 2018, the Department of Agriculture's Disaster and LandCare units, NDMC, PDMC and Department of Environmental Affairs visited Carnavon, Calvinia, Loeriesfontein and Brandvlei for drought monitoring and inspection of the infestation of the prosopis problem in the drought affected areas. The team also met with the local councils of the respective towns regarding drought interventions and coping strategies.



*Fig. 2: Infestation of prosopis trees along the river in Carnavon*

#### 4.2.4.3 Boreholes

DAFF has approved to equip boreholes for the JTG area under the disaster mitigation fund. Disaster Inception meeting for Mitigation fund of boreholes project was held in Kuruman on the 1<sup>st</sup> of March 2018. The team also went for the boreholes inspection and has agreed that boreholes will be equipped through DAFF funding.



#### 4.2.4.4 International Day for Disaster Reduction (IDDR)

On the 18<sup>th</sup> and 19<sup>th</sup> of October 2017, the disaster unit conducted IDDR workshop to celebrate and raise awareness on disaster management issues. The aim was also to reduce the number of people affected by disasters.

Stakeholders who attended were farmers, DAFF, Departmental officials, district disaster managers and those involved in disaster management.

Handover of the Agricultural Veld and Drought Disaster Management plans was done on the 19<sup>th</sup> of October 2017.



*Members attending IDDR*



*Handover of the veld & drought management plan*

#### 4.2.4.5 Veld/Natural resource management training for extension officials

On the 13<sup>th</sup> until the 17<sup>th</sup> of November 2017 Veld/Natural resource management training for extension officials was held in Kuruman. The purpose of the training is to equip extension officials on the basic principles and practices needed for sustainable natural resources management, such as grazing lands (veld) and water resources. The course is also practical where extension officials will identify different plants and grass species. It also touches on the issues of farm planning, veld fires, and soil identification.

#### 4.2.4.6 Fodder Bank:

To increase the production of lucerne and other animal feed on the research farms; Rietrivier, Vaalharts and Eiland; for immediate support to stock farmers when disasters like veld fires and droughts strike, the following support were delivered:

##### *Rietrivier*

- 3 centre pivot irrigation systems for 60 ha were procured and installed.
- Storage facility constructed.
- Mechanisation equipment supplied.

##### *Vaalharts*

- Construction of two centre pivot irrigation systems for 22 ha in process.
- Storage facility constructed.
- Mechanisation equipment supplied.

##### *Eiland*

- Lucerne store repaired and upgraded
- Mechanisation equipment supplied.

#### 4.2.4.7 Disaster Management Relief Scheme Projects:

##### ***Drought Support***

The Department of Agriculture, Forestry and Fisheries (DAFF) allocated R25 million to the Northern Cape for the procurement of drought feed. DAFF centrally procured 73 000 bags of drought pellets at a cost of R 20,44 million from Stanch Trading for distribution to farmers in Namakwa district. Officials of the Department were responsible for the coordination of feed distribution to the farmers. The distribution was completed by end of June 2017. DAFF also awarded a tender to the amount of R4.0 million to a contractor who transported donated feed from Mpumalanga and Western Cape to the area.

- On the 30th of August 2017, Namakwa District Municipality took a resolution to declare the district drought stricken as per council resolution number URN14/08/2017.

- On the 10 October 2017, The Honourable Premier Sylvia Lucas declared a provincial state of disaster for Namakwa and Pixley Ka Seme districts as per notice number 149 of 2017.
- A total number of 2380 farmers applied for drought assistance in October, (Small scale farmers 595, Medium scale farmers 403 and Commercial farmers 1382.
- The Department compiled a request for drought relief funding report that was submitted to PDMC for NDMC and DAFF Climate Change and Disaster Management Directorate in November to assist the province.
- On the 22<sup>nd</sup> of February 2018 the Honourable Premier re-declared the above mentioned two districts as provincial state of disaster for 3months as according to legislation (Disaster Management Act 57 of 20012)
- On the 13<sup>th</sup> of March 2018, the NDMC declared a National State of Drought Disaster as per gazette 41493.

### ***Flood Assistance Scheme***

An amount of R92 million was made available for the 2017/2018 financial year to continue with the repair of farm infrastructure that was damaged in the 2011 floods in the Orange River.

The following work was completed:

- Survey, plan, design, cost and issue approvals to farmers to repair 42.887 km of flood protection walls along the banks of the Orange River in ZF Mgcauw district.
- Repair of 50 flood walls on 79 land partials with a total length of 39.593 km were constructed by contractors appointed by the farmers.





## Programme 3 Farmer Support and Development



### **4.3 Programme 3: Farmer Support and Development**

**Purpose:** The purpose of the programme is to provide support to farmers and rural communities through agricultural development programmes.

**Sub- Programmes:**

- Farmer settlement and development;
- Extension and advisory services; and
- Food security.

**Strategic Objectives:**

- To provide agricultural support to 8400 smallholder and commercial producers for sustainable agricultural development;
- To provide extension and advisory services to 25 000 farmers; and
- To provide support to 10 000 food insecure households by 2020.

**Strategic objectives, performance indicators planned targets and actual outputs****Strategic Objectives:**

<b>\Programme: 3 Farmer Support and Development</b>					
<b>Strategic objective</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
To provide support to 8400 smallholder and commercial producers for sustainable agricultural development	773	1693	1266	-234	Due to community conflicts some projects were not implemented.
To provide extension and advisory services to 25 000 farmers	5494	5000	5111	111	With the drought situation getting worse as the year progressed, more and more farmers seek advice to survive the severity of the drought. Private institutions also conducted additional information days such as conservation agriculture and zero tillage.
To provide support to 10 000 food insecure households by 2020	1899	1600	1946	346	Additional support was received from other IFSNP stakeholders.

**Performance indicators:**

Sub-programme: 3.1 Farmer Settlement and Development								
Strategic objective	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
3.1.1	Number of smallholder producers receiving support	180	2622	773	1500	1266	-234	Due to community conflicts some projects were not implemented.
3.1.2	Number of municipalities supported to manage commonages	20	27	27	26	26	0	
3.1.3	Number of landholding institutions provided with support	12	20	16	16	15	-1	One restitution project in Koopmansfontein could not be supported due to internal conflict.

**Strategy to overcome areas of under performance**

None

Sub-programme: 3.2 Extension and Advisory Services								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
3.2.1	Number of smallholder producers supported with agricultural advice	-	2685	3965	2700	2974	274	With the drought situation getting worse as the year progressed, more and more farmers seek advice to survive the severity of the drought. Private institutions also conducted additional information days such as conservation agriculture and zero tillage.
3.2.2	Number of participants trained in Agricultural Skills Development Programmes	1339	1372	1523	1300	1998	698	Due to in-year partnerships with stakeholders like the ARC and DRDLR more training could be provided.

Sub-programme: 3.2 Extension and Advisory Services								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
3.2.3	Number of work opportunities created through EPWP (CASP & Ilima/Letsema)	850	1032	708	1000	852	-148	Less jobs were created due to community conflicts that affected implementation of some of the projects.
3.2.4	Number of youth farmers supported	150	163	98	55	87	32	Some of the projects enlisted new young people during the course of implementation.
3.2.5	Number of female farmers supported	48	100	183	110	145	35	More female farmers requested support.
3.2.6	Number of employment opportunities created for young people	-	-	-	30	0	-30	Identification and consultation with relevant commercial farmers were conducted late in financial year, therefore the implementation will be done in the new financial year.
3.2.7	Number of CASP projects implemented	22	25	25	20	18	-2	Due to community conflicts some projects were not implemented.
3.2.8	Number of Ilima/Letsema projects implemented	19	17	14	14	14	0	

### Strategy to overcome areas of under performance

None

Sub-programme: 3.3 Food Security								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
3.3.1	Number of households benefiting from agricultural	1000	1157	1322	1200	1266	66	More requests for support were received during events coordinated by other IFSP partners and private institutions such



Sub-programme: 3.3 Food Security								
Performance Indicators	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
	food security initiatives						as the Gary Player event in Colesberg, and Provincial Arbor Day in Postmasburg.	
3.3.2	Number of hectares cultivated for food production in communal areas and land reform projects	-	1308.44	812.5	800	1056.53	256.53	Additional land was identified.
3.3.3	Number of household gardens established	600	698	574	400	680	280	Contribution and support from other IFSNP stakeholders led to the establishment of more gardens than planned
3.3.4	Number of institutional gardens established	15	20	17	20	39	19	More request received from different institutions for establishment of gardens than normally was the case
3.3.5	Number of War on Poverty Change Agents supported	-	-	-	5	21	16	A need to support change agents based on the War on Poverty list as well as Balelapa Programme led to more support given than planned for.

### Strategy to overcome areas of under performance

#### Number of smallholder producers receiving support:

Support was in the form of infrastructure development, supply of production inputs and fodder; therefore, all projects will in the next financial year be fully implemented to cover the support to the intended number of farmers

#### Number of landholding institutions provided with support:

Developed detailed schedule of CPA meetings with consultation of all members to address other issues affecting CPA members

**Number of work opportunities created through EPWP (CASP & Ilima/ Letsema)**

Strict measure must be put in place to ensure that contractors comply to EPWP regulations and adhere to timeframes.

**Number of CASP projects implemented**

Proper social facilitation must be done in benefitting communities to ensure that conflict does not hamper project implementation. Term contracts will assist in the timeous implementation of projects.

**Linking performance with budgets****Sub programme expenditure**

Pr3: Farmer Support & Development	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Farmer-Settlement and Development	3 109	3 109	-	4 411	4 411	-
Extension and Advisory Services	342 344	325 779	16 565	217 754	202 940	14 814
Food Security	6 249	6 249	-	4 720	4 720	-
<b>Total</b>	<b>351 702</b>	<b>335 137</b>	<b>16 565</b>	<b>226 885</b>	<b>212 071</b>	<b>14 814</b>

### 4.3 SERVICE DELIVERY HIGHLIGHTS

#### **Agricultural support to small holders and commercial farmers for sustainable agricultural development**

A total of 1 266 smallholder farmers were supported through infrastructure development and supply of production inputs through Comprehensive Agricultural Support Program (CASP) and Ilima/ Letsema Funds as well as drought relief interventions. As part of Livestock Infrastructure Development, 8 handling facilities were constructed for livestock farmers at Dipitseng, Doornkloof, Belsbank, Waterbron, Alpha Farm, Pniel, Rust & Vrede and Caerwining Farms in Frances Baard District.

Crop farmers received production inputs in the form of seed, fertilizer, diesel, pesticides and herbicides through Fetsa Tlala Production Programme to put total of 1056.53 hectares in production in communal areas and land reform projects. The programme aims at addressing challenges of food security and unemployment.

Livestock farmers in Namakwa, ZF Mqgawu and Pixley Ka Seme Districts received drought relieve support in the form of fodder during drought period where livestock farmers were affected. A total of 2 974 smallholder producers were supported with agriculture advice through farmers and information days, farm visits as well as demonstrations.

#### **Livestock Improvement Programme (LIP)**

The LIP initiative aims at provision of quality breeding material including, Bonsmara bulls, heifers, Nguni Cattle, Dorper rams and ewes from Departmental Research Farms to livestock farmers in the Province to improve genetic material. A total of 285 applications were received and 95 farmers qualified. As part of Wool Production Program, Natchaisfontein received 400 Merino ewes and 16 rams.

#### ***Distribution of breeding material***

NAME OF DISTRICT	BREED	TYPE OF ANIMALS	NUMBER	NUMBER OF BENEFICIARIES
<b>Frances Baard</b>	Bonsmara	Bulls	7	Female: 3
	Nguni	Heifers	2	Male : 5
<b>Pixley Ka Seme</b>	Bonsmara Dorper	Bulls	3	Female : 2
		Heifers	3	Male : 3
		Rams	2	
		Ewes	20	

NAME OF DISTRICT	BREED	TYPE OF ANIMALS	NUMBER	NUMBER OF BENEFICIARIES
<b>John Taole Gaetsewe</b>	Bonsmara	Bulls	9	Female : 15 Male : 37
	Nguni	Heifers	29	
	Dorper	Rams	39	
		Ewes	18	
<b>Namakwa</b>	Bonsmara	Bulls	16	Male: 5
		Heifers	2	
	Dorper	Rams	6	
		Ewes	11	
<b>TOTAL</b>	Bonsmara	<b>Bulls</b>	<b>39</b>	<b>Females: 35</b> <b>Males : 60</b>
		<b>Heifers</b>	<b>6</b>	
	Nguni	<b>Heifers</b>	<b>31</b>	
	Dorper	<b>Rams</b>	<b>119</b>	
		<b>Ewes</b>	<b>59</b>	



*400 Ewes and 16 rams delivered at Nachtaalfontein*

### **Livestock Infrastructure Development:**

#### **Pixley Ka Seme**

Farmers were supported with stock water reticulation at Drie hoek and border fence at Koopmans Farm in Niekerkshoop. Commonage Umsobomvu farmers in Colesberg received 11.4km of fence and installation of Irrigation system at Intwenegazi (Moringa) project.

#### **ZF Mgcawu**

The following farmers received fence: Bossiekom and Keimoes Commonage, Maremane farmers at Postmansburg.

Lemoendraai Vaalhoek and Eksteensuil farmers were provided with lucerne inputs including seed, fertilizer, chemicals and protective clothing.

Dawid Kruijer livestock farmers received mobile handling facilities and cattle weighing crates and scales.



### *Stock water system*

The following farms in Frances Baard, Waterfall, Groenville, and Rust & Vrede received stock water for optimum livestock production.

### **Namakwa District**

A total of 92 farmers in Namakwa received support through Kamiesberg Livestock Infrastructure.

### **John Taolo Gaetsewe**

Solar pump for 15 farmers for productive vegetable production at Legobate Village and 100 small stock farmers from Maipeing, Gasehunelo Wyk 6, Reries Farm, Magojaneng and Ga-Mohitlhe villages. Installation of Line shaft and 8.3km pipeline for 8 livestock farmers at Ashfield. Gasehunelo Wyk 6, Manaaneng, Yale Farm and Bothitong

### **Municipalities Supported**

The department assisted 26 local municipalities with guideline to draft commonage policies. The following municipalities, Kgatelopele, Phokwane, Thembelihle, Karoo-Hoogland, Kareeberg, Joe Morolong, Kheis, Khaima, Kai Garib, Siyancuma, Siyathemba, Gamagara, Dikgatlong, Dawid Kruiper, Umsobomvu and Hantam, Tsantsabane, Ubuntu, Renosterberg, Richtersveld, and Gasegonyana.

**Four municipalities** (Magareng, Emthanjeni, Namakhoi and Kamiesberg) use By-law documents to manage commonages.

### ***Assistance with policies and contracts:***

- Joe Morolong and Hantam municipalities.
- Gamagara and Gasegonyana municipalities with policy frameworks
- Advised Kheis municipality to issue farmers at Wegdraai, Topline and Grootdrink commonages with lease agreements;
- Karoo Hoogland municipality; transfer of use of communal rights.
- Facilitated and coordinated Workshops on the draft commonage policy to farmers in the three towns Williston, Fraserberg and Sutherland
- Umsobomvu and Thembelihle municipality: PLAS application.
- Kareeberg municipality Economic Viability Studies for rental fees;

- Advised Emthanjeni Municipality to apply to the Department of Environment and Nature Conservation for a hunting licence.
- Advised Karoo Hoogland municipality not to renew the lease agreements of white commercial farmers.
- Kgatelopele (Lime Ridge), Hantam (Witsyfer), Tsanstabane (Jenn Haven) and Siyancuma (Vaalplaas) and Graskop farmers (Kheis)

Department of Environment and Nature Conservation assisted with predator control on different farms in Kheis, Kareeberg, Khai Garib, Siyancuma, Ubuntu, Kgatelopele, Magareng, Joe Morolong, Khai-Ma, Gamagara, Hantam, Karoo Hoogland and Kamiesberg, Dawid Krupper local municipalities.

***Needs analysis for infrastructure development on the following farms:***

<b>MUNICIPALITIES</b>	<b>FARMS</b>
Kheis	Wegdraai, Topline, Grootdrink, Kareelaagte, Dassiekop, Pepplar
Magareng	Middelplaats
Sol Plaatje	Lynplaas, Kenilworth, Paardenkamp, /Thembu, Doorns and John Weston
Khaima	Coboop
Kai Garib	Graskop, Brakfontein, Melkboskop
Ubuntu	Loxton, Richmond and Victoria West traditional commonages
Umsobomvu	Perdekop, Pokkiesfontein, Skietberg, Colesberg
Kareeberg	Carnarvon commonage, Jagpan, Dubbele Vlei
Siyathemba	Oranjezicht Prieska, Mooipoort Niekerkshoop, Marydale traditional, Prieska traditional, Niekerkshoop traditional
Renosterberg	Philipstown traditional, Petrusville traditional, Vostersdam
Phokwane	Hartswater grazing camps
Dikgatlong	Rooibult
Siyancuma	Vaalplaas, Ulswater
Emthanjeni	Britstown traditional, De Aar traditional, Hanover traditional
Thembelihle	Patriotspan, Sandbult, Sunnyside
Kgatelopele	Limeridge
Tsanstabane	Darehope
Dawid Krupper	Klein Mier 2, Middlepos, Geisemap, Welkom traditional, Lambrechtsdrift, Karos, Leerkrans, Olynvenhoutsdrift, Hondejag Rosedale, Hondejag Pabalello
Kamiesberg	Dikmatjie, Tweefontein
Richtersveld	Augrabies-Oos
Hantam	Witsyfer
Namakhoi	Kontorogap
Karoo Hoogland	Verjaarsfontein, De Riet
Joe Morolong	Bowde, Surprise, Chakwane
Gasegonyana	Kuruman Grazing camps
Gamagara	Debeng grazing camps

**Lease agreements/contracts:**

13 are without lease agreements: (Phokwane, Dikgatlong, Hantam, Umsobomvu, Siyancuma, Siyathemba, Renosterberg, Kai Garib, Tsantsabane and Kgatelopele and Vosterdam (Rhenosterberg) do not have contracts with the farmers

**Rental / grazing fees**

Payment of grazing fees is a challenge in 8 (Karoo Hoogland, Gasegonyana, Sol Plaatje, Kareeberg, Ubuntu, Kheis, Emthanjeni and Thembelihle).

**Invader species:**

MUNICIPALITY / FARM	SPECIES
Kgatelopele – Limeridge	Vaalbos
Kareeberg – Jagpan	Prosopis
Siyancuma – Vaalplaas	<i>Swarthaak</i>
Kai Garib – Brakfontein	Prosopis
Emthanjeni – Britstown traditional	Prosopis
Thembelihle – Sandbuilt	Prosopis
Dawid Kruiper- Welkom traditional	Three Thorn
Siyathemba	Prosopis
Hantam – Witsyfer	Prosopis
Phokwane – Harstwater grazing camps	<i>Swarthaak</i>
Gamagara – Debeng grazing camps	<i>Swarthaak</i>
Kamiesberg – Tweefontein	<i>Swarthaak</i>
Sol Plaatje – Lynplaas	<i>Swarthaak</i>
Karoo Hoogland – Verjaarsfontein	Prosopis

**Fencing**

Most of the commonages have poor fencing conditions.

Affected municipalities are: Kheis, Kai Garib, Renosterberg, Siyathemba and Phokwane, Hartswater

**Water shortages**

Kontorogap (Namakhoi), Augrabies Oos (Richtersveld) and Tweefontein (Kamiesberg) Namakwa District and Lambrechtsdrift, Karos and Leerkrans in the Upington

### ***Lease of White commercial farmers***

Agricultural activities of white commercial farmers in Emthanjeni (sub-leasing) and Thembelihle (mentorship) were noted with concern.

### ***Mining activities***

Siyathemba municipality alleges that illegal mining is a challenge.

### ***Shortage of agricultural land***

Phokwane is faces with shortage of enough grazing camps in the following areas. (Hartswater, Jan Kempdorp, Ganspan and Pampierstad).

### ***Farm management***

Poor farm management is prevalent at Rooibult commonage (Dikgatlong).

### **Support to Land Holdings Institution**

**The following Restitution farms were supported;** Kono, Dikgweng, CK Adams, Ronaldsvalei, Vreede, Tsineng, Seoding, Rooiwal, Madibeng Holpan CPAs. The main discussion was sourcing of funds through Department and Department of Land Reform and Rural Development for infrastructure development.

### ***Smallholder Producers Supported with Agricultural Advice***

A total of 2 974 farmers received agricultural advice on various aspects of production to improve yield and income through farmer's days, information days and demonstrations, site visits and meetings.

**The advice included the following:** PLAS Application, Grazing Management on livestock farms, Application for MAFISA, scouting of pesticides, Financial Record keeping in farming business, Safety and health issues in handling of raisins, Milk Goat Production, Mentorship Programme, Livestock Improvement Programme, Correct sugar level of grapes, layering and picking of grapes. Drought Relief, Calibration of planter and boom sprayer, Departmental Funding Programmes, Vegetable Production





*Information day at Pescodia, Kimberly*

### **Agricultural Skills Development Programmes (Training)**

Through CASP Funding, farmers are trained to improve farming skills and knowledge and applying new farming technologies for optimum and increased production, efficient and effective production

#### **A total of 1 998 farmers received the following training:**

Application of Fertilizer, Vegetable Production, Harvesting process of dates, Pre and Post Handling of harvested grapes, Post-harvest activities of vines, Financial record keeping, Small stock and Large stock management, Basic business skills training, Artificial insemination of livestock, Transplanting of seedlings and fertilizer mixing, Veld Management, Small Stock Management, Small Stock & Large Production, Boer Goat Farming & Cattle Management.

A concerted effort from Departmental officials was made by extension practitioners, Agricultural Economist and Scientist. Additional training was achieved through Partnership with the following stakeholders in Grikwaland- Ws Koporatief (GWK), Agricultural Research Council (ARC) and Department of Rural Development & Land Reform.

## Job creation

To address the challenging unemployment in the Province, during implementation of CASP & Illima projects, **852** work opportunities were created through infrastructure development.

NAME OF THE PROJECT	DISTRICT	ACTIVITY	NUMBER OF JOBS
Frances Baard Livestock Infrastructure	Frances Baard	Stock water & Handling facilities	13
Frances Baard Crop Production	Frances Bard	Irrigation & cleaning of maize filed	32
Emthanjeni Hydroponics	Pixley ka Seme	Transplanting Hydroponics seedlings	20
Manyeding Hydroponics	John Taolo Gaetsewe	Cleaning, harvesting & maintenance of hydroponics	26
Siyancuma Livestock	Pixley ka Seme	Stock Water Infrastructure	22
Siyathemba Livestock	Pixley ka Seme	Stock Water Infrastructure	10
Khai Garib Livestock	ZF Mgcawu	Stock Water Infrastructure	5
Dawid Kruiper Livestock	ZF Mgcawu	Stock Water Infrastructure	17
Blocuso Trust	ZF Mgcawu	Pruning & Grape Harvesting	126
Vaalhoek Women	ZF Mgcawu	Grape Harvesting & Maintenance of vineyards	46
Eiland Wine Project	ZF Mgcawu	Grape Harvesting & Maintenance of vineyards	117
Lemoendraai Wine Project	ZF Mgcawu	Pruning, Harvesting & maintenance of grapes	46
Silvermoon Wine Project	ZF Mgcawu	Pruning & Harvesting of grapes	34
Onseepkans Project	Namakwa	Trellis System Infrastructure	47
Henkries Project	Namakwa	Maintenance & harvesting of dates	46
Pella Vineyard Project	Namakwa	Maintenance and pruning of vineyards	51
Coboop Vineyard Project	Namakwa	Maintenance of vineyards	40
Warrenton Super Chicken	Frances Baard	Processing of chicken products	19
Umsobomvu Livestock	Pixley Ka Seme	Fencing, bush clearing & digging of holes	13
Heuningvlei Stock Water	John Taolo Gaetsewe	Stock Water Infrastructure& fencing	10
<b>TOTAL</b>			<b>852</b>

### Fetsa Tlala Food Production Programme

The initiative aims at putting 1million hectares of unproductive land into production, job creation, and poverty alleviation and to address challenges of food security. The Province has a target of 1 000ha of land to put into production, and for 2017/18, 1056.5ha was planted.

**Pixley Ka Seme Crop Production-** 86 ha planted yellow maize and will be harvested in June 2018 at expected yield of 11ton/ha, and total tonnage of 946

**Frances Baard Crop Production:** 16 projects planted 336ha white maize and will be harvested in June 2018 at expected total yield of 3 696tonnes with estimated production of 11ton/ha. Some farmers experienced challenges with frost and hail which affected production e.g. 17ha at Fairfield Farm and 10ha at Kalkput.

DISTRICT	PRODUCT/ CROP	HA	YIELD PER TON	PRICE PER TON	TOTAL TONNAGE
Frances Baard	Maize	248	11ton/ha	2 500	1 422
	Wheat	336	6ton/ha	3 400	2 200
Pixley Ka Seme	Maize	86	11ton/ha	2 600	1 386
	Wheat	86	6ton/ha	3 500	700
Namakwa	Oats	70	1ton/ha	2 200	70
	Wheat	100	1ton/ha	2 400	100
	Vegetables	20	1 ton/ha		



*Progress of Maize at one of Youth farm in Kalkput*



*Harvesting at Ditaung Agric Coop Project, Frances Baard*



## Households Benefiting From Agricultural Food Security Initiatives

This initiative is an integrated programme in collaboration with other Integrated Food Security Nutrition Programme (IFSNP) stakeholders , Department of Health(DoH) , Department of Education(DoE), and Social Development etc. in an effort to curb and address poverty, malnutrition and food security issues.

A total of 1 266 households were supported through vegetable starter packs. Some received support during Provincial events: World Food day in Namakwa District and HIV Week and Arbour Week in ZF Mgcawu.

## Household Gardens Established

Through the Food Security Programme a total of 82 household gardens were established and starter packs distributed for vegetable production.



*Establishment of a household garden in Ritchie, Sol Plaatjie Municipality*

## Institutional Gardens Established

Gardens were established at various institutions e.g community gardens, day care centres, old age centres and churches with cultivation of various crops to support affected communities.

Gardens were established at;

Hanover Clinic, Victoria West Correctional Service Norvalspont Intermediate school, Delta Intermediate school – Vosburg, Concordia and Kamieskroon clinic, Reatlegile



Soup kitchen, Camden Clinic, Dikhing Old Age Home, Olifantshoek Old Age Home, Magojaneng Community Garden and Kimberly Local Church.



*Support and established garden at Isibindi Center in Sol Plaatje Municipality; FB*

### **War on Poverty change agent received support**

21 War on poverty change were supported through establishment of food gardens and garden starter packs and food hampers at Frances Baard and ZF Mgcawu.

### **Support to Youth Farmers**

In total, 87 youth farmers were supported and 42 received production inputs through Fetsa Tlala Programme for planting of wheat and maize at Pniel and Windsorton Small farmers (Kalkput). Pniel Youth Cooperative, Killarney Youth Cooperative, Plot SH16 & Plot VH32 Youth farmers from Killarney produced 1<sup>st</sup> grade wheat and generated R 1. 5m. In Barkley West, Marlon Poultry was assisted with layer feed.

Frances Baard District held a successful youth information day at VH32 farm owned by young graduate Mr Thapelo Tlhokwe. A total of 67 farmers attended and a youth structure was established.

Three young farmers Frances Baard attended NAMPO Agricultural show in Bothaville, **Free State Province** for exposure on advanced agricultural technology.

### **FEMALE FARMERS SUPPORTED**

In support to Female Farmers to address food production, 145 farmers received support through supply of mechanization, irrigation infrastructure, Poultry inputs; feed and equipment, breeding material through Livestock Improvement Programme, and infrastructure development through CASP & Ilima/Letsema Funding, Some received

production inputs through Fetsa Tlala Food Production Programme in Frances Baard and Pixley Ka Seme Districts.

## FEMALE ENTREPRENEUR AWARDS

**Female Entrepreneur Awards (FEA)** is an instrument and platform through which women's contribution to fight against poverty is being recognized. It also seeks to appreciate women who are leaving an indelible mark in the sector.

The Provincial FEA was held in Kimberly at Mittah Seperepere Convention Centre on 10<sup>th</sup> August 2017. A total of 89 entries were received, and 50 competed in various categories.

In total 9 farmers/projects scooped prize monies to plough back into farming business.

### Provincial Winners

CATEGORY	NAME OF WINNER	PRIZES
Best Female Worker in the sectors	Ms Eva Arends	R 50 000
Best Subsistence Producer in the Sectors	Ms Vivian Segwai	R 75 000
Runner up	Dijo di mo Mbung	R 25 000
Top Entrepreneur in the Sectors: Smallholder	Bomme ke Nako	R125 000
Runner up	Ms Nomsa thoba	R 32 000
Top Entrepreneur Processing in the Sectors	Coboop Agric Co-op	R125 000
Top Entrepreneur in the Sectors: Commercial	Ms Mmapule Fourie	R125 000
Runner up	Ms Ester Visser	R 32 000
MEC Special Award/s (Youth)	Ms Elizabeth Piet	R 50 000
Overall Winner	Bomme Ke Nako	R250 000
<b>Total</b>		<b>R889 000</b>

5 winners represented the Province at the National Female Entrepreneur Awards in Mpumalanga Province. Crop farmers like Ms Fourie and Bomme ke Nako received fertilizer through Omnia Company.

**Best Small Holder Farmer:**

**Bomme Ke Nako: John Taole Gaetsewe District**



**Best Commercial Farmer:**

**Ms Mapule Fourie; Plot 7H14; Frances Baard district**





## IMPLEMENTATION OF CASP AND ILLIMA/LETSEMA PROGRAMMES

- **Frances Baard District**

**Livestock Project:** Construction of 8 stock handling facilities at Waterbron, Dipitseng, Doornkloof, Belsbank, Alpha, Rust & Vrede and Caerwining.

**Mechanization Project:** Delivery of 2x CASE tractors and implements including combination tiller, wheat and maize planter and trailers at Pniel Youth Coop, Kalkput, Moso Irrigation Farm and 5J14 for optimum crop production.



Some of implements delivered at Kalkput & Rooibult



Implements delivered at 5J14 & Pniel farms

**Vaalharts Revitalisation Project:** Construction of 2 overnight dam at Plot 5H16 and communal discharge line for commercial farmers in Hartswater as well as installation of a centre pivot at Plot 5J14.



*Newly installed Centre pivots at 5J14*



- **John Taolo Gaetsewe District**

**Infrastructure Project:** Construction of fence for livestock farmers for effective veldt management.

**Heuningvlei Stock water:** Construction of 5 stock water systems including drilling and equipping of boreholes, drinking troughs and reservoirs. Installation of Line shaft and 8.3km pipeline was received by 8 livestock farmers from Ashfield in JTG District to address challenges of stock water.

**Manyeding Irrigation Farming:** The project was supported with truck for transportation of produce to the market and received a certificate of Best Producer of tomatoes at Shoprite checkers.

- **Pixley Ka Seme District**

**Siyancuma Livestock Infrastructure:** Construction of 16.km border fence at St. Clair & Stock water reticulation & including 4 boreholes at Ulswater, both in Douglas for provision of stock water

**Umsobomvu Commonages:** Construction of 14.7km border & inner fence at Colesberg Commonage and Construction of Security gate at Intswenagazi (Moringa Project)

**Siyathemba Livestock Infrastructure:** Construction of 4 km inner fence at Koopmans Farm in Niekershoop and 3km at Koegaput and Installation of stock water both at Driehoek and Koegaput Farms

- **Namakwa District**

**Hantam Karoo Livestock Infrastructure:** Equipping of one borehole with windmill at Klipfontein Farm and Branvlei and Equipping of one borehole at Melkraal in Neuvodville as well as Repair and upgrading of one borehole in Witsuiper Farm in Calvinia.

**Onseepkans Irrigation Development:** An advance for 47 temporary workers was made available.

**Pella Irrigation Development:** Farmers received a vineyard tractor and trailer.

**Coboop Irrigation Development:** The project received advance for Wages of 40 temporary workers.

- **ZF Mgcawu District**

**Khai Garib Livestock Development:** Upgrading of inner fence at Bossiekom Farm to improve grazing potential of the farm.

**Dawid Kruiper Livestock Development:** Mobile handling facilities, water reticulation and upgrading of fences for improved livestock production.

**Tsantsabane Livestock Infrastructure:** Construction of 18km border fencing at Groenwater.

### **Vaalharts Revitalization Programme**

Environmental Impact Assessment (EIA) report covering total of 32 700ha on Vaalharts Scheme was completed.

- Construction of overnight dam at 4G8 & 5H16 is still in progress and could not be completed and to be rolled over into the new financial year; 2018/19.
- Main lines covering 2 plots (farms) at 2 500km each are also complete (Plot G5 & I6) in the Hartswater area in Phokwane Local Municipality.
- To curb challenges of salinization and waterlogging, there was installation of drainage system at the following plots: 4G8, 2G5, 5I6 & 6I6.

For effective and efficient irrigation system, Plot 5J14 received installation of centre pivot that benefited one female farmer in the Magogong area.

### **Vineyard Development Programme**

The objective of the project was to create opportunities for previously disadvantaged individuals in the Northern Cape and Free State to enter the commercial wine industry of South Africa especially production of wine, raisin and table grapes in Namakwa and ZF Mgcawu District.

## Projects that received support through the Ilima/Letsema Grant Funds

### Eksteenskuil

Farmers received production inputs, ablution facilities, planting material and the planting of 10 ha, soil preparation for a further 10ha as well as the construction of the trellis system. The planting material for the latter was also secured and will be planted in August 2018. Drying facilities was upgraded and good cooperation exists between the Department and the Dried Fruit Technical Services (DFTS) that is also supporting the Eksteenskuil farmers.

Future support will concentrate more on upgrading and expansion of drying facilities than further development of the vineyards itself.

### Blocuso

Additional 9ha raisin grapes were planted and currently total raisin grape development is 29.93 ha. An area was also prepared for the construction of drying facilities and some production inputs supplied. Strategic partner is recommended in future for sustainability of the project.



*Wooden drying racks delivered at Blocuso wine project*

### Lemoendraai

For the past three years, the Lemoendraai farmers were supported with the establishment of 16ha wine grapes, construction of a store room (shed), 20ha soil preparation and implements for lucern production, Lucerne inputs, implements and fertiliser.

Further support will concentrate more on soil rehabilitation (drainage systems) and production inputs to enable the farmers to reach their full potential.

**Eiland Women**

Since the start of the project, 12.9ha of wine grapes were established and for the 2017/18 financial year, only production inputs like herbicides and pesticides and wages were procured. Future plans will concentrate more on storage facilities and production inputs as the available land is fully developed.

**Silvermoon**

Support was given through production inputs, drying racks and a sulphur treatment plant to enable farmers to add value to the raisins by producing more Goldens and less OR raising. Further expansion of drying facilities and planting material to replace that were destroyed by animals such as baboons and river monkeys will be required to develop the available land to its full potential.

**Namakwa Irrigation Development**

The Namakwa Irrigation Development Programme was initiated in the Khai Ma local municipal area as other areas experienced challenges with the possible construction of the Vioolsdrift dam.

Onseepkans Irrigation development is the anchor project where the department developed 40ha of raisin grapes; 30ha of table grapes in Pella and also 20ha raisins in Coboop.

**Coboop**

The farm Coboop was purchased as Commonage and transferred to the Khai Ma municipality. The previous farmworkers leased the 49ha of irrigation land from the municipality for 10 years with the option to extend the lease agreement. There are currently 300 mango trees (3ha) under production. The products are marketed as fresh produce and the rest as dried produce and marketed locally to communities, shops like OK Growers and Spar as well as to Fruit stalls.

Current beneficiaries are 165(85M, F 78 & 7 Youth). Training sessions were conducted on young vines and correct sugar levels of grapes. Activities that were completed



included the construction of a pipeline system, construction of trellis, planting of 10ha vines as well as the procurement of fuel.

The Department managed to established 10ha vines and harvested 8 tons wet grapes and secured a market with Red Sun Dried fruit.



Picking of grapes during harvesting

### **Onseepkans Irrigation Development**

Temporary workers (47) were appointed for post-harvest and the cleaning of the vines. Farmers received training on harvesting, preparation of planting holes, correct method of planting, suckering of young vines, pre- and post-handling of grapes, and implementation methods of post harvesting methods. Additional information and demonstration sessions were conducted on harvest and layering of grapes, grape nutritional requirements and management of young vines.

Activities that were completed included the construction of 20ha trellis and irrigation system, the planting of 17ha vines, the ordering of 20ha vines as well as the procurement of a vineyard tractor and a spray machine as well as 40 temporary workers wages were paid.

The Department managed to establishment of 40ha raisin grapes and harvested 50 tons wet grapes and a stable market was established with Red Sun Dried fruit.

### **Pella Irrigation Development**

Pella consist of 85ha of communal land leasing for 30 years by Charlies Pass Private Company. Beneficiaries consist of 7 directors and 30 shareholders (farmworkers), amounting to a total of 37 beneficiaries.

Farmers received a vineyard tractor and trailer for improved vineyard development and they were provided with training in irrigation methods, pruning and application of fertilizer to enhance production.

Activities that were completed included the planting of 15ha vines, the procurement of LDV, the procurement of a tractor and trailers, the purchasing of fertilizer and herbicides as well as wages for temporary workers.

The Department managed to establish 30ha table grape vines.

### **Henkries**

A total of 40 job opportunities were created for harvesting of the dates.

Farmers received training on the harvesting process in order to enhance their skills and to improve date production as well as to improve the quality of the produce for profit increase.





**Harvesting of dates**

### **Rooibos Emerging Farmers Development Project**

In March 2018 the Rooibos Smallholder farmers harvested 400 hectares of tea with the harvest of 60% less in volume due to the drought in the Namakwa area. Tea is marketed in the form of dried or wet tea to Nieuwoudtville Rooibos (Pty) Ltd. and there are 85 farmers.

Between February and March 2018 there was a SAGAP Audit preparation with processes to validate the On-Farm systems; the final audits took place in March 2018. The purpose of the SAGAP Certification process is to ensure that farmers comply with the minimum requirements for food safety.



***Drying process of Rooibos Tea***

### The following activities were completed:

Rooibos Tea Seed (150kg)

Mechanisation

- 2X 65kw 4x4 tractor,
- 2X C shank Tiller-spring loaded tines,
- 2X Rotary Slasher 1.5m width
- 1X 3 Disc plough
- 1x 7 disc grhop
- 1x 6ton trailers
- 1x4ton trailer

During the 2017/2018 financial year the Rooibos Farms were South Africa Good Agriculture Practices (SA-GAP) Certified during audits scheduled from 6-8 March 2018 in the Suid-Bokkeved.

The following 14 farms were audited and passed the audits:

DESCRIPTION
SAGAP Audit for On Farm Produce. <ul style="list-style-type: none"> <li>• Dobbelaarskop</li> <li>• Perdekloof</li> <li>• Bitline (Groenrivier)</li> <li>• Melkkraal</li> <li>• Sonderwaterkraal (A.J.Koopman)</li> <li>• Sonderwaterkraal (A.J.J. Koopman)</li> <li>• Tweerivier</li> <li>• Tengieterskloof</li> <li>• Landskloof</li> <li>• Kortloof (H.Oktober)</li> <li>• Kortloof (J.Perrang)</li> <li>• Wakkerloop</li> <li>• Shepherdvalley</li> <li>• Nuwepos</li> </ul>

### Farmers Day

In November 2017 a Rooibos Farmers Day was held at Nieuwoudtville Rooibos (Pty) Ltd Professor N. Kotze from the University of Stellenbosch gave a lecture on the treatment and planting of Rooibos seed.



## Harvesting

Rooibos Smallholder farmers harvested 400 hectares between January and March 2018. The tea harvested to date was 60 percent less in volume due to the drought. Farmers market their produce in the form of dried tea or wet tea to Nieuwoudtville Rooibos (Pty) Ltd.

## Vanderkloof Fisheries

The verification procedure consisted of a participatory process through which the list of kraal fishers, previously provided by the chairpersons of the three towns, has been verified by the community in public meetings organized by Masifundise Development Trust.

## Activities completed

- Verification of the list of kraal fishers was completed in August 2017. Production of the new Kraal Fisher identity cards was completed in November 2017 for regulation of the access to the Security Zone below the dam wall as per the agreement with the department of Water and Sanitation.
- The Constitution was rectified and elections were conducted for new committees in the three towns and process completed in December 2017.
- Five employment opportunities were created i.e Fisheries official, Skipper, two decks men and administrative clerks were appointed on a year contract through Rhodes University and they received training. All the training provided as part of the Vanderkloof Experimental Fishery Project contribute to the overall social goals of the project.
- The following items were procured for fishers in March 2018; Fishing gear ie. Gill nets, long line, fyknets Ice machine, cooler boxes and freezers to support fishermen for efficient and effective aquaculture development.

## Employment Opportunities Created For Young People

Appointment of 30 young graduates is in process and will be implemented at the beginning of the new financial year (April 2018) with additional 50 to make a total of 80 graduates. Two adverts are in process of been advertised.

Districts had interactions with various commercial farmers where number of issues and challenges were raised, amongst others, the issue of accommodation; transport etc. Another meeting with Organised Agriculture and Commercial farmers as well as DAFF took place,

## **MANDELA DAY CELEBRATION**

### **Delportshoop in Dikgatlong Municipality**

The event is aimed at celebrating the birthday of Tata Mandela and all Government Departments have to dedicate 67 minutes of their time to render a service to the public in service delivery. Department identified a household in Delportshoop where a house was renovated, furniture, food hamper provided and food garden established. Another event was held at Reetsanang Food Garden in Barkley West.



*MEC Shushu painting the house*



*Owners: Mr. & Ms Phalatsi and Major*

## ZF Mgcawu District



*Painting of Local Crèche in Mier*

## John Taolo Gaetsewe District

The event was celebrated in a form of information sharing session at Eiffel, Klein Eiffel and Madibeng farms with farm workers and farm dwellers. Focus was on sectorial determination, labour issues and departmental programmes. Officials donated money to prepare soup and bread. Vegetable hampers were donated to 15 disadvantaged households and 3 change agents. DAFF donated 30 fruit trees and 30 shade trees

## Pixley Ka Seme

The event was held in Vanwyksvlei and 12 households received Food Hampers and 60 household gardens established throughout the District

## Namakwa

Mandela Day Outreach Program was held on the 18<sup>th</sup> of July 2017 in Melkkraal. The elderly and community were supported with Blankets (10) and vegetable Starter Packs

## **WORLD FOOD DAY COMMEMORATION**

World Food Day is commemorated in more than 150 countries globally; and the 2017 theme was: “Change the future of migration. Invest in food security and rural development”. According to FAO, (2017) the importance for theme 2017 is as follows: “Migration is part of the process of development as economies undergo structural transformation and people search for better employment opportunities within and across countries”. The aim of this commemoration is to create and build solidarity in struggle against hunger, malnutrition and poverty.

Department commemorated World Food Day 2017 in the Namakwa District in Kharkams, a small town in the Kamiesberg Municipality in Namakwa District. The commemoration took place on the 16<sup>th</sup> of October 2017.

### **The Programme of the day:**

The Keynote was delivered by the Hon. MEC Norman Shushu with various guests: Mayors and Cllrs. of Municipalities within the Namakwa District. Exhibitions were done by DALRRD and other Departments:

- Kamiesberg Grain Development CASP Project: Mechanisation
- Livestock Improvement Programme: Dorper Rams
- Commercialisation of Boer Goats: Boer Goat ewes
- The State Veterinarian Unit of the Department
- The Department of Health had an exhibition and tested the community for diabetes and blood pressure; on the morning of the event there was a health walk to demonstrate a healthy lifestyle.
- Department of Home Affairs had an exhibition rendering services regarding the Smart Identity card and all Home Affairs related enquiries.
- South African Social Security Agency (SASSA) advised the community on Social Grant related matters at their exhibition.



## Exhibitions

Mechanization from Kamiesberg Grain Development Project, Dorper Rams from the Livestock Improvement Programme, Boergoat Ewes Commercialization of Goats Programme.



