



**agriculture, land reform
& rural development**

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



**Strategic Plan
Medium Term Expenditure Framework
2009 - 2014**

Northern Cape Province

**Tabled on the
22nd of February 2011**

FORWARD BY THE MEMBER OF THE EXECUTIVE COUNCIL

The mandate of the Department has been extended to include rural development as one of the key mandates derived from the overwhelming majority of the people who have ushered in the new administration and as such our Strategic Plan should reflect this. Rural development is about the human development of our rural motive forces for change that must include agricultural development and land redistribution.

We must acknowledge the role that the rural economy plays in the lives of ordinary people on the daily basis and as such no effort should be spared to diversify our economy including that of the rural areas.

Government has developed the new Medium Term Strategic Framework which we used to develop the Strategic Plan and contains the Department's Programme in the electoral mandate period: 2009 to 2014. The Medium Term Strategic Framework is developed from the popular electoral mandate for the new term. The strategic priority that the Department must focus on during the electoral mandate period is stated as follows:

- A Comprehensive Rural Development Strategy linked to Land and Agrarian Reform and Food Security.
- The Department will also contribute in the achievement of the following priorities:
 - Speeding-up growth and transforming the economy to create decent work and sustainable livelihoods.
 - Strengthen the skills and Human Resource Base.
 - Intensify the fight against crime and corruption
 - Building a developmental state including improvement of public services and strengthening democratic institutions.

Our strategies should be geared towards ensuring that whilst we look at the formal commercial agriculture, we do not lose sight of the role that the rural agricultural economy can play in developing our Province. It is therefore important that in our endeavours to exercise our mandate, we acknowledge the role of the rural masses and the contribution that they make to our economy.

To this end, the Comprehensive Rural Development Programme has been developed to enable government to successfully implement the popular mandate.

The Comprehensive Rural Development Programme will be achieved through a coordinated and integrated broad based agrarian transformation as well as strategic investment in economic and social infrastructure that will benefit the entire rural communities.

Government has already started work on the implementation of the Comprehensive Rural Development Programme. Riemvasmaak has been identified as a national pilot and was launched on 19 June 2009 and on the same day, 46 000 hectares of the remaining land were handed over to the claimants of Riemvasmaak. The pilot programme will run for two years and lessons learned will allow us to develop better plans for the province wide implementation of the programme.

In this regard, during the electoral mandate period, the following will among others be implemented:

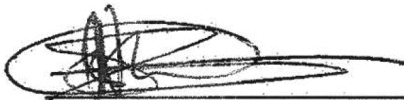
- A Rural Development Strategy for the Province.
- Identification of more Comprehensive Rural Development Programme pilots in districts based on the human development index.
- Revitalization of rural towns.
- The revitalization of old irrigation schemes.
- The development of new irrigation schemes.

- Aggressive implementation of the Orange River Emerging Farmer Settlement and Development Programme.
- Establishment of agricultural cooperatives.
- Food Security Programme
- The Livestock and Production Development Programme
- The Disaster Management Plan
- The Development Programme for farm workers and farm dwellers.

Our extension services, the technical personnel and the professionals should at all times provide services based on the transformation agenda that must be successfully executed during the electoral mandate period. Land and Agrarian Reform must be the lynchpin upon which our approach to rural development is based and no effort should be spared in ensuring that we transform the agricultural sector to the benefit of the people of our Province including those in our rural areas who are the most vulnerable and whose only interaction with agriculture has been as providers of slave labour.

During this electoral mandate period we will endeavour to achieve the outcomes:

'VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES CONTRIBUTING TO FOOD SECURITY FOR ALL'.



Mr. Norman Shushu, MPL
MEC: Agriculture, Land Reform and Rural Development

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan was:

- > Developed by the management of the Department of Agriculture, Land Reform and Rural Development under the guidance of MEC GNJ Shushu.
- > Prepared in line with the current Strategic plan of Department of Agriculture, Land Reform and Rural Development.

Accurately reflects the performance targets which department of Agriculture, Land Reform and Rural Development will endeavour to achieve given the resources made available in the budget for 2011/12 financial year.

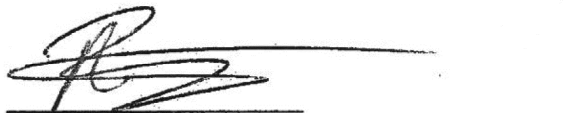
Signature:



Mr. T Maruping
Chief Financial Officer

Date: 22 February 2011

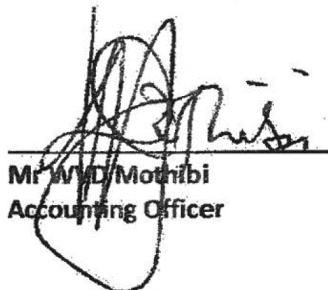
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Mr. WVD Mothibi
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Date: 22 February 2011

Approved by:

Signature:



Mr. GNJ Shushu
Executive Authority

Date: 22 February 2011

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PART A:
STRATEGIC OVERVIEW

1. VISION

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

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.

3. VALUES

The Department will aspire to the following values:

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

4. LEGISLATIVE AND OTHER MANDATES

4.1 Constitutional 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

4.2 Legislative mandates

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

Table 1: Legislative Mandates

TITLE
Agricultural Development Fund Act, 1993 (Act No 175 of 1993)
Agricultural Product Standards Act, 1990 (Act No 119 of 1990)
Agricultural Research Act, 1990 (Act No 86 of 1990)
Animal Diseases Amendment Act, 1991 (Act 18 of 1984)
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

4.3 Policy Mandates

Following the elections in April 2009 and the appointment of the new Cabinet as well as the Provincial Executive council, government developed the medium term strategic framework which identified 10 priority areas and subsequently developed outcomes for the identified priorities. Thus the MTSF is informed by the electoral mandate. The MTSF (2009 – 2014) is the instrument that guides planning and how resources are allocated in order to realize the strategic objective and targets for the 2009 – 2014 periods.