*Boer Goats from Spoegrivier Woman Groep*



*Some of Implements for Kamiesberg Grain*

## Project Visit

- **Kamiesberg Livestock Development CASP Project:** Solar Power pump with tanks and troughs
- **Kamiesberg Grain Development CASP Project:** Fetsa Tlala Project where 30ha oats was planted. Aim of Grain Development to address food security challenges faced by Kamiesberg Community and also has sufficient fodder available for livestock during the drier periods of the summer season.

The MEC distributed Food Security Starter Packs to 10 War on Poverty Beneficiaries as well as 10 Food Parcels donated by the Department of Social Development.

NAME AND SURNAME	TOWN	NAME AND SURNAME	TOWN
1. Jason Willems	Kheis	6. Mieta Engelbrecht	Kheis
2. Damon Dirks	Klipfontein	7. Sarah Dirks	Kharkams
3. Andries Isacks	Kharkams	8. Piet Gouws	Kharkams
4. Annie Links	Kharkams	9. Johanna Brandt	Kamassies
5. Johanna Beukes	Kamassies	10. Dehamran Cloete	Leliefontein

The following beneficiaries received the Food Parcels:

NAME AND SURNAME	TOWN	NAME AND SURNAME	TOWN
1. Daisia Steenkamp	Kharkams	6. Barend Beukes	Kharkams
2. Elizabeth van Rooyen	Kharkams	7. Andries Isacks	Kharkams
3. Maria Cupido	Kharkams	8. Hendrina Saul	Kharkams
4. Gertruida Peddie	Kharkams	9. Katrina van Niekerk	Kharkams
5. Sarah Dirks	Kharkams	10. Katrina Links	Kharkams

## EXECUTIVE OUTREACH PROGRAM IN NAMAKWA DISTRICT

Due to persistent drought in Namakwa District there was an EXCO Outreach Programme with various role player to address challenges faced by farmers in Namakwa.

The Departmental initiated Fodder Bank to assist livestock farmers with animal feed during drought period. In March 2018, Department, Hantam Municipality and Karoo-Hoogland Municipality had meetings with 61 farmers from the following towns namely: Loeriesfontein, Brandvlei and Fraserburg.

### Distribution of fodder:

- **Loeriesfontein:** Distribution of fodder was calculated according to the current number of livestock per farmer.
- 50 farmers received 56 lucerne bales: 44 received one bale each and 6 farmers received 2 bales
- **Brandvlei** – 25 farmers received 31 bales ( 19 farmers – 1 bale each and 6 farmers – 2 bales
- **Fraserburg** – 10 farmers received 12 bales ( 8 farmers – 1 bale each and 2 farmers – 2 bales



*Distribution of lucerne bales to the farmers in Loeriesfontein*

## **Implementation of the Extension Recovery Programme**

### **Pillar 1: Visibility and Accountability**

The third Provincial Extension Coordinating Forum (PECF) meeting was held in March 2018 where participants from Organised Agriculture, Research unit, District managers, Project office and DAFF attended. Presentations were given by Rainbow Farmers Union, Research unit and the department. The aim of the PECF is to coordinate planning amongst agricultural stakeholders and developing an action plan. The Provincial Education and Training Forum for Agriculture Forestry and Fisheries (PETFAFF) was also established consist of the same role players as the PECF.

The Objectives' of the Forum is to identify and address agriculture, forestry and fisheries education and training (AFFET) needs specific to the province, to implement the National Education and Training Strategy for Agriculture, Forestry and Fisheries (NETSAFF) at a provincial level and to report progress regarding implementation of the AET Strategy to the NETSAFF.



### **Provincial SASAE Activities**

The Northern Cape South African Society for Agricultural Extension (SASAE) Committee had a meeting in January 2018, in the Frances Baard district. Some of the issues addressed were the health and safety of extension practitioners and the member recruitment drive.

### **South African Council for Natural Scientific Profession (SACNASP) Registration**

A total of 46 officials are currently active members of SACNASP. Officials whose applications are still pending amounts to 17; of this 17, 11 officials have submitted all the required documents.

### **Pillar 3: Recruitment**

This pillar is responsible for the salary payment of 46 Extension Practitioners. No new appointments were made.

### **Pillar 4: Re-skilling and Re-orientation**

Tirisano Ya Bakwena provided a credit bearing computer training course, National qualification Level(NQF) level 2&3, for extension officials. The training was held in Kimberley, Frances Baard district where 9 extension practitioners attended. The aim of the training was to enhance the basic computer skills of officials.

### **Smartpen Training**

Five Smart pen training sessions were held in all districts and officials and managers were trained in the utilisation of the digital pen. The training was provided by Xcallibre Solutions.

In total, 45 officials attended, consisting of 26 males and 19 females. Sixteen officials from Frances Baard, fourteen officials from John Taolo Gaetsewe, nine officials from Namakwa and six officials from the Pixley ka Seme Districts attended.



## **Pillar 5: Provision of ICT and other resources**

The pillar covers Running costs of cellular phones and 3G cards for Extension Practitioners and large percentage is focused on Payment of vehicle leases.

### **Farmer Field School Pilot Project**

The department was one of two provinces selected by DAFF to implement the Farmer Field School (FFS) concept in the country to participate in the Programme. FFS is a community based and practically oriented field study process involving groups of farmers who meet regularly to study the “how & why” of a given situation under the guidance of a facilitator. A group of farmers gets together in one of their own fields to learn about their production activities and things that affect them.

Extension practitioners from three districts, Pixley ka Seme, Namakwa and John Taolo Gaetsewe, were trained to help facilitate the schools.

Main purpose of the workshop was to share lessons learnt and draft a way forward and a total of 6 extension practitioners and 4 farmers from the Province attended workshop in Gauteng.



*Participants at the FFS lessons learnt workshop*



## Programme 4 Veterinary Services



#### 4.4 Programme 4: Veterinary Services

**Purpose:** The purpose of the programme is to provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of people of South Africa

**Sub- Programmes:**

- Animal Health
- Export Control
- Veterinary Public Health
- Veterinary Laboratory Services

**Strategic Objectives:**

- To prevent, control and eradicate animal diseases for 6,5 million animals through surveillance programmes, vaccination, inspections and training;
- To provide 1000 health certifications for import and export of animals and animal products;
- To promote the safety of meat and meat products at harvesting level through the registration and monitoring of abattoirs; and
- To provide diagnostic services (150 000 tests) to veterinary personnel, farmers, food processing plants and private veterinarians.

## Strategic objectives, performance indicators planned targets and actual outputs

### Strategic Objectives:

Programme: 4 Veterinary Services					
Strategic objective	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To prevent, control and eradicate animal diseases for 6,5 million animals through surveillance programmes, vaccination, inspections and training	6.5M	6.5M	6.5M	0	
To provide 1000 health certifications for import and export of animals and animal products	396	380	970	590	Beefmaster was approved to export beef to China in 2017 resulting in the unanticipated increase in the number of export certificates. Zambian game industry has become a thriving business resulting in more lucerne being imported from South Africa to feed the game.
To promote the safety of meat and meat products at harvesting level through the registration and monitoring of abattoirs	80.2%	67%	85.7 %	18.7%	There were regular and thorough inspection of abattoirs to ensure that they comply with the meat safety legislation. Non-conformances were addressed immediately and the level of cooperation from the abattoir owners was commendable.
To provide diagnostic services (150 000 tests) to veterinary personnel, farmers, food processing plants and private veterinarians	28356	22000	36466	14466	Since obtaining SANAS accreditation, neighbouring provinces have been sending their samples to our lab for testing. The situation will only improve once their labs also get accredited.



## Performance indicators

Sub-programme: 4.1 Animal Health								
Performance Information	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
4.1.1	Number of epidemiological units visited for veterinary interventions	-	8000	3055	3000	4486	1486	The province experienced 3 outbreaks of African Swine fever. More and more regular Inspections were carried at the outbreak sites.

## Strategy to overcome areas of under performance

None

Sub-programme: 4.2 Export Control								
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
4.2.1	Number of clients serviced for animal and animal products export control	115	360	383	250	265	15	Two export facilities were registered and that contributed to the increase in the number client's services. The increase is also attributed to the registration of Beefmaster to export to China as well as Moreson's abattoir re-registration with the EU.

## Strategy to overcome areas of under performance

None

Sub-programme: 4.3 Veterinary Public Health							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
4.3.1 % level of abattoir compliance to meat safety legislation	-	60%	80.2%	67%	85.7%	18.7%	There were regular and thorough inspection of abattoirs to ensure that they comply with the meat safety legislation. Non-conformances were addressed immediately and the level of cooperation from the abattoir owners was commendable.
4.3.2 Number of Food Safety Campaigns conducted	12	12	16	18	18	0	

### Strategy to overcome areas of under performance

None

Sub-programme: 4.4 Veterinary Lab Services							
Strategic objective	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
4.4.1 Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	18 000	30 000	28 720	22 000	36466	14466	Since obtaining SANAS accreditation, neighbouring provinces have been sending their samples to our lab for testing. The situation will only improve once their labs also get accredited.
4.4.2 Number of audits Performed	-	-	10	6	14	8	

## Strategy to overcome areas of under performance

None

## Changes to planned targets

The key Performance Area (KPA) for the **Number of epidemiological units visited for veterinary interventions** was changed to **Number of visits to epidemiological units for veterinary intervention**. This necessitated the revision of the target which was changed to an annual target of 8000 visits.

## Linking performance with budgets

### Sub programme expenditure

Pr4: Veterinary Services	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Animal Health	36 599	36 599	-	31 604	31 604	-
Export Control	301	301	-	96	96	-
Veterinary Public Health	6 154	6 154	-	5 653	5 653	-
Veterinary Laboratory Services	7 258	7 258	-	7 306	7 306	-
<b>Total</b>	<b>50 312</b>	<b>50 312</b>	<b>-</b>	<b>44 659</b>	<b>44 659</b>	<b>-</b>

## SERVICE DELIVERY HIGHLIGHTS

The 2017 Compulsory Community Service (CCS) year has been a success, both in terms of providing Primary Animal Health Care and regulatory services to communities that were lacking in veterinary services and in providing new graduates with opportunities to learn and develop skills for successful careers in both private and state veterinary fields. This was the first year in which the Kimberley clinic was fully operational as a primary animal health care clinic and it has continued to grow and flourish throughout the year. There is still work to be done in creating more awareness within the communities around Kimberley of the existence of the clinic and the services provided by the clinic, but the response so far has been good and continues to improve. 2017 has also proved to be a great year for Kuruman CCS veterinarians as well as for the community they served. The clinic has become better known to the surrounding community and there is a steady stream of cases (average of 5) on a daily basis. The community seems to also have become aware that veterinary services are available to everyone and is not exclusively reserved for the wealthy.

The benefit of having Community Service veterinarians in the province has resulted in improved clinical service and revenue. The Compulsory Community Service (CCS) Veterinarians number has been increased from 6 in the previous year to 7 in 2018 to ease the workload experienced by the Upington State veterinary Office due to the implementation of the Botswana, Lesotho, Namibia and Swaziland (BLNS) SOP.

CCS Veterinarians have already attended to a number of medical and surgical cases since April 2017. A total of 16 spay campaigns have taken place this year, not only to serve as population control in rural areas and townships, but to assist in increasing awareness of veterinary services within the province. This has also improved the service to these communities as they have become aware of the services that are being provided by the CCS veterinarians.

CCS Veterinarians do visit schools during spay campaigns to teach them about responsible pet ownership, rabies and other zoonotic diseases. Some the activities included dipping, deworming as well as vaccinations of pets during these visits.





*Jonel Vermeulen showing learners the inside of mobile truck*



*2018 CCS Veterinarians*



*Dipping of dogs during spay campaigns*



*CCS vets providing veterinary service under a tree in Bothithong village, Kuruman*



*Women, youth and children waiting in the queue for service*



*Pregnancy diagnosis being performed by CCS vet and AHT in Koopmansfontein Research Farm*

Clinical inspections of 5549 animals from 88 properties for Foot and Mouth revealed no visible lesions for the disease. The province has not relaxed its control measures and remains vigilant for the presence of Peste des Petits Ruminants (PPR). Clinical inspection of 2575 animals from 27 properties situated in the PPR high-risk areas in the province yielded negative results. Kuruman held two PPR awareness campaigns targeting smallholder farmers in the area.



*Clinical inspection of goats for PPR*

### **Animal Disease Control**

There is a constant challenge of emerging and re-emerging aquatic animal diseases in the province. Epizootic Ulcerative Syndrome (EUS) was diagnosed for the first time last year in the Orange River system of South Africa.

De Aar State Veterinarian urgently attended to a case of massive mortality of abalone in the west coast of the province. The mortality rate per basket ranged from 0% to 50%. It is suspected that the mortality was high due lack of adequate feeding and suspected fungal infection. The possibility of the occurrence of other pathogens cannot be ruled out hence samples were collected and we will await test results from the samples collected. There is a need to carry out research on abalone diseases on the abalone farms in the Province.





**State Veterinarian and officials from DAFF**



**Animal Health Technician from Springbok SV assisting with inspection**



**Animal health Technician from Springbok Office inspecting the abalone**

Veterinary officials continue to assist our farmers to be export ready and to be able to access lucrative markets. Smallholder farmers have been assisted with the completion of the application forms for a brand mark, tagging, branding and tattooing of animals as well as dipping and vaccination of their livestock. Two thousand eight hundred and sixty-three (2863) were tagged with the GMP tags as part of the traceability scheme.

Maintenance of the international border fence remains the responsibility of the Department of Agriculture, Forestry and Fisheries (DAFF). Provinces plays an oversight role and constantly engages DAFF when there are problems. The border fences around the Nakoop and Kgalagadi areas are in very poor condition as wooden poles are used to keep the fence upright. This condition might put the country at risk of trans-boundary animal diseases as animals might walk through the fallen fence in certain parts of the border. Along the Botswana route three smuggling route tracks have been identified and police are investigating potential users of these routes. There is need to intensify active surveillances on exotic diseases in the province in order to detect them early.

## **CONTROLLED AND NOTIFIABLE DISEASES**

2017/2018 saw the Calvinia District entering its 3<sup>rd</sup> year of subnormal rainfall. The widespread drought conditions are continuing to add pressure to farmers and animals alike. Widespread feeding of animals has become the norm and this intensification around feeding points has given rise to an increase of diseases like Pasteurella Pneumonia, E. coli septicaemia in lambs and botulism where animals seek nutrients in old bones of the increasing amount of carcasses. Despite the dry conditions, the Fishriver between Calvinia and Williston had some water late in 2016 and the farms along the river experienced one of the worst outbreaks of bluetongue during April and May of 2017.

Sheep Scab still remains a disease of concern in the sheep farming areas of the Province. So far, 101 494 (104 properties) sheep have been inspected and 6 347 treated for Sheep Scab. During spring the Department saw a sheep scab outbreak near Loeriesfontein in an area where stock migration between winter and summer grazing farms are still practised. Even though only a few positive animals were involved the inspection area was massive and time consuming.

### **African Swine Fever (ASF)**

The Province reported the occurrence of African Swine Fever in Pniel, Alfa and Gong Gong in 2017. All the three African Swine Fever (ASF) outbreaks were formally closed out as of 10 November 2017. Stamping out, quarantine, movement controls of pigs and pig products and community education were some of the control measures. Soft ticks' samples from burrows on Alfa Farm came back negative for the virus. Based on minimal surveillance on 7 tampans obtained in a nesting burrow, African Swine Fever infection has been demonstrated not to be present in the host ticks. Compensation paid for the 14 pigs culled through euthanasia in Pniel as a stamp out measure amounted to R7 000.00. This is a welcoming development as it improved relations between the Department and the community. 265 (Pniel 59, Alfa 43 and Gong-Gong 170) pigs are estimated to have died of the disease amounting to R132 500.00 financial loss.

The Molecular Epidemiology (ME) of the three African Swine Fever (ASF) outbreaks shows the need for constant sharpening of early warning and detection systems especially with regards to high impact diseases. The Pniel and Gong Gong outbreaks are related at Molecular Epidemiology to the outbreaks in the Free State.





*The map depicting ASF outbreak sites*

### **African Horse Sickness (AHS)**

There have been a number of reported African Horse Sickness outbreaks in horses in the Province mainly due to AHSV2. There were mortalities but other horses recovered. This disease is severely underreported as private veterinarians later on confirmed that closer to 150 animals succumbed to the disease in 2017. This is quite worrying and shows that there is need for education of horse owners. Direct movements of horses to the AHS free zone of the Western Cape were stopped and periodic AHS freedom declaration issued to the State Veterinarian Boland were withdrawn.



*A horse that died of African Horse Sickness (AHS)*

The following state veterinary areas reported positive cases of AHS namely; Kuruman (2), Calvinia (1) and De Aar that recorded 4 cases. Horse owners were advised to

vaccinate their horses. 279 vaccinations were carried out against African Horse Sickness.

### **Bovine Brucellosis**

The Province is starting to pick up Brucellosis positive cases in communal farms in the John Taolo Gaetsewe area which is our main cattle farming area. From the 18 herds (1418 cattle) that were tested, only one herd had positive reactors. The farmer has undertaken to work together with veterinary officials during the testing and slaughtering exercise as per the protocol. Eradicating the disease in communal areas remains a challenge as it is difficult to place infected herds under quarantine.

The Kuruman Office excelled in eradicating Bovine Brucellosis on various farms (8 farms in total). Some of these farms have been under quarantine for many years. The farmers in the area are starting to buy into the idea of having their animals tested which makes controlling the disease much easier. 15325 cattle were tested for brucellosis while 64 were vaccinated using strain 19 vaccine.

### **Bovine Tuberculosis (BTB)**

One buffalo bull at a farm in Phokwane was culled following two consecutive positive reactions on the comparative intradermal tuberculin test (CITT). On post-mortem, the bull had granulomatous lesions in the lungs consistent with infection with a tubercle causing mycobacterium. On culture, *Oryx bacillus* was cultured. This tubercle causing pathogen mainly affects antelopes. This is the second case in the country noted of *Oryx bacillus* infection in buffaloes. The tuberculosis testing of buffaloes on the following culture positive specimens for *Oryx bacillus* are ongoing.

3 buffalo farms had their quarantine lifted after the 5 consecutive comparative intradermal tuberculin (CITT) test results were negative for TB. One farm had the quarantine lifted by the Northern Cape High Court following numerous court challenges.



Testing of buffalo



Capturing of buffalo

### **Rabies**

World Rabies Day celebrations were held in Kimberley on the 28th of September 2017. The build up to the day involved community outreaches and vaccination of pets against rabies.

School outreaches were undertaken raising rabies awareness and education. A school event attended by seven schools was held with competition and prize giving in poetry, drama and poster art. Montshiwa Primary school was the overall winner with the Kimberley Islamic School coming second and Venus primary school in third position. A Scientific evening was held with three keynote speakers presenting on rabies.



The event was attended by health and allied professionals in and around Kimberley.



Leaners attending the rabies school event



MEC Norman Shushu addressing the audience at the Rabies Scientific Evening



Leaner rendering a poem on rabies



The audience at the Rabies Scientific Evening



Presenters at the Rabies Scientific Evening: LR - Dr Shumba, Prof Blumberg, Dr Sabeta



Figure 1: Dr Mpho Maja, National Director from DAFF receiving a present from the Hon. MEC N Shushu

The Norther Cape Province as part of the Rabies Campaign managed to vaccinate 33 431 animals against rabies.



**Anthrax**

The annual Anthrax vaccination in the anthrax endemic area of the Ghaap Plateau was undertaken. Six thousand three hundred and seventy-two (6 372) animals were vaccinated.

In total, 12 513 cattle have been vaccinated in the province by Departmental officials. Radio interview was hosted on popular radio station (Motsweding Fm) to conscientize the listeners about Anthrax Disease.

**Avian influenza (AI)**

Northern Cape is the only province that has not been affected by Highly Pathogenic Avian Influenza (HPAI) H5N8. As at March 2017, more than 150 locations had been identified that tested positive for Highly Pathogenic Avian Influenza (HPAI) H5N8 since the first case of HPAI was confirmed in a broiler breeder operation near Villiers, Mpumalanga.

The Province has at least 26 ostrich compartments and about 10 commercial poultry establishments which have strict biosecurity measures in place. Warrenton Super Chicken is one of the 10 commercial poultry establishments which has Departmental support. The assistance the Department rendered at this facility has reduced the threat of Avian Influenza.

The Province partakes in the Avian Influenza (AI) National Surveillance Scheme which is reported every 6 months to DAFF. In total, 2 838 samples from 146 properties were tested in 2017/18. Through this programme 17 Low Pathogenic Avian Influenza (LPAI) reactors have been picked up in Springbok and Calvinia areas were classified as low risk cases.

The fact that the outbreak has been confirmed in wild birds in the country calls for increased surveillance in this group of birds. Surveillance programmes took the Veterinary Epidemiology team in the Province to high risk areas such as the Warrenton Weir and Van Der Kloof Dam to identify perching and breeding sites of migratory birds and unusual mortalities in susceptible species. Fortunately, no unusual mortalities were witnessed in the province.

During an inspection at a poultry farm in De Aar, the Animal Health Technician saw a lot of dead pigeons. Samples were sent to Onderstepoort Veterinary Institute and Pigeon Paramyxovirus was diagnosed. This was a great relief to the farmer as this viral disease does not affect poultry.

### **Rift Valley Fever (RVF)**

The De Aar Office reported a case of Rift Valley Fever on a farm in Colesburg. The Polymerase Chain Reaction test result was positive for Rift Valley Fever but upon further investigation, it was concluded that this was purely vaccine strain reaction and not the wild strain reaction. As a result, no control measures were put in place. However, farmers are still advised to vaccinate their livestock against Rift Valley Fever (RVF) as a preventative measure.

### **Malignant Herd Catarrhal Fever**

Malignant Catarrhal Fever (MCF) is an indicator of interactions at the wildlife-livestock interface. Of the cases noted, the majority were wildebeest-associated MCF virus with only one case in Greenpoint being sheep-associated MCF

### **VETERINARY PUBLIC HEALTH**

South Africa experienced the worst Listeriosis outbreak in the history of the discovery of the bacterial pathogen over some 80 years ago. As at March 2018, 982 laboratory-confirmed Listeriosis cases have been reported to National Institute for Communicable Diseases (NICD) since the start of the outbreak resulting in 687 deaths.

Provincial Outbreak Response Team (PORT) convened on the 05 & 08 March 2018 and it was indicated that six (6) cases were confirmed at Kimberley Hospital since the beginning of the outbreak. Of the six patients, four have fully recovered and two patients (67 years old and a neonatal) sadly passed away. The meeting resolved on embarking on an awareness campaign drive throughout the province and issues relating to recall and disposal of products were discussed. The Kimberley Veterinary Laboratory played a significant role in the incineration of at least half a tonne of recalled high-risk foodstuffs from food chain stores in Sol Plaatjie Municipality.

Veterinary Public Health Officials visited abattoirs to sensitize them about the outbreak and emphasizes put on the abattoir's deep cleaning programs during the Hygiene Assessment Audits. The Directorate of Veterinary Public Health (VPH) has since made the awareness material from National Institute of Communicable Diseases (NICD) available and it is mainly centred on World Health Organization (WHO) five keys to safe food and the frequently asked question factsheet.

In terms of the awareness campaign, four (4) schools in the John Taolo Gaetsewe region have been visited as part of the awareness campaign regarding Listeriosis. 30 people attended the mini workshop on *Listeria Monocytogenes* that was held in the ZF Mgcawu district at Desert Beef abattoir on 21 Feb 2018. 5 of the VPH officials managed to attend the event, which was an initiative of the industry in the district. Veterinary Public Health in the ZF Mgcawu led by the state veterinarian attended to reports of Congo Haemorrhagic Fever incidents within the Upington State Vet area following reports of a human death of a 20-year-old from Deben area. The investigation led to two cases of possible human contacts being investigated; a sheep farmer around Upington and professional hunter from Kalahari Oryx. The working partnership with all the other District Outbreak Response Team members ensured that both cases were followed up very well. A lot of awareness initiatives has been done targeting animal herders, farmers, livestock workers, hunters and slaughterers by Department of Health and Veterinary Services. 200 pamphlets titled "Tick bites: What you need to know" were distributed by Veterinary Public Health officials as part of the awareness campaign.

#### Training, extension and Liaison

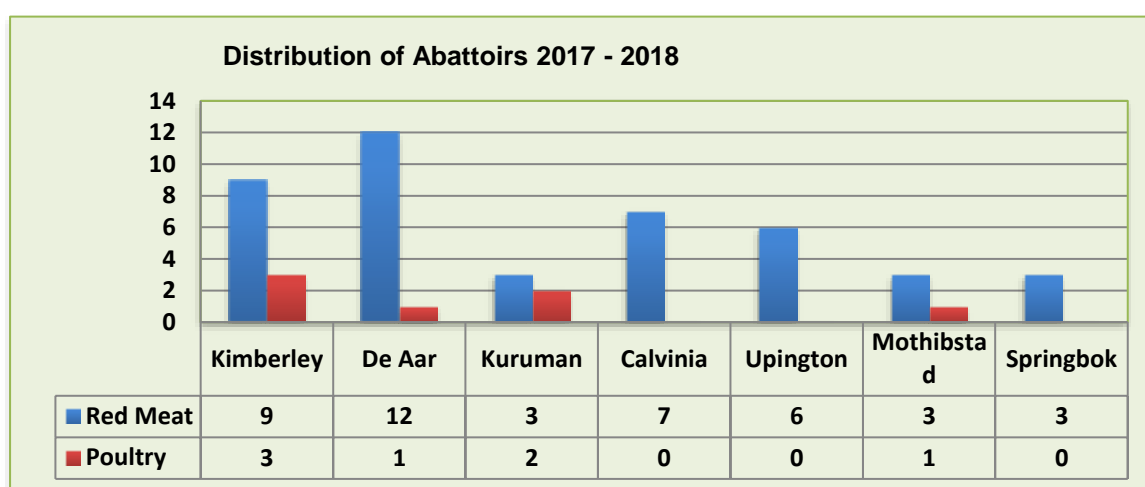
Schools		No of learners reached	Food-Safety	Public institutions	Farmers days	Community out-reach programs
Calvinia	1	10	0	3	0	0
De Aar	9	9118	1	12	1	1
Kimberley	1	0	1	2	0	2
Kuruman	11	10260	1	8	2	1
Mothibistad	16	2477	2	9	6	1
Springbok	9	1285	1	4	0	2

Upington	5	2645	1	4	0	1
<b>Grand Total</b>	<b>52</b>	<b>25795</b>	<b>7</b>	<b>42</b>	<b>9</b>	<b>8</b>

A total of 52 awareness interventions and 2 workshops were carried out throughout the Province with emphasizes on zoonosis by VPH officials. Public Institutions (42), community outreach programs (8) as well as schools (52) were targeted.

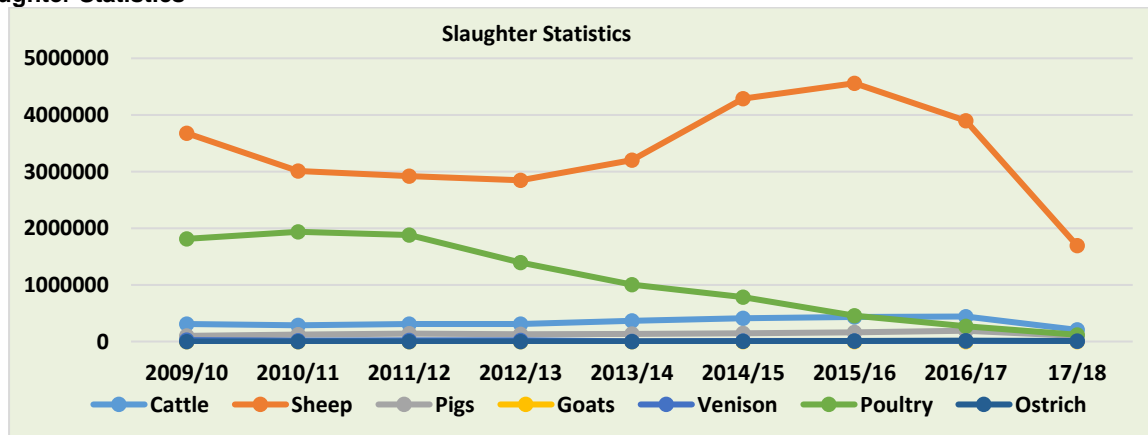
### Distribution of Abattoirs

50 abattoirs were registered and operational in the Province in the current financial year ending March 2018.



A total of 150 routine abattoir inspections (198 in 2016) and 27 Botswana Lesotho Namibia Swaziland (BLNS SOP) SOP export facilitation were carried out in the year ending 31 March 2018.

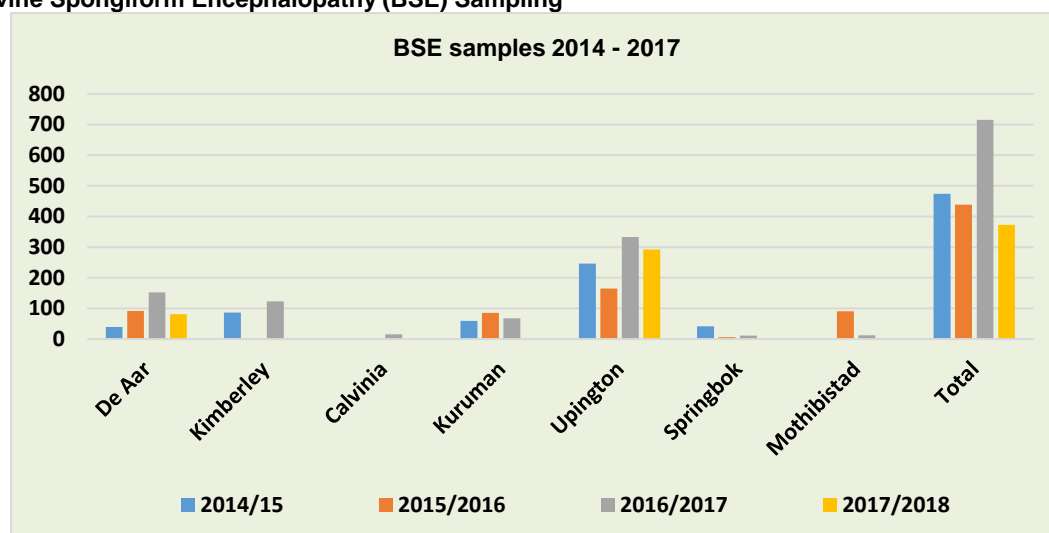
### Slaughter Statistics





Due to the improved veld conditions the number of sheep slaughtered decreased a lot towards the end of 2017 compared to last year. The graph clearly shows that the slaughter figures for other species including poultry are not picking up. The reasons for such a decline are mainly due to the economics of this commodity in relation to global markets and Avian Influenza outbreaks.

#### Bovine Spongiform Encephalopathy (BSE) Sampling



373 brain samples were collected which is way below the set provincial target of 500 samples per year. The unavailability of sampling material has had a negative impact on the 500 target.

It should be noted that the OIE is in the processing of reviewing the BSE code and there is likelihood of the program being downgraded from being an issue of concern. DAFF has appointed a veterinarian to oversee the implementation of the program.

#### Illegal Slaughtering

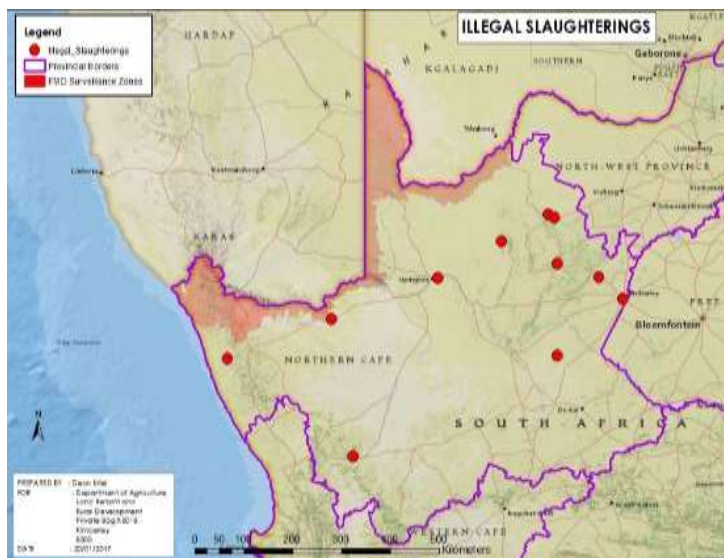
Six illegal slaughter cases were reported and investigated throughout the respective State Vet areas in the financial year ending 31 March 2018. VPH officials took some offenders through the process of building a Rural Throughput abattoir. All the reported illegal slaughtering cases were investigated and illegal slaughter notices were issued.

As part of the ongoing campaign on illegal slaughtering in the province, Veterinary Public Health unit profiled 47 meat handling facilities in an effort to ensure that food of animal origin is sourced from approved facilities. Non-conformances identified ranged

from an ineligible passed stamp on carcasses as well as poor trimming. This was a joint effort with Environmental Health unit from the local municipalities.

Veterinary Public Health in ZF Mgcawu District municipality hosted a farmer's day at the remote area of Grootdrink just outside of Upington on the 05/10/2017. The exercise was part of the ongoing information day sessions scheduled by the State Veterinary office to raise awareness on food safety matters (illegal slaughtering), zoonosis and animal health related issues.

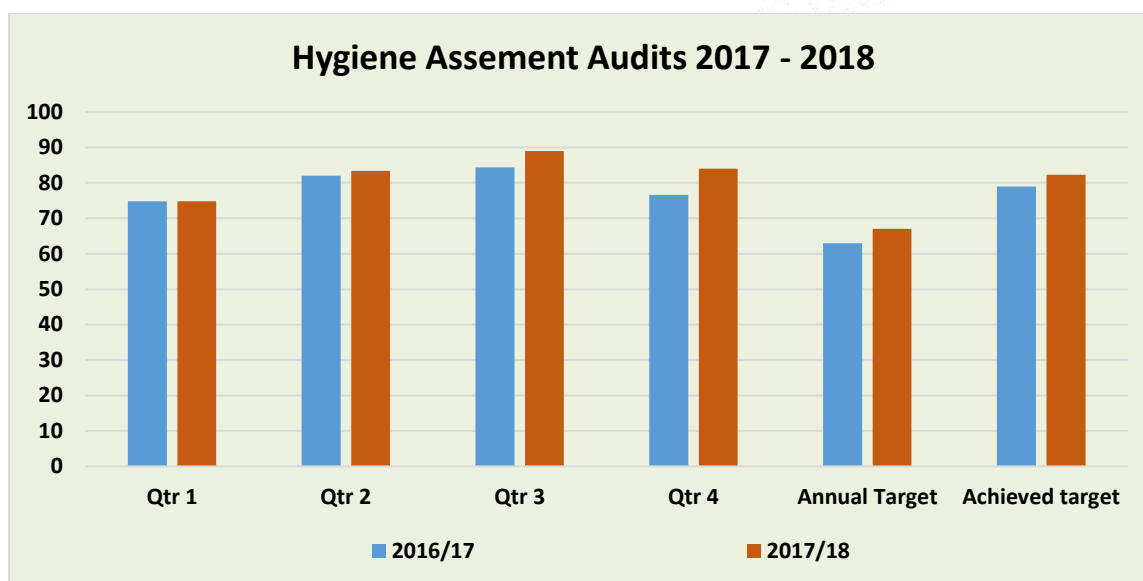
It is worth noting that the donkey slaughtering syndicate has since died down throughout the country as a results of constant surveillance by veterinary services.



Map depicting illegal slaughtering sites since 2017

### Hygiene Assessment Score

Hundred and one (101) Hygiene Assessment System Audits were carried out throughout the financial year ending 31 March 2018. The overall average score stands at 82.3% a 3% increase from the previous financial year.



### Residue and Microbiological sampling

The Implementation of the National Residue Monitoring Programme (NRMP) saw 127 residue samples generated in the 2017/2018 financial year spread across eight participating abattoirs within the province.

### Instructions

An instruction in line with section 10 of the Meat Safety Act (40 of 2000) was given to an abattoir in Kuruman to stop slaughter due to blocked overflowing drains in the yard but was lifted again after remedial action was instituted.

### Independent Meat Inspection

The first quarter of 2018 was characterized by the roll out of the implementation of Independent Meat Inspection (IMI) throughout the provincial abattoirs. This follows the announcement by the Minister of Agriculture, Forestry and Fisheries that the Independent Meat Inspection (IMI) scheme will take effect from 1 January 2018. The province currently has 51 registered abattoirs and only 39 are ready to make use of assigned independent meat inspection service providers to provide meat inspection at their facilities with the rest being non-compliant. Of the 12 that are non-compliant, five (5) have applied for exemption. The meat inspection scheme does make provision for exemptions for infrequently slaughtering small abattoirs. Two abattoirs are yet to send their application for exemption and seven Poultry abattoirs have since identified people to send for the Poultry Meat Examiners course.

**EXPORT CONTROL**

The past period was characterized by difficult trading conditions particularly for the ostrich and game industry. Due to the trade ban of ostrich and game meat the number of registered export game and ostrich farms have declined dramatically. This is very unfortunate and will most probably impact negatively on the economies of the affected areas.

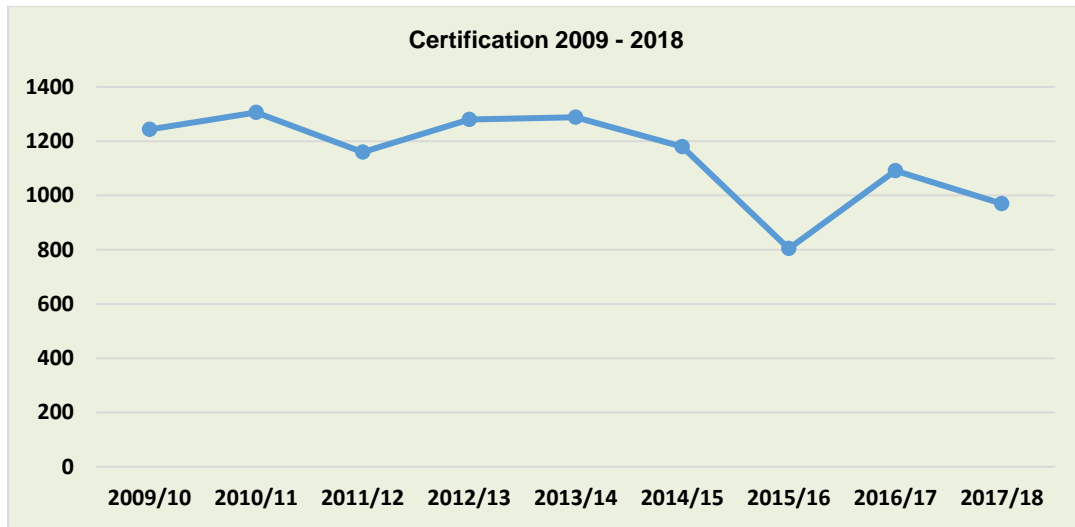
Moreson abattoir in De Aar regained its European Union (EU) registration during 2017 after the Department placed a state veterinarian at the plant. This was of immediate benefit to the ostrich industry as a whole as Avian Influenza outbreaks in large parts of South Africa and the Western Cape in particular prevented other ostrich abattoirs to be able to export. Most birds were thus channelled to Moreson abattoir in De Aar. This greatly benefitted the community at large as the facility operated at full capacity and employment opportunities maximized. Unfortunately, the EU suspended trade in all meat products with South Africa early in 2018 due to South Africa's inability to provide the required guarantees on residues and residue sampling. Hopefully this will be addressed with urgency as a failure to do so, will most probably result in negative economic consequences for De Aar as well as all our ostrich farmers. This is very unfortunate and will most probably impact negatively on the economies of the affected areas.

The registration of the closed ratite unit in Campbell is still ongoing. The ostrich industry is going to be affected heavily by the EU directive stated above.

This quarter saw new applications being brought forward for different establishments namely; The Pregnant Mare Quarantine Station (PMQS) in Mauritzfontein, embryo facility in Olierivier. Currently four ostrich farms, two taxidermies, two dip & pack facility, one feed mill are registered as export facilities.

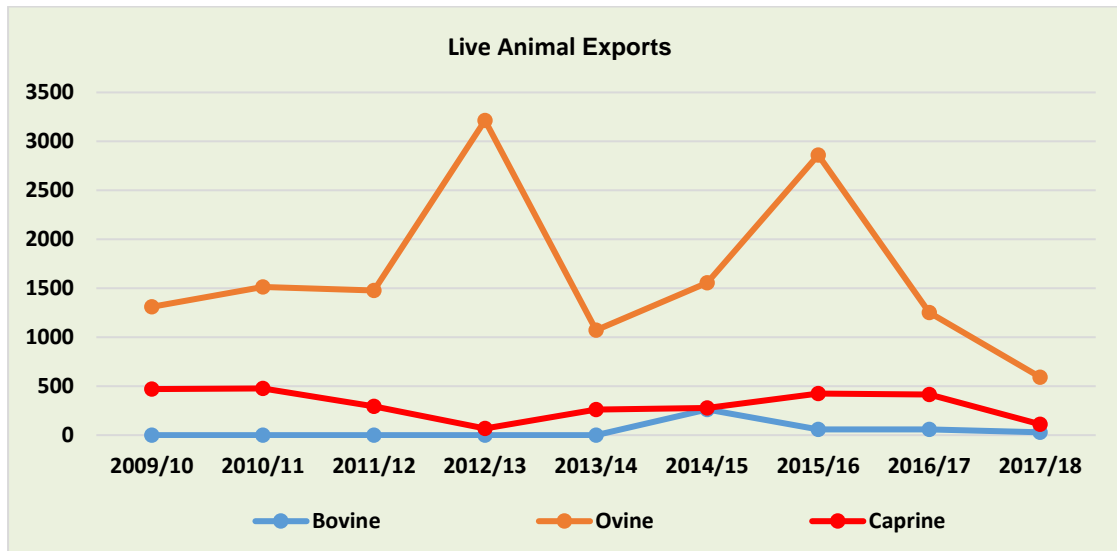


### Certification



There number of health attestations can be seen dropping in 2017/18 compared to 2016/17. Export certification of beef to various destinations: China, Dubai, Jordan, Hong Kong, Kuwait, Namibia, Mauritius, Mozambique, Qatar, Egypt, Zimbabwe, Ghana and Switzerland. Animal feed is exported to Botswana and Namibia. Lucerne was exported to Zambia and Mauritius. Wildlife exports are mainly to Namibia and Zambia. Horses were mainly exported to Namibia and Botswana.

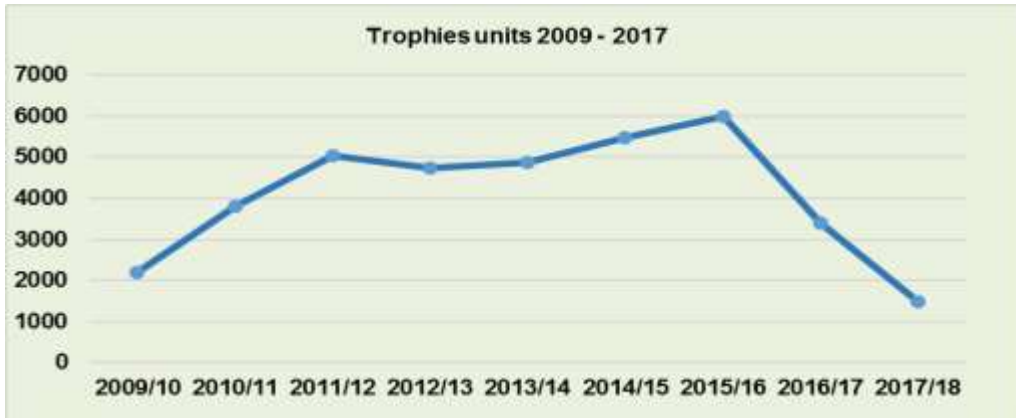
### Live Animal Exports



Importation of cattle from Namibia has been on the increase. Of the countries covered in the BLNS SOP (Botswana, Lesotho, Namibia and Swaziland Standard Operating Procedures), Namibia is the main source of cattle for the registered feedlots and

abattoir in the province. The importation is on a weekly basis. The BLNS scheme continuous to place a huge burden on our offices in regions where facilities are registered. The sustainability of our direct involvement in this scheme will have to be discussed at a National level, as resources are stretched quite severely.

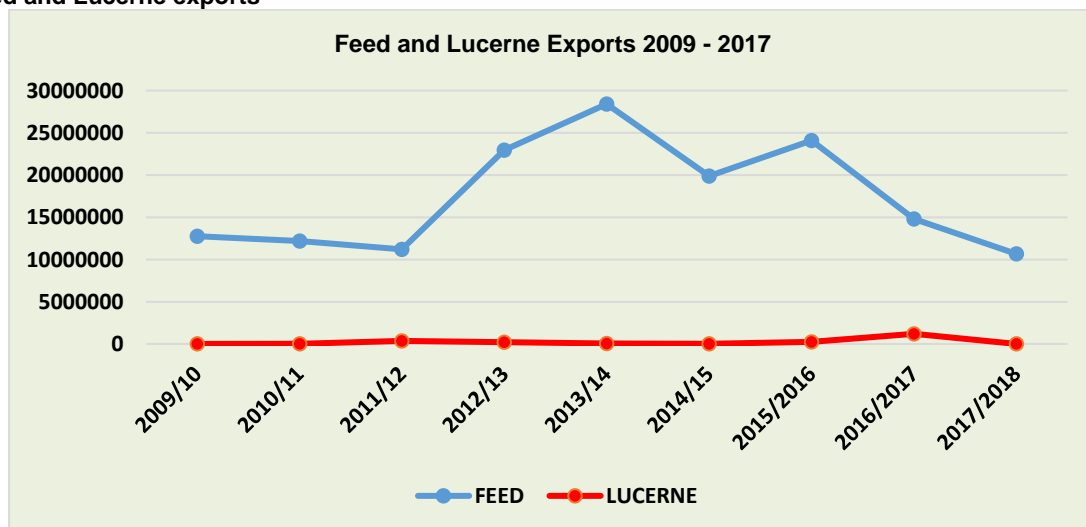
**Trophies**



Since 2015, there is a drastic decline in the number trophies units. The Namibian market has become lucrative for overseas trophy hunters. Hunters prefers to hunt in Namibia than in South Africa. The downside is that fewer hunters visited our province, with the result of less foreign currency inflow.

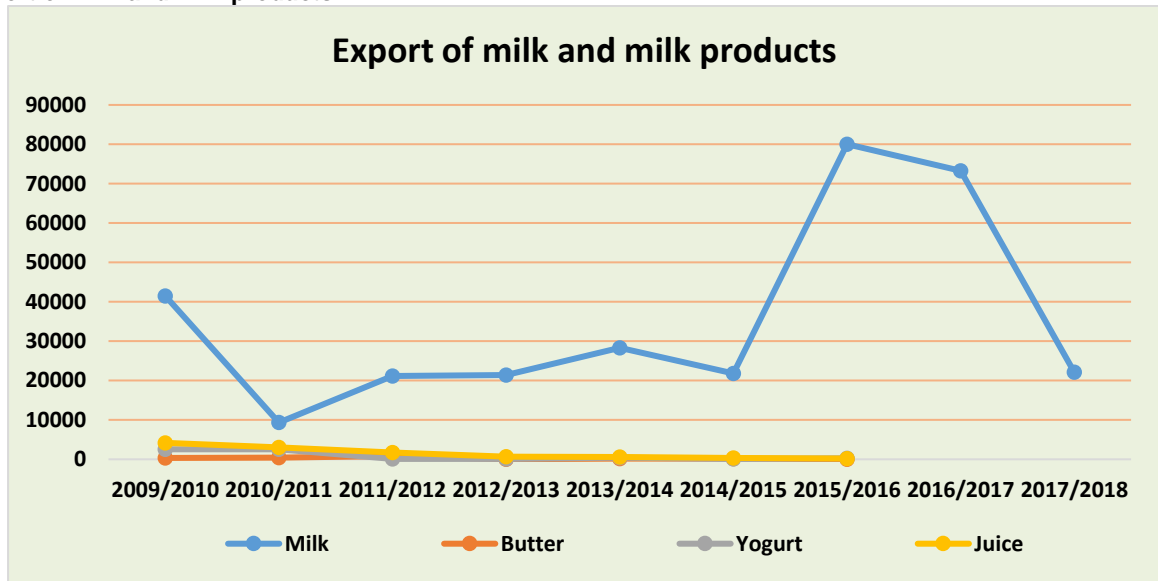
South African hunting statistics for the 2016 calendar year provided by the Department of Environmental Affairs (DEA) indicates that South Africa has seen drastic decline in overseas hunters visiting South Africa from 16 394 in 2008 to 6 539 in 2016 (a drop of 60% in nine years) and this trend is expected to continue for the next five (5) years.

**Feed and Lucerne exports**



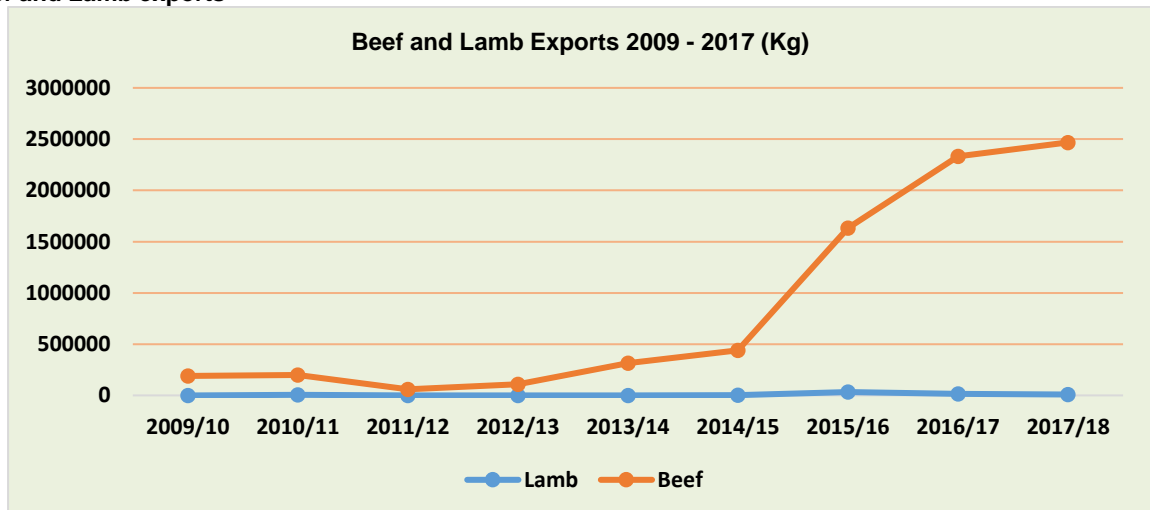
Feed exports in the first halve of 2016/17 were also quite high due to continuing drought conditions experienced in the Southern African region. Fortunately, good rains since the start of 2018 will hopefully ensure that grazing conditions improve. Feed and Lucerne exports are expected to increase in 2018/19. The Lucerne is mainly destined for Zambia and Mauritius with the recent inclusion of the Reunion Islands

**Export of milk and milk products**



The export of milk and milk products is expected to increase in 2018/19. VPH unit is assisting a milk establishment in Hartswater with registration to export milk to Namibia. Currently the establishment is exporting milk through a third party. Once successful with the registration, the establishment plan to export on average one million (1m) litres of milk per month.

**Beef and Lamb exports**



Since the trade started in late 2017, China has become the largest export market for Beefmaster and had exported about 2460 tons of beef towards the end of March 2018. Beefmaster in Kimberley was approved as one of only two facilities in South Africa eligible to export to China. Negotiations are ongoing on at national level to try and ease the strict requirements set by China as this will ensure easier access to that market by a larger part of our farming community including the smallholder farmers. In another development, Malu pork cutting plant in Kimberley has been registered as an export plant. This is going to result in the much needed job creation.

### **VETERINARY LABORATORY SERVICES AND EPIDEMIOLOGY**

The Northern Cape Provincial Veterinary laboratory was SANAS accredited for 5 diagnostic methods in 2017. The second SANAS surveillance assessment was done 6 months later on the 15th of February 2018 and the laboratory received an unconditional accreditation after clearance of the non-conformances. The next major 18 months' surveillance assessment has been scheduled for mid- January 2019.

The provincial laboratory continues to outperform established laboratories in the Proficiency Testing Schemes run for its accredited methods despite serious personnel challenges the laboratory is facing. Since obtaining the SANAS accreditation, the laboratory has received requests from the Free State Province to test 120 000 *Brucella* samples but has committed to test only a maximum of 1500 samples from outside the province due to personnel issues and budgetary constraints. The Veterinary Laboratory will embark on validation of *Brucella ovis* and *Brucella melitensis* test methods for their inclusion in the January 2019 accreditation cycle. This initiative stems from the feedback that the laboratory received during the veterinary laboratory roadshow in the third quarter of 2017/2018 where farmers requested for extension of scope for accredited tests.

In preparation for the DAFF approval system audit due on 9 April 2018, the sub-programme managed to have signage erected in strategic positions in the Municipality to fulfil the requirements for the audit.

The Laboratory finally received its 5-year Air Emission License for the incinerator and continues to monitor and report the emissions according to National Environmental Management Act of 2008. Remedial actions are currently underway to comply with the



requirements. The laboratory continues to have security challenges as the standby generator has been vandalized on two separate occasions.



The incinerator at the laboratory



SANAS accreditation certificate

### TRAINING & EXTENSION

It has become tradition for Veterinary Service in the province to host the Annual Scientific meeting for officials where scientific information is shared regarding broad spectrum of issues pertaining to the different sub-programmes. 72 officials from the Department attended the 2-day event in Upington from 6 - 7 December 2017. We had representatives from Agricultural Research Council, Department of Agriculture, Forestry & Fisheries, South African Pork Producers Organization, Agency for Food Safety and Western Cape Department of Agriculture presenting.

The gathering has evolved over the years and is now used as an opportunity to recognize those officials with long service records of 10 -20 years in government service. We also use the occasion to hand over certificates to Community Service veterinarians for having successfully completed the one-year Compulsory Community Service programme.

The programme also makes provision for the Employee Assistance Programme in collaboration with stakeholders within the fraternity. The Acting Director was invited for an interview by Riverside Community Radio station and he used the opportunity to promote the event and the veterinary profession. Onderstepoort Biological Products (OBP) division sponsored the event and donated vaccine for use by smallholder farmers in the province.



**Dr Peter Evans from SAPPO**



**Figure 2: Mr Ernest Ngoepe from ARC**



**Dr Lesley van Helden from the WCDA**





**Programme 5  
Research and Technology  
Development Services**

#### **4.5 Programme 5: Research and Technology Development Services**

**Purpose:** The purpose of the programme is to render expert and needs based research, development and technology transfer services impacting on development objectives.

##### **Sub-Programmes:**

- Research
- Technology Transfer Services
- Infrastructure Support Services

##### **Strategic Objectives:**

- To improve the agricultural production through conducting, facilitating and coordinating 13 medium to long term research and technology development projects;
- To disseminate information on research and technology developed to clients, peers and scientific community;
- To provide and maintain 7 infrastructure facilities for the line function to perform their research and other functions.



**Strategic objectives, performance indicators planned targets and actual outputs****Strategic Objectives:**

<b>Programme: 5 Research and Technology Development Services</b>					
<b>Strategic objective</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
To improve the agricultural production through conducting, facilitating and co-ordinating 13 medium to long term research and technology development projects	13	13	13	0	
To disseminate information on research and technology developed to clients, peers and scientific community	8	8	9	1	More presentations were made than was originally planned for. The programme will strive to better coordinate and plan activities with training partners and commodity organisations.
To provide and maintain 6 infrastructure facilities for the line function to perform their research and other functions	6	6	6	0	

**Performance indicators:**

Sub-programme: 5.1 Research								
Performance Indicators		Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
5.1.1	Number of research and technology development projects implemented to improve agricultural production	13	13	13	13	13	0	
5.1.2	Number of scientific investigations conducted	8	8	8	8	9	1	More requests for scientific investigations were received than was planned for.

**Strategy to overcome areas of under performance**

None

Sub-programme: 5.2 Technology Transfer Services								
Performance Indicators		Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
5.2.1	Number of research presentations made nationally or internationally	7	7	7	6	8	2	Request was received for two presentations to be split into two rather than as individual presentations.
5.2.2	Number of scientific papers published nationally or internationally	-	2	4	2	3	1	Programme has no control over when papers are published.
5.2.3	Number of presentations made at technology transfer events	6	5	11	8	14	6	More requests were received to present at technology transfer events than were planned for.
5.2.4	Number of articles in popular media	3	3	3	3	5	2	Radio talks were held and recognised as presentations. These were not planned for previously.
5.2.5	Number of spatial datasets and maps created	16	16	16	16	16	0	
5.2.6	Number of development projects/programmes supported	11	11	10	10	11	1	More projects were supported than originally planned for projects in the drought stricken areas needed support on planning.
5.2.7	Number of reports on support provided to KKC	-	-	4	4	4	0	

### Strategy to overcome areas of under performance

No under-performance has been recorded.

Sub-programme: 5.3 Infrastructure Support Services							
Performance indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
5.3.1 Number of research infrastructure managed	8	7	6	6	6	0	

### Strategy to overcome areas of under performance

None

### Changes to planned targets

No changes were made to the planned targets.

### Linking performance with budgets

### Sub programme expenditure

Pr5: Research & Technology Development Services	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research	21 565	21 564	1	26 256	26 256	-
Technology Transfer Services	1 523	1 523	-	18	18	-
Infrastructure Support Services	21 239	21 239	-	20 382	20 382	-
<b>Total</b>	<b>44 327</b>	<b>44 326</b>	<b>1</b>	<b>46 656</b>	<b>46 656</b>	<b>-</b>



## **SERVICE DELIVERY HIGHLIGHTS**

As a result of the persisting drought conditions in large parts of the Province, numerous requests regarding veld condition assessments and climatic information has been received. The drought together with the winter frost has left large parts of the vegetation of the Province extremely dry.

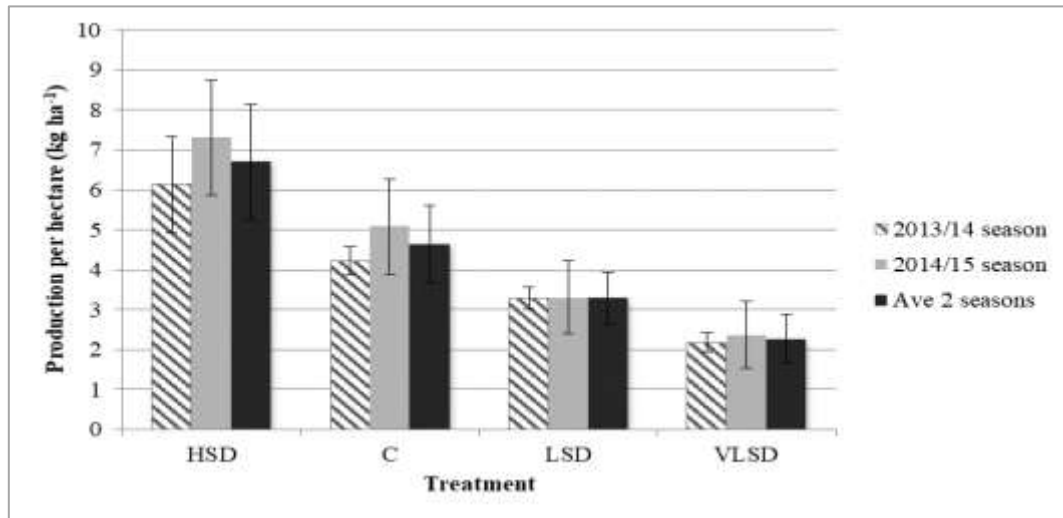
During the past season the Northern Cape Province contributed approximately 10% to the national maize and wheat production of South Africa at 703 200 tons of maize and 304 00 tons of wheat. Cotton production was 11 500 tons and groundnuts 14 000 tons. Table grape production was 20.5 million cartons, wine grape production 124 800 tons and raisin production 55 000 tons. There is a significant shift towards pecan nut production and a reduction in olive production in the Northern Cape Province

### **The effect of stocking density on animal performance and vegetation in the Upper Karoo**

As the primary land use in the Western Upper Karoo, extensive small-stock farming contributes significantly towards the agricultural economy of the region. However, the sustainability thereof has been questioned for many years. This led to the establishment of a long-term stocking-density trial in 1988 at the Carnarvon Research Station. While various variables are known to influence vegetation, stocking density was perceived to be an important factor. The trial was designed on a three-camp rotational grazing system under four stocking densities (8, 7, 5.5 and 4 ha SSU-1).

Following continuous treatment over twenty-eight years, the results from a once-off assessment portrayed no significant differences between treatments with regard to plant height, cover, species diversity, ecological and grazing index scores as well as animal performance. Animal production varied among treatments where the mean production per hectare was found to be the highest under the high stocking-density treatment.

It can be concluded that the vegetation of the Western Upper Karoo is remarkably resilient to the perceived higher stocking densities set at the time, but only if an appropriate grazing management strategy is applied.



**Figure 1: Mean production per hectare (kg ha<sup>-1</sup>) for the different treatments (HSD = high stocking density, C = control, LSD = low stocking density, VLSD = very low stocking density) for the two seasons and the average for both seasons: Different letters above error bars ( $\pm$ SD;  $n=3$ ) indicate significant difference between the treatments at  $p < 0.05$ .**

Often, livestock farmers are accused of over-utilizing Karoo veld, resulting in degradation. It is, therefore, noteworthy that after twenty-eight years of treatment under different stocking densities, no significant differences were found with regard to vegetation and animal performance between treatments.

The following considerations might have contributed to the mitigation of the impacts:

- The use of a three-camp rotational grazing management system where a full twelve-month rest period is allowed every third season – this seasonally staggered grazing system allows plants to complete their entire phenological cycle.
- The rotation of sheep every six weeks between two of the three camps which allows for sustainable vegetation production. However, this could not be tested due to a lack of contrasting treatments to compare with.
- The fact that semi-arid Karoo shrubland vegetation is remarkably resilient to higher stocking densities compared to the official long-term grazing capacity norm (CARA 1983).

- The fact that the high stocking density set at four ha SSU-1 at the start of the trial in 1988 was, actually, not high enough to cause veld degradation and to lower animal production significantly. It may further suggest that the recommended (legislated) long-term stocking density is overly conservative for a three-camp rotational grazing system in the Karoo.

### **The development of veldt condition and degradation indices**

Considering the nature and scale of agriculture in general, remote sensing techniques offers the ideal tool for monitoring management inputs and response over time. As a result, current advancements in data collection and monitoring are frequently based on combining in situ measurements, airborne sensors and satellite observations. Simultaneously, remote sensing technologies are evolving at a rapid rate and together with an increased number of Earth observing satellites, high resolution remotely sensed imagery are more accessible than ever. Remotely sensed data are used to describe both small and large-scale processes, but each system has its unique spatiotemporal constraints. Ground based assessments are time consuming, labour intensive and very expensive. The main impediment to using remotely sensed data from satellites are the unavailability of cloud free, high spatial (0.3 m or better) and spectral resolution (multiple narrow bands) data. In recent times, the affordability and accessibility of Remotely Piloted Aircrafts (RPA's) opened new opportunities as transporters of remote sensing equipment. Currently, RPA-mounted sensors are in common used for bridging the gap between ground-based surveys and satellite derived data. As a result, RPA's are commonly used to monitor an array of agricultural applications including, vegetation cover, plant health, crop condition, nutrient status, yield, productivity and many more. While most RPA's provide an accurate, geo-referenced platform which allows for instant results at regular intervals, it has its limitations with regard to flight time, adverse weather conditions and often it's sensing capacity.

In order to correctly interpret the imagery derived in this manner, it is important to take cognisance of the capacity or capability of the particular sensor in use, as well as the

reflection pattern which is derived from light that was absorbed and reflected from the electro-magnetic spectrum (EMS).

Reflectance of vegetation differs throughout the EMS and is generally found to be very low in the blue and red regions of the EMS, slightly higher in the green region and high in the near infra-red region. This information can be used to determine stress levels in plants linked nitrogen status and correlated with chlorophyll concentration.

This current study provides a first-hand account on the application of high resolution remote sensing imagery and illustrating the potential for this approach in Agricultural Management.

### **The development of a comprehensive project footprint linked to the Northern Cape Agricultural information system (NCAIS).**

All the budget information of projects for the 2017/18 financial year were finalized on the Northern Cape Agricultural Information System (NCAIS). The Land Care projects have also been captured and spatially linked in NCAIS. The GIS portal for NCAIS has been installed and setup was completed on the GIS server hosted at the Eiland Research Station. The development of a mobile application to capture future project information via mobile (cell phone) technology is currently being developed and tested.



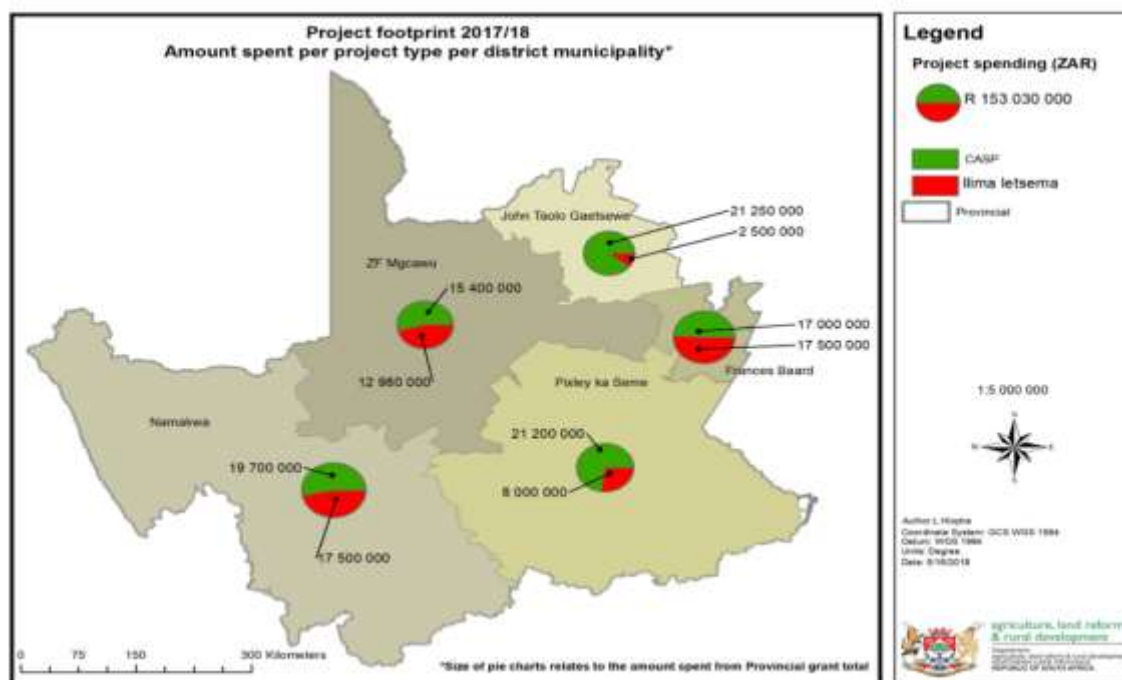


Figure 2: Spatial distribution of Projects funded through CASP and Ilima Letsems Grant funding.

### Monitoring of fruit-fly infestation in Lower Orange area

*Ceratitis capitata* (Med fly / Mediterranean fruit fly) is a global threat to the horticultural industry in terms of post-harvest damage to the fruit. *C. capitata* is a quarantine pest for the export of fruit from SA to Europe and USA and therefore med fly infestations pose a serious threat to the table grape industry of the Northern Cape Province. Table grape exports from the Northern Cape Province contributes approximately R1.5 billion from only 6 000 ha irrigated land and therefore med fly infestations pose a serious threat to the table grape industry of the Northern Cape Province.

An economic impact study was done and found that the effect of fruit fly infestation occurs on both a production and trade level. On production level, there is a decrease in crop value due to a loss of yield and quality and the cost of fruit-fly control and on the trade level it impacts as the cost of the loss of market access.

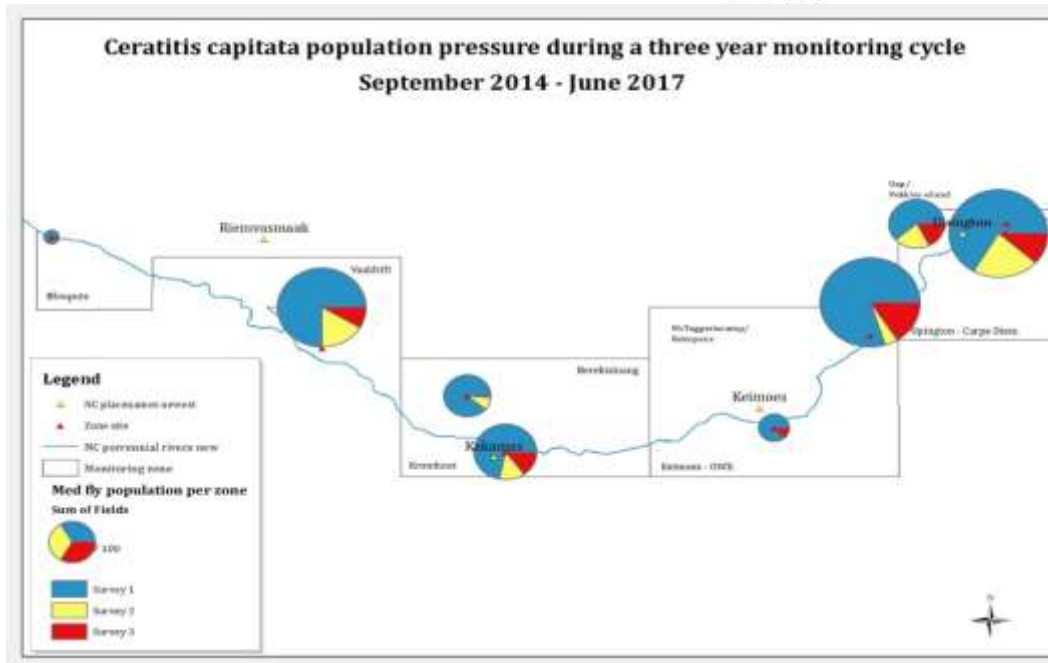
In addition, the study found that the major crops that will be impacted by a fruit-fly infestation are table grapes and citrus. Due to the enormous economic multipliers of irrigation agriculture in the region the potential impact of a fruit-fly infestation could be devastating for the regional economy. The total estimated value of table grape and citrus production in the study region is R1.63 billion and analysis in this study clearly showed that the major impact of a potential fruit-fly infestation will be the potential loss in market access to high value market (up to R230 million per annum).

It is known that various other hosts for *C. capitata* are cultivated in the table grape area, e.g. wine & dry grapes, citrus. In addition, certain species in natural vegetation can also act as hosts. The results of the spatial-temporal analyses of the three year monitoring clearly showed a consistent gradient in fruit fly populations from Blouputs (Lowest) to Upington (highest). This might possibly be due to higher hectares planted to wine/dry grapes in the specific areas compared to the Blouputs and Kakamas areas. Pest risk assessment indicated that all vineyards possibly act as sources of infestation for citrus orchards and vice versa.

**Hot spot analysis at a Keimoes monitoring site.** **Error! Reference source not found.** Table grape vineyard in the Keimoes area that acted as a hotspot. In addition, the Upington sectors, as well as the McTaggart's Camp and Vaaldrift act as hot spots for fruit fly populations. Results from this study emphasized the need for an area-wide control approach to minimize the risk to the export industry of the region.

A final report on the economic impact of Mediterranean fruit fly (*Ceratitidis capitata*), as well as the outcomes of the research project on the spatial-temporal occurrence of the Mediterranean fruit fly has been collated and released to the relevant roll players of the affected industries, i.e. citrus, table-, wine- and dry grape industries.

The report has also been shared with the Plant Health Early Warning Systems Directorate of the National Department of Agriculture, Forestry and Fisheries that is responsible for quarantine pests and regulations thereof. This document now serves as a baseline document for DAFF when developing area-wide control approaches.



Spatial distribution of med fly populations during the three-year monitoring period from September 2014 to June 2017.

## Fodder bank

Thus far 413 tons of lucerne and 13 tons of maize have been donated as part of the fodder bank initiative. Approximately 100 tons of lucerne was still in stock at Eiland RS on the 22nd of March 2018



Lucerne being stock-piled at Eiland Research Station for use as part of the fodder bank

## Roobos

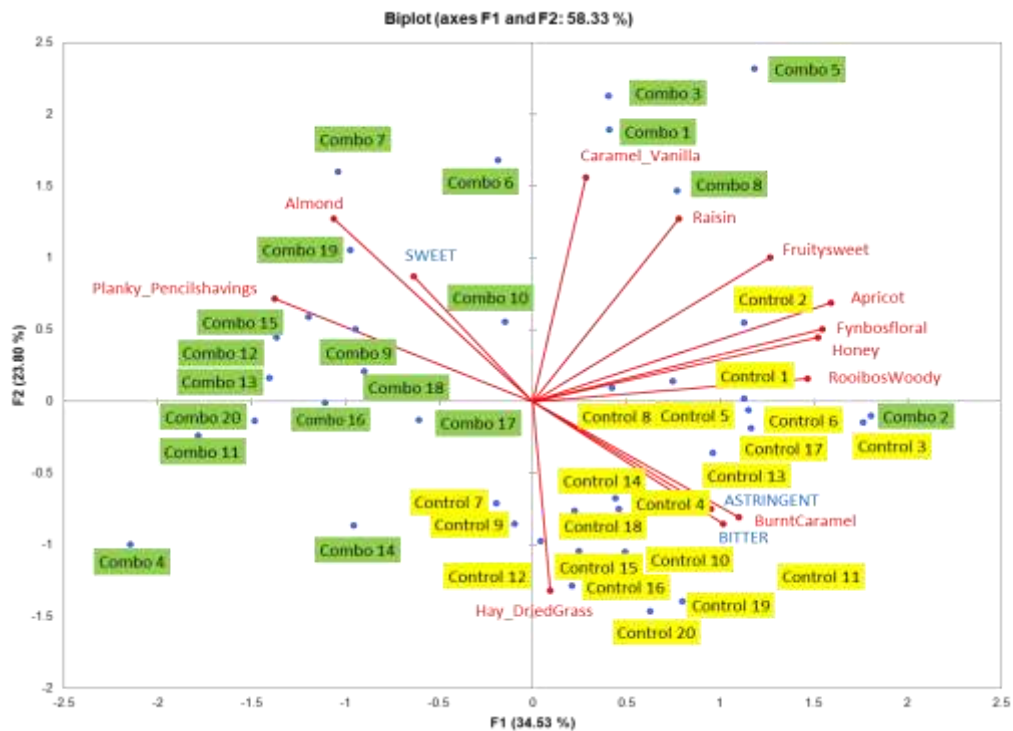
Through its interventions, the Northern Cape Department of Agriculture, Land Reform and Rural Development has flagged Rooibos Tea as a driver of the land reform and Broad –based Black Economic Empowerment (BBBEE) initiatives in the area, through job and wealth creation. In order to remain competitive in an ever changing marketing environment it is of paramount importance to back up marketing claims with physical evidence. Rules for certification to sell in foreign markets are also becoming more and stricter as awareness among consumers grows with regard to issues such as best practices, traceability, residues, environmental and social issues. For this reason, research is required at the level of production, product development and marketing. It is a herbal tea with a global footprint. This industry was supported by this Department through:

- A study to profile Rooibos by determining the aroma, flavour and taste attributes associated with a range of rooibos tea samples. Selected chemical and sensory attributes were correlated to indicate possible chemical drivers of sensory quality. Numerous samples, spanning two production areas, three production years and three quality grades, were collected to delineate the effect of the production area and year on rooibos sensory properties, as well as to develop a revised rooibos



sensory wheel. A lexicon for all aroma attributes were developed including chemical references and a user-friendly aroma wheel which will provide users with relative importance of attributes at a glance. This quality control tool can be used in the industry to aid in grading and marketing of rooibos tea.

- In an attempt to optimize the value of rooibos waste material (dust and stems), a study was completed to determine the aroma and taste profile of stem material infused with extracts from dust material. It was concluded from this study that fermented rooibos waste material (dust) can be utilised for the production of good quality rooibos extracts and that diluted dust extracts are of similar sensory quality as that of a normal cup of rooibos tea. Stem infusions also produce infusions of similar sensory quality as that of a normal cup of rooibos tea, but some contain undesirable “planky/pencil shaving” aromas at high intensities. Diluted dust extracts & stem infusions can be combined to produce infusions of similar sensory quality as that of a normal cup of rooibos tea. However, “planky/pencil shaving” aromas and flavours are still evident and not fully masked by a 50/50 combination ratio. Therefore, these two rooibos tea agro-processing waste materials COULD have significant market value.



Profiling of dust extract and stem infusion combinations



***M.Sc. degree for Ms. Manzi Shishi***

- Another ongoing research initiative in support of the Rooibos Industry aims to assist the rooibos producers by proving scientific solution on how to improve productivity which was reportedly declining for the past five years. Currently very little information is available on the physical properties of the soil of cultivated rooibos lands at Nieuwoudtville and how they affect soil water flow and water balance. This research is to investigate the soil water balance, soil water flow and pyrrolizidine alkaloids loads in the soils at Nieuwoudtville rooibos cultivation areas.

## **ANIMAL PRODUCTION**

### **Development of an aquaculture and fisheries strategy for the NC**

The current Northern Cape Aquaculture Strategy was drafted in 2007 and with the current focus on Operation Phakisa: Unlocking the Oceans Economy through Aquaculture, it was decided that the strategy should be reviewed and expanded to include all inland and marine aquaculture and fisheries. The outcomes of the Strategic Environmental Assessment for Aquaculture Development in South Africa will provide strategic information regarding potential development in the NC and will be included in the final document.

An important event that took place in Port Nolloth was the Small Harbour Development (SHD) Investment Conference. This initiative by the Department of Public Works

(DPW) was intended to start a process to avail land for coastal development including fisheries and marine aquaculture. The identification and development of suitable land will boost the industry and this conference provided important information for the Strategy.

The Department participated in the coastal audit with the main purpose to gather information regarding possible sites for marine aquaculture development. Eleven (11) possible sites were identified on a stretch of 177.5 km of the coast starting at the mouth of the Buffels River at Kleinzee and ending at the Orange River mouth at Alexander Bay.



The above map depicts the eleven (11) possible development sites for aquaculture along the west coast of the Northern Cape

The above information will feed into the strategy and be used to develop the industry along the west coast. An overview on the current situation of Fisheries and Aquaculture on an international level was completed as well as a world outlook up to 2025 which highlights the following:

- The increases in world production, consumption, food demand and per capita food consumption will slow down over time.



- The sustainable management of overfished stock can give rise to slight increases in world capture production, but the growth in aquaculture production is expected to fill the demand gap. This growth will however be slower than in the past.
- The changes in demand will be primarily in the developing countries where population growth will slow down, per capita incomes will increase and urbanisation will lead to increases in demand.
- Prices are set to decline in real terms, but will remain relatively high.
- Increases in the trade of fish and fish products are expected to slow down and exports will remain stable.

Fisheries and aquaculture will contribute towards the fight against hunger and poverty through sustainable growth in the sector that will ensure economic and social development.

The draft Aquaculture and Fisheries Strategy for the NC was completed and submitted for comments and inputs. The document will also be circulated amongst industry experts before final sign-off and distribution for implementation.

The following are excerpts from the document that will provide insight on the expected objectives. This strategy is based on four pillars or strategic objectives which will be linked to 18 outputs:

- Institutional objective: to establish an enabling environment to effectively manage the sector, ensure that support services are available and ensure equitable development through the allocation of resources and support systems (good governance support, social accountability, equitable economic growth and environmental awareness).
- Social objective: to produce healthy and nutritious food for the people and to develop productive livelihoods through quality education, health care, basic services and social security (social stability supports economic development and environmental management).
- Economic objective: to develop the economic potential of rural communities through job creation, increased household incomes and saving/earning of foreign exchange by import replacement or increased exports (economic development supports social stability and encourage environmental improvement).



- Ecological objective: to ensure the conservation of aquatic biodiversity, promote the improvement of genetic resources and ensure the sustainable utilisation of natural resources (healthy environment supports social and economic development).

### **Implement the pilot trout cage culture project at Vanderkloof in collaboration with our partners**

The survey of the dam with Department of Agriculture, forestry and fisheries (DAFF) scientists and the technical partner was conducted on 4 June 2017. The report generated by the survey was used to guide the final application to Department of Water and Sanitation (DWS) to access the dam and indicated the exact location of the cages.

The following authorizations and permits were issued:

- Environmental Impact Assessment not listed letter
- Northern Cape Exemption letter
- General Authorization for water use
- Western Cape Export permit
- Northern Cape Import permit
- DWS access permit

The programme for the implementation of the project will be as follows:

- Base line studies for environmental health was conducted last year. Further environmental monitoring will be conducted at the time of placing the fish in the water.
- The initial trial will be conducted with 4000 thousand fish in 1 10m length x 10m width X 5 m depth cage
- Infrastructure will be moved to Vanderkloof dam a week prior to the projects actual implementation.
- The Department of Water and Sanitation (Dam Manager) must be consulted prior to the infrastructure placement.
- Fish to be moved from Western Cape to Northern Cape in early May 2018. This will be subject to the update of the Northern Cape Import permit
- Depending on results, expected harvest time will be planned for October.

### **Implementation of a computer assisted sperm analysis (CASA) technology**

The Tankwa goat project highlighted the importance of new technology in the conservation of farm animal genetic resources. This included the collection of biological material, collection/preservation of semen, embryos and oocytes, genetic and phenotypic parameters. The National Zoological Gardens (NZG) as a partner in the Tankwa project provides some of these services, but with planned new research on other species/breeds it is important for the Department to obtain its own equipment and technology. The planned CASA technology projects will include the Tankwa, Saanen and Boer goats, Karakul sheep and different beef cattle breeds. Some of the expected outcomes will be scientific papers, doctorate and masters studies. The computer assisted sperm analysis technology equipment (microscope and software) has been procured.



**Staff and partners from different organisations (e.g National Zoological Gardens (NZG), University of Western Cape (UWC), Agricultural Research Council (ARC) etc. busy sampling the Tankwa goats at Carnarvon research Station.**

The planned use of Tankwa and Saanen bucks in the CASA technology is well planned and coincides with the second goat's project which aims to intensively analyze fertility and characterization of the seminal quality attributes for the use in goats, sheep and cattle which are part of the livestock improvement programme (LIP- program within research directorate). The technology that is being brought by the CASA will enable the research component to go a step further and ensure that all male animals (sheep, goats and cattle) that display excellent seminal quality be stored for future use after being cryopreserved.

The CASA technology projects will include the PhD studies on the Tankwa, Saanen and Boer goat bucks at Rietrivier Research Station and the analysis and cryopreserve of bull semen at Vaalharts Research Station. All components of the CASA technology software has been procured. Training on the use of the equipment is expected to be conducted in the new financial year. This technology will enable scientists to ensure that semen from male animals with excellent seminal quality is cryopreserved for future use.

### **Technology development and transfer in the field of sustainable crossbreeding with beef cattle in semi-arid areas of South Africa**

An article 'Factors affecting the pre-weaning performance of Nguni and Angus x Nguni calves in an arid environment of South Africa' was published in the Applied Animal Husbandry & Rural Development Journal. This research is the combined efforts of the Department and the ARC and was conducted at Vaalharts Research Station. The results indicated that crossbreeding can increase the weaning weight of calves of Nguni cows with an average of 32 kg. Cow efficiency was also improved with 22% and these results can be implemented in determining breeding strategies of producers. Further investigations are needed into the reasons for the large variation in weaning weights and the effect of epigenetics on phenotypic diversity (the molecular mechanisms of environmental control over genetic activity and gene expression). The survey of the dam with DAFF scientists and the technical partner was conducted yesterday, 4 June 2017.

An article 'Evaluating breed complementarity and sexed semen with maternal use of Afrikaner germplasm' was published in the Agricultural Sciences (2017, 8:507-517). The objective of the study was to assess productivity of five simulated production systems. The results indicated that crossbreeding could be applied as a commercially appropriate technology to potentially improve production efficiency relative to straight-bred production system using adapted germplasm.

At the recently held joint conference: 3<sup>rd</sup> AFAAS Africa-wide Agricultural Extension Week and 51<sup>st</sup> Annual Conference of the South African Society for Agricultural Extension the Directorate was part of the Organizing Committee, made a platform presentation and a poster presentation. The platform presentation 'Crossbreeding in

beef cattle for increased efficiency in response to environmental conditions' focused on the improvement of production in Angus x Nguni cows. This presentation received the SASAE Award for the 3<sup>rd</sup> Best Scientific paper at the Conference. The poster presentation 'Literature review: Effects of global warming on homeothermy and production in beef cattle' identified adaptation strategies that will be needed to optimise homeothermy and identified knowledge gaps for future research.





# Programme 6 Agriculture Economics Services

#### 4.6 Programme 6: Agricultural Economics Services

**Purpose:** The purpose of the programme is to provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth.

#### Sub- Programmes:

- Agri-business Support and Development
- Macroeconomics Support

#### Strategic Objectives:

- To provide Agri-Businesses support through entrepreneurial development, marketing services, value adding, production and resource economics.
- To provide macroeconomic and statistical information on the performance of the agricultural sector in order to inform planning and decision making

#### Strategic objectives, performance indicators planned targets and actual outputs

##### Strategic objectives:

Programme: 6 Agricultural Economics Services					
Strategic objective	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
To provide Agri-Businesses support services through entrepreneurial development, marketing services, value adding, production and resource economics.	32	32	32	0	
To provide macroeconomic and statistical information on the performance of the agricultural sector in order to inform planning and decision making	14	14	14	0	

**Performance indicators:**

Sub-programme: 6.1 Agri-business Support and Development								
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
6.1.1	Number of agri-Businesses supported with agricultural economic services to access markets	7	6	6	5	7	2	A market opportunity arose for cooperatives to be linked to Community Nutrition Development Centres (CNDC's) in the Province.
6.1.2	Number of clients who have benefitted from agricultural economic advice provided	509	350	835	690	770	80	There was an increase in the demand for economic advice by both farmers and Departmental extension officials.
6.1.3	Number of agricultural economic studies conducted	24	12	15	8	8	0	
6.1.4	Number of Export opportunities created	0	1	5	1	1	0	
6.1.5	Number of new cooperatives registered	14	8	10	7	14	7	There was an increase in the demand for the registration of cooperatives in the 2 <sup>nd</sup> Quarter of 2017/2018. A request was made from the National African Farmers Union of South Africa (NAFU) to assist with registering cooperatives in the Kakamas area.

**Strategy to overcome areas of under performance**

None



Sub-programme: 6.2 Macroeconomic Support							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
6.2.1	Number of agricultural economic information responses provided	5	5	8	8	8	0
6.2.2	Number of economic reports compiled	14	12	12	12	12	0
6.2.3	Number of new enterprise budgets (combuds) developed	6	5	5	4	4	0
6.2.4	Enterprise budgets (combuds) annual prices updated and report generated	1	1	1	1	1	0
6.2.5	Functional statistical economic database available	1	1	1	1	1	0

### Strategy to overcome areas of under performance

None

### Changes to planned targets

None

### Linking performance with budgets

### Sub programme expenditure

Pr6: Agricultural Economics	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Agric-Business Support and Development	4 262	4 262	-	2 987	2 987	-
Macroeconomics Support	5 454	5 454	-	6 074	6 056	18
<b>Total</b>	<b>9 716</b>	<b>9 716</b>	<b>-</b>	<b>9 061</b>	<b>9 043</b>	<b>18</b>



**SERVICE DELIVERY HIGHLIGHTS****MARKETING****Information Sharing Sessions**

A total of twenty-three information sharing sessions were conducted to agricultural cooperatives and individual farmers during the 2017/2018 financial year. The information disseminated focused mainly around topics such as agricultural marketing, risk factors affecting agribusinesses, commodity associations, cooperatives, business planning and financial management. The table below is a synopsis of the information sessions that took place during 2017/2018:

Place	District	Date
Riverton (Killarney Farm)	Frances Baard	06/04/2017
Heuningvlei	John Taolo Gaetsewe	05/05/2017
Kakamas	ZF Mgcawu	19/05/2017
Kuruman (Bothitong)	John Taolo Gaetsewe	24/05/2017
Barkley West (Alpha Farm)	Frances Baard	25/05/2017
Schmidtsdrift	Pixley Ka Seme	08/06/2017
Kuruman	John Taolo Gaetsewe	19/07/2017
Noupoort	Pixley Ka Seme	25/07/2017
Kuruman	John Taolo Gaetsewe	27/07/2017
Kimberley	Frances Baard	28/07/2017
Violsdrift	Namakwa	16/08/2017
Pampierstad	Frances Baard	23/08/2017
Port Nolloth	Namakwa	20/09/2017
Campbell	Pixley Ka Seme	18/10/2017
Upington	ZF Mgcawu	19/10/2017
Kimberley	Frances Baard	26/10/2017
Kuruman	John Taolo Gaetsewe	21/11/2017
Kuruman	John Taolo Gaetsewe	22/11/2017
Vaalharts	Frances Baard	06/02/2018
Bojapotsana, Kuruman	John Taolo Gaetsewe	20/02/2018
Damros, Kuruman	John Taolo Gaetsewe	21/02/2018
Vaalharts	Frances Baard	08/03/2018
Postmasburg	ZF Mgcawu	13/03/2018

## Market Linkages

The following seven cooperatives/agribusinesses were supported with market linkages during the 2017/2018 financial year:

Name Of Project	Market	Product Supplied
<b>Porkie Piggery Cooperative</b>	Bloemfontein Abattoir	Pigs
<b>Reetsanang Cooperative</b>	Readira CNDC's 3L Development CNDC's	Vegetables
<b>Itireleng Ma-Afrika Cooperative</b>	Readira CNDC's	Vegetables
<b>Warrenton Superchicken</b>	Readira CNDC 3L Development CNDC's Mogomotsi CNDC	Chicken meat
<b>Maikemisetso Agricultural Cooperative</b>	John Taolo Gaetsewe CNDC's Warehouse	Vegetables
<b>Maikaelelo Cooperative</b>	John Taolo Gaetsewe CNDC's Warehouse	Vegetables
<b>Tsweleng Cooperative</b>	John Taolo Gaetsewe CNDC's Warehouse	Vegetables

## COOPERATIVES

### Cooperatives Registered in 2017/2018

NAME	LOCATION	PRODUCT(S)
<b>Kan Dit Wees Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Motherred Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Coetsee Family Boerdery Cooperative</b>	Warrenton, Frances Baard	Livestock
<b>Bezuidenhout Boerdery Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Haak n Steek Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Hou Moed Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Klein Begin Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Soebatsfontein Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Sorg Hom Cooperative</b>	Augrabies, ZF Mgcawu	Livestock
<b>Sukkelfontein Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Te Jammer Cooperative</b>	Kakamas, ZF Mgcawu	Livestock
<b>Re Gata Mmogo Cooperative</b>	Kuruman (Kono), John Taolo Gaetsewe	Vegetables, Livestock
<b>Stilwater Cooperative</b>	Killarney, Frances Baard	Vegetables
<b>Doringpan Cooperative</b>	Postmasburg, ZF Mgcawu	Vegetables

### Cooperatives supported with Agribusiness Appraisal Tool

Three cooperatives in the Frances Baard District were assessed through an agribusiness appraisal tool.

The Department of Agriculture, Land Reform & Rural Development worked jointly with Department of Agriculture, Forestry & Fisheries. The assessment was conducted to monitor the management and production of each cooperative. The cooperatives received their assessment reports which outlined their challenges, strengths and weaknesses as well as where they need to improve.

*The following cooperatives were assessed:*

- Reetsanang Agricultural Cooperative in Barkley West
- Killarney Agricultural Cooperative in Killarney
- Pniel Youth Agricultural Cooperative in Pniel



*Cooperative Incentive Workshop in Kimberley*

The Department arranged and facilitated a cooperative incentive workshop, where each cooperative was represented by two or three of its members. The purpose of the workshop was to expose cooperatives to different financial support institutions that are out there for them to pursue, grow and maintain their businesses. Four stakeholders were invited to be key role players and present on the services they provide for farmers and cooperatives.

**These are the four stakeholders that gave critical information and advice to cooperatives:**

- National Empowerment Fund (NEF)
- Small Enterprise Financial Agency (SEFA)
- Standard Bank
- Mme Rekathusa

### **Agricultural Cooperative Summit in Kimberley**

The Department of Social Development together with the Department of Agriculture, Land Reform & Rural Development hosted an Agricultural Cooperative Summit in December 2017 at the Protea Hotel in Kimberley. The event was attended by agricultural cooperatives and Community Nutrition Development Centres (CNDC's). The summit focused around empowering cooperatives by challenging them to see beyond their current frame of thinking and to change their perception towards the challenges that they are faced with.

### **ECONOMIC STUDIES**

Eight economic studies were developed during the financial year:

<b>Name Of Study</b>	<b>Type</b>	<b>Date</b>
<b>Food Cost Review in the Rural Areas of the Northern Cape Province</b>	Food Cost Review	June 2017
<b>Itireleng Ma Afrika in Platfontein – Vegetable Project Business Plan</b>	Business Plan	June 2017
<b>Future Development of Vineyard Production: Blocuso Trust</b>	Feasibility Study	August 2017
<b>Maize Production Output</b>	Report	September 2017
<b>Agricultural Commodities Price Analysis</b>	Quarterly Outlook Analysis	October 2017
<b>African Heritage Village – Vegetable Project Business Plan</b>	Business Plan	November 2017
<b>Manyeding Hydroponic Viability Study</b>	Viability Study	January 2018
<b>Mamasetara Farming Cooperative -Business Plan</b>	Business Plan	March 2018

### **SA GAP Certification**

SA GAP certification plays a pivotal role in ensuring farmers are involved in good agricultural practices on their farms by focusing around areas of hygiene and safety.

This certification ensures a final product that is safe to consume and therefore it is becoming increasingly vital that farmers be certified. A total of 29 farmers were supported during the financial year, of which 28 were SA GAP certified.

### **Economic Article**

The Impact of South Africa's Credit Rating Downgrade on the Agricultural Sector.



## Website and Content Development for projects

Improving and enhancing the presence of the Departmental projects in the Northern Cape is key to unlocking sustainable national and international market opportunities. During the financial year, four projects were assisted with the development of logos, websites, email addresses and promotional material. The four projects assisted were:

- Silvermoon ([www.smi-agri.co.za](http://www.smi-agri.co.za))
- Blocuso([www.blocusoagri.co.za](http://www.blocusoagri.co.za))
- Lemoendraai ([www.lemoendraaiagri.co.za](http://www.lemoendraaiagri.co.za))
- Henkries ([www.henkriesdates.co.za](http://www.henkriesdates.co.za))

## Economic Reports and Responses

A total of twenty economic reports were compiled during the 2017/2018 financial year. These include quarterly reports indicating inflation movements and its impact on the Northern Cape and on food prices as well as quarterly reports that indicated the impact of gross domestic production and the influence of employment and unemployment indicators on various levels.

The most important industries that play a role in agricultural production in the Northern Cape were updated with the latest information available and reflect an updated picture of each industry's production, marketing, exports and value chain.

## Enterprise Budgets

Four additional enterprise budgets were compiled during the 2017/2018 financial year. Apart from that, all existing enterprise budgets were updated with the latest output and input prices to reflect current situations for planning by various stakeholders that make use of these budgets.

## Statistical Economic Database

Throughout the year numerous datasets are acquired and updated of an economic and statistical manner that are used in the production of various reports throughout the year.

### **Financial Recordkeeping Training**

During the 2017/2018 financial year training was provided at eleven different venues in the Districts of Frances Baard, Pixley ka Seme, ZF Mgcawu and Namakwa and benefitted 146 land reform farmers. These farmers were introduced to how finances are incorporated into farming practises and decision making. The training events were also attended by 52 youth farmers (36% of participants) and 63 female farmers (43% of participants).



**Programme 7  
Rural Development and  
Co-ordination**



#### **4.7 Programme 7: Rural Development Coordination**

**Purpose:** The purpose of the programme is to co-ordinate the intervention programmes of all departments and institutions in rural areas to ensure that the land and agrarian reform and rural development mandate is achieved. To coordinate joint planning, identify specific areas for targeted interventions, and monitor progress with CRDP implementation plans in the province.

##### **Sub- Programmes:**

- Development Planning and monitoring
- Social Facilitation

##### **Strategic Objectives:**

- To ensure Comprehensive Rural Development;
- To support development structures at CRDP Sites; and
- To facilitate provision of services to 2500 farmworkers and dwellers.



**Strategic objectives, performance indicators planned targets and actual outputs****Strategic Objectives:**

<b>Programme: 7 Rural Development Coordination</b>					
<b>Strategic objective</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
To ensure Comprehensive Rural Development	5	5	5	0	
To support development structures at CRDP Sites	5	5	5	0	
To facilitate provision of services to 2500 farmworkers and dwellers.	855	500	771	271	Due to the comprehensive labour inspections that were conducted in conjunction with the Department of Labour in the ZFM District.

**Performance indicators:**

<b>Sub-programme: 7.1 Development Planning and Monitoring</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
7.1.1 Number of approved outcome 7 CRDP programme of action	-	-	-	1	1	0	
7.1.2 Number of outcome 7 Provincial Technical implementation forum meetings convened	5	5	3	4	3	-1	The Technical Implementation Forum was not yet established hence it did not convene on the 1st quarter of the last financial year.
7.1.3 Number of reports on outcome 7	4	4	4	4	4	0	

## Strategy to overcome areas of under performance

None

Sub-programme: 7.2 Social Facilitation								
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations	
7.2.1	Number of structures supported to achieve social cohesion and development	15	12	5	5	5	0	
7.3.1	Number of farmworker advocacy sessions held	15	25	21	20	24	4	The Department responded to the requests for more information sessions in relation to the minimum wage to be implemented in May 2018.
7.3.2	Number of Provincial delivery forum meetings held	4	4	3	4	4	0	
7.3.3	Number of farm workers and dwellers assisted to access government services	500	550	860	500	771	271	This was due to the comprehensive labour inspections that were conducted in conjunction with the Department of Labour in the ZFM District.

**Strategy to overcome areas of under performance**

In responding to the challenge of access to farms the Department managed to hold a Meeting with AgriNoord-Kaap and the agreement is that AgriNoord-Kaap will facilitate on behalf of the Department meetings with their District chapters to address the problem of access to farms in the new financial year (18/19). A collaborative program with SASSA, DRDLR, Department of Labour and Non-Governmental Organisations servicing farmworkers and dwellers were embarked upon to increase delivery of services in the farming communities.

The Provincial Technical Implementation Forum (PTIF) resolved that the Outcome 7 Coordinator and the Chairperson meet with Municipal Managers to persuade them to send representatives to meetings and also to attend delivery partners' quarterly review meetings.

**Changes to planned targets**

None

**Linking performance with budgets****Sub programme expenditure**

Pr7: Rural Development	2017/2018			2016/2017		
	Final	Actual	(Over)/Under	Final	Actual	(Over)/Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Rural Development Coordination	15 096	15 096	-	13 638	13 630	8
<b>Total</b>	<b>15 096</b>	<b>15 096</b>	<b>-</b>	<b>13 638</b>	<b>13 630</b>	<b>8</b>

## **SERVICE DELIVERY HIGHLIGHTS**

### **Outcome 7 coordination**

The objective of Outcome 7 is to coordinate plans of all sector departments and delivery partners on the implementation of the Comprehensive Rural Development Program (CRDP).

The sub outcomes are:

- Improved land administration and spatial planning for integrated development in rural areas.
- Sustainable Land Reform contributing to agrarian transformation.
- Improved food security
- Smallholder producers' development and support (technical, financial, infrastructure) for agrarian transformation.
- Increased access to quality infrastructure and functional services, particularly in education, healthcare and public transport in rural areas.
- Growth of sustainable rural enterprises and industries – resulting in rural job creation.

### **Provincial Technical Implementation Forum (PTIF)**

The Implementation Forum coordinate government work towards achievement of the Outcomes' objective. The Implementation Forum functions with clearly determined objectives and mandates. The Department convened 3 Provincial Technical Implementation Forums for Outcome 7 for the financial year to receive reports from delivery partners. Presentations were also made to the National Technical Implementation Forum Meetings, and at the Provincial Clusters.

The ZF Mgcawu Technical IGR Meeting, Pixley Ka Seme Technical IGR and Namakwa District Municipality were engaged to ensure alignment with the Programme of Action and the MTSF priorities alignment with the Municipal Integrated Development Plans (IDPs) and Provincial Plan. Outcome 7 was also at the John Taolo Gaetsewe District Joint Planning Committee Meeting.

### **Council of Stakeholders (CoS)**

Objective of the CoS is to ensure that members of society participate in their own development. The composition of this committee is representatives of organised formations in the community. The public representatives at a municipal level also participate at this level



to ensure that the Council is appraised of decisions taken at this level. Meetings were held at the following areas: Noupoort, Kenhardt, Eksteenskuil and Riemvasmaak.



*Vredesvallei Primary school garden*

### **Magareng**

A request was received for Drilling of Boreholes in Ward 1 called Ditshoswaneng in Magareng as the community had a challenge of clean drinking water. The assistance was provided to Magareng as part of the CRD. The Department intervened by funding the Siting, Drilling, Testing and Equipping of two boreholes.



**Drilling of the boreholes**

### **District Labour Tenants Forum**

The Department in conjunction with DRDLR resolved to launch District Labour Tenants Fora that will be responsible for taking up issues relating to Tenure Rights of farm workers and farm dwellers.

Three District Labour Tenants Forums were established in the John Taolo Gaetsewe, Pixley ka Seme and the ZFM Districts. The objective of these forums is to enable harmonious relationship between employers and employees in the agricultural sector. These forums are also entrusted with the responsibility of the reporting farm evictions as soon as they arise.

### **Government Services**

The department facilitated access to public services to 771 farm workers and dwellers. These included provision of health packs, clothing, food parcels, school shoes, Identity Documents (ID), social relief intervention for farmworkers and dwellers from the Department of Health, SASSA and national Youth Development Agency.

Furthermore, the Department managed to stop the desecration of graves by Kitso Mining Company in Postmansburg with the assistance of the McGregor Museum and South African Heritage Association. The Department of Minerals and Energy was advised to immediately instruct the Company to halt all mining operations pending finalization of investigations on the matter.



**Skeletons from the exhumed graves at the mining site**

The following farms were visited to monitor compliance with the relevant legislation particularly the Labour Relations Act, Basic Conditions of Employment Act, Sectoral Wage Determination Act and basic government services:

- De Heuwel Boerdery
- Witklip Boerdery
- Steynmond Boerdery
- Karstens Boerdery
- Chargo Trust



- Southern Farms
- Oseiland
- Vioolsdrift
- Tripple D
- Omrail Boerdery
- Boeiland Boerdery

The following observations were made:

- That farm workers are denied the right to Freedom of Association as they are prohibited from joining unions or associations of their choice.
- That farm workers on chronic medication experience problems when they run out of prescribed medication due to the volatile employer employee relations existing thus resulting in them defaulting and putting their lives at risk. The Provincial Development Forum has developed a program to address the health issues with stakeholders in the health sector to be rolled out be based in the new financial year.
- That farm workers are exposed to Unfair Labour Practices.
- That some employers are not complying with the Farm Workers Wage Sectorial

Determination Act 15 of 2013, Basic condition of Employment Act and the Labour Relations Act. This subsequently resulted in a joint farm inspections programme with the Department of Labour.



Farm inspections in Kakamas

### **Distribution of wheelbarrow water tanks**

The Department obtained 50 wheelbarrow water tanks from the Department of Water Affairs and Sanitation. Ten wheelbarrow tanks were distributed to farm dwellers at Marionette Farm. These dwellers have not had clean drinking water since 2012.

This matter was report to the Land Rights Facilitation Committee at DRDLR for their intervention and also requested them to negotiate with the farmer to sell a portion of the land in order to secure their tenure rights.

Forty other wheelbarrow tanks were distributed to the following farm communities: Majeng, Koedoesberg Farm, Eifel, Ncwueng, Gasehubane, Realeboga, Sidneyshope and Thagadipelajang Informal Settlement.



Marionette Farm Dwellers Receiving Wheelbarrow Tanks

### Lawyers for Human Rights (LHR) Training

The Department in collaboration with the Lawyers for Human Rights conducted training for farmworkers and dwellers in Prieska, Augrabies and Louriesfontein focusing on the law protecting farmworkers and occupiers', rights and duties of farm owner, farmworkers and people residing on the farms on the farms evictions, granting of and effect of eviction orders employees, security of tenure act, Basic Conditions of Employment Act and the Sectorial Determination act 13 of 2013.

### Farm Evictions

The Department managed to avert threat of evictions of an elderly couple, Mr and Mrs Grasvoet, in Grobblershoop. The Department of Health was contacted to provide Mr Dawid Grasvoet with a wheelchair.



The Department also managed to stop the eviction of Mrs Dorah Riet, at the Koedoesberg Farm near Douglas. The Paleostone Mineral Consultants wanted to evict Mrs Riet as they are mining near where her house is situated.

The Department together with Department of Mineral Resources met with the Mining Company and this eviction was stopped.



*The Mining Operation at Koedoesberg Farm near the House of Mrs D. Riet*

### **Provincial Delivery Forum (PDF)**

Four PDF meeting were held for the 2017/18 financial year and the following actions were taken:

- Meetings were held with SASSA, DALRRD, Department of Labour and Department of Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA) to deal with contracts between employers and chiefs regarding seasonal workers. The employers in the agricultural sector in the ZF Mgcawu district enters into contractual relationships with the House of Traditional Leaders in the JT Gaetsewe District without the affected employees having the benefit of understanding the terms and conditions of such contracts.
- Meetings were convened in the ZF Mgcawu District involving the commercial sector, Department of Labour, SASSA, Home Affairs, Department of Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA), Human Rights Commission, Lawyers for Human Rights to discuss challenges faced by farmworkers.
- SASSA and DALRRD will hold joint advocacy sessions in the farming communities for the implementation of the integrated community registration outreach program to provide social relieve to seasonal farmworkers.

- Developed a program for Voter Registration for farm workers and farm dwellers.
- Launched Land Rights Management Committee.

### Advocacy Sessions

The Department conducted Advocacy Sessions at the following farms and areas:

De Heuwel Boerdery, Omrail Farm, Ebenaeser Farm, Witklip Farm, Shelfco Farm, Eifel Boerdery, Heuningsvlei, Maruping, Van Zylsrus, Louriesfontein, Prieska, Penry, Bothitong, Steynmond.

All these Sessions were conducted after hours as it is the only time farm workers can be accessed. Presentations were made by Departmental Officials responsible for the Programme. Farm workers were taken through Farm Workers Wage Sectorial Determination Act 13 of 2013 and Farm Workers Summit of May 2010. These sessions are used to educate farm workers about their rights. The positive effects of these sessions is that more farm workers and dwellers are now reporting any forms of violations in their working and living environment.

### State Land Administration

The objective is to facilitate and co-ordinate provision of agricultural support in the settlement of land and agrarian reform beneficiaries.

### Agricultural Potential Report (APR) Coordination

The APR assist the Department of Rural Development and Land Reform when purchasing farms on the viability and suitability of the project.

The APR`s below were requested during the period under review and were submitted to Department of Rural Development and Land Reform.

Project Name	Location	Extent (ha)	Land Use	District
Brakkies Farm	Douglas	3000	Livestock production	Pixley Ka Seme
Kalk Bult	Upington	6031.6813	Livestock production	ZF Mgcauwu
Paauwbult	Olifantshoek	3957.4776	Livestock production	ZF Mgcauwu
Portion 1,2,3 of farm secretaris no 89	Sol Plaatje	1913.0348	Livestock production	Frances Baard
Loog kolkies + loog kolkies restant	Kenhardt	5920.4997	Livestock production	ZF Mgcauwu
Elkelende kameelboom	Upington	8117.2537	Livestock Production	ZF Mgcauwu
Hendrik zyn puts	Upington	5927.3605	Livestock production	ZF Mgcauwu

Project Name	Location	Extent (ha)	Land Use	District
Bloubos ( Remainder of Klein Lemoen Kop farm No. 321)	Frazerburg		Livestock Production	Namakwa
Doorn laagte	Barkly West		Livestock production	Frances Baard
Brakkies Farm	Douglas		Livestock Production	Pixley Ka Seme
Portion 1 of farm secretaries no 89,portion 2 of farm secretaries no 89 and portion 3 of farm secretaries no 89	Kimberley	1913.0348	Livestock production	Frances Baard
Farm Roily	Grobleershoop	5531	Livestock production and vine yard	ZF Mgcawu
Farm Bellsbank No. 54	Barkly West	3524.5949	Livestock production	Frances Baard
Farm Bellsbank No. 55	Upington	5335.8988	Livestock Production	Frances Baard
Farm Bellbank No. 107	Upington	1679.5108	Livestock production	Frances Baard
Farm Springfield	Warrenton	957	Livestock production	Frances Baard
Farm No. 137 Vaalharts settlement a	Jan Kempdorp	24	Crop production	Frances Baard
Portion 1 of the farm Greeffputs No. 169	Barkly West	2108.1774	Livestock production	Frances Baard

**Economic Viability Studies for the following farms were conducted and sent to DRDLR**

Project Name	District	Land Use
Portion 1/2/3 of farm Secretaris NO.89,	Frances Baard	Livestock production
Farm Roily	ZF Mgcawu	Livestock Production
Bellsbank No. 54	Namakwa	Livestock production
Bellsbank No. 55	Frances Baard	Livestock production
Bellsbank No. 107	Frances Baard	Livestock production

## Support to emerging farmers on state land

### Lot 40 Rietrivier Settlement

The unit assisted beneficiaries to plot the borders of the farm

### Drieplotte

The unit revived the project steering committee, meetings were held monthly. The purpose of the meeting was to discuss progress and to ensure that developments are support for the farm to produce to its maximum capacity.

### Carnarvon Women Projects:



Two female farmers; Ms Snyders and Ms Malan are occupying the farm. Mrs Snyders have the following livestock: Ewes 244, Lambs 70 and Rams 8.

### **Eiland Women project**

The project members were advised to go to Small Enterprise Development Agency (SEDA) to register their business as a legal entity, the business is now registered.

### **Haartebees Kleinboere (Alheit)**

The project was visited to assist the farmers with financial record keeping and to check the progress of the project. The Department bought implements for farmers funded through CASP.



*Equipment bought for the project*

### **Reikemetse community garden**

This project is located in Schmidtsdrift, was revived after some of the members resigned due to old age and lack of interest. Six additional members were recruited to join the project. The beneficiaries were trained on how to make seedling and to transplant them. The project has planted vegetables such as beetroot and Spinach.

### **State Lease Contracts**

The lease agreements of most farmers expired at the end of April 2017. The Department has reviewed rentals for Drieplotte, Carnarvon, Patryskraal and Eiland to be in line with the request from National Treasury.

Department attends the Revenue Tariff Board meetings to discuss Tariffs Framework. The aim of the Framework is to ensure that departments follow a standard tariff determination process.



The framework provides guidance on how departments must:

- determine and set their own revenue tariffs and
- Follow a uniform tariff application and review process.
- 

### **Maphiniki Bush Control Project: EPWP**

The project started on the 05 June 2017 and was completed February 2018. The total budget of the project is R 2 044 million. The total output of the Black Thorn control is 1165 Ha out of the planned 1000 ha. Thirty job opportunities was created.

The Ratanang and Tshepanang cooperatives from Maphiniki were assisted to register and obtained tax clearance certificates. They were also registered on the Central Supplier Database (CSD) in order to facilitate the ease of doing business with government and to also apply for funding as part of the post project sustainability.



**Workers applying chemicals during the bush control project**

### **Farm Equity Schemes**

The Department has received complaints from beneficiaries of the Farm Equity Schemes. The state (DRDLR) had embarked on an empowerment programme as part of Land Reform and Broad Based Black Economic Empowerment as a means of de-racialization of ownership in the agricultural sector in 2002. The schemes were accessed as part of the Redistribution component of Land Reform. Farmworkers and dwellers applied for grants from the state through the Land Redistribution for Agricultural Distribution (LRAD) and further took bank loans to buy equity in some farming operations. In some schemes the DALRRD used the

4000 of Ha of water rights allocated to the Province as contribution in the schemes. The following farms participated in the Scheme:

Vaallus – Douglas, Salt Lake –Douglas, Jonkerwater – Prieska, Rekopane – Kakamas, Sonvrucht – Kakamas, Opwag Farm – Grobblershoop, Sheep power equity- Colesburg, Vaalharts Cotton –Hartswater, Augrabies – Kakamas, Badirammogo – Sonvrucht, Sosarona – Kakamas, Komnader –Douglas, Lorethlabeltse - Little River Trading 921, Pella – Pelsan, Rekathusanya, Sandraai Arbeidsgenot, Thusano Empowerment, Bakenrant Empowerment Farm.

In most instances the Black Board Directors (farmworkers/dwellers) of the companies which were created as a consequence of the equity schemes did not realise the intendant transformation objective of the State. They were not exposed to the running of the companies nor were the terms and conditions of the agreements executed/implemented like making the financials of the company available to shareholders, transference of skills or the convening of shareholders' meetings as prescribed by the Companies Act or the Property Trust Act.

The contributions by the farm dwellers and farm workers was largely attributable to the expansions of the businesses. Shareholders/beneficiaries in most schemes were given between R10 000 and R20 000 after ten years of the operations. The majority shareholders would claim takeover by “new owners” as a means of getting rid of their partners. Most of the enterprises made their shareholders to sign for “dividends” only for them to realise that they have resold their shares to their commercial partners. Their status remained as those of farmworkers and most were dismissed as there as it is claimed that the juristic person, the Trust and not the individual owned the shares. This made it easy for the previous owners to dismiss their “partners”, (farm workers and dwellers) who then also lost their shares. Farm dwellers who participated in these schemes were found worse off after the implementation of these schemes. They were not only dismissed, evicted, but also lost their movable properties and security of tenure.

The Farm Equity Scheme Task Team was established by the Department to seek redress for the beneficiaries who participated in these schemes. The Task Team is composed of the DALRRD, DRDLR, NPA Upington Office, Directorate of Priority Crimes, Master of the Northern Cape High Court, Lawyers for Human Rights, Legal Aid South Africa, NAFU, AFASA

and Representatives of the Beneficiaries in the Province. A report back meeting with all beneficiaries will be held on the 27 May 2018 and to seek a mandate to institute a forensic audit. It is intended that the forensic audit shall investigate current status of legal entity, determine the bonafides of the appointed trustees in administering the Trust on behalf of the beneficiaries, confirm if the decision to “sell shares” was as a result of a resolution by majority members or beneficiaries at a properly constituted board meeting, obtain audited annual financial statements for the period before and after the collapse of the schemes, determine and verify current ownership and shareholding details, investigate current financial status considering existing assets and liabilities, valuation of the enterprises considering movable and immovable assets, detailed due diligence on the operational and technical aspects of the enterprise relating to the farming industry.

Based on the findings of the forensic audit and other external factors, compile a detailed legal report on the possible criminal and civil liability of the shareholders/management. Facilitate the restoration of shares and monetary compensation based on the findings of the forensic report and legal report.

## 5. TRANSFER PAYMENTS

A three-year turnaround strategy was presented to the portfolio committee with regard to the sustainability of the Kalahari Kid Cooperation during the year under review. The strategy was approved implementation commenced immediately. It is projected that the Kalahari Kid Cooperation will be completely self-sustainable by the end of the 2018/19 financial year.

The transfer payment to the National Agricultural Marketing Council (NAMC) was for the Agriculture Information Management System (AIMS) which is being developed for the country. The table below reflects the transfer payments made to public entities for the period 1 April 2017 to 31 March 2018

Name of Public Entity	Amount transferred to the public entity	Amount transferred to the public entity (R'000)
Kalahari Kid Corporation	<ul style="list-style-type: none"> <li>• Management of the production farm</li> <li>• Marketing of animals and animal products</li> <li>• Marketing of animals from co-operatives and procurement of goods from emerging farmers</li> </ul>	R8 279
National Agricultural Marketing Council	<ul style="list-style-type: none"> <li>• Market and economic research</li> <li>• Statutory measures</li> <li>• Agricultural trust</li> <li>• Agri-business development</li> </ul>	R4 500

A total amount of R9.600 million was transferred to Nieuwoudtville Rooibos (Pty) Ltd for the financial year 2017/18. An amount of R7.0 million was transferred for the purpose of acquiring a stick pack machine for the rooibos tea factory. The remaining amount of R2.0 million was transferred so that the company can influence the rooibos industry by supporting upstream and downstream development in the rooibos industry. The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)
Nieuwoudtville Rooibos (Pty) Ltd	Private Enterprise	Capital acquisitions for rooibos tea factory and upstream and downstream development of the rooibos industry	Yes	R9 600



## 6. CONDITIONAL GRANTS

### Conditional grants and earmarked funds received

Conditional Grant	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	Over/ Under Expenditure	Final Appropriation	Actual Expenditure	Over/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
1. Comprehensive Agricultural Support Programme Grant	244 381	227 836	16 545	129 924	118 314	11 610
2. Ilima / Letsema Projects Grant	61 679	61 675	4	55 222	52 022	3 200
3. LandCare Programme Grant: Poverty Relief and Infrastructure Development	7 095	6 621	474	9 320	9 306	14
4. Expanded Public Works Programme Integrated Grant	2 044	2 044	-	2 000	1 992	8
<b>Total</b>	<b>315 199</b>	<b>298 176</b>	<b>17 023</b>	<b>196 466</b>	<b>181 634</b>	<b>14 832</b>

The total budget allocation for the 2017/18 financial year amounted to R315.199 million of which R298.176 million or 95 percent was spent.

The full amount that was appropriated to the Department was received and none of the funds were withheld by any of the transferring departments. All the funds of the conditional grants that were appropriated to the Department were transferred into the accredited bank account of the Provincial Treasury and then subsequently transferred into the bank account of the Department.

The unspent portions of the CASP and LandCare were requested for rollover to the 2018/19 financial year since these funds were committed to identifiable projects. The specific performance of each grant is discussed in detail under the relevant programme that administers and implements the grants.

The tables below details the conditional grants received during for the period 1 April 2017 to 31 March 2018.

#### Conditional Grant: Comprehensive Agricultural Support Programme Grant

<b>Department who transferred the grant</b>	National Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform, restitution and redistribution, and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically, or the export market; to address damages to infrastructure caused by floods.
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>•Farmer supported per category (subsistence, smallholder)</li> <li>•450 black commercial farmers supported</li> <li>•Number of CASP beneficiaries that are South African Good Agricultural Practice Standard certified</li> <li>•Jobs created</li> <li>•Youth, women and farmers with disabilities supported through CASP</li> <li>•On and off - farm infrastructure provided and repaired</li> <li>•Land under agricultural production (crop and livestock)</li> <li>•Yields per unit area</li> <li>•Beneficiaries of CASP trained on farming methods or opportunities along the value chain</li> <li>•Beneficiaries of CASP accessing markets</li> <li>•Extension personnel recruited and maintained in the system</li> <li>•Extension officers upgrading qualifications at various institutions</li> <li>•Agriculture Information Management System (AIMS) implemented in all 9 provinces</li> </ul>
<b>Actual outputs achieved</b>	<p>Farmer supported per category (subsistence, smallholder)</p> <ul style="list-style-type: none"> <li>- Subsistence: 0</li> <li>- Smallholder: 901 (Male 728; Female 173)</li> </ul> <p>50 Commercial Farmers Supported</p> <ul style="list-style-type: none"> <li>- 63 (Male 51; Male 12)</li> </ul> <p>Jobs created</p> <ul style="list-style-type: none"> <li>- Total: 246</li> </ul> <p>Youth, women and farmers with disabilities supported through CASP</p> <ul style="list-style-type: none"> <li>- Youth: 82 (Male 71; Female 82)</li> <li>- Women: 185</li> <li>- Disabled: 0</li> </ul> <p>On and off - farm infrastructure provided and repaired</p> <ul style="list-style-type: none"> <li>- Boreholes drilled &amp; equipped: 84</li> <li>- Stock handling facilities: 14</li> <li>- Stock water systems: 28</li> <li>- Poultry structures: 1</li> <li>- Inner fencing: 178 km</li> <li>- Border fencing: 114.5km</li> </ul> <p>Beneficiaries of CASP accessing markets</p> <ul style="list-style-type: none"> <li>- Total: 964 (Male 779 ; Female 185)</li> </ul> <p>Agriculture Information Management System (AIMS) implemented in the province.</p> <ul style="list-style-type: none"> <li>- None</li> </ul>
<b>Amount per amended DORA</b>	R244.381 million
<b>Amount received (R'000)</b>	R244.381 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R227.836 million
<b>Reasons for the funds unspent by the entity</b>	None responsive bids via supply chain management processes
<b>Reasons for deviations on performance</b>	None responsive bids via supply chain management processes
<b>Measures taken to improve performance</b>	Earlier and more intensified procurement

<b>Monitoring mechanism by the receiving Department</b>	Monthly and quarterly reporting
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## Ilima/Letsema Projects Grant

<b>Department who transferred the grant</b>	National Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	To assist vulnerable black South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Land under agricultural production (crop and livestock)</li> <li>• Yields per unit area</li> <li>• Jobs created</li> <li>• Beneficiaries/farmers supported by the grant per category</li> <li>• Hectares of rehabilitated and expanded irrigation schemes</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• Jobs created <ul style="list-style-type: none"> <li>- Total: 620</li> </ul> </li> <li>• Beneficiaries supported by the grant per category <ul style="list-style-type: none"> <li>- Total: 545 (Male 326; Female 219)</li> </ul> </li> <li>• Farmers supported by the grant per category <ul style="list-style-type: none"> <li>- Subsistence: 0</li> <li>- Smallholder: 402 (Male 237 ; Female 165)</li> <li>- Black Commercial: 26 (Male 18; Female 8)</li> </ul> </li> </ul>
<b>Amount per amended DORA</b>	R61.680 million
<b>Amount received (R'000)</b>	R61.680 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R61.675 million
<b>Reasons for the funds unspent by the entity</b>	Not applicable
<b>Reasons for deviations on performance</b>	Not applicable
<b>Measures taken to improve performance</b>	Not applicable
<b>Monitoring mechanism by the receiving Department</b>	Monthly and quarterly reporting

**Land Care Programme Grant: Poverty Relief and Infrastructure Development**

<b>Department who transferred the grant</b>	National Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	To promote sustainable use and management of natural resources by engaging in community based initiatives that support the pillars of sustainability (social, economic and environmental), leading to greater productivity, food security, job creation and better well-being for all
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Hectares of rangeland protected and rehabilitated</li> <li>• Hectares of land protected and rehabilitated</li> <li>• Number of Junior Care participants involved in the programme</li> <li>• Number of hectares of land where water resources are protected and rehabilitated</li> <li>• Number of capacity building initiatives conducted for Junior Care</li> <li>• Number of capacity building initiatives conducted for Land Carers</li> <li>• Number of awareness campaigns conducted and attended by Land Carers</li> <li>• Hectares of land where weeds and invader plants are under control</li> <li>• Number of kilometres of fence erected</li> <li>• Number of green jobs created expressed as full time equivalents (FTEs)</li> <li>• Number of Land Care committees established</li> </ul>
<b>Actual outputs achieved</b>	<ul style="list-style-type: none"> <li>• 7118 Hectares of rangeland protected and rehabilitated</li> <li>• 11 hectares of land where water resources are protected and rehabilitated</li> <li>• 2 capacity building initiatives conducted for Junior Care</li> <li>• 2 capacity building initiatives conducted for Land Carers</li> <li>• 3 awareness campaigns conducted and attended by Land Carers</li> <li>• 192 green jobs created expressed as full time equivalents (FTEs)</li> </ul>
<b>Amount per amended DORA</b>	R7.095 million
<b>Amount received (R'000)</b>	R7.095 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R6.621 million
<b>Reasons for the funds unspent by the entity</b>	
<b>Reasons for deviations on performance</b>	None
<b>Measures taken to improve performance</b>	Stringent planning and monitoring processes
<b>Monitoring mechanism by the receiving Department</b>	Monthly and quarterly reporting



**Expanded Public Works Programme Integrated Grant for Provinces**

<b>Department who transferred the grant</b>	National Department of Public Works
<b>Purpose of the grant</b>	To incentivise provincial departments to expand work creation efforts through the use of labour intensive delivery methods in the following identified focus areas, in compliance with the Expanded Public Works Programme (EPWP) guidelines: <ul style="list-style-type: none"> <li>• road maintenance and the maintenance of buildings</li> <li>• low traffic volume roads and rural roads</li> <li>• other economic and social infrastructure</li> <li>• tourism and cultural industries</li> <li>• sustainable land based livelihoods</li> </ul>
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Number of people employed and receiving income through the EPWP</li> <li>• Increased average duration of the work opportunities created</li> </ul>
<b>Actual outputs achieved</b>	
<b>Amount per amended DORA</b>	R2.044 million
<b>Amount received (R'000)</b>	R2.044 million
<b>Reasons if amount as per DORA was not received</b>	Not applicable
<b>Amount spent by the Department (R'000)</b>	R2.044 million
<b>Reasons for the funds unspent by the entity</b>	
<b>Reasons for deviations on performance</b>	
<b>Measures taken to improve performance</b>	
<b>Monitoring mechanism by the receiving Department</b>	

## 7. CAPITAL INVESTMENT

### 7.1 Capital investment, maintenance and asset management plan

The Department did not undertake any major maintenance for the year under review. There was however some minor maintenance that was done at some of the research stations. As was previously reported, there exists a significant backlog of infrastructure maintenance on the Department's research stations and the situation has not changed. This is proving a challenge to address since no dedicated funding has been made available. Management has committed itself to find the necessary resources within future budget allocations.

In total, there were 67 infrastructure type activities/projects that were undertaken in the 2017/17. An amount of R121.418million was spent on new and replacement assets through 51 infrastructure type activities mainly associated with the flood scheme.

The other significant infrastructure spend of R57.261 million in 2017/18 related to upgrades and additions on 8 different projects/activities.

The CASP and Ilima/Letsema grant account for 44 percent of the total money spent on infrastructure while the balance was mainly from the funds of the flood scheme for flood diversion walls.

Infrastructure projects	2017/2018			2016/2017		
	Final	Actual	(Over) / Under	Final	Actual	(Over) / Under
	Appropriation	Expenditure	Expenditure	Appropriation	Expenditure	Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
<b>New and replacement assets</b>	<b>131 591</b>	<b>121 418</b>	<b>10 173</b>	<b>63,160</b>	<b>49,918</b>	<b>22,024</b>
<b>Existing infrastructure assets</b>	50 925	49 685	1 240	<b>61,790</b>	<b>63,197</b>	<b>-17,852</b>
- Upgrades and additions	48 639	48 305	334	59,066	56,839	-21,136
- Rehabilitation, renovations and refurbishments	-	-	-	917	2,707	3,202
- Maintenance and repairs	2 286	1 380	906	1,807	3,651	82
<b>Infrastructure transfer</b>			-		-	-
- Current			-			-
- Capital			-			-
<b>Total</b>	<b>182 516</b>	<b>171 103</b>	<b>11 413</b>	<b>124,950</b>	<b>113,115</b>	<b>4,172</b>



# PART C

## Governance



## **PART C: GOVERNANCE**

### **1. INTRODUCTION**

The Department scored an average score of 1.7 in the final Management Performance and Assessment tool (MPAT) 1.7, in the key performance area of Governance and Accountability. The areas where the department was found to be fully compliant with legal/ regulatory requirements and is doing this smartly (scoring the maximum of 4) are:

- Functionality of management structures – the Department Executive (DEC), chaired by the Accounting Officer and its members are all the senior managers, while the Service Delivery Forum (SDF), is also chaired by the Accounting Officer and members include senior management and middle management. Internal Audit and Provincial Treasury are attendees of both mentioned management structures.
- Assessment of Accountability mechanisms, through the Audit Committee
- Prevention of fraud and corruption
- Assessment of Internal Audit Arrangements
- Corporate Governance of ICT
- Promotion of Access to information
- Compliance with PAJA requirements

Performance areas where the department was found to be fully compliant with legal/ regulatory requirements (scoring of 3),

- Service Delivery Improvement Mechanisms
- Professional Ethics
- Assessment of Risk Management

An improvement plan has been implemented to work toward obtaining a 4 with the next MPAT cycle.



## **2. RISK MANAGEMENT**

The Department's risk management policy and strategy were reviewed by the Risk Management Committee (RMC) on 08 June 2018. Risks assessments are conducted continuously through risk assessment workshops throughout the year. The workshops are held with each programme individually, while strategic risks are discussed at the DEC. The workshops discuss mitigating actions of existing risks, analysis of whether the actions are appropriately mitigating the risk, identification of new and emerging risks and designing specific actions to mitigate the new and emerging risks.

The Risk Management Committee (RMC) reviews the risk register to monitor the effective implementation of the risk management strategy in the department. The RMC met on 13 April 2018 during the 2017/2018 financial year.

The Audit Committee has discussed the risk management process and the risk register at its quarterly meetings, where specific recommendations have been made to the Accounting Officer to improve and enhance risk management within the department. The risk register for 2018/2019 was submitted to Internal Audit by end of January 2018 for incorporation into the internal audit plan 2018/2019.

An assessment on the impact of the risk management process specific to improvements in the department's performance will be performed during the 2018/2019 financial year.

## **3. FRAUD AND CORRUPTION**

At the date of writing this report, the department's fraud prevention plan was not reviewed and approved subsequent to the dates as reported during the 2016/2017 Annual Report. Progress made in implementing the fraud prevention plan was discussed at the RMC during December 2017.

The Anti-fraud and Whistle blower policy provides guidance on the mechanisms and processes to follow when reporting fraud and corruption. The policy has communicated to all

officials. Identified cases possible fraud and corruption are being dealt with through the Departmental Oversight Committee.

#### **4. MINIMISING CONFLICT OF INTEREST**

Conflict of interest in Supply Chain Management (SCM) is minimised by, annual signing of a code of conduct by all officials involved in the SCM process, including members of departmental bid committees. This has been extended to all other role players in SCM. Officials are not only required to sign code of conduct but are reminded and trained on what constitutes a conflict of interest and processes to follow should a conflict of interest be identified.

Departmental bid committee members (Evaluation and Adjudication Committees) sign a declaration of interest for each bid evaluated and adjudicated.

SCM officials in Contract Management unit checks with the Persal system for each bid awarded whether the shareholders/owners of companies doing business with the State are not state employees.

Company ownership and/or shareholders with regard to suppliers doing business with the State in the Department are also verified by using the Central Supplier Database reports.

No identified cases where employees of this Department had done business with the state or the Department during 2017/2018 financial year.

#### **5. CODE OF CONDUCT**

The core business of the sub-directorate Labour Relations is to promote sound labour relations and industrial stability through effective misconduct and grievance management, dispute management, collective bargaining and support to management and all units.

The code of conduct seeks to promote high standard of professional ethics in the workplace, public servants should be encouraged to think and behave ethically. For the period under review, the Department undertook information sessions throughout the province to capacitate

new entrants and current employees on the Code of Conduct for the Public Service produced by the Public Service Commission.

This self-explanatory manual, together with the Disciplinary Code and Grievance Procedures were intended to serve as internal communication tools to reduce both misconducts and grievance cases in the department.

The Code outlines and emphasize the importance of acceptable conduct from all employees, helps managers and supervisors who are entrusted with the responsibility of enforcing the code to apply same prompt and fairly. It further conveys consequences management for poor decisions.

The Unit has embarked on training of 220 officials from different units in the Department. The topics for the information sessions focused on Code of Conduct, Grievance Procedure, Disciplinary Code and Procedure and Importance of the attendance Register. In the management of disciplinary cases there has been a number of multiple misconduct cases that were conclude during the period under review. These information sessions were also aimed at promoting mutual respect between employees themselves, between employees and the employer, to avert and correct unacceptable conduct.

Grievances of employees that were registered with the unit were addressed accordingly and promptly within the prescribed timeframes and all cases referred externally were in favour of the Department.

## **6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES**

The Department is obliged by law to comply and executive health and safety standards in all buildings of the Department and to ensure that all employees are trained on the legislation of occupational health and safety Act 85 of 1993. 15 safety representatives are appointed and trained on safety and to ensure they understand the drill of evacuation in the event of a fire outbreak

The Safety Office has developed an evacuation plans and Seventy per cent (70%) of all office evacuation plans have been signed off by the Fire Department. The Safety Officer with the

assistance of the local Fire Department conducts fire and evacuation drills annually, to ensure the employees evacuate safely from a building should a fire, hostage situation or a bomb scare occur.

The Safety Officer together with the nominated Safety Representatives conducts regular site audits at research farms, veterinary services, veterinary laboratory and administrative buildings within the Department, to verify compliance and identify contraventions to OHS Act. All Safety Representatives are enrolled to First Aid training and thus each unit has someone who knows how to act in cases for workplace injury and emergencies. First Aid trainings are valid for 3 years.

Training for the management on fires drill has resulted in farms being able to manage fires when they occur. A refresher training is planned due to staff lost and transfers.

Employees on the research stations and laboratory servicers has been provided with protective clothing, as well as the cleaners in all Departmental buildings

## 7. PORTFOLIO COMMITTEES

Date Of Meeting	Matters Discussed
01 June 2017	2017/2018 Annual Performance Plan and Budget Presentation
27 June 2017	4 <sup>th</sup> Quarter Performance Report 2016/2017 Presentation
19 October 2017	1 <sup>st</sup> Quarter Performance Report 2017/2018 Presentation
20 November 2017	Annual Report 2016/2017 to Portfolio Committee and SCOPA
29 November 2017	Status of Nieuwoudville Rooibos Project

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department
1.	Emphasis of matter	When will the reconciliation of the irregular expenditure be determined	The reconciliation was determined and disclosed in Note 24 to the Annual Financial statements
1.1		Give reasons of the Non-compliance by the department	<p>Key Areas:</p> <ul style="list-style-type: none"> <li>• Non-compliance – SCM Procedure not followed, 6 cases to the value of R6,486,998. <ul style="list-style-type: none"> <li>– Contracts not in place <ul style="list-style-type: none"> <li>✓ Short term contracts</li> <li>✓ Security</li> </ul> </li> </ul> </li> <li>• Tenders not advertised on the government Tender bulletin, 5 cases to the value of R7,958,247. These were however put onto the e-portal.</li> </ul>



Resolution No.	Subject	Details	Response by the department
			<ul style="list-style-type: none"> <li>• Bid documentation not complete, 2 cases to the value of R1,524,461.</li> <li>• Other various non-compliance, 139 cases to the value of R3,023,604.</li> </ul>
1.2	Movable Assets	When will the department finish the investigation on Movable assets?	<ul style="list-style-type: none"> <li>• Verification exercise and consolidation will be done by 15 December 2017</li> <li>• Final investigation reports will be given to the Accounting Officer by 28 February 2018</li> </ul>
2.	Compliance with legislature		
2.1	Procurement and Contract management	Explain why discipline steps were not taken against those officials and SCM	<p>Q2.1.1</p> <ul style="list-style-type: none"> <li>• The reference to 16A6.1 in the AG report.</li> <li>• In consultation with the AG the findings specifically relate to the following deviations that the AG deems invalid: <ul style="list-style-type: none"> <li>• <u>Catering for the Cuban Ambassador's visit (non-compliance with 16A3.2 – procurement was not fair in that it did not source 3 quotations)</u> <ul style="list-style-type: none"> <li>– This was an emergency.</li> </ul> </li> <li>• <u>Calibration of lab equipment (non-compliance with 16A6.4) – reasons for deviation where it is impractical to procure through competitive process.</u> <ul style="list-style-type: none"> <li>– The AG did not agree with the deviation as recorded by the department and deemed it to be invalid.</li> <li>– The Department sourced the only 2 suppliers to provide quotes. The Deviation was supported in that the calibration is similar to a strip and quote exercise where it was required that the supplier come in to do the calibration. Of the 2 suppliers only 1 supplier was willing to come in. The alternate was to send the lab machinery away for calibration which was not a cost effective or efficient consideration at all as this would result in additional costs.</li> <li>– No further disciplinary processes is required.</li> </ul> </li> </ul> </li> </ul>
2.2	Expenditure Management	Give reasons for the contravention of TR9.1.1 why effective steps to prevent FEW by the department were not taken	<ul style="list-style-type: none"> <li>• Reference is made to note 25.3 that provides an outline of the contravention as follows: <ul style="list-style-type: none"> <li>– Interest paid on overdue accounts</li> <li>– Cancellation costs</li> <li>– Traffic fines</li> <li>– Accident costs – damage to vehicles</li> <li>– No show on accommodation</li> </ul> </li> </ul> <p>Q2.2.2 –Irregular expenditure Please give reasons for this contravention by the department? Refer to Q1.1.</p>
3.	Internal Controls deficiencies	Why did management fail to deal with all allegation as per pg 173 in the annual report	<ul style="list-style-type: none"> <li>• <u>Leadership – misstatements on transfer payments, expenditure on capital assets and goods and services</u> <ul style="list-style-type: none"> <li>– The misstatement of the above-mentioned is not as a result of a lack of leadership to deal with the allegations. This was a national interpretation of transfer payments made to public entities that had a compounding impact on the Department. Similarly on project expenditure, all relevant stakeholders such as internal audit, Treasury and AG had been engaged in advance.</li> <li>– Regarding NAMC we had to reclassify the expenditure from transfer payments to capital and goods and services expenditure items. The adjustments will be done in the 2017/18 financial year (due 28 Feb).</li> <li>– Project expenditure: movables had to be reclassified as assets under re-distribution (done).</li> </ul> </li> </ul> <p><u>Leadership – oversight responsibility over regular monitoring of compliance with laws.</u></p> <ul style="list-style-type: none"> <li>• The department acknowledges that instances of non-compliance have occurred, but owing to stronger oversight</li> </ul>

Resolution No.	Subject	Details	Response by the department
			<p>such instances have been reduced significantly. Controls have been put in place and investigations now having being finalised will provide insight as to the specifics of the 152 cases non-compliance that has occurred.</p> <ul style="list-style-type: none"> <li>• <u>Record keeping to support financial reporting</u> <ul style="list-style-type: none"> <li>– The Department and management commits to addressing the deficiencies on record keeping that resulted in the findings.</li> <li>– Actions and activities have been implemented to address these deficiencies.</li> </ul> </li> <li>• <u>Re-occurrence of findings</u> <ul style="list-style-type: none"> <li>– Management regrets that the internal controls implemented did not prevent recurrence of certain findings, in particular those on irregular expenditure. Controls and their adequacy will be revaluated to determine whether it is adequate to prevent re-occurrence. The control environment has been strengthened as the number of audit findings have significantly been reduced.</li> </ul> </li> </ul>

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The Department obtained an unqualified audit opinion in the previous financial year (2016/2017). This consistent with the audit opinion in 2015/2016.

The following matters were reported on as emphasis of matter:

- Irregular expenditure
- Assets under investigation

The following matters were reported on for non-compliance with legislation:

- Material misstatements identified by the auditors and corrected by the department
- Findings on procurement and contract management
- Effective steps not taken to prevent irregular expenditure
- Effective steps not taken to prevent fruitless and wasteful expenditure

## 10. INTERNAL CONTROL UNIT

The internal control unit consisting of 3 individuals continued to perform the function of 100% batch testing in ensuring completeness of identification of all cases of irregular expenditure. This unit also continued with investigative reports for identified cases as well as appropriate consequence management. Consequence management required that all cases were individually evaluated, in obtaining appropriate evidence to either condone expenditure or recovery of such expenditure where an official was found to be legally liable for incurring such expenditure.

The Internal Control unit also played a significant role in reviewing the draft financial statements against audit evidence to limit any subsequent re-statement of figures.

The unit also performs as a strong co-ordinating role with respect to both internal and external audit. The unit monitors findings, updates the audit action plan and facilitates audit matters between the auditors and the department.

## **11. INTERNAL AUDIT AND AUDIT COMMITTEES**

### **Internal Audit**

The department's internal audit function is performed by the Shared Provincial Internal Audit Unit which fulfils an independent assurance function. The internal audit unit follows a risk-based audit approach in providing management and the audit committee with assurance on the adequacy and effectiveness of governance, risk management and internal control processes. The internal audit unit is guided by an Internal Audit Charter approved by the Audit Committee and performs its functions as provided in the Public Finance Management Act (PFMA) and the internal audit charter.

The internal audit unit compiles a rolling three-year risk-based plan and prepares an annual plan after taking into consideration the risks facing the entity, strategic objectives, the entity's mandate, audit issues and inputs by management. The audit committee approves the Internal Audit Plan for implementation.

The internal audit reviews performed for the financial year under year, were all in line with the approved annual audit plan and are detailed in the Audit Committee annual report.

Internal audit findings were communicated timely and management implemented measures to mitigate the risks. Significant matters identified during the audit were reported to the Audit Committee.

### **Audit Committee**

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference. The committee comprise of three external members and two internal audit committee members, all of whom are not employed by the department.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and Treasury Regulations is included in the Audit Committee's Report, which is incorporated in the annual report of the entity.

In terms of PFMA, section 77(b), an audit committee must meet at least twice a year. In addition, Treasury Regulations, section 3.1.16, provides that an audit committee must meet at least annually with the Auditor-General. The audit committee met four times during the year in compliance with the PFMA and also met with the Auditor General.

The names of the members of the audit committee as well as the number of meetings attended by the members are tabulated below

**Old term:**

#	Name	Internal or external member	Qualifications	Date appointed	Number of meetings attended 2017/18
1	Mr. Zola Luxolo Fihlani	Chairperson - External member	M.Comm, CA (SA)	1/01/2015 – 30/11/2017	3 out of 4
2.	Mr. Kgoale Maja	External member	Masters in Business Leadership (MBL)	1/01/2015 – 30/11/2017	4 out of 4
3.	Mr. Mava Dada	External member	CA (SA)	1/01/2015 – 30/11/2017	3 out of 4
4.	Ms Philia Potgieter	Internal member	Advanced programme in Supply Chain Management certificate; B Administration degree	1/01/2015 – 30/11/2017	3 out of 4
5.	Mr. Darryl Christians	Internal member	Honours degree in Education	1/01/2015 – 30/11/2017	2 out of 4

**New term:**

#	Name	Internal or external member	Qualifications	Date appointed	Number of meetings attended 2017/18
1.	Mr. Kgoale Maja	External member	Masters in Business Leadership (MBL)	1/12/2017 – 30/11/2020	1 out of 1
2.	Mr. Mava Dada	External member	CA (SA)	1/12/2017 – 30/11/2020	1 out of 1
3.	Mr. Velile Pangwa	External member	CA (SA)	1/12/2017 – 30/11/2020	1 out of 1
4.	Mr Roscoe Miller	Internal member	Bachelor of Commerce Honours Accounting	1/12/2017 – 30/11/2020	1 out of 1
5.	Mr. Darryl Christians	Internal member	Honours degree in Education	1/12/2017 – 30/11/2020	0 out of 1



## 12. AUDIT COMMITTEE REPORT FOR 2017/18

We are pleased to present our report for the financial year ended 31 March 2018. The Audit Committee has been functional throughout the financial year. The committee's term lapsed 30 November 2017 and a new committee was appointed effective 1 December 2017

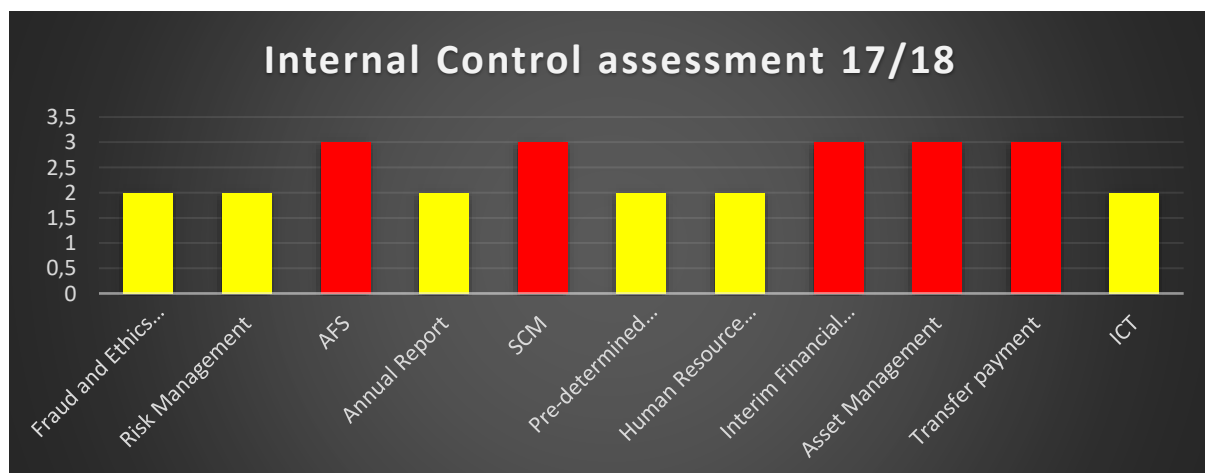
### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein and has discharged all its responsibilities.

### The Effectiveness of Internal Control and Internal Audit

The Department has and maintains the Internal Control unit responsible for management of internal controls within the Department.

The Audit Committee is satisfied as to effectiveness of internal audit function during the year and that the internal audit activity has to a large extent addressed the risks pertinent to the Department. Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Department revealed certain weaknesses, which were then raised with the Department.



Housekeeping

Significant

Critical

Asset management remains a challenge in the department, with the highest number of issues not implemented during the year. Management has however developed a pragmatic action plan to address the issues over a period of time. The Audit Committee monitored the implementation of the plan during the quarterly audit committee meetings and implementation of its recommendations is in progress.

The Internal Audit activity also maintains combined assurance framework and plan which were developed in collaboration with the departmental risk management unit and Auditor General. The plan has been useful in ensuring that assurance is placed at all high risks by various assurance providers.

### **In-Year Management and Monthly/Quarterly Report**

The Audit Committee satisfied itself of the expertise, resources and experience of the departments finance function as required in the King IV report on corporate governance.

The Department has been reporting monthly and quarterly to Provincial Treasury as is required by the PFMA. We had engagements with the Department's management to provide clarity on completeness and quality of the monthly and quarterly reports during our quarterly meetings and officials of the Department were able to clarify areas of concern raised by the Audit Committee.

### **Evaluation of Financial Statements**

- The Audit Committee reviewed the financial statements for the year ended 31 March 2018 at a meeting which took place 30 May 2018. In addition the Audit Committee reviewed the draft Annual Report of the Department.
- The Audit Committee reviewed the Department's compliance with legal and regulatory provisions during the quarterly audit committee meetings and management was directed to implement remedial measures where instances of non-compliance are noted.
- The Audit Committee also reviewed quarterly financial and 6 monthly Interim Financial Statements as presented to it by IA and management. It interrogated monthly IYM on expenditure as well as status of payment of accruals and commitments. Status of clearing irregular expenditure by the department was monitored throughout the year.

### **Meeting with Member of the Executive Council**

The Audit Committee met with the MEC for Agriculture, land reform and rural development on 24 July 2018 to discuss matters of outmost importance to the committee and department. The Committee appreciate commitment and support from the office of the MEC to ensure that the Committee and the department fulfil its obligations.

### **Auditor-General South Africa**

We have reviewed the Department's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved, except for the issues relating to movable assets.

The audit committee met with representatives from the Office of the Auditor-General South Africa during the year and discussed issues of mutual concern and ensured that there are no other unresolved issues.

The Audit Committee reviewed the audit and management reports for the audit of 2017/18 annual financial statements in a meeting held 23 July 2018. The Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



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**K. Maja**

**Chairperson of the Audit Committee**

**Northern Cape Department of Agriculture, Land Reform and Rural Development**

**Date: 29 August 2018**





**PART D  
HUMAN RESOURCE  
MANAGEMENT**



## **PART D: HUMAN RESOURCE MANAGEMENT**

### **1. INTRODUCTION**

During the year 2017/2018 Human Resources Management(HRM) Directorate, worked proficiently and witnessed certain key achievements such as the commitment of employees to adhere to the EPMDS processes by submitting the performance documents in time which was a remarkable. As part of commitment to ensure that the Performance Development Plans (PDPs) from EPMDS are fully monitored. A total number of 177 staff members were trained to enhance their performance. The Benefits administration unit, implements the Departmental system to administer and track benefit programs like compensation of retirement of employees has managed to ensure that most of the cases they dealt with pay-outs are made within a month by being innovative in dealing with the applications.

The Strategic Objectives of the Department are linked to the Human Resource Plan to ensure consistency and this has improved the outcome of our scores during the provincial assessment. The Human resources directorate provided a great opportunity of practical internship and work integrated learning to 12 students for the period, which 3 of them permanently got an opportunity and recruited in different departments.

The Labour Relations Unit had information sessions in all regions on Grievance Procedure, the importance of the Attendance Register and the Code of Conduct to promote and maintain a high standard of professional ethics and discipline in the Department.

During the 2017/18 financial year the Employee Health and Wellness Unit formed partnerships with a few institutions that assisted the employees with financial wellness sessions. Those institutions include: National Credit Regulator, the Northern Cape consumer protector and Standard Bank. The main focus of these presentations was to educate employees on the importance of saving, their rights as consumers, to be debt free and credit bureau. These sessions formed part of the highlights as employees were equipped on how to better manage their finances and the financial advice options available for them. The unit also issued four health information pamphlets; chronic fatigue, Hepatitis, Human

Papillomavirus and Attention deficit hyperactivity disorder (ADHD). These pamphlets focused on making employees aware of the different diseases/illnesses available and how to identify the symptoms, causes and coping strategies/treatments available. The main aim of these was to reduce absenteeism and to equip employees with the knowledge on how to deal with these conditions either on their personal basis or when dealing with family members who have these conditions.

## 2. HUMAN RESOURCE OVERSITE STATISTICS

**Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 to 31 March 2018**

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	120 490	72 485	0	0	60.20	126.00
Sustainable Resource Management	28 533	16 511	0	0	57.90	29.00
Farmer Support & Development	333 065	50 420	0	0	15.10	88.00
Veterinary Services	50 321	36 397	0	0	72.30	63.00
Research & Technology Development Services	45 327	29 581	0	0	65.30	51.00
Agricultural Economics Services	9 104	5 979	0	0	65.70	10.00
Rural Development Coordination	15 097	9 931	0	0	65.80	17.00
<b>Total</b>	<b>601 937</b>	<b>221 305</b>	<b>0</b>	<b>0</b>	<b>36.80</b>	<b>384.00</b>

**Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 to 31 March 2018**

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	998	0.40	0	0
Skilled (level 3-5)	46 990	19.70	229	205 197
Highly skilled production (levels 6-8)	75 329	31.60	185	407 184
Highly skilled supervision (levels 9-12)	67 187	28.10	102	658 696
Senior and Top management (levels 13-16)	16 905	7.10	11	1 536 818
Contract (Levels 3-5)	2 035	0.90	11	185 000
Contract (Levels 6-8)	3 579	1.50	11	325 364

Contract (Levels 9-12)	6 826	2.90	12	568 833
Contract (Levels 13-16)	1 696	0.70	1	1 696 000
Periodical Remuneration	574	0.20	14	41 000
<b>Total</b>	<b>222 119</b>	<b>93</b>	<b>576</b>	<b>385 623</b>

**Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 to 31 March 2018**

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	59 724	80.30	0	0	1 915	2.60	3 843	5.20
Sustainable Resource Management	14 776	66.30	0	0	367	1.60	803	3.60
Farmer Support & Development	36 669	76	0	0	1 495	3.10	2 615	5.40
Veterinary Services	29 851	76.50	0	0	910	2.30	1 741	4.50
Research & Technology Development Services	24 872	73.90	900	2.70	1 237	3.70	2 459	7.30
Agricultural Economics Services	6 994	75.60	142	1.50	367	4	671	7.30
Rural Development Coordination	9 332	78.80	0	0	309	2.60	483	4.10
<b>Total</b>	<b>182 218</b>	<b>76.30</b>	<b>1 042</b>	<b>0.40</b>	<b>6 601</b>	<b>2.80</b>	<b>12 614</b>	<b>5.30</b>

**Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 to 31 March 2018**

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	691	69.20	0	0	85	8.50	141	14.10
Skilled (Levels 3-5)	33 334	70.60	736	1.60	3 262	6.90	5 630	11.90
Highly skilled production (Levels 6-8)	60 389	76.30	245	0.30	2 441	3.10	4 774	6
Highly skilled supervision (Levels 9-12)	58 002	76.10	0	0	708	0.90	1 870	2.50

Senior management (Levels 13-16)	15 156	79.80	0	0	105	0.60	199	1
Contract (Levels 3-5)	2 024	98.30	10	0.50	0	0	0	0
Contract (Levels 6-8)	3 527	97.40	50	1.40	0	0	0	0
Contract (Levels 9-12)	6 825	88.90	0	0	0	0	0	0
Contract (Levels 13-16)	1 695	78.40	0	0	0	0	0	0
Periodical Remuneration	574	97.60	0	0	0	0	0	0
<b>Total</b>	<b>182 218</b>	<b>76.30</b>	<b>1 042</b>	<b>0.40</b>	<b>6 601</b>	<b>2.80</b>	<b>12 614</b>	<b>5.30</b>

## Employment and Vacancies

**Table 3.2.1 Employment and vacancies by programme as on 31 March 2017**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	187	166	11.20	0
Sustainable Resource Management	43	36	16.30	0
Farmer Support & Development	136	125	8.10	0
Veterinary Services	94	85	9.60	0
Research & Technology Development Services	125	109	12.80	0
Agricultural Economics Services	13	12	7.70	0
Rural Development Coordination	31	29	6.50	0
<b>Total</b>	<b>629</b>	<b>562</b>	<b>10.70</b>	<b>0</b>

**Table 3.2.2 Employment and vacancies by salary band as on 31 March 2017**

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled(3-5)	256	229	10.50	0
Highly skilled production (6-8)	203	185	8.90	0
Highly skilled supervision (9-12)	121	102	15.70	0
Senior management (13-16)	13	11	15.40	0
Other	1	0	100	0
Contract (Levels 3-5), Permanent	11	11	0	0
Contract (Levels 6-8), Permanent	11	11	0	0



Contract (Levels 9-12), Permanent	12	12	0	0
Contract (Levels 13-16), Permanent	1	1	0	0
<b>Total</b>	<b>629</b>	<b>562</b>	<b>10.70</b>	<b>0</b>

**Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2017**

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	73	60	17.80	0
Agricultural animal oceanography forestry & other science, Permanent	50	50	0	0
Agriculture related, Permanent	108	104	3.70	0
Auxiliary and related workers, Permanent	5	4	20	0
Biochemistry pharmacol. zoology & life science .technical, Permanent	4	0	100	0
Civil engineering technicians, Permanent	17	14	17.60	0
Cleaners in offices workshops hospitals etc., Permanent	41	35	14.60	0
Client inform clerks(switchboard receptionist inform clerks), Permanent	2	2	0	0
Communication and information related, Permanent	7	6	14.30	0
Economists, Permanent	9	9	0	0
Engineering Sciences and related, Permanent	1	1	0	0
Engineers and related professionals, Permanent	5	4	20	0
Farm hands and labourers, Permanent	97	83	14.40	0
Farming forestry advisors and farm managers, Permanent	4	3	25	0
Financial and related professionals, Permanent	7	6	14.30	0
Financial clerks and credit controllers, Permanent	12	11	8.30	0
Horticulturists foresters agricultural.& forestry technical, Permanent	2	2	0	0
Human resources clerks, Permanent	5	5	0	0

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Human resources related, Permanent	4	4	0	0
Information technology related, Permanent	4	3	25	0
Library mail and related clerks, Permanent	22	19	13.60	0
Logistical Support Personnel, Permanent	2	2	0	0
Material-recording and transport clerks, Permanent	9	8	11.10	0
Messengers porters and deliverers, Permanent	5	4	20	0
Motorised farm and forestry plant operators, Permanent	5	5	0	0
Other administration & related clerks and organisers, Permanent	47	44	6.40	0
Other occupations, Permanent	1	1	0	0
Safety health and quality inspectors, Permanent	9	9	0	0
Secretaries & other keyboard operating clerks, Permanent	20	18	10	0
Security guards, Permanent	24	22	8.30	0
Senior managers, Permanent	12	9	25	0
Trade labourers, Permanent	5	5	0	0
Veterinarians, Permanent	11	10	9.10	0
<b>Total</b>	<b>629</b>	<b>562</b>	<b>10.70</b>	<b>0</b>

## Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department (Level 15)	1	1	100	0	0
Salary Level 14	5	5	100	0	0

Salary Level 13	8	3	37.4	5	62
<b>Total</b>	<b>14</b>	<b>8</b>	<b>64.3</b>	<b>5</b>	<b>62</b>

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department (Level 15)	1	1	100	0	0
Salary Level 14	5	5	100	0	0
Salary Level 13	8	3	37.4	5	62
<b>Total</b>	<b>14</b>	<b>8</b>	<b>64.3</b>	<b>5</b>	<b>62</b>

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 to 31 March 2018

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0		
Salary Level 16	0		
Salary Level 15	0		
Salary Level 14	0		
Salary Level 13	0		
<b>Total</b>	<b>0</b>		

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 6 months after becoming vacant for the period 1 April 2017 and 31 March 2018

Reasons for vacancies not advertised within six months

Reasons for vacancies not filled within six months

## Job Evaluation

**Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 to 31 March 2018**

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Skilled (Levels 3-5)	256	0	0	5	100	0	0
Highly skilled production (Levels 6-8)	203	0	0	17	88.24	0	0
Highly skilled supervision (Levels 9-12)	121	0	0	12	100	0	0
Senior Management Service Band A	6	0	0	2	100	0	0
Senior Management Service Band B	5	0	0	0	0	0	0
Senior Management Service Band C	1	0	0	1	100	0	0
Senior Management Service Band D	1	0	0	0	0	0	0
Other	1	0	0	0	0	0	0
Contract (Levels 3-5)	11	0	0	0	0	0	0
Contract (Levels 6-8)	11	0	0	0	0	0	0
Contract (Levels 9-12)	12	0	0	2	100	0	0
14 Contract Band A	1	0	0	0	0	0	0
<b>Total</b>	<b>629</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>94.87</b>	<b>0</b>	<b>0</b>

**Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 to 31 March 2018**

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Employees with a disability	<b>0</b>
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**Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 to 31 March 2018**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				
<b>Percentage of total employed</b>				

**Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 to 31 March 2018**

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	0.00	0.00	0.00	0.00	0.00

<b>Employees with a disability</b>	<b>0.00</b>				
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Total number of Employees whose salaries exceeded the grades determine by job evaluation	0
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## Employment Changes

**Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 to 31 March 2018**

Salary band	Number of employees at beginning of period-1 April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels1-2) Permanent	72	0	0	0
Skilled (Levels3-5)	178	0	10	5.60
Highly skilled production (Levels 6-8)	192	1	9	4.70
Highly skilled supervision (Levels 9-12)	98	1	6	6.10
Senior Management Service Bands A	4	0	0	0
Senior Management Service Bands B	5	0	0	0
Senior Management Service Bands C	1	0	0	0
Senior Management Service Bands D	1	0	0	0
Contract (Levels 3-5)Permanent	13	16	20	153.80
Contract (Levels 6-8)Permanent	10	13	15	150

Contract (Levels 9-12)Permanent	9	15	14	155.60
Contract Band A Permanent	3	2	4	133.30
<b>Total</b>	<b>586</b>	<b>50</b>	<b>78</b>	<b>13.30</b>

**Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 to 31 March 2018**

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Administrative related, Permanent	61	13	18	29.50
Agricultural animal oceanography forestry & other science, Permanent	47	3	3	6.40
Agriculture related, Permanent	102	10	11	10.80
Auxiliary and related workers, Permanent	5	0	1	20
Biochemistry pharmacol. zoology & life science and technical, Permanent	4	0	1	25
Civil engineering technicians, Permanent	15	1	2	13.30
Cleaners in offices workshops hospitals etc., Permanent	37	2	4	10.80
Client inform clerks (switchboard receptionist inform clerks), Permanent	2	0	0	0
Communication and information related, Permanent	6	0	1	16.70
Economists, Permanent	9	0	0	0
Engineering Sciences related, Permanent	1	2	3	300
Engineers and related professionals, Permanent	4	0	0	0
Farm hands and labourers, Permanent	91	7	16	17.60
Farming forestry advisors and farm managers, Permanent	3	0	0	0
Finance and economics related, Permanent	1	0	0	0
Financial and related professionals, Permanent	7	1	2	28.60
Financial clerks and credit controllers, Permanent	11	0	1	9.10
Head of Department/Chief Executive Officer, Permanent	1	0	0	0
Horticulturists foresters agricultural & forestry technology, Permanent	2	0	0	0
Human resources clerks, Permanent	4	0	0	0
Human resources related, Permanent	5	0	0	0
Information technology related, Permanent	4	0	1	25
Library mail and related clerks, Permanent	22	0	1	4.50
Logistical support personnel, Permanent	1	0	0	0
Material-recording and transport clerks, Permanent	11	0	1	9.10

Critical occupation	Number of employees at beginning of period- April 2017	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Messengers porters and deliverers, Permanent	4	0	0	0
Motorised farm and forestry plant operators, Permanent	5	0	0	0
Other administrat & related clerks and organizers, Permanent	46	2	3	6.50
Other occupations, Permanent	1	0	0	0
Safety health and quality inspectors, Permanent	9	0	0	0
Secretaries & other keyboard operating clerks, Permanent	19	0	0	0
Security guards, Permanent	23	4	4	17.40
Senior managers, Permanent	9	1	1	11.10
Trade labourers, Permanent	5	0	0	0
Veterinarians, Permanent	9	4	4	44.40
<b>TOTAL</b>	<b>586</b>	<b>50</b>	<b>78</b>	<b>13.30</b>

**Table 3.5.3 Reasons why staff left the department for the period 1 April 2017 to 31 March 2018**

Termination Type	Number	% of Total Resignations
Death	5	6.40
Resignation	8	10.30
Expiry of contract	53	67.90
Dismissal – misconduct	4	5.10
Retirement	8	10.30
<b>Total</b>	<b>78</b>	<b>100</b>
<b>Total number of employees who left as a % of total employment</b>		

**Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018**

Occupation	Employees at 01 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related	61	0	0	36	59
Agricultural animal oceanography forestry & other science	47	0	0	33	70.20
Agriculture related	102	0	0	58	56.90
Auxiliary and related workers	5	0	0	1	20
Biochemistry pharmacol. zoology & life science and technical	4	0	0	0	0
Civil engineering technicians	15	0	0	8	53.30
Cleaners in offices workshops hospitals etc.	37	0	0	29	78.40
Client inform clerks (switchboard receptionist inform clerks)	2	0	0	2	100
Communication and information related	6	0	0	6	100

Occupation	Employees at 01 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Economists	9	0	0	8	88.90
Engineer and Sciences related, Permanent	1	0	0	0	0
Engineers and related professionals	4	0	0	1	25
Farm hands and labourers	91	0	0	72	79.10
Farming forestry advisors and farm managers	3	0	0	0	0
Finance and economics related	1	0	0	0	0
Financial and related professionals	7	0	0	3	42.90
Financial clerks and credit controllers	11	0	0	9	81.80
Head of Department/Chief Executive Officer	1	0	0	0	0
Horticulturists foresters agriculture.& forestry technology	2	0	0	0	0
Human resources clerks	4	0	0	4	100
Human resources related	5	0	0	1	20
Information technology related	4	0	0	2	50
Library mail and related clerks	22	0	0	12	54.50
Logistical support personnel	1	0	0	0	0
Material-recording and transport clerks	11	0	0	7	63.60
Messengers porters and deliverers	4	0	0	3	75
Motorised farm and forestry plant operators	5	0	0	5	100
Other administrat & related clerks and organisers	46	0	0	32	69.60
Other occupations	1	0	0	0	0
Safety health and quality inspectors	9	0	0	4	44.40
Secretaries & other keyboard operating clerks	19	1	5.30	15	78.90
Security guards	23	0	0	18	78.30
Senior managers	9	0	0	8	88.90
Trade labourers	5	0	0	5	100
Veterinarians	9	0	0	4	44.40
<b>TOTAL</b>	<b>586</b>	<b>1</b>	<b>0.20</b>	<b>386</b>	<b>65.90</b>



**Table 3.5.5 Promotions by salary band for the period 1 April 2017 to 31 March 2018**

Salary Band	Employees at 01 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower Skilled (Levels 1-2), Permanent	72	0	0	0	0
Skilled (Levels 3-5), Permanent	178	0	0	196	110.10
Highly skilled production (Levels 6-8), Permanent	192	1	0.50	126	65.60
Highly skilled supervision (Levels 9-12), Permanent	98	0	0	54	55.10
Senior management (Levels 13-16), Permanent	11	0	0	10	90.90
Contract (Levels 3-5), Permanent	13	0	0	0	0
Contract (Levels 6-8), Permanent	10	0	0	0	0
Contract (Levels 9-12), Permanent	9	0	0	0	0
Contract (Levels 13-16), Permanent	3	0	0	0	0
<b>Total</b>	<b>586</b>	<b>1</b>	<b>0.20</b>	<b>386</b>	<b>65.90</b>

## Employment Equity

**Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2018**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionals	83.00	20.00	0.00	19.00	47.00	13.00	0.00	15.00	197.00
Technicians and associate professionals	25.00	9.00	2.00	11.00	27.00	13.00	1.00	6.00	94.00
09 - Labourers and related workers	45.00	40.00	0.00	0.00	27.00	15.00	0.00	0.00	127.00
Plant and machine operations and assemblers	1.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00
Service shop and market sales workers	8.00	1.00	0.00	0.00	13.00	0.00	0.00	0.00	22.00
Clerks	23.00	7.00	0.00	0.00	55.00	11.00	1.00	10.00	107.00
Senior officials and managers	6.00	0.00	0.00	0.00	1.00	3.00	0.00	0.00	10.00
<b>Total</b>	<b>191.00</b>	<b>81.00</b>	<b>2.00</b>	<b>30.00</b>	<b>170.00</b>	<b>55.00</b>	<b>2.00</b>	<b>31.00</b>	<b>562.00</b>
Employees with disabilities					1				1

**Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following Occupational bands as on 31 March 2018**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Senior Management, Permanent	5.00	0.00	0.00	1.00	1.00	2.00	0.00	0.00	9.00
Professionally qualified and experienced specialists and mid-management, Permanent	35.00	5.00	1.00	23.00	25.00	5.00	1.00	7.00	102.00
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	68.00	20.00	1.00	3.00	61.00	16.00	1.00	15.00	185.00
Semi-skilled and discretionary decision making, Permanent	70.00	54.00	0.00	0.00	75.00	24.00	0.00	6.00	229.00
Contract (Senior Management), Permanent	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Contract (Professionally qualified), Permanent	5.00	0.00	0.00	3.00	1.00	1.00	0.00	2.00	12.00
Contract (Skilled technical), Permanent	4.00	1.00	0.00	0.00	1.00	4.00	0.00	1.00	11.00
Contract (Semi-skilled), Permanent	2.00	1.00	0.00	0.00	6.00	2.00	0.00	0.00	11.00
<b>TOTAL</b>	<b>191.00</b>	<b>81.00</b>	<b>2.00</b>	<b>30.00</b>	<b>170.00</b>	<b>55.00</b>	<b>2.00</b>	<b>31.00</b>	<b>562.00</b>

**Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
03 Professionally qualified and experienced specialists and mid-management, Permanent	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	1.00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
09 Contract (Senior Management), Permanent	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	2.00
10 Contract (Professionally qualified), Permanent	9.00	0.00	0.00	2.00	0.00	1.00	0.00	3.00	15.00

11 Contract (Skilled technical), Permanent	5.00	0.00	0.00	0.00	1.00	5.00	0.00	2.00	13.00
12 Contract (Semi-skilled), Permanent	5.00	1.00	0.00	0.00	8.00	2.00	0.00	0.00	16.00
13 Contract (Unskilled), Permanent	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00
<b>Total</b>	<b>20.00</b>	<b>2.00</b>	<b>0.00</b>	<b>4.00</b>	<b>11.00</b>	<b>8.00</b>	<b>0.00</b>	<b>5.00</b>	<b>50.00</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
01 Top Management, Permanent	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
02 Senior Management, Permanent	5.00	0.00	0.00	1.00	1.00	2.00	0.00	0.00	9.00
03 Professionally qualified and experienced specialists and mid-management, Permanent	19.00	3.00	0.00	11.00	17.00	2.00	0.00	2.00	54.00
04 Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	50.00	10.00	1.00	1.00	41.00	11.00	1.00	12.00	127.00
05 Semi-skilled and discretionary decision making, Permanent	59.00	50.00	0.00	0.00	60.00	22.00	0.00	5.00	196.00
<b>Total</b>	<b>134.00</b>	<b>63.00</b>	<b>1.00</b>	<b>13.00</b>	<b>119.00</b>	<b>37.00</b>	<b>1.00</b>	<b>19.00</b>	<b>387.00</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

**Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018**

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionally qualified and experienced specialists and mid-management, Permanent	2.00	0.00	0.00	1.00	0.00	1.00	0.00	2.00	6.00
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	2.00	2.00	0.00	0.00	2.00	0.00	0.00	3.00	9.00

Semi-skilled and discretionary decision making, Permanent	4.00	6.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
Contract (Senior Management), Permanent	0.00	0.00	0.00	3.00	0.00	1.00	0.00	0.00	4.00
Contract (Professionally qualified), Permanent	7.00	0.00	0.00	4.00	0.00	0.00	0.00	3.00	14.00
Contract (Skilled technical), Permanent	6.00	1.00	0.00	0.00	1.00	5.00	0.00	2.00	15.00
Contract (Semi-skilled), Permanent	6.00	1.00	0.00	0.00	10.00	3.00	0.00	0.00	20.00
<b>Total</b>	<b>27.00</b>	<b>10.00</b>	<b>0.00</b>	<b>8.00</b>	<b>13.00</b>	<b>10.00</b>	<b>0.00</b>	<b>10.00</b>	<b>78.00</b>
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Final Written warning	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Suspended without pay	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
<b>Total</b>	<b>1.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.00</b>

Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5	3	0	0	5	0	0	0	13
Professionals	33	21	0	5	31	9	0	1	100
Technicians and associate professionals	7	2	0	2	2	0	0	0	13
Clerks	0	1	0	0	7	4	0	0	12
Service and sales workers									
Skilled agriculture and fishery workers	27	0	0	0	23	0	0	0	50
Craft and related trades workers	6	2	0	0	2	11	0	0	21
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>209</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0



## Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 March 2017

Salary Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Head of Department (Level 15)	1	1	1	100
Salary Level 14	5	5	5	100
Salary Level 13	8	3	3	100
<b>Total</b>	<b>14</b>	<b>9</b>	<b>9</b>	<b>100</b>

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018

Reasons
Posts vacant
Acting and contract appointments

## Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2017 to 31 March 2018

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
<b>African</b>					
Male	101	191	52.90	1 671.70	16 551
Female	78	169	46.20	863.55	11 071
<b>Asian</b>					
Male	2	2	100	36.68	18 342
Female	2	2	100	25.57	12 786
<b>Coloured</b>					
Male	32	81	39.50	252.87	7 902
Female	25	55	45.50	360.10	14 404
<b>White</b>					
Male	20	30	66.70	387.56	19 378
Female	26	31	83.90	299.02	11 501
<b>Blacks</b>					
Male	135	274	49.30	1 961.25	14 528
Female	105	226	46.50	1 249.22	11 897
<b>Employees with a disability</b>	0	1	0	0	0
<b>Total</b>	<b>286</b>	<b>562</b>	<b>50.90</b>	<b>3 897.05</b>	<b>13 626</b>

**Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018**

Salary band	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee
Skilled (level 3-5)	100	229	43.70	591.15	5 912
Highly skilled production (level 6-8)	98	185	53	1 087.31	11 095
Highly skilled supervision (level 9-12)	75	102	73.50	1 445.24	19 270
Contract (Levels 3-5)	0	11	0	0	0
Contract (Levels 6-8)	1	11	9.10	11.02	11 019
Contract (Levels 9-12)	3	12	25	50.63	16 876
<b>Total</b>	<b>277</b>	<b>550</b>	<b>50.40</b>	<b>3 185.35</b>	<b>11 499</b>

**Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2017 to 31 March 2018**

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Financial clerks and credit controllers	10	11	90.90	124.58	12 458
Human resources clerks	5	5	100	27.24	5 448
Motorised farm and forestry plant operators	2	5	40	13.65	6 824
Veterinarians	6	10	60	147.11	24 518
Messengers porters and deliverers	1	4	25	5.92	5 922
Safety health and quality inspectors	9	9	100	115.53	12 837
Logistical support personnel	0	2	0	0	0
Other administrat & related clerks and organisers	23	44	52.30	196.84	8 558
Auxiliary and related workers	2	4	50	13.15	6 576
Other occupations	0	1	0	0	0
Agricul animal oceanography forestry & other scien	22	50	44	266.15	12 098
Financial and related professionals	3	6	50	27.66	9 219
Administrative related	37	60	61.70	554.89	14 997
Communication and information related	4	6	66.70	53.37	13 342

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Secretaries & other keyboard operating clerks	13	18	72.20	103.30	7 946
Cleaners in offices workshops hospitals etc.	12	35	34.30	65.38	5 448
Library mail and related clerks	10	19	52.60	77.67	7 767
Human resources related	4	4	100	29.91	7 479
Trade labourers	4	5	80	21.70	5 426
Civil engineering technicians	7	14	50	121.40	17 342
Material-recording and transport clerks	5	8	62.50	41.87	8 373
Farm hands and labourers	37	83	44.60	212.64	5 747
Senior managers	7	9	77.80	637.31	91 045
Farming forestry advisors and farm managers	2	3	66.70	31.05	15 523
Client inform clerks (switchboard receipt inform clerks)	1	2	50	5.03	5 027
Economists	6	9	66.70	108.82	18 137
Engineers and related professionals	2	4	50	46.11	23 053
Engineering sciences related	0	1	0	0	0
Security guards	0	22	0	0	0
Horticulturists foresters agricul. & forestry techn	1	2	50	15.68	15 683
Information technology related	2	3	66.70	22.63	11 317
Agriculture related	49	104	47.10	810.49	16 541
<b>Total</b>	<b>286</b>	<b>562</b>	<b>50.90</b>	<b>3 897.05</b>	<b>13 626</b>

**Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2017 to 31 March 2018**

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	4	5	80	221.28	55 319	10 468.52
Band B	4	5	80	366.29	91 573.70	6 416.26
Band C	1	1	100	124.13	124 133	1 797.80
Band D	0	1	0	0	0	2 480.03
<b>Total</b>	<b>9</b>	<b>12</b>	<b>75</b>	<b>711.70</b>	<b>79 078.20</b>	<b>21 162.61</b>

## Foreign Workers

**Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 to 31 March 2018**

Salary band	01 April 2015		31 March 2016		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled						
Highly skilled production (Lev. 6-8)						
Highly skilled supervision (Lev. 9-12)	5.00	100.00	5.00	100.00	0.00	0.00
Contract (level 9-12)						
Contract (level 13-16)						

<b>Total</b>	<b>5.00</b>	<b>100.00</b>	<b>5.00</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>
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**Table 3.9.2 foreign workers by major occupation for the period 1 April 2017 to 31 March 2018**

Major occupation	01 April 2016		31 March 2017		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	5	100	5	100	0	0
<b>Total</b>	<b>5</b>	<b>100</b>	<b>5</b>	<b>100</b>	<b>0</b>	<b>0</b>

## Leave utilization

**Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017**

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 13-16)	11	100	3	0.80	4	41
Contract (Levels 3-5)	64	82.80	9	2.30	7	41
Contract (Levels 6-8)	46	93.50	7	1.80	7	56
Contract (Levels 9-12)	25	100	4	1	6	54
Highly skilled production (Levels 6-8)	938	86.70	132	34.50	7	1 309
Highly skilled supervision (Levels 9-12)	439	83.40	60	15.70	7	1 075
Lower skilled (Levels 1-2)	14	78.60	6	1.60	2	8
Senior management (Levels 13-16)	47	87.20	7	1.80	7	181
Skilled (Levels 3-5)	1 220	88.70	155	40.50	8	815
<b>Total</b>	<b>2 804</b>	<b>87.20</b>	<b>383</b>	<b>100</b>	<b>7</b>	<b>3 578</b>

**Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017**

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 6-8)	20	100	1	5.90	20	24
Highly skilled production (Levels 6-8)	247	100	9	52.90	27	361
Highly skilled supervision (Levels 9-12)	24	100	3	17.60	8	70
Skilled (Levels 3-5)	207	100	4	23.50	52	127
<b>Total</b>	<b>498</b>	<b>100</b>	<b>17</b>	<b>100</b>	<b>29</b>	<b>582</b>

**Table 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 13-16)	30	15	2
Contract (Levels 3-5)	234	18	13
Contract (Levels 6-8)	167	17	10
Contract (Levels 9-12)	151	13	12



Highly skilled production (Levels 6-8)	4 020	20	199
Highly skilled supervision (Levels 9-12)	2 324	22	105
Lower skilled (Levels 1-2)	135	4	36
Senior management (Levels 13-16)	269	18	15
Skilled (Levels 3-5)	4 897.92	21	228
<b>Total</b>	<b>12 227.92</b>	<b>20</b>	<b>620</b>

**Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017**

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 December 2017
Skilled Levels 3-5)	5	4	1	24
Highly skilled production (Levels 6-8)	31	5	6	29
Highly skilled supervision(Levels 9-12)	6	2	3	40
<b>Total</b>	<b>42</b>	<b>11</b>	<b>10</b>	

**Table 3.10.5 Leave payouts for the period 1 April 2017 to 31 March 2018**

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service for 2016/2017	575	17	33 824
Current leave payout on termination of service for 2016/2017	3	1	3 000
<b>Total</b>	<b>578</b>	<b>18</b>	<b>32 111</b>

## HIV/AIDS & Health Promotion Programmes

**Table 3.11.1 Steps taken to reduce the risk of occupational exposure**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk

**Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Ms. M.M. Motaung Director: Human Resources
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		The Employee Health and Wellness unit comprises of 3 employees

Question	Yes	No	Details, if yes
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		The unit's key elements are guided by the 4 pillars: Wellness management HIV/AIDS, TB and STI management Health and Productivity management SHERQ
4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		
5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		HIV/AIDS, TB and STI management policy
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		The unit derives/is guided by Section 34 of the Promotion of Equality and Prevention of unfair Discrimination Act of 2000
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	X		The Employee Health and Wellness unit conducts screenings on a quarterly basis with the assistance of Dep. Of Health; however the staff turnout is minimal
8. Has the Department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The unit usually measures the impact of the information sessions by feedback/questions that employees directs to them. Follow up sessions are also conducted to always keep colleagues updated of new health related developments

## Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2017 to 31 March 2018**

Subject matter	Date
0	0
0	0
<b>Total number of Collective agreements</b>	<b>0</b>

**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2017 to 31 March 2018**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling		
Verbal warning		
Written warning		
Final written warning	2.00	66.70
Suspended without pay	1.00	33.30
Fine		

Demotion		
Dismissal		
Not guilty		
Case withdrawn		
<b>Total</b>	<b>3.00</b>	<b>100.00</b>

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 to 31 March 2018**

Type of misconduct	Number	% of total
Absenteeism & unauthorized leave	1	25
Contravenes any code of conduct for state	1	25
Fails to carry out order or instruction	1	25
Steals bribes or commits fraud	1	25
<b>TOTAL</b>	<b>4</b>	<b>100</b>

**Table 3.12.4 Grievances logged for the period 1 April 2017 to 31 March 2018**

Grievances	Number	% of Total
Number of grievances resolved	1	50
Number of grievances not resolved	1	50
<b>Total number of grievances lodged</b>	<b>2</b>	<b>100</b>

**Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 to 31 March 2018**

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
<b>Total number of disputes lodged</b>	<b>0</b>	<b>0</b>

**Table 3.12.6 Strike actions for the period 1 April 2017 to 31 March 2018**

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

**Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018**

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	95
Cost of suspension(R'000)	10361.70

## Skills development

**Table 3.13.1 Training needs identified for the period 1 April 2017 to 31 March 2018**

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4	0	3	2	5
	Male	7	0	1	2	3
Professionals	Female	38	0	15	6	21
	Male	64	0	21	4	25
Technicians & associate professionals	Female	93	3	11	2	13
	Male	92	2	7	4	11
Clerks	Female	105	4	13	2	19
	Male	124	3	9	5	17
Service and sales workers	Female	1	0	0	1	1
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	11	0	19	3	22
	Male	18	3	11	4	18
Craft and related trades workers	Female		0	0	0	0
	Male		0	0	0	0
Plant & machine operators & assemblers	Female	0	0	0	0	0
	Male	5	0	0	0	0
Elementary occupations	Female		0	0	0	0
	Male		0	0	0	0
Sub Total	Female		4	61	16	81
	Male		3	49	19	71
<b>Total</b>		<b>562</b>	<b>7</b>	<b>110</b>	<b>35</b>	<b>152</b>

**Table 3.13.2 Training provided for the period 1 April 2017 to 31 March 2018**

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	4		2	3	3
	Male	7		4	2	6
Professionals	Female	38		46	3	49
	Male	64		51	4	55
Technicians and associate professionals	Female	93		8	0	8
	Male	92		14	0	14
Clerks	Female	105		9	2	11
	Male	124		4	0	4
Service and sales workers	Female	1		4	0	4
	Male	0		17	0	17
Skilled agriculture and fishery workers	Female			23	3	26
	Male			27	0	27
Craft and related trades workers	Female			0	0	0
	Male			0	0	0
Plant & machine operators & assemblers	Female			0	0	0
	Male			0	0	0
Elementary occupations	Female			0	0	0
	Male			0	0	0
Sub Total	Female			92	11	103
	Male			117	6	113



Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
<b>Total</b>		<b>562</b>		<b>209</b>	<b>17</b>	<b>226</b>

## Injury on duty

**Table 3.14.1 Injury on duty for the period 1 April 2017 to 31 March 2018**

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	
Temporary Total Disablement	0	
Permanent Disablement	0	
Fatal	0	
<b>Total</b>	<b>0</b>	

## Utilization of Consultants

**Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 to 31 March 2018**

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in R'000
Provision of programme management, community facilitation and resource mobilisation services	1	720	12,825
Payment of provision of rapid market assessment; marketing & business plan and mentorship services at Manyeding	1	240	4,587
Consequence management, compliance and internal control	1	60	483
Provide support to SCM governance	1	240	202
Obtaining of environmental authorisation at Sonderwaterkraal and Tweerivier, Nieuwoudtville area, northern cape province	1	240	253
Assessment conducted	1	220	4,687
Arc-institute for soil, climate and water research projects	1	1200	802,674
Committee meetings and small-scale fisherman's workshops	1	1200	3,950
Onseepkans – Rehabilitation of Irrigation Canal	1	360	1,190

Total number of projects	Total individual consultants	Duration (work days)	Total contract value in R'000

**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2018 and 31 March 2018**

Project title	Percentage ownership by BBBEE groups	Percentage management by BBBEE groups	Number of consultants from BBBEE groups that work on the project	BBBEE Contributor
Provision of programme management, community facilitation and resource mobilisation services	100%	100%	100%	Level 1
Payment of provision of rapid market assessment; marketing & business plan and mentorship services at Manyeding	0%	0%	0%	Level 4
Consequence management, compliance and internal control	100%	100%	100%	Level 1
Provide support to SCM governance	0%	0%	0%	Level 4
Obtaining of environmental authorisation at Sonderwaterkraal & Tweerivier, Nieuwoudtville area, northern cape province	0%	0%	0%	Level 4
Assessment conducting	0%	0%	0%	Level 4
Arc-institute for soil, climate and water research projects	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Committee meetings and small-scale fisherman's workshops	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Onseepkans – Rehabilitation of Irrigation Canal	100%	100%	100%	Level 1

## Severance Packages

**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 to 31 March 2018**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly skilled supervision(Levels 9-12)	0	0	0	0
Senior management (Levels 13-16)	0	0	0	0
Total	0	0	0	0



**PART E**  
**FINANCIAL INFORMATION**





## 1. REPORT OF THE AUDITOR-GENERAL

### Report on the financial statement

#### Qualified opinion

1. I have audited the financial statements of the Department of Agriculture, Land Reform and Rural Development set out on pages 256 to 327, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Land Reform and Rural Development as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury, and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (DoRA).

#### Basis for qualified opinion

##### Immovable tangible capital assets

3. The Department did not recognise all items of immovable capital assets in accordance with chapter 11, *Capital assets* of the MCS. Completed project assets in the capital work in progress disclosed in note 29.4 were not capitalised by the Department and included in the immovable asset register as non-cash additions. Consequently, immovable assets disclosed in note 29 is understated by R157 855 000.
4. The Department did not include all disclosures in the financial statements as required by chapter 11, *Capital assets* of the MCS. The age analysis of the capital work in progress in note 29.4 was not included in the notes to the financial statements. Consequently, the Department did not comply with the presentation and disclosure requirements for capital work in progress.

##### Movable tangible capital assets

5. The Department did not recognise all items of movable capital assets in accordance with chapter 11, *Capital assets* of the MCS. The opening balance of R15 856 000 for minor machinery and equipment according to the corresponding figure in note 27.4 was incorrectly reported. The amount disclosed did not agree with the amount of R2 408 000 in the previous year's published annual financial statements. Consequently, the closing balance of minor machinery and equipment is overstated by R13 448 000 (2017: R13 448 000).



6. The Department did not classify all items of movable capital assets in accordance with chapter 11, *Capital assets* of the MCS. The Department included major machinery and equipment assets valued at R7 066 612 in the minor machinery and equipment asset register and minor machinery and equipment assets in the major asset register to the value of R129 931. Consequently, minor machinery and equipment in note 27.4 is overstated by R7 066 612 and major machinery and equipment in Note.27 is overstated by R129 931.

### **Context for the opinion**

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
8. I am independent of the Department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of matters**

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

#### **Movable tangible capital assets under investigation**

11. As disclosed in note 27 and note 27.7 to the financial statements, the Department disclosed movable tangible capital assets under investigation to the sum of R16 564 000. The disclosure was according to the requirements of the MCS.

#### **Restatement of corresponding figures**

12. As disclosed in note 31 to the financial statements, the corresponding figures for 31 March 2017 were restated as a result of an error in the financial statements of the Department at, and for the year ended, 31 March 2018.

#### **Underspending of the budget**

13. As disclosed in the appropriation statement, the Department materially underspent the budget by R16 565 000 on programme 3 – farmer support and development relating to the comprehensive agriculture support programme (CASP) conditional grant.

#### **Other matter**

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

### **Unaudited supplementary schedules**

15. The supplementary information set out on pages 328 to 338 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### **Responsibilities of the accounting officer for the financial statements**

16. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
17. In preparing the financial statements, the accounting officer is responsible for assessing the Department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the Department or to cease operations, or has no realistic alternative but to do so.

### **Auditor-general's responsibilities for the audit of the financial statements**

18. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
19. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

<b>Report on the audit of the annual performance report</b>
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### **Introduction and scope**

20. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
21. My procedures address the reported performance information, which must be based on the approved performance planning documents of the Department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the Department for the year ended 31 March 2018:

<b>Programmes</b>	<b>Pages in the annual performance report</b>
Programme 2 – Sustainable Resource Management	63-83
Programme 3 – Farmer Support and Development	85-121
Programme 4 – Veterinary Services	123-150

22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

23. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 2 – Sustainable Resource Management
- Programme 3 – Farmer Support and Development
- Programme 4 – Veterinary Services

### **Other matter**

24. I draw attention to the matter below.

### **Achievement of planned targets**

25. Refer to the annual performance report on pages 49 to 206 for information on the achievement of planned targets for the year and explanations provided for the over achievement of a significant number of targets.

## **Report on the audit of compliance with legislation**

### **Introduction and scope**

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the Department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

27. The material findings on compliance with specific matters in key legislations are as follows:

### **Annual financial statements, performance reports and annual reports**

28. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and/or supported by full and proper records, as required by section 40(1) (a) of the PFMA.
29. Material misstatements (of related party transactions, tangible capital assets – machinery and equipment, prior period error note – movable tangible capital assets, immovable tangible capital assets and inventory) identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

### **Expenditure management**

30. Effective steps were not taken to prevent irregular expenditure of R12 875 000 disclosed in note 23 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.
31. Effective steps were not taken to prevent fruitless and wasteful expenditure of R214 000 disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.
32. Payments were not made within 30 days or an agreed period after receipt of an invoice, as required by treasury regulation 8.2.3.

### **Procurement and contract management**

33. Some quotations were awarded to suppliers whose tax matters had not been declared by the South African Revenue Services to be in order, as required by treasury regulations 16A9.1(d). Similar non-compliance was also reported in the previous year.

### **Other information**

34. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
35. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
36. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
37. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this



auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### Internal control deficiencies

38. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on compliance with legislation included in this report.

- Leadership did not take appropriate action to facilitate the continuous monitoring of internal controls in the finance and SCM directorates. This resulted in misstatements in related party transactions, movable tangible capital assets (machinery and equipment), prior period error note, immovable tangible capital assets, inventory and irregular expenditure.
- Leadership did not oversee the regular monitoring of compliance with PFMA and SCM laws and regulations.
- Leadership did not take appropriate action to resolve the control deficiencies identified in the current and previous year's audits, resulting in numerous material misstatements being identified and corrected during the audit process.
- The Department did not implement proper record keeping to ensure that complete, relevant and accurate information is accessible and available to support financial reporting.
- The Department did not ensure ongoing monitoring and supervision to enable an assessment of the effectiveness of internal control over compliance with laws and regulations.
- The Department developed a plan to address the audit findings relating to the previous year. The appropriate level of management did not monitor adherence to the plan, resulting in the recurrence of some of the non-compliance issues and material misstatements corrected in the annual financial statements

*Auditor-General*

Kimberley

31 July 2018



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the Department’s compliance with respect to the selected subject matters.

### Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department of Agriculture, Land Reform and Rural Development’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



# ANNUAL FINANCIAL STATEMENTS

**DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**  
**VOTE 12**  
**APPROPRIATION STATEMENT**  
for the year ended 31 March 2018

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Voted funds and Direct charges	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme</b>									
1 Administration	116 782	-	3 555	120 337	120 337	-	100.0%	118 608	118 606
2 Sustainable Resource Management	32 356	-	267	32 623	29 377	3 246	90.0%	95 698	95 444
3 Farmer Support and Development	353 127	-	(1 425)	351 702	335 137	16 565	95.3%	226 885	212 071
4 Veterinary Services	49 650	-	662	50 312	50 312	-	100.0%	44 659	44 659
5 Research and Technology Development Services	47 610	-	(3 283)	44 327	44 326	1	100.0%	46 656	46 656
6 Agriculture Economic Services	10 533	-	(817)	9 716	9 716	-	100.0%	9 061	9 043
7 Rural Development	14 055	-	1 041	15 096	15 096	-	100.0%	13 638	13 630
<b>Total</b>	<b>624 113</b>	<b>-</b>	<b>-</b>	<b>624 113</b>	<b>604 301</b>	<b>19 812</b>	<b>96.8%</b>	<b>555 205</b>	<b>540 109</b>
<b>Reconciliation with Statement of Financial Performance</b>									
Add:									
Departmental receipts				1 586				401	
<b>Actual amounts per Statement of Financial Performance (Total Revenue)</b>				<b>625 699</b>				<b>555 606</b>	
Add: Aid assistance					-				-
Prior year unauthorised expenditure approved without funding									
<b>Actual amounts per Statement of Financial Performance (Expenditure)</b>					<b>604 301</b>				<b>540 109</b>



**DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**  
**VOTE 12**  
**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>500 990</b>	<b>(86 499)</b>	<b>(267)</b>	<b>414 224</b>	<b>397 063</b>	<b>17 161</b>	<b>95.9%</b>	<b>370 710</b>	<b>365 065</b>
Compensation of employees	233 263	(11 226)	(502)	221 535	221 535	-	100.0%	209 689	209 301
Salaries and wages	202 539	(12 576)	353	190 316	190 316	-	100.0%	180 459	180 125
Social contributions	30 724	1 350	(855)	31 219	31 219	-	100.0%	29 230	29 176
Goods and services	267 727	(75 273)	235	192 689	175 502	17 187	91.1%	161 021	155 746
Administrative fees	876	33	-	909	864	45	95.0%	2 683	2 677
Advertising	2 053	(1 505)	-	548	548	-	100.0%	695	695
Minor assets	2 224	(1 885)	-	339	280	59	82.6%	372	371
Audit costs: External	4 700	(93)	-	4 607	4 607	-	100.0%	4 679	4 679
Bursaries: Employees	918	(544)	-	374	374	-	100.0%	645	645
Catering: Departmental activities	2 726	(890)	(623)	1 213	1 213	-	100.0%	2 105	2 087
Communication (G&S)	5 103	(2 454)	84	2 733	2 733	-	100.0%	3 201	2 999
Computer services	2 355	4 766	-	7 121	7 121	-	100.0%	2 207	2 206
Consultants: Business and advisory services	1 788	13 601	(141)	15 248	15 248	-	100.0%	10 231	10 231
Infrastructure and planning services	730	(410)	(320)	-	-	-	-	749	749
Laboratory services	187	91	-	278	278	-	100.0%	976	976
Legal services	290	18	-	308	308	-	100.0%	369	369
Contractors	73 173	(44 233)	(1 270)	27 670	16 074	11 596	58.1%	16 993	13 225
Agency and support / outsourced services	1 654	(1 276)	(311)	67	67	-	100.0%	3 241	3 241
Fleet services (including government motor transport)	13 274	(2 049)	-	11 225	11 225	-	100.0%	8 491	8 491
Inventory: Clothing material and accessories	121	393	-	514	547	(33)	106.4%	-	-
Inventory: Farming supplies	17 036	8 328	(1 057)	24 307	25 123	(816)	103.4%	18 710	18 451
Inventory: Food and food supplies	12	(1)	-	11	11	-	100.0%	-	-
Inventory: Fuel, oil and gas	2 974	(1 096)	-	1 878	1 878	-	100.0%	3 070	2 969
Inventory: Materials and supplies	8 794	(2 137)	-	6 657	726	5 931	10.9%	1 864	1 864
Inventory: Medical supplies	144	(144)	-	-	-	-	-	42	42
Inventory: Medicine	249	(114)	-	135	135	-	100.0%	545	544

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Other supplies	52 889	(29 845)	-	23 044	23 041	3	100.0%	10 575	10 585
Consumable supplies	14 864	(11 340)	-	3 524	3 437	87	97.5%	4 030	3 833
Consumable: Stationery, printing and office supplies	2 493	(980)	-	1 513	1 475	38	97.5%	1 313	1 313
Operating leases	11 023	(2 028)	-	8 995	8 995	-	100.0%	10 912	10 545
Property payments	10 455	878	1 763	13 096	13 255	(159)	101.2%	11 391	11 074
Transport provided: Departmental activity	253	(253)	-	-	-	-	-	-	-
Travel and subsistence	29 467	118	1 969	31 554	31 407	147	99.5%	33 637	33 615
Training and development	2 082	(288)	-	1 794	1 693	101	94.4%	1 363	1 363
Operating payments	1 509	(131)	141	1 519	1 518	1	99.9%	1 830	1 815
Venues and facilities	1 310	61	-	1 371	1 184	187	86.4%	3 656	3 646
Rental and hiring	1	136	-	137	137	-	100.0%	446	446
Interest and rent on land	-	-	-	-	1	(1)	-	-	18
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	1	(1)	-	-	18
<b>Transfers and subsidies</b>	<b>19 993</b>	<b>1 244</b>	<b>-</b>	<b>21 237</b>	<b>21 262</b>	<b>(25)</b>	<b>100.0%</b>	<b>5 964</b>	<b>5 964</b>
Provinces and municipalities	-	43	-	43	43	-	100.0%	119	119
Municipalities	-	43	-	43	43	-	100.0%	119	119
Municipal bank accounts	-	43	-	43	43	-	100.0%	119	119
Departmental agencies and accounts	12 870	(4 500)	-	8 370	8 370	-	100.0%	2 550	2 550
Departmental agencies (non-business entities)	12 870	(4 500)	-	8 370	8 370	-	100.0%	2 550	2 550
Public corporations and private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Other transfers to private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Households	2 123	1 101	-	3 224	3 249	(25)	100.8%	3 295	3 295
Social benefits	107	322	-	429	429	-	100.0%	598	598
Other transfers to households	2 016	779	-	2 795	2 820	(25)	100.9%	2 697	2 697
<b>Payments for capital assets</b>	<b>103 130</b>	<b>85 255</b>	<b>267</b>	<b>188 652</b>	<b>185 882</b>	<b>2 770</b>	<b>98.5%</b>	<b>178 531</b>	<b>169 080</b>
Buildings and other fixed structures	86 582	81 616	-	168 198	168 180	18	100.0%	162 596	153 862

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Buildings	1 021	1 480	-	2 501	2 501	-	100.0%	-	-
Other fixed structures	85 561	80 136	-	165 697	165 679	18	100.0%	162 596	153 862
Machinery and equipment	16 486	24	281	16 791	14 039	2 752	83.6%	12 399	11 682
Transport equipment	4 126	2 983	109	7 218	7 218	-	100.0%	5 910	5 910
Other machinery and equipment	12 360	(2 959)	172	9 573	6 821	2 752	71.3%	6 489	5 772
Biological assets	-	730	-	730	730	-	100.0%	990	990
Software and other intangible assets	62	2 885	(14)	2 933	2 933	-	100.0%	2 546	2 546
<b>Payment for financial assets</b>	-	-	-	-	119	(119)	-	-	-
<b>Total</b>	<b>624 113</b>	<b>-</b>	<b>-</b>	<b>624 113</b>	<b>604 301</b>	<b>19 812</b>	<b>96.8%</b>	<b>555 205</b>	<b>540 109</b>

The comparative figure for finance leases of vehicles and machinery and equipment has been restated due to a classification error from current to capital in the prior year.

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**Programme 1: Administration**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 <b>OFFICE OF THE MEC</b>	10 506	1 645	692	12 843	12 843	-	100.0%	12 680	12 680
2 <b>SENIOR MANAGEMENT</b>	22 579	(913)	-	21 666	21 666	-	100.0%	22 454	22 452
3 <b>CORPORATE SERVICES</b>	45 280	-	2 040	47 320	47 320	-	100.0%	45 658	45 658
4 <b>FINANCIAL MANAGEMENT</b>	27 293	298	823	28 414	28 414	-	100.0%	27 908	27 908
5 <b>COMMUNICATION SERVICES</b>	11 124	(1 030)	-	10 094	10 094	-	100.0%	9 908	9 908
	<b>116 782</b>	<b>-</b>	<b>3 555</b>	<b>120 337</b>	<b>120 337</b>	<b>-</b>	<b>100.0%</b>	<b>118 608</b>	<b>118 606</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>112 950</b>	<b>(1 098)</b>	<b>3 375</b>	<b>115 227</b>	<b>115 101</b>	<b>126</b>	<b>99.9%</b>	<b>112 713</b>	<b>112 713</b>
Compensation of employees	74 351	(1 866)	-	72 485	72 485	-	100.0%	68 635	68 635
Salaries and wages	64 831	(2 297)	-	62 534	62 534	-	100.0%	59 331	59 331
Social contributions	9 520	431	-	9 951	9 951	-	100.0%	9 304	9 304
Goods and services	38 599	768	3 375	42 742	42 615	127	99.7%	44 078	44 066
Administrative fees	23	2	-	25	48	(23)	192.0%	55	55
Advertising	238	(115)	-	123	123	-	100.0%	178	178
Minor assets	70	13	-	83	83	-	100.0%	121	121
Audit costs: External	3 915	72	-	3 987	3 987	-	100.0%	4 115	4 115
Bursaries: Employees	250	98	-	348	348	-	100.0%	370	370
Catering: Departmental activities	379	(82)	-	297	297	-	100.0%	514	514
Communication (G&S)	1 933	(718)	97	1 312	1 312	-	100.0%	1 557	1 557
Computer services	2 057	(90)	-	1 967	1 967	-	100.0%	1 469	1 469
Consultants: Business and advisory services	134	1 739	-	1 873	1 873	-	100.0%	580	580
Legal services	290	18	-	308	308	-	100.0%	350	350
Contractors	156	179	67	402	270	132	67.2%	204	204
Agency and support / outsourced services	523	(523)	-	-	-	-	-	3 216	3 216
Fleet services (including government motor transport)	1 682	(505)	-	1 177	1 177	-	100.0%	714	714



**DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**  
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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Farming supplies	-	1	-	1	1	-	100.0%	-	-
Inventory: Food and food supplies	12	(2)	-	10	10	-	100.0%	-	-
Inventory: Fuel, oil and gas	4	(4)	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	5	-	5	5	-	100.0%	23	23
Inventory: Other supplies	-	-	-	-	-	-	-	11	11
Consumable supplies	336	566	-	902	854	48	94.7%	682	682
Consumable: Stationery, printing and office supplies	918	(515)	-	403	403	-	100.0%	415	415
Operating leases	10 211	(1 440)	-	8 771	8 771	-	100.0%	10 498	10 498
Property payments	6 751	1 231	1 763	9 745	9 877	(132)	101.4%	7 185	7 185
Travel and subsistence	7 071	1 600	1 448	10 119	10 119	-	100.0%	9 941	9 929
Training and development	725	(573)	-	152	51	101	33.6%	146	146
Operating payments	391	91	-	482	481	1	99.8%	972	972
Venues and facilities	530	(329)	-	201	201	-	100.0%	459	459
Rental and hiring	-	49	-	49	49	-	100.0%	303	303
Interest and rent on land	-	-	-	-	1	(1)	-	-	12
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	1	(1)	-	-	12
<b>Transfers and subsidies</b>	<b>2 081</b>	<b>421</b>	<b>-</b>	<b>2 502</b>	<b>2 527</b>	<b>(25)</b>	<b>101.0%</b>	<b>2 792</b>	<b>2 792</b>
Households	2 081	421	-	2 502	2 527	(25)	101.0%	2 792	2 792
Social benefits	65	161	-	226	226	-	100.0%	223	223
Other transfers to households	2 016	260	-	2 276	2 301	(25)	101.1%	2 569	2 569
<b>Payments for capital assets</b>	<b>1 751</b>	<b>677</b>	<b>180</b>	<b>2 608</b>	<b>2 608</b>	<b>-</b>	<b>100.0%</b>	<b>3 103</b>	<b>3 101</b>
Machinery and equipment	1 751	677	180	2 608	2 608	-	100.0%	3 103	3 101
Transport equipment	843	5	180	1 028	1 028	-	100.0%	1 688	1 688
Other machinery and equipment	908	672	-	1 580	1 580	-	100.0%	1 415	1 413
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101</b>	<b>(101)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>116 782</b>	<b>-</b>	<b>3 555</b>	<b>120 337</b>	<b>120 337</b>	<b>-</b>	<b>100.0%</b>	<b>118 608</b>	<b>118 606</b>

**DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT**  
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**Subprogramme: 1.1: OFFICE OF THE MEC**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>9 924</b>	<b>1 447</b>	<b>692</b>	<b>12 063</b>	<b>12 038</b>	<b>25</b>	<b>99.8%</b>	<b>10 679</b>	<b>10 679</b>
Compensation of employees	7 253	615	-	7 868	7 868	-	100.0%	6 749	6 749
Goods and services	2 671	832	692	4 195	4 170	25	99.4%	3 930	3 930
<b>Transfers and subsidies</b>	<b>200</b>	<b>(39)</b>	<b>-</b>	<b>161</b>	<b>186</b>	<b>(25)</b>	<b>115.5%</b>	<b>398</b>	<b>398</b>
Households	200	(39)	-	161	186	(25)	115.5%	398	398
<b>Payments for capital assets</b>	<b>382</b>	<b>237</b>	<b>-</b>	<b>619</b>	<b>619</b>	<b>-</b>	<b>100.0%</b>	<b>1 603</b>	<b>1 603</b>
Machinery and equipment	382	237	-	619	619	-	100.0%	1 603	1 603
<b>Total</b>	<b>10 506</b>	<b>1 645</b>	<b>692</b>	<b>12 843</b>	<b>12 843</b>	<b>-</b>	<b>100.0%</b>	<b>12 680</b>	<b>12 680</b>

**Subprogramme: 1.2: SENIOR MANAGEMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>22 263</b>	<b>(1 059)</b>	<b>-</b>	<b>21 204</b>	<b>21 204</b>	<b>-</b>	<b>100.0%</b>	<b>21 899</b>	<b>21 899</b>
Compensation of employees	17 797	(1 575)	-	16 222	16 222	-	100.0%	15 341	15 341
Goods and services	4 466	516	-	4 982	4 982	-	100.0%	6 558	6 546
<b>Transfers and subsidies</b>	<b>16</b>	<b>59</b>	<b>-</b>	<b>75</b>	<b>75</b>	<b>-</b>	<b>100.0%</b>	<b>14</b>	<b>14</b>
Households	16	59	-	75	75	-	100.0%	14	14
<b>Payments for capital assets</b>	<b>300</b>	<b>87</b>	<b>-</b>	<b>387</b>	<b>387</b>	<b>-</b>	<b>100.0%</b>	<b>541</b>	<b>539</b>
Machinery and equipment	300	87	-	387	387	-	100.0%	541	539
<b>Total</b>	<b>22 579</b>	<b>(913)</b>	<b>-</b>	<b>21 666</b>	<b>21 666</b>	<b>-</b>	<b>100.0%</b>	<b>22 454</b>	<b>22 452</b>

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**Subprogramme: 1.3: CORPORATE SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>42 943</b>	<b>(529)</b>	<b>1 860</b>	<b>44 274</b>	<b>44 173</b>	<b>101</b>	<b>99.8%</b>	<b>42 984</b>	<b>42 984</b>
Compensation of employees	21 896	448	-	22 344	22 344	-	100.0%	21 997	21 997
Goods and services	21 047	(977)	1 860	21 930	21 828	102	99.5%	20 987	20 987
Interest and rent on land	-	-	-	-	1	(1)	-	-	-
<b>Transfers and subsidies</b>	<b>1 865</b>	<b>363</b>	<b>-</b>	<b>2 228</b>	<b>2 228</b>	<b>-</b>	<b>100.0%</b>	<b>2 165</b>	<b>2 165</b>
Households	1 865	363	-	2 228	2 228	-	100.0%	2 165	2 165
<b>Payments for capital assets</b>	<b>472</b>	<b>166</b>	<b>180</b>	<b>818</b>	<b>818</b>	<b>-</b>	<b>100.0%</b>	<b>509</b>	<b>509</b>
Machinery and equipment	472	166	180	818	818	-	100.0%	509	509
<b>Payment for financial assets</b>				<b>-</b>	<b>101</b>	<b>(101)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>45 280</b>	<b>-</b>	<b>2 040</b>	<b>47 320</b>	<b>47 320</b>	<b>-</b>	<b>100.0%</b>	<b>45 658</b>	<b>45 658</b>

**Subprogramme: 1.4: FINANCIAL MANAGEMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>26 909</b>	<b>174</b>	<b>823</b>	<b>27 906</b>	<b>27 906</b>	<b>-</b>	<b>100.0%</b>	<b>27 594</b>	<b>27 594</b>
Compensation of employees	20 498	(381)	-	20 117	20 117	-	100.0%	18 770	18 770
Goods and services	6 411	555	823	7 789	7 789	-	100.0%	8 824	8 824
<b>Payments for capital assets</b>	<b>384</b>	<b>124</b>	<b>-</b>	<b>508</b>	<b>508</b>	<b>-</b>	<b>100.0%</b>	<b>314</b>	<b>314</b>
Machinery and equipment	384	124	-	508	508	-	100.0%	314	314
<b>Total</b>	<b>27 293</b>	<b>298</b>	<b>823</b>	<b>28 414</b>	<b>28 414</b>	<b>-</b>	<b>100.0%</b>	<b>27 908</b>	<b>27 908</b>

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**Subprogramme: 1.5: COMMUNICATION SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>10 911</b>	<b>(1 131)</b>	-	<b>9 780</b>	<b>9 780</b>	-	<b>100.0%</b>	<b>9 557</b>	<b>9 557</b>
Compensation of employees	6 907	(973)	-	5 934	5 934	-	100.0%	5 778	5 778
Goods and services	4 004	(158)	-	3 846	3 846	-	100.0%	3 779	3 779
<b>Transfers and subsidies</b>	-	<b>38</b>	-	<b>38</b>	<b>38</b>	-	<b>100.0%</b>	<b>215</b>	<b>215</b>
Households	-	38	-	38	38	-	100.0%	215	215
<b>Payments for capital assets</b>	<b>213</b>	<b>63</b>	-	<b>276</b>	<b>276</b>	-	<b>100.0%</b>	<b>136</b>	<b>136</b>
Machinery and equipment	213	63	-	276	276	-	100.0%	136	136
<b>Total</b>	<b>11 124</b>	<b>(1 030)</b>	-	<b>10 094</b>	<b>10 094</b>	-	<b>100.0%</b>	<b>9 908</b>	<b>9 908</b>



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**Programme 2: Sustainable Resource Management**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 <b>ENGINEERING SERVICES</b>	7 980	(1 225)	-	6 755	6 755	-	100.0%	7 126	7 126
2 <b>LAND CARE</b>	7 094	-	-	7 094	6 621	473	93.3%	9 320	9 306
3 <b>LAND USE MANAGEMENT</b>	17 282	1 225	267	18 774	16 001	2 773	85.2%	15 055	14 815
4 <b>DISASTER RISK MANAGEMENT</b>	-	-	-	-	-	-	-	64 197	64 197
<b>Total</b>	<b>32 356</b>	<b>-</b>	<b>267</b>	<b>32 623</b>	<b>29 377</b>	<b>3 246</b>	<b>90.0%</b>	<b>95 698</b>	<b>95 444</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>32 032</b>	<b>(2 827)</b>	<b>-</b>	<b>29 205</b>	<b>28 732</b>	<b>473</b>	<b>98.4%</b>	<b>32 157</b>	<b>31 903</b>
Compensation of employees	20 017	(3 506)	-	16 511	16 511	-	100.0%	16 484	16 244
Salaries and wages	17 392	(2 931)	-	14 461	14 461	-	100.0%	14 509	14 322
Social contributions	2 625	(575)	-	2 050	2 050	-	100.0%	1 975	1 922
Goods and services	12 015	679	-	12 694	12 221	473	96.3%	15 673	15 659
Administrative fees	136	(24)	-	112	52	60	46.4%	57	57
Advertising	255	(255)	-	-	-	-	-	314	314
Minor assets	32	8	-	40	23	17	57.5%	113	113
Catering: Departmental activities	527	(516)	-	11	11	-	100.0%	71	71
Communication (G&S)	221	(162)	-	59	59	-	100.0%	51	51
Computer services	-	19	-	19	19	-	100.0%	24	24
Consultants: Business and advisory services	-	-	-	-	-	-	-	100	100
Contractors	2 799	(321)	-	2 478	2 478	-	100.0%	2 767	2 767
Agency and support / outsourced services	-	-	-	-	-	-	-	8	8
Fleet services (including government motor transport)	307	55	-	362	362	-	100.0%	70	70
Inventory: Clothing material and accessories	-	164	-	164	164	-	100.0%	-	-
Inventory: Farming supplies	1 639	1 437	-	3 076	3 076	-	100.0%	2 167	2 167
Inventory: Materials and supplies	55	72	-	127	127	-	100.0%	-	-
Inventory: Other supplies	-	12	-	12	12	-	100.0%	-	-

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	1 008	(898)	-	110	90	20	81.8%	692	692
Consumable: Stationery, printing and office supplies	221	(29)	-	192	154	38	80.2%	170	170
Operating leases	64	(50)	-	14	14	-	100.0%	-	-
Property payments	-	-	-	-	-	-	-	196	196
Travel and subsistence	4 114	985	-	5 099	4 948	151	97.0%	5 788	5 784
Training and development	159	143	-	302	302	-	100.0%	220	220
Operating payments	64	(4)	-	60	60	-	100.0%	19	19
Venues and facilities	414	24	-	438	251	187	57.3%	2 776	2 766
Rental and hiring	-	19	-	19	19	-	100.0%	70	70
<b>Transfers and subsidies</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>100.0%</b>	<b>25</b>	<b>25</b>
Provinces and municipalities	-	-	-	-	-	-	-	9	9
Municipalities	-	-	-	-	-	-	-	9	9
Municipal bank accounts	-	-	-	-	-	-	-	9	9
Households	-	6	-	6	6	-	100.0%	16	16
Social benefits	-	-	-	-	-	-	-	16	16
Other transfers to households	-	6	-	6	6	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>324</b>	<b>2 821</b>	<b>267</b>	<b>3 412</b>	<b>639</b>	<b>2 773</b>	<b>18.7%</b>	<b>63 516</b>	<b>63 516</b>
Buildings and other fixed structures	-	13	-	13	13	-	100.0%	62 543	62 543
Other fixed structures	-	13	-	13	13	-	100.0%	62 543	62 543
Machinery and equipment	324	2 808	267	3 399	626	2 773	18.4%	807	807
Transport equipment	24	226	-	250	250	-	100.0%	54	54
Other machinery and equipment	300	2 582	267	3 149	376	2 773	11.9%	753	753
Software and other intangible assets	-	-	-	-	-	-	-	166	166
<b>Total</b>	<b>32 356</b>	<b>-</b>	<b>267</b>	<b>32 623</b>	<b>29 377</b>	<b>3 246</b>	<b>90.0%</b>	<b>95 698</b>	<b>95 444</b>

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**Subprogramme: 2.1: ENGINEERING SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>7 947</b>	<b>(1 278)</b>	-	<b>6 669</b>	<b>6 669</b>	-	<b>100.0%</b>	<b>6 929</b>	<b>6 929</b>
Compensation of employees	6 789	(1 598)	-	5 191	5 191	-	100.0%	5 060	5 060
Goods and services	1 158	320	-	1 478	1 478	-	100.0%	1 869	1 869
<b>Transfers and subsidies</b>	-	<b>6</b>	-	<b>6</b>	<b>6</b>	-	<b>100.0%</b>	-	-
Households	-	6	-	6	6	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>33</b>	<b>47</b>	-	<b>80</b>	<b>80</b>	-	<b>100.0%</b>	<b>197</b>	<b>197</b>
Machinery and equipment	33	47	-	80	80	-	100.0%	31	31
Software and other intangible assets	-	-	-	-	-	-	-	166	166
<b>Total</b>	<b>7 980</b>	<b>(1 225)</b>	-	<b>6 755</b>	<b>6 755</b>	-	<b>100.0%</b>	<b>7 126</b>	<b>7 126</b>

**Subprogramme: 2.2: LAND CARE**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>7 094</b>	-	-	<b>7 094</b>	<b>6 621</b>	<b>473</b>	<b>93.3%</b>	<b>8 541</b>	<b>8 527</b>
Goods and services	7 094	-	-	7 094	6 621	473	93.3%	8 541	8 527
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>779</b>	<b>779</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	779	779
<b>Total</b>	<b>7 094</b>	-	-	<b>7 094</b>	<b>6 621</b>	<b>473</b>	<b>93.3%</b>	<b>9 320</b>	<b>9 306</b>

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**Subprogramme: 2.3: LAND USE MANAGEMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>16 991</b>	<b>(1 549)</b>	-	<b>15 442</b>	<b>15 442</b>	-	<b>100.0%</b>	<b>14 257</b>	<b>14 017</b>
Compensation of employees	13 228	(1 908)	-	11 320	11 320	-	100.0%	10 376	10 136
Goods and services	3 763	359	-	4 122	4 122	-	100.0%	3 881	3 881
<b>Payments for capital assets</b>	<b>291</b>	<b>2 774</b>	<b>267</b>	<b>3 332</b>	<b>559</b>	<b>2 773</b>	<b>16.8%</b>	<b>773</b>	<b>773</b>
Buildings and other fixed structures	-	13	-	13	13	-	100.0%	-	-
Machinery and equipment	291	2 761	267	3 319	546	2 773	16.5%	773	773
<b>Total</b>	<b>17 282</b>	<b>1 225</b>	<b>267</b>	<b>18 774</b>	<b>16 001</b>	<b>2 773</b>	<b>85.2%</b>	<b>15 055</b>	<b>14 815</b>

**Subprogramme: 2.4: DISASTER RISK MANAGEMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	-	-	-	-	-	-	-	<b>2 430</b>	<b>2 430</b>
Compensation of employees	-	-	-	-	-	-	-	1 048	1 048
Goods and services	-	-	-	-	-	-	-	1 382	1 382
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	<b>61 767</b>	<b>61 767</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	61 764	61 764
Machinery and equipment	-	-	-	-	-	-	-	3	3
<b>Total</b>	-	-	-	-	-	-	-	<b>64 197</b>	<b>64 197</b>



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**Programme 3: Farmer Support and Development**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 <b>FARMER-SETTLEMENT AND DEVELOPMENT</b>	4 906	(1 797)	-	3 109	3 109	-	100.0%	4 411	4 411
2 <b>EXTENSION AND ADVISORY SERVICES</b>	340 148	3 621	(1 425)	342 344	325 779	16 565	95.2%	217 754	202 940
3 <b>FOOD SECURITY</b>	8 073	(1 824)	-	6 249	6 249	-	100.0%	4 720	4 720
<b>Total</b>	<b>353 127</b>	<b>-</b>	<b>(1 425)</b>	<b>351 702</b>	<b>335 137</b>	<b>16 565</b>	<b>95.3%</b>	<b>226 885</b>	<b>212 071</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>240 906</b>	<b>(78 749)</b>	<b>(1 425)</b>	<b>160 732</b>	<b>144 164</b>	<b>16 568</b>	<b>89.7%</b>	<b>121 279</b>	<b>115 914</b>
Compensation of employees	51 255	(622)	(214)	50 419	50 419	-	100.0%	44 691	44 561
Salaries and wages	44 878	(1 405)	(214)	43 259	43 259	-	100.0%	38 296	38 167
Social contributions	6 377	783	-	7 160	7 160	-	100.0%	6 395	6 394
Goods and services	189 651	(78 127)	(1 211)	110 313	93 745	16 568	85%	76 588	71 353
Administrative fees	584	(14)	-	570	570	-	100.0%	2 261	2 261
Advertising	1 555	(1 185)	-	370	370	-	100.0%	203	203
Minor assets	1 776	(1 688)	-	88	67	21	76.1%	51	50
Audit costs: External	-	-	-	-	-	-	-	53	53
Bursaries: Employees	668	(642)	-	26	26	-	100.0%	275	275
Catering: Departmental activities	1 719	(355)	(623)	741	741	-	100.0%	1 405	1 387
Communication (G&S)	1 849	(1 076)	(13)	760	760	-	100.0%	973	770
Computer services	278	4 222	-	4 500	4 500	-	100.0%	530	529
Consultants: Business and advisory services	554	11 063	-	11 617	11 617	-	100.0%	8 106	8 106
Infrastructure and planning services	-	-	-	-	-	-	-	541	541
Laboratory services	-	12	-	12	12	-	100.0%	181	181
Legal services	-	-	-	-	-	-	-	19	19
Contractors	66 986	(43 344)	(575)	23 067	11 954	11 113	51.8%	12 538	8 770
Agency and support / outsourced services	382	(382)	-	-	-	-	-	17	17
Fleet services (including government motor transport)	5 724	(1 914)	-	3 810	3 810	-	100.0%	4 115	4 115

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Clothing material and accessories	-	71	-	71	71	-	100.0%	-	-
Inventory: Farming supplies	13 505	6 314	-	19 819	19 839	(20)	100.1%	16 100	15 841
Inventory: Fuel, oil and gas	2 255	(720)	-	1 535	1 535	-	100.0%	1 528	1 427
Inventory: Materials and supplies	7 775	(1 918)	-	5 857	426	5 431	7.3%	1 698	1 698
Inventory: Medical supplies	-	-	-	-	-	-	-	12	12
Inventory: Medicine	-	-	-	-	-	-	-	1	1
Inventory: Other supplies	52 889	(31 237)	-	21 652	21 649	3	100.0%	10 481	10 491
Consumable supplies	12 755	(10 721)	-	2 034	2 014	20	99.0%	1 965	1 768
Consumable: Stationery, printing and office supplies	648	(203)	-	445	445	-	100.0%	349	349
Operating leases	381	(269)	-	112	112	-	100.0%	414	47
Property payments	3 681	(734)	-	2 947	2 947	-	100.0%	2 197	1 880
Transport provided: Departmental activity	234	(234)	-	-	-	-	-	-	-
Travel and subsistence	12 118	(4 070)	-	8 048	8 048	-	100.0%	9 184	9 184
Training and development	336	808	-	1 144	1 144	-	100.0%	916	916
Operating payments	705	(237)	-	468	468	-	100.0%	359	346
Venues and facilities	294	261	-	555	555	-	100.0%	44	44
Rental and hiring	-	65	-	65	65	-	100.0%	72	72
<b>Transfers and subsidies</b>	<b>15 320</b>	<b>747</b>	<b>-</b>	<b>16 067</b>	<b>16 067</b>	<b>-</b>	<b>100.0%</b>	<b>176</b>	<b>176</b>
Provinces and municipalities	-	20	-	20	20	-	100.0%	64	64
Municipalities	-	20	-	20	20	-	100.0%	64	64
Municipal bank accounts	-	20	-	20	20	-	100.0%	64	64
Departmental agencies and accounts	10 320	(4 500)	-	5 820	5 820	-	100.0%	-	-
Departmental agencies (non-business entities)	10 320	(4 500)	-	5 820	5 820	-	100.0%	-	-
Public corporations and private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Other transfers to private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Households	-	627	-	627	627	-	100.0%	112	112
Social benefits	-	121	-	121	121	-	100.0%	34	34

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Other transfers to households	-	506	-	506	506	-	100.0%	78	78
<b>Payments for capital assets</b>	<b>96 901</b>	<b>78 002</b>	<b>-</b>	<b>174 903</b>	<b>174 906</b>	<b>(3)</b>	<b>100.0%</b>	<b>105 430</b>	<b>95 981</b>
Buildings and other fixed structures	85 488	81 219	-	166 707	166 689	18	100.0%	98 714	89 980
Buildings	-	1 300	-	1 300	1 300	-	100.0%	-	-
Other fixed structures	85 488	79 919	-	165 407	165 389	18	100.0%	98 714	89 980
Machinery and equipment	11 365	(5 598)	-	5 767	5 788	(21)	100.4%	4 336	3 621
Transport equipment	1 315	928	-	2 243	2 243	-	100.0%	1 999	1 999
Other machinery and equipment	10 050	(6 526)	-	3 524	3 545	(21)	100.6%	2 337	1 622
Software and other intangible assets	48	2 381	-	2 429	2 429	-	100.0%	2 380	2 380
<b>Total</b>	<b>353 127</b>	<b>-</b>	<b>(1 425)</b>	<b>351 702</b>	<b>335 137</b>	<b>16 565</b>	<b>95.3%</b>	<b>226 885</b>	<b>212 071</b>

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**Subprogramme: 3.1: FARMER-SETTLEMENT AND DEVELOPMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>4 796</b>	<b>(1 782)</b>	-	<b>3 014</b>	<b>3 014</b>	-	<b>100.0%</b>	<b>4 253</b>	<b>4 253</b>
Compensation of employees	2 962	(733)	-	2 229	2 229	-	100.0%	2 810	2 810
Goods and services	1 834	(1 049)	-	785	785	-	100.0%	1 443	1 443
<b>Payments for capital assets</b>	<b>110</b>	<b>(15)</b>	-	<b>95</b>	<b>95</b>	-	<b>100.0%</b>	<b>158</b>	<b>158</b>
Machinery and equipment	110	(15)	-	95	95	-	100.0%	158	158
<b>Total</b>	<b>4 906</b>	<b>(1 797)</b>	-	<b>3 109</b>	<b>3 109</b>	-	<b>100.0%</b>	<b>4 411</b>	<b>4 411</b>

**Subprogramme: 3.2: EXTENSION AND ADVISORY SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>228 531</b>	<b>(74 414)</b>	<b>(1 425)</b>	<b>152 692</b>	<b>136 124</b>	<b>16 568</b>	<b>89.1%</b>	<b>112 829</b>	<b>107 464</b>
Compensation of employees	44 863	587	(214)	45 236	45 236	-	100.0%	40 653	40 523
Goods and services	183 668	(75 001)	(1 211)	107 456	90 888	16 568	84.6%	72 176	66 941
<b>Transfers and subsidies</b>	<b>15 320</b>	<b>400</b>	-	<b>15 720</b>	<b>15 720</b>	-	<b>100.0%</b>	<b>124</b>	<b>124</b>
Provinces and municipalities	-	20	-	20	20	-	100.0%	64	64
Departmental agencies and accounts	10 320	(4 500)	-	5 820	5 820	-	100.0%	-	-
Public corporations and private enterprises	5 000	4 600	-	9 600	9 600	-	100.0%	-	-
Households	-	280	-	280	280	-	100.0%	60	60
<b>Payments for capital assets</b>	<b>96 297</b>	<b>77 635</b>	-	<b>173 932</b>	<b>173 935</b>	<b>(3)</b>	<b>100.0%</b>	<b>104 801</b>	<b>95 352</b>
Buildings and other fixed structures	85 488	80 343	-	165 831	165 813	18	100.0%	98 266	89 532
Machinery and equipment	10 761	(5 089)	-	5 672	5 693	(21)	100.4%	4 155	3 440
Software and other intangible assets	48	2 381	-	2 429	2 429	-	100.0%	2 380	2 380
<b>Total</b>	<b>340 148</b>	<b>3 621</b>	<b>(1 425)</b>	<b>342 344</b>	<b>325 779</b>	<b>16 565</b>	<b>95.2%</b>	<b>217 754</b>	<b>202 940</b>



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**Subprogramme: 3.3: FOOD SECURITY**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>7 579</b>	<b>(2 553)</b>	<b>-</b>	<b>5 026</b>	<b>5 026</b>	<b>-</b>	<b>100.0%</b>	<b>4 197</b>	<b>4 197</b>
Compensation of employees	3 430	(476)	-	2 954	2 954	-	100.0%	1 228	1 228
Goods and services	4 149	(2 077)	-	2 072	2 072	-	100.0%	2 969	2 969
<b>Transfers and subsidies</b>	<b>-</b>	<b>347</b>	<b>-</b>	<b>347</b>	<b>347</b>	<b>-</b>	<b>100.0%</b>	<b>52</b>	<b>52</b>
Households	-	347	-	347	347	-	100.0%	52	52
<b>Payments for capital assets</b>	<b>494</b>	<b>382</b>	<b>-</b>	<b>876</b>	<b>876</b>	<b>-</b>	<b>100.0%</b>	<b>471</b>	<b>471</b>
Buildings and other fixed structures	-	876	-	876	876	-	100.0%	448	448
Machinery and equipment	494	(494)	-	-	-	-	-	23	23
<b>Total</b>	<b>8 073</b>	<b>(1 824)</b>	<b>-</b>	<b>6 249</b>	<b>6 249</b>	<b>-</b>	<b>100.0%</b>	<b>4 720</b>	<b>4 720</b>

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**Programme 4: Veterinary Services**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 ANIMAL HEALTH	34 522	1 415	662	36 599	36 599	-	100.0%	31 604	31 604
2 EXPORT CONTROL	1 718	(1 417)	-	301	301	-	100.0%	96	96
3 VETERINARY PUBLIC HEALTH	5 825	329	-	6 154	6 154	-	100.0%	5 653	5 653
4 VETERINARY LABORATORY SERVICES	7 585	(327)	-	7 258	7 258	-	100.0%	7 306	7 306
<b>Total</b>	<b>49 650</b>	<b>-</b>	<b>662</b>	<b>50 312</b>	<b>50 312</b>	<b>-</b>	<b>100.0%</b>	<b>44 659</b>	<b>44 659</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>47 520</b>	<b>(1 031)</b>	<b>662</b>	<b>47 151</b>	<b>47 151</b>	<b>-</b>	<b>100.0%</b>	<b>41 900</b>	<b>41 900</b>
Compensation of employees	38 351	(1 953)	-	36 398	36 398	-	100.0%	32 847	32 847
Salaries and wages	33 329	(1 784)	-	31 545	31 545	-	100.0%	28 563	28 563
Social contributions	5 022	(169)	-	4 853	4 853	-	100.0%	4 284	4 284
Goods and services	9 169	922	662	10 753	10 753	-	100.0%	9 053	9 048
Administrative fees	38	65	-	103	103	-	100.0%	88	88
Advertising	-	37	-	37	37	-	100.0%	-	-
Minor assets	65	11	-	76	76	-	100.0%	48	48
Catering: Departmental activities	28	8	-	36	36	-	100.0%	12	12
Communication (G&S)	670	(253)	-	417	417	-	100.0%	470	470
Computer services	20	70	-	90	90	-	100.0%	2	2
Consultants: Business and advisory services	-	21	-	21	21	-	100.0%	69	69
Laboratory services	162	42	-	204	204	-	100.0%	552	552
Contractors	221	(86)	-	135	135	-	100.0%	235	235
Agency and support / outsourced services	30	(30)	-	-	-	-	-	-	-
Fleet services (incl. government motor transport)	3 225	(773)	-	2 452	2 452	-	100.0%	2 079	2 079
Inventory: Clothing material and accessories	-	125	-	125	125	-	100.0%	-	-
Inventory: Farming supplies	-	185	-	185	185	-	100.0%	1	1
Inventory: Food and food supplies	-	1	-	1	1	-	100.0%	-	-
Inventory: Fuel, oil and gas	23	34	-	57	57	-	100.0%	20	20

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	46	(32)	-	14	14	-	100.0%	46	46
Inventory: Medical supplies	94	(94)	-	-	-	-	-	30	30
Inventory: Medicine	237	(175)	-	62	62	-	100.0%	466	466
Inventory: Other supplies	-	1 288	-	1 288	1 288	-	100.0%	83	83
Consumable supplies	283	(91)	-	192	192	-	100.0%	351	351
Consumable: Stationery, printing and office supplies	248	(23)	-	225	225	-	100.0%	137	137
Operating leases	280	(211)	-	69	69	-	100.0%	-	-
Property payments	-	156	-	156	156	-	100.0%	161	161
Travel and subsistence	3 033	678	521	4 232	4 232	-	100.0%	3 647	3 642
Training and development	356	(246)	-	110	110	-	100.0%	69	69
Operating payments	72	134	141	347	347	-	100.0%	396	396
Venues and facilities	38	80	-	118	118	-	100.0%	91	91
Rental and hiring	-	1	-	1	1	-	100.0%	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>100.0%</b>	<b>87</b>	<b>87</b>
Provinces and municipalities	-	7	-	7	7	-	100.0%	33	33
Municipalities	-	7	-	7	7	-	100.0%	33	33
Municipal bank accounts	-	7	-	7	7	-	100.0%	33	33
Households	-	11	-	11	11	-	100.0%	54	54
Social benefits	-	4	-	4	4	-	100.0%	54	54
Other transfers to households	-	7	-	7	7	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>2 130</b>	<b>1 013</b>	<b>-</b>	<b>3 143</b>	<b>3 143</b>	<b>-</b>	<b>100.0%</b>	<b>2 672</b>	<b>2 672</b>
Buildings and other fixed structures	1 094	(1)	-	1 093	1 093	-	100.0%	1 012	1 012
Buildings	1 021	(1)	-	1 020	1 020	-	100.0%	-	-
Other fixed structures	73	-	-	73	73	-	100.0%	1 012	1 012
Machinery and equipment	1 036	1 014	-	2 050	2 050	-	100.0%	1 660	1 660
Transport equipment	672	933	-	1 605	1 605	-	100.0%	1 127	1 127
Other machinery and equipment	364	81	-	445	445	-	100.0%	533	533
<b>Total</b>	<b>49 650</b>	<b>-</b>	<b>662</b>	<b>50 312</b>	<b>50 312</b>	<b>-</b>	<b>100.0%</b>	<b>44 659</b>	<b>44 659</b>

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**Subprogramme: 4.1: ANIMAL HEALTH**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>33 788</b>	<b>447</b>	<b>662</b>	<b>34 897</b>	<b>34 897</b>	<b>-</b>	<b>100.0%</b>	<b>30 183</b>	<b>30 183</b>
Compensation of employees	27 408	(647)	-	26 761	26 761	-	100.0%	23 822	23 822
Goods and services	6 380	1 094	662	8 136	8 136	-	100.0%	6 361	6 356
<b>Transfers and subsidies</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>100.0%</b>	<b>87</b>	<b>87</b>
Provinces and municipalities	-	7	-	7	7	-	100.0%	33	33
Households	-	11	-	11	11	-	100.0%	54	54
<b>Payments for capital assets</b>	<b>734</b>	<b>950</b>	<b>-</b>	<b>1 684</b>	<b>1 684</b>	<b>-</b>	<b>100.0%</b>	<b>1 334</b>	<b>1 334</b>
Machinery and equipment	734	950	-	1 684	1 684	-	100.0%	1 334	1 334
<b>Total</b>	<b>34 522</b>	<b>1 415</b>	<b>662</b>	<b>36 599</b>	<b>36 599</b>	<b>-</b>	<b>100.0%</b>	<b>31 604</b>	<b>31 604</b>

**Subprogramme: 4.2: EXPORT CONTROL**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>1 695</b>	<b>(1 417)</b>	<b>-</b>	<b>278</b>	<b>278</b>	<b>-</b>	<b>100.0%</b>	<b>85</b>	<b>85</b>
Compensation of employees	759	(485)	-	274	274	-	100.0%	-	-
Goods and services	936	(932)	-	4	4	-	100.0%	85	85
<b>Payments for capital assets</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>23</b>	<b>-</b>	<b>100.0%</b>	<b>11</b>	<b>11</b>
Machinery and equipment	23	-	-	23	23	-	100.0%	11	11
<b>Total</b>	<b>1 718</b>	<b>(1 417)</b>	<b>-</b>	<b>301</b>	<b>301</b>	<b>-</b>	<b>100.0%</b>	<b>96</b>	<b>96</b>



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**Subprogramme: 4.3: VETERINARY PUBLIC HEALTH**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>5 719</b>	<b>214</b>	-	<b>5 933</b>	<b>5 933</b>	-	<b>100.0%</b>	<b>5 431</b>	<b>5 431</b>
Compensation of employees	4 860	40	-	4 900	4 900	-	100.0%	4 512	4 512
Goods and services	859	174	-	1 033	1 033	-	100.0%	919	919
<b>Payments for capital assets</b>	<b>106</b>	<b>115</b>	-	<b>221</b>	<b>221</b>	-	<b>100.0%</b>	<b>222</b>	<b>222</b>
Machinery and equipment	106	115	-	221	221	-	100.0%	222	222
<b>Total</b>	<b>5 825</b>	<b>329</b>	-	<b>6 154</b>	<b>6 154</b>	-	<b>100.0%</b>	<b>5 653</b>	<b>5 653</b>

**Subprogramme: 4.4: VETERINARY LABORATORY SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>6 318</b>	<b>(275)</b>	-	<b>6 043</b>	<b>6 043</b>	-	<b>100.0%</b>	<b>6 201</b>	<b>6 201</b>
Compensation of employees	5 324	(861)	-	4 463	4 463	-	100.0%	4 513	4 513
Goods and services	994	586	-	1 580	1 580	-	100.0%	1 688	1 688
<b>Payments for capital assets</b>	<b>1 267</b>	<b>(52)</b>	-	<b>1 215</b>	<b>1 215</b>	-	<b>100.0%</b>	<b>1 105</b>	<b>1 105</b>
Buildings and other fixed structures	1 094	(1)	-	1 093	1 093	-	100.0%	1 012	1 012
Machinery and equipment	173	(51)	-	122	122	-	100.0%	93	93
<b>Total</b>	<b>7 585</b>	<b>(327)</b>	-	<b>7 258</b>	<b>7 258</b>	-	<b>100.0%</b>	<b>7 306</b>	<b>7 306</b>

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**Programme 5: Research and Technology Development Services**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 RESEARCH	23 706	1 142	(3 283)	21 565	21 564	1	100.0%	26 256	26 256
2 TECHNOLOGY TRANSFER SERVICES	1 496	27	-	1 523	1 523	-	100.0%	18	18
3 INFRASTRUCTURE SUPPORT SERVICES	22 408	(1 169)	-	21 239	21 239	-	100.0%	20 382	20 382
<b>Total</b>	<b>47 610</b>	<b>-</b>	<b>(3 283)</b>	<b>44 327</b>	<b>44 326</b>	<b>1</b>	<b>100.0%</b>	<b>46 656</b>	<b>46 656</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>43 728</b>	<b>(2 616)</b>	<b>(3 283)</b>	<b>37 829</b>	<b>37 828</b>	<b>1</b>	<b>100.0%</b>	<b>40 263</b>	<b>40 263</b>
Compensation of employees	32 223	(1 878)	(764)	29 581	29 581	-	100.0%	31 945	31 945
Salaries and wages	27 496	(2 810)	(193)	24 493	24 493	-	100.0%	26 758	26 758
Social contributions	4 727	932	(571)	5 088	5 088	-	100.0%	5 187	5 187
Goods and services	11 505	(738)	(2 519)	8 248	8 247	1	100.0%	8 318	8 317
Administrative fees	64	-	-	64	64	-	100.0%	96	96
Minor assets	233	(213)	-	20	19	1	95.0%	39	39
Audit costs: External	785	(165)	-	620	620	-	100.0%	511	511
Catering: Departmental activities	23	(16)	-	7	7	-	100.0%	47	47
Communication (G&S)	307	(141)	-	166	166	-	100.0%	127	128
Computer services	-	230	-	230	230	-	100.0%	2	2
Consultants: Business and advisory services	-	787	(141)	646	646	-	100.0%	-	-
Infrastructure and planning services	441	(121)	(320)	-	-	-	-	208	208
Laboratory services	25	37	-	62	62	-	100.0%	243	243
Contractors	1 474	(500)	(690)	284	257	27	90.5%	573	573
Agency and support / outsourced services	719	(341)	(311)	67	67	-	100.0%	-	-
Fleet services (including government motor transport)	1 864	718	-	2 582	2 582	-	100.0%	1 305	1 305
Inventory: Clothing material and accessories	21	33	-	54	54	-	100.0%	-	-
Inventory: Farming supplies	1 336	391	(1 057)	670	670	-	100.0%	425	425
Inventory: Fuel, oil and gas	692	(406)	-	286	286	-	100.0%	239	239

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Inventory: Materials and supplies	418	(264)	-	154	154	-	100.0%	92	92
Inventory: Medical supplies	50	(50)	-	-	-	-	-	-	-
Inventory: Medicine	12	61	-	73	73	-	100.0%	78	77
Inventory: Other supplies	-	75	-	75	75	-	100.0%	-	-
Consumable supplies	396	(140)	-	256	256	-	100.0%	196	196
Consumable: Stationery, printing and office supplies	187	(151)	-	36	36	-	100.0%	175	175
Operating leases	58	(42)	-	16	16	-	100.0%	-	-
Property payments	23	225	-	248	275	(27)	110.9%	1 652	1 652
Travel and subsistence	1 770	(289)	-	1 481	1 481	-	100.0%	2 203	2 202
Training and development	334	(248)	-	86	86	-	100.0%	-	-
Operating payments	261	(211)	-	50	50	-	100.0%	74	74
Venues and facilities	12	-	-	12	12	-	100.0%	32	32
Rental and hiring	-	3	-	3	3	-	100.0%	1	1
<b>Transfers and subsidies</b>	<b>2 550</b>	<b>18</b>	<b>-</b>	<b>2 568</b>	<b>2 568</b>	<b>-</b>	<b>100.0%</b>	<b>2 834</b>	<b>2 834</b>
Provinces and municipalities	-	11	-	11	11	-	100.0%	13	13
Municipalities	-	11	-	11	11	-	100.0%	13	13
Municipal bank accounts	-	11	-	11	11	-	100.0%	13	13
Departmental agencies and accounts	2 550	-	-	2 550	2 550	-	100.0%	2 550	2 550
Departmental agencies (non-business entities)	2 550	-	-	2 550	2 550	-	100.0%	2 550	2 550
Households	-	7	-	7	7	-	100.0%	271	271
Social benefits	-	7	-	7	7	-	100.0%	271	271
<b>Payments for capital assets</b>	<b>1 332</b>	<b>2 598</b>	<b>-</b>	<b>3 930</b>	<b>3 930</b>	<b>-</b>	<b>100.0%</b>	<b>3 559</b>	<b>3 559</b>
Buildings and other fixed structures	-	385	-	385	385	-	100.0%	327	327
Buildings	-	181	-	181	181	-	100.0%	-	-
Other fixed structures	-	204	-	204	204	-	100.0%	327	327
Machinery and equipment	1 332	979	-	2 311	2 311	-	100.0%	2 242	2 242
Transport equipment	768	769	-	1 537	1 537	-	100.0%	868	868
Other machinery and equipment	564	210	-	774	774	-	100.0%	1 374	1 374

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Biological assets	-	730	-	730	730	-	100.0%	990	990
Software and other intangible assets	-	504	-	504	504	-	100.0%	-	-
<b>Total</b>	<b>47 610</b>	<b>-</b>	<b>(3 283)</b>	<b>44 327</b>	<b>44 326</b>	<b>1</b>	<b>100.0%</b>	<b>46 656</b>	<b>46 656</b>

**Subprogramme: 5.1: RESEARCH**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Economic classification</b>									
<b>Current payments</b>	<b>20 186</b>	<b>(552)</b>	<b>(3 283)</b>	<b>16 351</b>	<b>16 350</b>	<b>1</b>	<b>100.0%</b>	<b>20 854</b>	<b>20 854</b>
Compensation of employees	11 731	-	(764)	10 967	10 967	-	100.0%	15 624	15 624
Goods and services	8 455	(552)	(2 519)	5 384	5 383	1	100.0%	5 230	5 230
<b>Transfers and subsidies</b>	<b>2 550</b>	<b>2</b>	<b>-</b>	<b>2 552</b>	<b>2 552</b>	<b>-</b>	<b>100.0%</b>	<b>2 550</b>	<b>2 550</b>
Provinces and municipalities	-	2	-	2	2	-	100.0%	-	-
Departmental agencies and accounts	2 550	-	-	2 550	2 550	-	100.0%	2 550	2 550
<b>Payments for capital assets</b>	<b>970</b>	<b>1 692</b>	<b>-</b>	<b>2 662</b>	<b>2 662</b>	<b>-</b>	<b>100.0%</b>	<b>2 852</b>	<b>2 852</b>
Machinery and equipment	970	859	-	1 829	1 829	-	100.0%	1 862	1 862
Biological assets		329	-	329	329	-	100.0%	990	990
Software and other intangible assets		504	-	504	504	-	100.0%	-	-
<b>Total</b>	<b>23 706</b>	<b>1 142</b>	<b>(3 283)</b>	<b>21 565</b>	<b>21 564</b>	<b>1</b>	<b>100.0%</b>	<b>26 256</b>	<b>26 256</b>



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**Subprogramme: 5.2: TECHNOLOGY TRANSFER SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>1 496</b>	<b>23</b>	<b>-</b>	<b>1 519</b>	<b>1 519</b>	<b>-</b>	<b>100.0%</b>	<b>18</b>	<b>18</b>
Compensation of employees	1 236	(111)	-	1 125	1 125	-	100.0%	-	-
Goods and services	260	134	-	394	394	-	100.0%	18	18
<b>Payments for capital assets</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Machinery and equipment	-	4	-	4	4	-	100.0%	-	-
<b>Total</b>	<b>1 496</b>	<b>27</b>	<b>-</b>	<b>1 523</b>	<b>1 523</b>	<b>-</b>	<b>100.0%</b>	<b>18</b>	<b>18</b>

**Subprogramme: 5.3: INFRASTRUCTURE SUPPORT SERVICES**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>22 046</b>	<b>(2 087)</b>	<b>-</b>	<b>19 959</b>	<b>19 959</b>	<b>-</b>	<b>100.0%</b>	<b>19 391</b>	<b>19 391</b>
Compensation of employees	19 256	(1 767)	-	17 489	17 489	-	100.0%	16 321	16 321
Goods and services	2 790	(320)	-	2 470	2 470	-	100.0%	3 070	3 069
<b>Transfers and subsidies</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>16</b>	<b>-</b>	<b>100.0%</b>	<b>284</b>	<b>284</b>
Provinces and municipalities	-	9	-	9	9	-	100.0%	13	13
Households	-	7	-	7	7	-	100.0%	271	271
<b>Payments for capital assets</b>	<b>362</b>	<b>902</b>	<b>-</b>	<b>1 264</b>	<b>1 264</b>	<b>-</b>	<b>100.0%</b>	<b>707</b>	<b>707</b>
Buildings and other fixed structures	-	385	-	385	385	-	100.0%	327	327
Machinery and equipment	362	116	-	478	478	-	100.0%	380	380
Biological assets	-	401	-	401	401	-	100.0%	-	-
<b>Total</b>	<b>22 408</b>	<b>(1 169)</b>	<b>-</b>	<b>21 239</b>	<b>21 239</b>	<b>-</b>	<b>100.0%</b>	<b>20 382</b>	<b>20 382</b>

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**Programme 6: Agricultural Economics Services**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 <b>AGRIC-BUSINESS SUPPORT AND DEVELOPMENT</b>	4 548	-	(286)	4 262	4 262	-	100.0%	2 987	2 987
2 <b>MACROECONOMICS SUPPORT</b>	5 985	-	(531)	5 454	5 454	-	100.0%	6 074	6 056
<b>Total</b>	<b>10 533</b>	<b>-</b>	<b>(817)</b>	<b>9 716</b>	<b>9 716</b>	<b>-</b>	<b>100.0%</b>	<b>9 061</b>	<b>9 043</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>10 123</b>	<b>(29)</b>	<b>(637)</b>	<b>9 457</b>	<b>9 439</b>	<b>18</b>	<b>99.8%</b>	<b>8 934</b>	<b>8 916</b>
Compensation of employees	6 901	(357)	(565)	5 979	5 979	-	100.0%	5 874	5 856
Salaries and wages	5 769	(328)	(281)	5 160	5 160	-	100.0%	5 081	5 063
Social contributions	1 132	(29)	(284)	819	819	-	100.0%	793	793
Goods and services	3 222	328	(72)	3 478	3 460	18	99.5%	3 060	3 060
Administrative fees	21	-	-	21	21	-	100.0%	116	116
Advertising	5	13	-	18	18	-	100.0%	-	-
Minor assets	15	(15)	-	-	-	-	-	-	-
Catering: Departmental activities	17	69	-	86	86	-	100.0%	12	12
Communication (G&S)	51	(32)	-	19	19	-	100.0%	19	19
Computer services	-	315	-	315	315	-	100.0%	180	180
Consultants: Business and advisory services	1 100	(9)	-	1 091	1 091	-	100.0%	1 367	1 367
Infrastructure and planning services	289	(289)	-	-	-	-	-	-	-
Contractors	452	(27)	(72)	353	335	18	94.9%	2	2
Fleet services (including government motor transport)	22	(21)	-	1	1	-	100.0%	-	-
Consumable supplies	85	(57)	-	28	28	-	100.0%	-	-
Consumable: Stationery, printing and office supplies	215	(37)	-	178	178	-	100.0%	66	66
Operating leases	29	(16)	-	13	13	-	100.0%	-	-
Transport provided: Departmental activity	19	(19)	-	-	-	-	-	-	-
Travel and subsistence	795	428	-	1 223	1 223	-	100.0%	1 099	1 099
Training and development	69	(69)	-	-	-	-	-	-	-

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
Operating payments	16	96	-	112	112	-	100.0%	-	-
Venues and facilities	22	(2)	-	20	20	-	100.0%	199	199
<b>Transfers and subsidies</b>	<b>42</b>	<b>29</b>	<b>-</b>	<b>71</b>	<b>71</b>	<b>-</b>	<b>100.0%</b>	<b>50</b>	<b>50</b>
Households	42	29	-	71	71	-	100.0%	50	50
Social benefits	42	29	-	71	71	-	100.0%	-	-
Other transfers to households	-	-	-	-	-	-	-	50	50
<b>Payments for capital assets</b>	<b>368</b>	<b>-</b>	<b>(180)</b>	<b>188</b>	<b>188</b>	<b>-</b>	<b>100.0%</b>	<b>77</b>	<b>77</b>
Machinery and equipment	354	-	(166)	188	188	-	100.0%	77	77
Transport equipment	180	-	(71)	109	109	-	100.0%	-	-
Other machinery and equipment	174	-	(95)	79	79	-	100.0%	77	77
Software and other intangible assets	14	-	(14)	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>(18)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10 533</b>	<b>-</b>	<b>(817)</b>	<b>9 716</b>	<b>9 716</b>	<b>-</b>	<b>100.0%</b>	<b>9 061</b>	<b>9 043</b>

**Subprogramme: 6.1: AGRIC-BUSINESS SUPPORT AND DEVELOPMENT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>4 437</b>	<b>-</b>	<b>(226)</b>	<b>4 211</b>	<b>4 193</b>	<b>18</b>	<b>99.6%</b>	<b>2 937</b>	<b>2 937</b>
Compensation of employees	1 832	-	(154)	1 678	1 678	-	100.0%	798	798
Goods and services	2 605	-	(72)	2 533	2 515	18	99.3%	2 139	2 139
<b>Transfers and subsidies</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>42</b>	<b>-</b>	<b>100.0%</b>	<b>50</b>	<b>50</b>
Households	42	-	-	42	42	-	100.0%	50	50
<b>Payments for capital assets</b>	<b>69</b>	<b>-</b>	<b>(60)</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Machinery and equipment	69	-	(60)	9	9	-	100.0%	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>(18)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 548</b>	<b>-</b>	<b>(286)</b>	<b>4 262</b>	<b>4 262</b>	<b>-</b>	<b>100.0%</b>	<b>2 987</b>	<b>2 987</b>

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**Subprogramme: 6.2: MACROECONOMICS SUPPORT**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>5 686</b>	<b>(29)</b>	<b>(411)</b>	<b>5 246</b>	<b>5 246</b>	<b>-</b>	<b>100.0%</b>	<b>5 997</b>	<b>5 979</b>
Compensation of employees	5 069	(357)	(411)	4 301	4 301	-	100.0%	5 076	5 058
Goods and services	617	328	-	945	945	-	100.0%	921	921
<b>Transfers and subsidies</b>	<b>-</b>	<b>29</b>	<b>-</b>	<b>29</b>	<b>29</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Households	-	29	-	29	29	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>299</b>	<b>-</b>	<b>(120)</b>	<b>179</b>	<b>179</b>	<b>-</b>	<b>100.0%</b>	<b>77</b>	<b>77</b>
Machinery and equipment	285	-	(106)	179	179	-	100.0%	77	77
Software and other intangible assets	14	-	(14)	-	-	-	-	-	-
<b>Total</b>	<b>5 985</b>	<b>-</b>	<b>(531)</b>	<b>5 454</b>	<b>5 454</b>	<b>-</b>	<b>100.0%</b>	<b>6 074</b>	<b>6 056</b>



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**Programme 7: Rural Development**

	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1 <b>RURAL DEVELOPMENT COORDINATION</b>	14 055	-	1 041	15 096	15 096	-	100.0%	13 638	13 630
<b>Total</b>	<b>14 055</b>	<b>-</b>	<b>1 041</b>	<b>15 096</b>	<b>15 096</b>	<b>-</b>	<b>100.0%</b>	<b>13 638</b>	<b>13 630</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>13 731</b>	<b>(149)</b>	<b>1 041</b>	<b>14 623</b>	<b>14 623</b>	<b>-</b>	<b>100.0%</b>	<b>13 464</b>	<b>13 456</b>
Compensation of employees	10 165	(1 044)	1 041	10 162	10 162	-	100.0%	9 213	9 213
Salaries and wages	8 844	(1 021)	1 041	8 864	8 864	-	100.0%	7 921	7 921
Social contributions	1 321	(23)	-	1 298	1 298	-	100.0%	1 292	1 292
Goods and services	3 566	895	-	4 461	4 461	-	100.0%	4 251	4 243
Administrative fees	10	4	-	14	6	8	42.9%	10	4
Minor assets	33	(1)	-	32	12	20	37.5%	-	-
Catering: Departmental activities	33	2	-	35	35	-	100.0%	44	44
Communication (G&S)	72	(72)	-	-	-	-	-	4	4
Consultants: Business and advisory services	-	-	-	-	-	-	-	9	9
Contractors	1 085	(134)	-	951	645	306	67.8%	674	674
Fleet services (including government motor transport)	450	391	-	841	841	-	100.0%	208	208
Inventory: Clothing material and accessories	100	-	-	100	133	(33)	133.0%	-	-
Inventory: Farming supplies	556	-	-	556	1 352	(796)	243.2%	17	17
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	1 283	1 283
Inventory: Materials and supplies	500	-	-	500	-	500	-	5	5
Inventory: Other supplies	-	17	-	17	17	-	100.0%	-	-
Consumable supplies	1	1	-	2	3	(1)	150.0%	144	144
Consumable: Stationery, printing and office supplies	56	(22)	-	34	34	-	100.0%	1	1
Travel and subsistence	566	786	-	1 352	1 356	(4)	100.3%	1 775	1 775
Training and development	103	(103)	-	-	-	-	-	12	12

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	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments	-	-	-	-	-	-	-	10	8
Venues and facilities	-	27	-	27	27	-	100.0%	55	55
Rental and hiring	1	(1)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	5	-	5	5	-	100.0%	-	-
Municipalities	-	5	-	5	5	-	100.0%	-	-
Municipal bank accounts	-	5	-	5	5	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>324</b>	<b>144</b>	<b>-</b>	<b>468</b>	<b>468</b>	<b>-</b>	<b>100.0%</b>	<b>174</b>	<b>174</b>
Machinery and equipment	324	144	-	468	468	-	100.0%	174	174
Transport equipment	324	122	-	446	446	-	100.0%	174	174
Other machinery and equipment	-	22	-	22	22	-	100.0%	-	-
<b>Total</b>	<b>14 055</b>	<b>-</b>	<b>1 041</b>	<b>15 096</b>	<b>15 096</b>	<b>-</b>	<b>100.0%</b>	<b>13 638</b>	<b>13 630</b>

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**NOTES TO THE APPROPRIATION STATEMENT  
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**1. Detail of transfers and subsidies as per Appropriation Act (after Virement):**

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

**2. Detail of specifically and exclusively appropriated amounts voted (after Virement):**

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

**3. Detail on payments for financial assets**

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

**4. Explanations of material variances from Amounts Voted (after Virement):**

4.1 Per programme:	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
<b>Sustainable Resource Management</b>	32 623	29 377	3 246	10.0%

The unspent funds relate to the LandCare conditional grant and the Equitable Share that were committed but not spent. Roll-over of these funds were requested.

<b>Farmer Support &amp; Development</b>	351 702	335 137	16 565	4.7%
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The unspent funds relate to the CASP conditional grant that were committed but not spent before the end of the financial year. Roll-over of these funds were requested.

4.2 Per economic classification:	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Approp. %
<b>Current expenditure</b>				
Compensation of employees	221 535	221 535	-	0%
Goods and services	192 689	175 502	17 187	9%
Interest and rent on land	-	1	(1)	-
<b>Transfers and subsidies</b>				
Provinces and municipalities	43	43	-	0%
Departmental agencies and accounts	8 370	8 370	-	0%
Public corporations and private enterprises	9 600	9 600	-	0%
Households	3 224	3 249	(25)	(1%)
<b>Payments for capital assets</b>				
Buildings and other fixed structures	168 198	168 180	18	0%
Machinery and equipment	16 791	14 039	2 752	16%
Biological assets	730	730	-	0%
Software and other intangible assets	2 933	2 933	-	0%
<b>Payments for financial assets</b>	-	119	(119)	100%

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4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Approp.
	R'000	R'000	R'000	%
DAFF-CASP	244 381	227 836	16 545	7%
DAFF-Land Care	7 094	6 621	473	7%
DAFF-Ilima/Letsema	61 680	61 675	5	0%
Public Works-EPWP Incentive Grant	2 044	2 044	-	0%

The unspent funds related to the LandCare and CASP conditional grants were committed but not spent. Roll-over of these funds were requested.



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**STATEMENT OF FINANCIAL PERFORMANCE  
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	Note	2017/18 R'000	2016/17 R'000
<b>REVENUE</b>			
Annual appropriation	1	624,113	555,205
Departmental revenue	2	1,586	401
<b>TOTAL REVENUE</b>		<b>625,699</b>	<b>555,606</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	221,535	209,301
Goods and services	4	175,502	155,746
Interest and rent on land	5	1	18
<b>Total current expenditure</b>		<b>397,038</b>	<b>365,065</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	21,262	5,964
<b>Total transfers and subsidies</b>		<b>21,262</b>	<b>5,964</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	182,949	166,534
Intangible assets	8	2,933	2,546
<b>Total expenditure for capital assets</b>		<b>185,882</b>	<b>169,080</b>
<b>Payments for financial assets</b>	6	119	-
<b>TOTAL EXPENDITURE</b>		<b>604,301</b>	<b>540,109</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>21,398</b>	<b>15,497</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		<b>19,812</b>	<b>15,096</b>
Annual appropriation		2,789	264
Conditional grants		17,023	14,832
Departmental revenue and NRF Receipts	14	1,586	401
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>21,398</b>	<b>15,497</b>

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**STATEMENT OF FINANCIAL POSITION  
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>18,313</b>	<b>14,106</b>
Unauthorised expenditure	9	97	97
Cash and cash equivalents	10	17,098	11,233
Prepayments and advances	11	1,031	2,740
Receivables	12	87	36
<b>Non-current assets</b>		<b>4,283</b>	<b>4,196</b>
Receivables	12	4,283	4,196
<b>TOTAL ASSETS</b>		<b>22,596</b>	<b>18,302</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>19,840</b>	<b>15,559</b>
Voted funds to be surrendered to the Revenue Fund	13	19,812	15,096
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	28	463
<b>Non-current liabilities</b>		-	-
<b>TOTAL LIABILITIES</b>		<b>19,840</b>	<b>15,559</b>
<b>NET ASSETS</b>		<b>2,756</b>	<b>2,743</b>
<b>Represented by:</b>			
Capitalisation reserve		23	23
Recoverable revenue		2,733	2,720
<b>TOTAL</b>		<b>2,756</b>	<b>2,743</b>

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**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2018**

	<i>Note</i>	2017/18 R'000	2016/17 R'000
<b>Capitalisation Reserves</b>			
Opening balance		23	23
Transfers:		-	-
Movement in Equity		-	-
Movement in Operational Funds		-	-
Other movements		-	-
Closing balance		<u>23</u>	<u>23</u>
<b>Recoverable revenue</b>			
Opening balance		2,720	2,708
Transfers:		13	12
Debts revised		-	-
Debts raised		13	12
Closing balance		<u>2,733</u>	<u>2,720</u>
<b>TOTAL</b>		<u><u>2,756</u></u>	<u><u>2,743</u></u>

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**ACCOUNTING POLICIES  
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>628,694</b>	<b>558,269</b>
Annual appropriated funds received	<u>1.1</u>	624,113	555,205
Departmental revenue received	2	4,581	3,064
Net (increase)/decrease in working capital		1,571	(1,179)
Surrendered to Revenue Fund		(20,202)	(7,472)
Current payments		(397,037)	(365,047)
Interest paid	5	(1)	(18)
Payments for financial assets		(119)	-
Transfers and subsidies paid		(21,262)	(5,964)
<b>Net cash flow available from operating activities</b>	<b>15</b>	<b>191,644</b>	<b>178,589</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(185,882)	(169,080)
Proceeds from sale of capital assets	2.3	90	648
<b>Net cash flows from investing activities</b>		<b>(185,792)</b>	<b>(168,432)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Distribution/dividend received		-	-
Increase/(decrease) in net assets		13	12
Increase/(decrease) in non-current payables		-	-
<b>Net cash flows from financing activities</b>		<b>13</b>	<b>12</b>
Net increase/(decrease) in cash and cash equivalents		5,865	10,169
Cash and cash equivalents at beginning of period		11,233	1,064
<b>Cash and cash equivalents at end of period</b>	<b>10</b>	<b>17,098</b>	<b>11,233</b>



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**ACCOUNTING POLICIES  
for the year ended 31 March 2018**

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
<b>1</b>	<p><b>Basis of preparation</b></p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b></p> <p>The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b></p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.</p>
<b>4</b>	<p><b>Rounding</b></p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b></p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b></p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>

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<b>7</b>	<b>Revenue</b>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of Departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued Departmental revenue</b></p> <p>Accruals in respect of Departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the Department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the Department's debt write-off policy.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the Department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<b>Other expenditure</b>

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	Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold. Wages paid to Departmental projects are recognised in the statement of financial performance on the date of payment to the project.
<b>8.3</b>	<b>Accruals and payables not recognised</b> Accruals and payables not recognised are recorded in the notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the Department or in the case of transfers and subsidies when they are due and payable. Accruals and payables not recognised are measured at cost.
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<b>Operating leases</b> Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. The operating lease commitments are recorded in the notes to the financial statements.
<b>8.4.2</b>	<b>Finance leases</b> Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: <ul style="list-style-type: none"><li>• cost, being the fair value of the asset; or</li><li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li></ul>
<b>9</b>	<b>Cash and cash equivalents</b> Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
<b>10</b>	<b>Prepayments and advances</b> Prepayments and advances are recognised in the statement of financial position when the Department receives or disburses the cash. Prepayments and advances are initially and

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	subsequently measured at cost. Prepayments are expensed when the services are rendered or goods delivered.
<b>11</b>	<b>Loans and receivables</b> Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the Department's write-off policy.
<b>12</b>	<b>Financial assets</b>
<b>12.1</b>	<b>Financial assets (not covered elsewhere)</b> A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
<b>12.2</b>	<b>Impairment of financial assets</b> Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
<b>13</b>	<b>Payables</b> Loans and payables are recognised in the statement of financial position at cost.
<b>14</b>	<b>Capital Assets</b>
<b>14.1</b>	<b>Immovable capital assets</b> Immovable capital assets reflected in the asset register of the Department are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are recorded at fair value as at the date of acquisition. Where the cost of immovable capital assets cannot be determined reliably, the immovable capital assets are measured at fair value for recording in the asset register. Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the asset at the end of the capital project unless the immovable asset is recorded by another department in which case the completed project costs are transferred to that department.
<b>14.2</b>	<b>Movable capital assets</b> Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.



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	<p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>14.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the Department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity in which case the completed project costs are transferred to that department.</p>
<b>14.4</b>	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the Department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>15</b>	<p><b>Provisions and Contingents</b></p>
<b>15.1</b>	<p><b>Provisions</b></p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it</p>

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	<p>is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
<b>15.2</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>15.3</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Department.</p>
<b>15.4</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the Department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>16</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>17</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p>

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	<p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>18</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>19</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the Department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
<b>20</b>	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
<b>21</b>	<p><b>Principal-Agent arrangements</b></p> <p>The Department is party to a principal-agent arrangement with NAMC for the Vineyard Development Scheme. In terms of the arrangement the Department is the principal and is responsible for funding the projects implemented by the agent on behalf of the Department. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<b>22</b>	<p><b>Departures from the MCS requirements</b></p>

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	<p>Management concluded that the financial statements present fairly the Department's primary and secondary information. The Department complied with the Modified Cash Standard in the preparation of the Annual Financial Statements.</p>
<b>23</b>	<p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<b>24</b>	<p><b>Recoverable revenue</b></p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
<b>25</b>	<p><b>Related party transactions</b></p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
<b>26</b>	<p><b>Inventories (<i>Effective from date determined in a Treasury Instruction</i>)</b></p> <p>At the date of acquisition, inventories are recorded at cost price in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the cost of inventory is its fair value at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>Subsequent measurement of the cost of inventory is determined on the weighted average cost basis.</p>
<b>27</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>



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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
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**1. Annual Appropriation**

**1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	Final Appropriation	2017/18 Actual Funds Received	Funds not requested / not received	2016/17 Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	120,337	120,337	-	118,608	118,608
Sustainable Resource development	32,623	32,623	-	95,698	95,698
Farmer Support & Development	351,702	351,702	-	226,885	226,885
Veterinary Services	50,312	50,312	-	44,659	44,659
Research & Development	44,327	44,327	-	46,656	46,656
Agricultural Economics Services	9,716	9,716	-	9,061	9,061
Rural Development	15,096	15,096	-	13,638	13,638
<b>Total</b>	<b>624,113</b>	<b>624,113</b>	<b>-</b>	<b>555,205</b>	<b>555,205</b>

**1.2 Conditional grants**

	Note	2017/18 R'000	2016/17 R'000
Total grants received	33	<b>315,199</b>	<b>196,466</b>

**2. Departmental revenue**

	Note	2017/18 R'000	2016/17 R'000
Tax revenue			
Sales of goods and services other than capital assets	2.1	4,314	2,838
Interest, dividends and rent on land	2.2	104	5
Sales of capital assets	2.3	90	648
Transactions in financial assets and liabilities	2.4	163	221
Total revenue collected		<b>4,671</b>	<b>3,712</b>
Less: Own revenue included in appropriation	14	3,085	3,311
<b>Departmental revenue collected</b>		<b>1,586</b>	<b>401</b>

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**2.1 Sales of goods and services other than capital assets**

	Note	2017/18 R'000	2016/17 R'000
Sales of goods and services produced by the department	2	<b>4,078</b>	<b>2,838</b>
Sales by market establishment		503	613
Administrative fees		415	171
Other sales		3,160	2,054
Sales of scrap, waste and other used current goods		236	-
<b>Total</b>		<b>4,314</b>	<b>2,838</b>

*Other sales include sales of animals, dates, commission on insurance and garnishees.*

**2.2 Interest, dividends and rent on land**

	Note	2017/18 R'000	2016/17 R'000
Rent on land	2	104	5
<b>Total</b>		<b>104</b>	<b>5</b>

**2.3 Sale of capital assets**

	Note	2017/18 R'000	2016/17 R'000
<b>Tangible assets</b>	2	<b>90</b>	<b>648</b>
Machinery and equipment		-	648
Biological Assets		90	-
<b>Total</b>		<b>90</b>	<b>648</b>

**2.4 Transactions in financial assets and liabilities**

	Note	2017/18 R'000	2016/17 R'000
Receivables	2	83	77
Other receipts including recoverable revenue	2	80	144
<b>Total</b>		<b>163</b>	<b>221</b>

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**2.5 Cash received not recognised (not included in the main note)**

Name of entity	2017/18		
	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
<i>Individual</i>	1	-	1
<b>Total</b>	<b>1</b>	<b>-</b>	<b>1</b>

Name of entity	2016/17		
	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
<i>Individual</i>	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Cash received from individuals for sales*

**3. Compensation of employees**  
**3.1 Salaries and Wages**

	2017/18 R'000	2016/17 R'000
Basic salary	151,694	143,935
Performance award	3,897	3,278
Service Based	481	381
Compensative/circumstantial	2,502	2,296
Periodic payments	608	393
Other non-pensionable allowances	31,135	29,841
<b>Total</b>	<b>190,317</b>	<b>180,124</b>

**3.2 Social contributions**

	2017/18 R'000	2016/17 R'000
<b>Employer contributions</b>		
Pension	18,543	17,616
Medical	12,628	11,517
Bargaining council	47	44
<b>Total</b>	<b>31,218</b>	<b>29,177</b>

<b>Total compensation of employees</b>	<b>221,535</b>	<b>209,301</b>
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Average number of employees	<b>559</b>	<b>586</b>
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**4. Goods and services**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Administrative fees		863	2,677
Advertising		548	695
Minor assets	4.1	280	372
Bursaries (employees)		375	645
Catering		1,214	2,087
Communication		2,735	3,000
Computer services	4.2	7,122	2,207
Consultants: Business and advisory services		15,249	10,231
Infrastructure and planning services		-	750
Laboratory services		278	975
Legal services		308	369
Contractors		16,071	13,225
Agency and support / outsourced services		67	3,240
Audit cost – external	4.3	4,607	4,679
Fleet services		11,225	8,491
Inventory	4.4	51,461	34,452
Consumables	4.5	4,913	5,144
Operating leases		8,994	10,498
Property payments	4.6	13,254	11,074
Rental and hiring		136	446
Travel and subsistence	4.7	31,408	33,617
Venues and facilities		1,184	3,646
Training and development		1,693	1,363
Other operating expenditure	4.8	1,517	1,863
<b>Total</b>		<b>175,502</b>	<b>155,746</b>

**4.1 Minor assets**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
<b>Tangible assets</b>	4		
Machinery and equipment		277	372
<b>Intangible assets</b>	4		
Software		3	-
		<b>280</b>	<b>372</b>

**4.2 Computer services**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
SITA computer services		1,719	1,458
External computer service providers		5,403	749
<b>Total</b>	4	<b>7,122</b>	<b>2,207</b>



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**4.3 Audit cost – External**

	Note	2017/18 R'000	2016/17 R'000
Regularity audits	4	4,607	4,679
<b>Total</b>		<b>4,607</b>	<b>4,679</b>

**4.4 Inventory**

	Note	2017/18 R'000	2016/17 R'000
Clothing material and accessories		544	-
Farming supplies		25,123	18,451
Food and food supplies		10	-
Fuel, oil and gas		1,882	2,970
Materials and supplies		724	1,905
Medical supplies		-	41
Medicine		135	502
Other supplies	4.4.1	23,043	10,583
<b>Total</b>		<b>51,461</b>	<b>34,452</b>

**4.4.1 Other supplies**

	Note	2017/18 R'000	2016/17 R'000
Assets for distribution		21,618	10,499
Other assets for distribution		21,618	10,499
Other	4.4	1,425	84
<b>Total</b>		<b>23,043</b>	<b>10,583</b>

Other include cleaning, security and gardening service at Research stations.  
Other assets for distribution refers to expenditure on departmental projects.

**4.5 Consumables**

	Note	2017/18 R'000	2016/17 R'000
Consumable supplies	4	3,438	3,832
Uniform and clothing		273	469
Household supplies		1,218	1,075
IT consumables		611	-
Other consumables		1,336	2,288
Stationery, printing and office supplies	4	1,475	1,312
<b>Total</b>		<b>4,913</b>	<b>5,144</b>

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<b>4.6</b>	<b>Property payments</b>		<b>2017/18</b>	<b>2016/17</b>
		<i>Note</i>	<b>R'000</b>	<b>R'000</b>
	Municipal services	4	10,959	10,012
	Other	4	2,295	1,062
	<b>Total</b>		<b>13,254</b>	<b>11,074</b>
<b>4.7</b>	<b>Travel and subsistence</b>		<b>2017/18</b>	<b>2016/17</b>
		<i>Note</i>	<b>R'000</b>	<b>R'000</b>
	Local	4	31,302	33,205
	Foreign	4	106	412
	<b>Total</b>		<b>31,408</b>	<b>33,617</b>
<b>4.8</b>	<b>Other operating expenditure</b>		<b>2017/18</b>	<b>2016/17</b>
		<i>Note</i>	<b>R'000</b>	<b>R'000</b>
	Professional bodies, membership and subscription fees		169	140
	Resettlement costs		-	3
	Other		1,348	1,720
	<b>Total</b>		<b>1,517</b>	<b>1,863</b>
<b>5.</b>	<b>Interest and rent on land</b>		<b>2017/18</b>	<b>2016/17</b>
			<b>R'000</b>	<b>R'000</b>
	Interest paid		1	18
	<b>Total</b>		<b>1</b>	<b>18</b>
<b>6.</b>	<b>Payments for financial assets</b>		<b>2017/18</b>	<b>2016/17</b>
		<i>Note</i>	<b>R'000</b>	<b>R'000</b>
	Material losses through criminal conduct		119	-
	Other material losses	6.1	119	-
	<b>Total</b>		<b>119</b>	<b>-</b>
<b>6.1</b>	<b>Other material losses</b>		<b>2017/18</b>	<b>2016/17</b>
		<i>Note</i>	<b>R'000</b>	<b>R'000</b>
	<b>Nature of other material losses</b>			
	<b>Incident</b>			
	<b>Disciplinary</b>			
	<b>Steps</b>			
	<b>taken/</b>			
	<b>Criminal proceedings</b>			
	Car Accident	6	101	-
	Debt written off	6	18	-
	<b>Total</b>		<b>119</b>	<b>-</b>

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**7. Transfers and subsidies**

		2017/18 R'000	2016/17 R'000
Provinces and municipalities		43	119
Departmental agencies and accounts	<i>Annex 1A</i>	8,370	2,550
Public corporations and private enterprises	<i>Annex 1B</i>	9,600	-
Households	<i>Annex 1C</i>	3,249	3,295
<b>Total</b>		<b>21,262</b>	<b>5,964</b>
<u>Unspent funds transferred to the above beneficiaries</u>			
Departmental agencies and accounts		-	4,688
<b>Total</b>		<b>-</b>	<b>4,688</b>

**8. Expenditure for capital assets**

	Note	2017/18 R'000	2016/17 R'000
<b>Tangible assets</b>		<b>182,949</b>	<b>166,534</b>
Buildings and other fixed structures	29.1	168,180	153,872
Machinery and equipment	27.1	14,039	11,672
Biological assets	27.1	730	990
<b>Intangible assets</b>		<b>2,933</b>	<b>2,546</b>
Software	28.1	2,933	2,546
<b>Total</b>		<b>185,882</b>	<b>169,080</b>

**8.1 Analysis of funds utilised to acquire capital assets – 2017/18**

	Voted funds R'000	Total R'000
<b>Tangible assets</b>	<b>182,949</b>	<b>182,949</b>
Buildings and other fixed structures	168,180	168,180
Machinery and equipment	14,039	14,039
Biological assets	730	730
<b>Intangible assets</b>	<b>2,933</b>	<b>2,933</b>
Software	2,933	2,933
<b>Total</b>	<b>185,882</b>	<b>185,882</b>

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**8.2 Analysis of funds utilised to acquire capital assets – 2016/17**

	Voted funds R'000	Total R'000
<b>Tangible assets</b>	<b>166,534</b>	<b>166,534</b>
Buildings and other fixed structures	153,872	153,872
Machinery and equipment	11,672	11,672
Biological assets	990	990
<b>Intangible assets</b>	<b>2,546</b>	<b>2,546</b>
Software	2,546	2,546
<b>Total</b>	<b>169,080</b>	<b>169,080</b>

**8.3 Finance lease expenditure included in Expenditure for capital assets**

	2017/18 R'000	2016/17 R'000
<b>Tangible assets</b>		
Machinery and equipment	9,872	7,725
<b>Total</b>	<b>9,872</b>	<b>7,725</b>

**9. Unauthorised expenditure**

**9.1 Reconciliation of unauthorised expenditure**

	2017/18 R'000	2016/17 R'000
Opening balance	97	97
Prior period error	-	-
As restated	97	97
Less: Amounts transferred to receivables for recovery	-	-
<b>Closing balance</b>	<b>97</b>	<b>97</b>
<b>Analysis of closing balance</b>		
Unauthorised expenditure awaiting authorisation	97	97
<b>Total</b>	<b>97</b>	<b>97</b>

**9.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification**

	2017/18 R'000	2016/17 R'000
Current	97	97
<b>Total</b>	<b>97</b>	<b>97</b>



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**9.3 Analysis of unauthorised expenditure awaiting authorisation per type**

	2017/18 R'000	2016/17 R'000
Unauthorised expenditure relating to overspending of the vote or a main division within a vote	97	97
<b>Total</b>	<b>97</b>	<b>97</b>

**10. Cash and cash equivalents**

	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General Account	17,036	11,173
Disbursements	(2)	-
Cash on hand	64	60
<b>Total</b>	<b>17,098</b>	<b>11,233</b>

**11. Prepayments and advances**

	Note	2017/18 R'000	2016/17 R'000
Travel and subsistence		30	36
Prepayments (Not expensed)	11.1	1,001	2,704
<b>Total</b>		<b>1,031</b>	<b>2,740</b>

**11.1 Prepayments (Not expensed)**

	Note	Balance as at 1 April 2017 R'000	Less: Amount expensed in current year R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2018 R'000
Other	11	2,704	9,469	7,766	1,001
<b>Total</b>		<b>2,704</b>	<b>9,469</b>	<b>7,766</b>	<b>1,001</b>

*Advance payments were made in the execution of the department's mandate. Advances made primarily for wages and transport costs for the implementation of projects.*

**12. Receivables**

	Note	2017/18			2016/17		
		Current R'000	Non- current R'000	Total R'000	Current R'000	Non- current R'000	Total R'000
Claims recoverable	12.1	50	24	74	24	-	24
Other debtors	12.2	37	4,259	4,296	12	4,196	4,208
<b>Total</b>		<b>87</b>	<b>4,283</b>	<b>4,370</b>	<b>36</b>	<b>4,196</b>	<b>4,232</b>

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**12.1 Claims recoverable**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
National departments	12 & Annex 4	74	24
<b>Total</b>		<b>74</b>	<b>24</b>

**12.2 Other debtors**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Debt Account		4,251	4,188
Tax debt		9	12
Claims recoverable		25	8
GEHS Refund		11	-
<b>Total</b>	12	<b>4,296</b>	<b>4,208</b>

**13. Voted funds to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Opening balance		15,096	3,897
Prior period error		-	-
As restated		<b>15,096</b>	<b>3,897</b>
Transfer from statement of financial performance (as restated)		19,812	15,096
Paid during the year		(15,096)	(3,897)
<b>Closing balance</b>		<b>19,812</b>	<b>15,096</b>

**14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund**

	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Opening balance		463	326
Prior period error		-	-
As restated		<b>463</b>	<b>326</b>
Transfer from Statement of Financial Performance (as restated)		1,586	401
Own revenue included in appropriation	2	3,085	3,311
Paid during the year		(5,106)	(3,575)
<b>Closing balance</b>		<b>28</b>	<b>463</b>

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**15. Net cash flow available from operating activities**

	2017/18 R'000	2016/17 R'000
Net surplus/(deficit) as per Statement of Financial Performance	21,398	15,497
Add back non cash/cash movements not deemed operating activities	<b>170,246</b>	<b>163,092</b>
(Increase)/decrease in receivables – current	(138)	1,225
(Increase)/decrease in prepayments and advances	1,709	(2,179)
Increase/(decrease) in payables – current	-	(225)
Proceeds from sale of capital assets	(90)	(648)
Expenditure on capital assets	185,882	169,080
Surrenders to Revenue Fund	(20,202)	(7,472)
Own revenue included in appropriation	3,085	3,311
<b>Net cash flow generated by operating activities</b>	<b>191,644</b>	<b>178,589</b>

**16. Reconciliation of cash and cash equivalents for cash flow purposes**

	2017/18 R'000	2016/17 R'000
Consolidated Paymaster General account	17,036	11,173
Disbursements	(2)	-
Cash on hand	64	60
<b>Total</b>	<b>17,098</b>	<b>11,233</b>

**17. Contingent liabilities and contingent assets**

**17.1 Contingent liabilities**

Liable to	Nature	Note	2017/18 R'000	2016/17 R'000
Claims against the department		Annex 3A	3,628	3,197
Intergovernmental payables (unconfirmed balances)		Annex 5	-	5
<b>Total</b>			<b>3,628</b>	<b>3,202</b>

**17.2 Contingent assets**

Nature of contingent asset	2017/18 R'000	2016/17 R'000
Department vs Martin: Application for Eviction	500	500
<b>Total</b>	<b>500</b>	<b>500</b>

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**18. Commitments**

	2017/18 R'000	2016/17 R'000
<b>Current expenditure</b>	<b>21,295</b>	<b>18,825</b>
Approved and contracted	19,349	18,825
Approved and not yet contracted	1,946	-
<b>Capital expenditure</b>	<b>23,432</b>	<b>11,667</b>
Approved and contracted	20,657	11,667
Approved and not yet contracted	2,775	-
<b>Total Commitments</b>	<b>44,727</b>	<b>30,492</b>

*Included in the amount for Commitments of current expenditure is an amount of R9'458'016 relating to the provision of programme management community facilitation and resource mobilisation services. The contract is in its second year of implementation.*

**19. Accruals and payables not recognised**

**19.1 Accruals**

	2017/18 R'000			2016/17 R'000
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	6,714	146	6,860	5,815
Capital assets	1,580	-	1,580	4,843
<b>Total</b>	<b>8,294</b>	<b>146</b>	<b>8,440</b>	<b>10,658</b>
			<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>				
Administration			4,310	4,906
Sustainable Resource Management			43	250
Farmer Support & Development			3,703	4,237
Veterinary services			183	1,158
Technological Research & development			106	37
Agricultural economics			27	20
Rural Development & Farmer Settlement			68	50
<b>Total</b>			<b>8,440</b>	<b>10,658</b>

**19.2 Payables not recognised**

	2017/18 R'000			2016/17 R'000
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	755	42	797	5,664
Capital assets	192	-	192	6,569
<b>Total</b>	<b>947</b>	<b>42</b>	<b>989</b>	<b>12,233</b>

2017/18                      2016/17



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	R'000	R'000
<b>Listed by programme level</b>		
Administration	549	3,191
Sustainable Resource Management	34	280
Farmer Support & Development	399	8,053
Veterinary services	7	78
Technological Research & development	-	586
Agricultural Economics	-	12
Rural Development & Farmer Settlement	-	33
<b>Total</b>	<b>989</b>	<b>12,233</b>

	<i>Note</i>	2017/18 R'000	2016/17 R'000
<b>Included in the above totals are the following:</b>			
Confirmed balances with other departments	<i>Annex 5</i>	229	1,390
Confirmed balances with other government entities	<i>Annex 5</i>	65	197
<b>Total</b>		<b>294</b>	<b>1,587</b>

**20. Employee benefits**

	2017/18 R'000	2016/17 R'000
Leave entitlement	9,898	9,459
Service bonus (Thirteenth cheque)	6,014	5,789
Performance awards	3,400	3,219
Capped leave commitments	4,681	4,640
Other	115	9
<b>Total</b>	<b>24,108</b>	<b>23,116</b>

**21. Lease commitments**

**21.1 Operating leases expenditure**

	Buildings and other fixed structures	Machinery and Equipment	Total
<b>2017/18</b>			
Not later than 1 year	5,806		5,806
Later than 1 year and not later than 5 years	4,114	-	4,114
Later than five years	-	-	-
<b>Total lease commitments</b>	<b>9,920</b>	-	<b>9,920</b>

	Buildings and other fixed structures	Machinery and Equipment	Total
<b>2016/17</b>			
Not later than 1 year	5,673	342	6,015
Later than 1 year and not later than 5 years	9,158	-	9,158
Later than five years	-	-	-
<b>Total lease commitments</b>	<b>14,831</b>	<b>342</b>	<b>15,173</b>

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**21.2 Finance leases expenditure**

2017/18	Machinery and equipment	Total
Not later than 1 year	6,776	6,776
Later than 1 year and not later than 5 years	14,513	14,513
Later than five years	-	-
<b>Total lease commitments</b>	<b>21,289</b>	<b>21,289</b>

2016/17	Machinery and equipment	Total
Not later than 1 year	3,384	3,384
Later than 1 year and not later than 5 years	4,990	4,990
Later than five years	-	-
<b>Total lease commitments</b>	<b>8,374</b>	<b>8,374</b>

*The finance lease commitment include motor vehicles that the department leased from Fleet Trading entity. (White fleet)*

**22. Accrued departmental revenue**

	Note	2017/18 R'000	2016/17 R'000
Sales of capital assets	22.1	650	650
<b>Total</b>		<b>650</b>	<b>650</b>

**22.1 Analysis of accrued departmental revenue**

	Note	2017/18 R'000	2016/17 R'000
Opening balance	22	650	650
Less: amounts received		-	-
Add: amounts recognised		-	-
Less: amounts written-off/reversed as irrecoverable		-	-
<b>Closing balance</b>		<b>650</b>	<b>650</b>

*The R0.650 million disclosed as received, was a non-cash transaction, refer to Annexure 1E. The department entered into a non-cash swap agreement for veterinary mobile clinic procurement in 2013/14 financial year. During the year under review the transaction has been concluded upon receipt of the mobile clinic.*

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**23. Irregular expenditure**  
**23.1 Reconciliation of irregular expenditure**

	2017/18 R'000	2016/17 R'000
Opening balance	154,469	130,341
Prior period error	-	(2,019)
As restated	154,469	128,322
Add: Irregular expenditure – relating to prior year	3,983	7,153
Add: Irregular expenditure – relating to current year	12,875	18,994
Less: Prior year amounts condoned	(2,551)	-
Less: Current year amounts condoned	-	-
Less: Amounts not condoned and recoverable	-	-
Less: Amounts not condoned and not recoverable	-	-
<b>Closing balance</b>	<b>168,776</b>	<b>154,469</b>
 <b>Analysis of awaiting condonation per age classification</b>		
Current year	12,875	18,994
Prior years	155,901	135,475
<b>Total</b>	<b>168,776</b>	<b>154,469</b>

*The full extent of irregular expenditure is still under investigation.*

**23.2 Details of irregular expenditure – added current year (relating to current and prior years)**

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Non-compliance with PN 2007/08	Investigations are still in process as these follow instruction letters and training provided as corrective and preventative measure in the current year.	6,687
Non-compliance with Treasury instruction note 3 of 2016/17		6,497
Non-compliance with para 3 of PN 8 of 2007/08		11
Non-compliance with PN 2007/08 (Variation orders)		1,146
None compliance with TR16A9.1 and PN 8of 2007/08 (no 3 quotes)		24
Evaluation of BIDS on a stipulated threshold for local production(Local content)		114
National Treasury designated sectors Instruction no 2 of 2016/17		1,389
Non-compliance with practice note 6 of 2007/08		153
Non-compliance with TR16A9.1 and PN 8of 2007/08		107
Non-compliance with instruction note 7 of 2017/18		729
<b>Total</b>		<b>16,858</b>

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<b>23.3</b>	<b>Details of irregular expenditure condoned</b>		<b>2017/18</b>
	<b>Incident</b>	<b>Condoned by (condoning authority)</b>	<b>R'000</b>
	Signature above delegation received	Accounting Officer	1,848
	Incorrect deviation reason	Accounting Officer	703
	<b>Total</b>		<b>2,551</b>

<b>23.4</b>	<b>Nature of prior period error</b>	<b>2016/17</b>
		<b>R'000</b>
	Relating to 2015/16 [ <i>affecting the opening balance</i> ]	<b>(2,019)</b>
	Amount incorrectly disclosed as irregular	(2,019)
	Total prior period errors	<b>(2,019)</b>

**24. Fruitless and wasteful expenditure**

**24.1 Reconciliation of fruitless and wasteful expenditure**

	<b>2017/18</b>	<b>2016/17</b>
	<b>R'000</b>	<b>R'000</b>
Opening balance	2,833	2,680
Prior period error	<b>          </b>	<b>          </b>
As restated	<b>2,833</b>	<b>2,680</b>
Fruitless and wasteful expenditure – relating to prior year	-	-
Fruitless and wasteful expenditure – relating to current year	214	153
Less: Amounts resolved	-	-
Less: Amounts transferred to receivables for recovery	-	-
<b>Closing balance</b>	<b>3,047</b>	<b>2,833</b>

**24.2 Analysis of awaiting resolution per economic classification**

	<b>2017/18</b>	<b>2016/17</b>
	<b>R'000</b>	<b>R'000</b>
Current	1,032	818
Capital	1,993	1,993
Transfers and subsidies	22	22
<b>Total</b>	<b>3,047</b>	<b>2,833</b>



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**24.3 Analysis of Current year's fruitless and wasteful expenditure**

<b>Incident</b>	<b>Disciplinary steps taken/criminal proceedings</b>	<b>2017/18 R'000</b>
Interest on overdue account	Investigations are in process	33
Cancellation cost	Investigations are in process	2
Injury on Duty	Investigations are in process	150
Accident costs – damage to vehicles	Investigations are in process	12
Incorrect VAT % claimed or non-vendor	Investigations are in process	17
<b>Total</b>		<b>214</b>

**25. Related party transactions**

<b>Payments made</b>	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Transfers	<i>Annex 1B</i>	-	-
<b>Total</b>		<b>-</b>	<b>-</b>

*Related party relationships:  
Kalahari Kid Corporation is a listed 3C public entity (This entity forms part of the portfolio of the MEC)  
The department does not have influence over this company's operations, but as the mother department, we perform oversight and assist where required.*

*Nieuwoudtville Rooibos (PTY) Ltd  
The department holds 100% shares. There are two senior managers assisting the company in terms of technical and financial capacity, without receiving any additional remuneration. Two other senior members are on the board in an oversight capacity without being remunerated. Transfers of R9'600'000 was made to Nieuwoudtville Rooibos (PTY) Ltd during the year.*

**26. Key management personnel**

	<b>No. of Individuals</b>	<b>2017/18 R'000</b>	<b>2016/17 R'000</b>
Political office bearers (provide detail below)	1	1,979	1,902
Officials:			
Level 15 to 16	1	1,727	1,659
Level 14 (incl. CFO if at a lower level)	5	6,375	5,489
Family members of key management personnel		-	-
<b>Total</b>		<b>10,081</b>	<b>9,050</b>

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**27. Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>121,177</b>	-	<b>4,167</b>	<b>1,841</b>	<b>123,503</b>
Transport assets	46,007	-	-	527	45,480
Computer equipment	17,915	-	538	962	17,491
Furniture and office equipment	17,501	-	593	6	18,088
Other machinery and equipment	39,754	-	3,036	346	42,444
<b>BIOLOGICAL ASSETS</b>	<b>3,232</b>	-	<b>1,188</b>	<b>904</b>	<b>3,516</b>
Biological assets	3,232	-	1,188	904	3,516
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>124,409</b>	-	<b>5,355</b>	<b>2,745</b>	<b>127,019</b>

**Movable Tangible Capital Assets under investigation**

	Number	Value R'000
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	1 575	12,902
Biological assets	38	1,007

*Movable assets under investigation amounting to R22 million of the previous financial year were investigated and decreased to R13.9 million.*

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**27.1 Additions**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>14,039</b>	<b>(9,872)</b>	-	-	<b>4,167</b>
Transport assets	7,217	(7,217)	-	-	-
Computer equipment	538	-	-	-	538
Furniture and office equipment	593	-	-	-	593
Other machinery and equipment	5,693	(2,655)	-	-	3,036
<b>BIOLOGICAL ASSETS</b>	<b>730</b>	<b>458</b>	-	-	<b>1,188</b>
Biological assets	730	458	-	-	1,188
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>14,769</b>	<b>(9,414)</b>	-	-	<b>5,355</b>

**27.2 Disposals**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
<b>MACHINERY AND EQUIPMENT</b>	-	<b>1,841</b>	<b>1,841</b>	-
Transport assets	-	527	527	-
Computer equipment	-	962	962	-
Furniture and office equipment	-	6	6	-
Other machinery and equipment	-	346	346	-
<b>BIOLOGICAL ASSETS</b>	<b>90</b>	<b>814</b>	<b>904</b>	<b>90</b>
Biological assets	90	814	904	90
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>90</b>	<b>2,655</b>	<b>2,745</b>	<b>90</b>

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**27.3 Movement for 2016/17**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>105,813</b>	<b>27,973</b>	<b>4,439</b>	<b>17,048</b>	<b>121,177</b>
Transport assets	45,785	1,398	1,457	2,633	46,007
Computer equipment	18,903	(1,331)	751	408	17,915
Furniture and office equipment	16,805	(108)	979	175	17,501
Other machinery and equipment	24,320	28,014	1,252	13,832	39,754
<b>BIOLOGICAL ASSETS</b>	<b>2,450</b>	<b>(79)</b>	<b>990</b>	<b>129</b>	<b>3,232</b>
Biological assets	2,450	(79)	990	129	3,232
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>108,263</b>	<b>27,894</b>	<b>5,429</b>	<b>17,177</b>	<b>124,409</b>

**27.3.1 Prior period error**

**Nature of prior period error**

Relating to opening balances

Duplications and reclassification in machinery and equipment corrected

Duplications in Biological assets corrected

**Total prior period errors**

Note  
2017/18  
R'000

27,973
(79)
<b>27,894</b>

**27.4 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018**

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	306	12,941	8,178	21,425
Value Adjustment	-	15	2,475	2,490
Additions	-	301	431	732
Disposals	-	(352)	(1,476)	(1,828)
<b>TOTAL MINOR ASSETS</b>	<b>306</b>	<b>12,905</b>	<b>9,608</b>	<b>22,819</b>
	<b>Intangible assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	-	4,852	-	4,852
Number of minor asset at cost	122	4,618	6,171	10,911
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>122</b>	<b>9,470</b>	<b>6,171</b>	<b>15,763</b>



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**Minor Capital Assets under investigation**

	Number	Value R'000
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	576	757
Biological assets	1,234	1,898

<i>Biological and movable assets that were include in the asset register but could not be found. Investigation ongoing</i>
--

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017**

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance	306	15,856	8,207	24,369
Prior year error	-	(3,211)	(134)	(3,345)
Additions	-	437	1,218	1,655
Disposals	-	(141)	(1,113)	(1,254)
<b>TOTAL MINOR ASSETS</b>	<b>306</b>	<b>12,941</b>	<b>8,178</b>	<b>21,425</b>

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	13,734	(51)	13,683
Number of minor assets at cost	-	1,280	5,096	6,376
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>15,014</b>	<b>5,045</b>	<b>20,059</b>

**27.4.1 Prior period error**

	Note	2017/18 R'000
<b>Nature of prior period error</b>		
Relating to <i>opening balance</i>		
Reclassification of expenditure and duplicated assets		(3,211)
Assets duplicated and investigated assets resolved		(134)
<b>Total prior period errors</b>		<b>(3,345)</b>

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**28. Intangible Capital Assets**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	5,615	-	2,933	-	8,548
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>5,615</b>	<b>-</b>	<b>2,933</b>	<b>-</b>	<b>8,548</b>

**28.1 Additions**

**ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Cash R'000	Non-Cash R'000	(Develop- ment work in progress – current costs) R'000	Received current year, not paid (Paid current year, received prior year) R'000	Total R'000
SOFTWARE	2,933	-	-	-	2,933
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>2,933</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,933</b>

**28.2 Disposals**

**DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Sold for cash R'000	Non-cash disposal R'000	Total disposals R'000	Cash Received Actual R'000
SOFTWARE	-	-	-	-
<b>TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**28.3 Movement for 2016/17**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	3,069	-	2,546	-	5,615
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>3,069</b>	<b>-</b>	<b>2,546</b>	<b>-</b>	<b>5,615</b>

**29. Immovable Tangible Capital Assets**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>2,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,661</b>
Other Fixed structures	-	-	-	-	-
Non-residential buildings	2,661	-	-	-	2,661
Capital Work in Progress					
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>2,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,661</b>

**29.1 Additions**

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>168,180</b>	<b>-</b>	<b>(168,180)</b>	<b>-</b>	<b>-</b>
Other fixed structures	165,679	-	(165,679)	-	-
Non-residential buildings	2,501	-	(2,501)	-	-
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>168,180</b>	<b>-</b>	<b>(168,180)</b>	<b>-</b>	<b>-</b>

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**29.2 Disposals  
DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR  
ENDED 31 MARCH 2018**

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	-	-	-	-
Other fixed structures	-	-	-	-
<b>TOTAL DISPOSAL OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	-	-	-	-

**29.3 Movement for 2016/17**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE  
YEAR ENDED 31 MARCH 2017**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	34,799	(191,794)	159,656	-	2,661
Non-residential buildings	86	2,575	-	-	2,661
Other fixed structures	34,713	(194,369)	159,656	-	-
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	34,799	(191,794)	159,656	-	2,661

*Due to a change in the disclosure template as provided by Treasury the work-in-progress is not included in the above note for 2016/2017, when compared to the Annual report of 2016/17.*

**29.3.1 Prior period error**

	Note	2017/18 R'000
<b>Nature of prior period error</b>		
Relating to 2016/17		<b>(191,794)</b>
Prior Year WIP incorrectly included in closing Immovable Asset Register and reallocation of telephone system to movable asset		(191,794)
Total prior period errors		<b>(191,794)</b>



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**29.4 Capital work-in-progress  
CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018**

	Opening Balance 1 April 2017	Current year WIP	Ready for use (Assets to the AR/Contract s terminated)	Closing Balance 31 March 2018
<i>Note Annexure 7</i>	R'000	R'000	R'000	R'000
Buildings and other fixed structures	36,200	168,180	(157,855)	46,525
Non-Residential buildings	-	2,501	-	2,501
Other fixed structures	36,200	165,679	(157,855)	44,024
<b>TOTAL</b>	<b>36,200</b>	<b>168,180</b>	<b>(157,855)</b>	<b>46,525</b>

**CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017**

	Opening Balance 1 April 2017	Current year WIP	Ready for use (Assets to the AR/Contracts terminated)	Closing Balance 31 March 2017
<i>Note Annexure 7</i>	R'000	R'000	R'000	R'000
Buildings and other fixed structures	-	153,862	(117,662)	36,200
<b>TOTAL</b>	<b>-</b>	<b>153,862</b>	<b>(117,662)</b>	<b>36,200</b>

**29.5 S42 Immovable assets  
Assets subjected to transfer in terms of S42 of the PFMA – 2017/18**

	Number of assets	Value of assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		
Non-residential buildings	2	1,886
Other fixed structures	1	775
<b>TOTAL</b>	<b>3</b>	<b>2,661</b>

*The two assets indicated is renovations at Head office and Cullinan buildings. The Other fixed structure is additions at Rietrivier Research station*

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**Assets subjected to transfer in terms of S42 of the PFMA – 2016/17**

	Number of assets	Value of assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		
Non-residential buildings	2	2,085
Other fixed structures	1	775
<b>TOTAL</b>	<b>3</b>	<b>2,860</b>

**30. Principal-agent arrangements**

**30.1 Department acting as the principal**

	2017/18 R'000	2016/17 R'000
	<b>Fee paid</b>	
National Agricultural Marketing Council	617	-
<b>Total</b>	<b>617</b>	<b>-</b>

*The National Agricultural Marketing Council (NAMC)(agent) undertook to implement the Vineyard Development Scheme on behalf of the department (principal) in the ZF Mgcawu District of the province for emerging farmers.*

*There is no resource and cost implications for the Department (principal) if the relationship with the National Agricultural Marketing Council (agent) is terminated.*

*The only resources of the Department (principal) under the custodianship of the NAMC (agent) was the cash that was paid by the Department to NAMC for project implementation.*

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31. Prior period errors	Note	2016/17		
		Amount before error correction	Prior period error	Restated amount
Correction of prior period errors		R'000	R'000	R'000

<b>Assets:</b>				
Movable Tangible Capital assets	27.3.1	105,813	27,973	133,786
Minor Movable Assets	27.4.1	15,856	(3,211)	12,645
Immovable tangible Capital assets	29.3.1	34,799	(191,794)	(156,995)
Minor biological assets	27.4.1	8,207	(765)	7,442
Major biological assets	27.3.1	2,450	(79)	2,371
<b>Net effect</b>		<b>167,125</b>	<b>(167,876)</b>	<b>(751)</b>

*Reclassification of expenditure, removal of duplicated assets and the incorrect inclusion of prior year WIP in the closing balance lead to the above errors.*

<b>Liabilities:</b>				
Operating leases: Buildings (<1 year)	21.1	937	4,736	5,673
Operating leases: Buildings (2-5 years)	21.1	195	8,963	9,158
<b>Net effect</b>		<b>1,132</b>	<b>13,699</b>	<b>14,831</b>

*The disclosure with respect to building lease contracts were incomplete due to two contracts that were not included. These contracts were entered into prior to 2016/17.*

<b>Other:</b>				
Irregular expenditure	23.1	156,488	(2,019)	154,469
<b>Net effect</b>		<b>156,488</b>	<b>(2,019)</b>	<b>154,469</b>

*Previously this amount was incorrectly included as irregular expenditure however the investigation result indicated that it was not irregular expenditure.*

**32. Inventory**

	Note	2017/18 R'000	2016/17 R'000
Opening balance	Annexure 6	6,326	1,249
Add/(Less): Adjustments to prior year balances		-	-
Add: Additions/Purchases - Cash	Annexure 6	51,441	23,954
Add: Additions - Non-cash		-	-
(Less): Disposals		-	-
(Less): Issues	Annexure 6	(49,994)	(18,877)
Add/(Less): Adjustments		-	-
<b>Closing balance</b>		<b>7,773</b>	<b>6,326</b>

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**33. STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME DEPARTMENT	OF	GRANT ALLOCATION					SPENT				2016/17	
		Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjust- ments	Total Available	Amount received by department	Amount spent by department	Under / (Overspend ing)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
DAAF-CASP		232,772	11,609	-	-	244,381	244,381	227,836	16,545	93%	129,924	118,314
DAFF- LAND CARE		7,094	-	-	-	7,094	7,094	6,621	473	93%	9,320	9,306
DAFF- ILIMA/ LETSEMA		58,480	3,200	-	-	61,680	61,680	61,675	5	100%	55,222	52,022
PUBLIC WORKS- EPWP INCENTIVES PROVINCIAL DISASTER		2,044	-	-	-	2,044	2,044	2,044	-	100%	2,000	1,992
		<b>300,390</b>	<b>14,809</b>	<b>-</b>	<b>-</b>	<b>315,199</b>	<b>315,199</b>	<b>298,176</b>	<b>17,023</b>		<b>196,466</b>	<b>181,634</b>



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**ANNEXURE 1A**  
**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustment s	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
Kalahari Kid Corporation (KKC)	8,370	-	-	8,370	8,370	100%	2,550
National Agriculture Marketing Council	4,500	-	(4,500)	-	-	-	-
<b>TOTAL</b>	<b>12,870</b>	<b>-</b>	<b>(4,500)</b>	<b>8,370</b>	<b>8,370</b>		<b>2,550</b>

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**ANNEXURE 1B**

**STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Private Enterprises</b>									
Nieuwoudtville Rooibos (Pty) Ltd	5,000	-	4,600	9,600	9,600	100	7,000	2,600	-
<b>TOTAL</b>	<b>5,000</b>	<b>-</b>	<b>4,600</b>	<b>9,600</b>	<b>9,600</b>	<b>100</b>	<b>7,000</b>	<b>2,600</b>	<b>-</b>

The transfer made in the current financial year was for a stick pack machine and upstream and downstream development of Rooibos industry  
The transfer payment in 2016/17 to Nieuwoudtville Rooibos (Pty) Ltd was for an extraction plant

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**ANNEXURE 1C**  
**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Leave gratuity	107	-	327	434	434	100%	598
Bursaries to non-employees	1,800	-	241	2,041	2,041	100%	2,166
	216	-	376	592	617	104%	531
Assistance to communities	-	-	150	150	150	100%	-
	-	-	7	7	7	100%	-
Claims against the State							
Farmer support							
<b>TOTAL</b>	<b>2,123</b>	<b>-</b>	<b>1,101</b>	<b>3,224</b>	<b>3,249</b>		<b>3,295</b>

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**ANNEXURE 2A**

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

Name of Public Entity	State Entity's PFMA Schedule type (state year end if not 31 March)	% Held 17/18	% Held 16/17	Number of shares held		Cost of investment R'000		Net Asset value of investment R'000		Profit/(Loss) for the year R'000		Losses guaranteed
				2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	Yes/No
<b>National/Provincial Public Entity</b>												
Kalahari Kid Corp	3C	100%	100%	7,000	7,000	-	-	-	-	-	-	-
<b>TOTAL</b>		<b>100%</b>	<b>100%</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Department holds 7000 shares @ R0,01 per share in Kalahari Kid Corporation



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**ANNEXURE 3A**  
**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018**

Nature of Liability	Opening Balance  1 April 2018  R'000	Liabilities incurred during the year  R'000	Liabilities paid/cancelle d/reduced during the year  R'000	Liabilities recoverable (Provide details hereunder)  R'000	Closing Balance  31 March 2018  R'000
<b>Claims against the department</b>					
Blue Sands Trading 819 cc	2,000	-	-	-	2,000
Pemberley Investment (Pty) Limited	270	-	-	-	270
Department of Roads and Public Works	637	123	-	-	760
Fourie :Hartswater	23	-	-	-	23
Timkulu Safari	267	-	-	-	267
Obontse Trading and projects CC	-	308	-	-	308
<b>TOTAL</b>	<b>3,197</b>	<b>431</b>	<b>-</b>	<b>-</b>	<b>3,628</b>

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**ANNEXURE 4**  
**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
National Dept of Agriculture, Fisheries & Forestry	-	-	74	24	74	24	-	-
<b>TOTAL</b>	-	-	74	24	74	24	-	-

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**ANNEXURE 5**  
**INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 207/18 *	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000

**DEPARTMENTS**

**Current**

NC Legislature	-	-	5	-	5	-	-	-
<b>Total for Departments</b>	-	-	<b>5</b>	-	<b>5</b>	-	-	-

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**OTHER GOVERNMENT ENTITY**

**Current**

Government Entities

Eskom	119	-	-	-	119	-	-	-
SITA	76	-	-	-	76	-	-	-
Sedibeng Water	34	-	-	-	34	-	-	-
Municipalities	65	-	-	-	65	-	-	-
<b>Total Other Government Entities</b>	<b>294</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>294</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>294</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>299</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**ANNEXURE 6**  
**INVENTORIES**

Inventory	Note	Quantity	2017/18	Quantity	2016/17
			R'000		R'000
Opening balance		40,762	6,326	-	1,249
Add/(Less): Adjustments to prior year balance		-	-	-	-
Add: Additions/Purchases - Cash		209	51,441	45,363	23,954
Add: Additions - Non-cash		-	-	-	-
(Less): Disposals		-	-	-	-
(Less): Issues		(155)	(49,994)	(4,601)	(18,877)
Add/(Less): Adjustments		-	-	-	-
<b>Closing balance</b>		<b>40,816</b>	<b>7,773</b>	<b>40,762</b>	<b>6,326</b>

*Quantities comprise several different units of measurement such as litres, kilograms, boxes, bags etc. and thus could not be assimilated.*

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**ANNEXURE 7**

**MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register)/ Contract terminated R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>36,200</b>	<b>168,180</b>	<b>(157,855)</b>	<b>46,525</b>
Non-Residential buildings	-	2,501	-	2,501
Other fixed structures	36,200	165,679	(157,855)	44,024
<b>TOTAL</b>	<b>36,200</b>	<b>168,180</b>	<b>(157,855)</b>	<b>46,525</b>

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance R'000	Current Year Capital WIP R'000	Ready for use (Asset register)/ Contract terminated R'000	Closing balance R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>-</b>	<b>153,862</b>	<b>(117,662)</b>	<b>36,200</b>
Non-Residential buildings	-	-	-	-
Other fixed structures	-	153,862	(117,662)	36,200
<b>TOTAL</b>	<b>-</b>	<b>153,862</b>	<b>(117,662)</b>	<b>36,200</b>



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