The Department of Agriculture, Land Reform and Rural Development in the Northern Cape Province is mandated to coordinate and ensure that the priority on comprehensive rural development strategy linked to land and agrarian reform and food security is implemented.

The elements of the Comprehensive Rural Development Strategy include:

- * Aggressive implementation of land reform policies.
- * Stimulate agricultural production with a view to contribute to food security.
- * Improve service delivery to ensure quality of life.
- * Implement a development programme for rural transport.
- * Skills development
- * Revitalization of rural towns
- * Explore and support non-farm economic activities
- * Institutional capacity development
- * Cooperative development

This translates to ensuring that there is:

- * Land and agrarian transformation
- * Food security for all
- * Sustainable use and management of agricultural resources
- * Social and economic infrastructure development in rural areas.
- * Sector contribution to economic development in the Province.

The Department is also expected to contribute in achieving other priority areas which include:

- * Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
- * Strengthen the skills and human resource base
- * Improve the health profile of all South Africans
- * Intensify the fight against crime and corruption
- * Building a developmental state including improvement of public services and strengthening democratic institutions

4.4 Relevant court rulings

Below are some of the cases that might affect the service delivery and meeting the mandate of the Department

- * A case on Buffalo movement against Department of Agriculture, Forestry and Fisheries and Kwa-Zulu Natal Province
- * A case against Eastern Cape Province on slaughtering of cattle that tested positive for Tuberculosis
- * A Kimberley High court ruling against government on the Plough certificate

4.5 Planned policy initiatives

- Orange River Emerging Farmer Settlement and Development programme
- Comprehensive Rural Development Strategy for the Province
- Comprehensive agricultural support programme
- Foods security programme
- Primary Animal health care
- Livestock development programme
- Disaster management plan
- Cooperatives development strategy
- Agricultural industrial strategy
- Revitalization of old irrigation schemes and the development of new schemes.
- Implementation of the Riemvasmaak Rural Development Pilot.
- Identification of new rural development pilots based on development imperatives and the human development index.
- Plans for the initiative of the revitalization of rural towns will be developed during this term.

5. SITUATIONAL ANALYSIS

5.1 Performance environment

The global economic recession and high inputs costs led to increased food prices and job losses in the sector and ultimately consumers experiencing difficulties with regards to food affordability. The consumer price index report released by Statistics South Africa (Stats SA) in November 2009 indicated that food inflation was within the South African Reserve Bank's target inflation brackets at 5.3% year on year.

From October 2008 to October 2009 the cost of a basic food basket increased by 10% in nominal terms. Consumer spending was shown to still be under pressure, and is expected to continue until at least mid 2010.

The rural development mandate and further identification of Riemvasmaak as a pilot project led to expectations raised throughout the province with other rural communities expecting immediate attention and assistance. High unemployment rate and the absence of development in the rural areas including demands on social security remain key.

The province continued to experience various agricultural related disasters such as Veldfires, droughts and outbreaks of animal diseases. Even though the Department managed to assist the farmers, the anticipated change in the global climatic condition demands a clear plan to be developed with full participation of all role players. However the plan will demand various resources to be made available

The rural farmers in particular the emerging, small scale or subsistence farmers continued to demand services from the Department regarding several programmes such as Nguni cattle, goats and construction of relevant infrastructure for agricultural purposes and assistance with marketing of various products.

The challenge is that infrastructure in the sector has dilapidated over the years and needs to be revitalised. This includes fencing and stock water in rural areas such as John Taolo Gaetsewe district and irrigation in the Vaalharts and Boegoeberg areas as well as in Onseepkans. This led to several reprioritisations within the Department in order to ensure better streamlining of resources and new mandate coordination.

5.2 Organisational environment and challenges

The Organisational structure of the Department is currently being reviewed in line with the new mandates. This implies that new posts will be created following on the functions identified.

The Department had a moderate vacancy rate in certain fields. Key among the causes is the continuous challenges with regard to recruiting and retaining scarce skills such as Veterinary Laboratory technologist, Engineers, Agricultural Economists, and Scientists as a result of competition with private sector and other Province.

The long distances travelled within the Province by the field officials had an impact on the cost of service delivery. More funds are ultimately needed to provide services to clients.

5.3 Description of the strategic planning process

Following the State of the Nation address, the State of the Province address and the Budget Policy Speech of the Executive Authority in 2009, the Department initiated a strategic planning session with all members of staff and subsequently with broad management forum in the Department. The strategic planning session was preceded by the following:

- Meeting of Intergovernmental Technical Committee on Agriculture, Land and Rural Development (ITCAL) to discuss the Medium Term Strategic Framework and to agree on the responses to the MTSF.
- A workshop by the National Treasury on the format for the development of strategic plans.
- Engagement with organised agriculture, industry, other role-players and beneficiaries of services provided by the Department.

The schedule of meetings was as follows:

Date	Stakeholder
6 July 2010	ITCA
28 May 2010 23 October 2010	MinMEC
19 March 2010	4x4 Agriculture –discussions on funding options
13 October 2010	PMTEC
8 & 9 June 2010	Broad Management Forum
21-23 September 2010	Programme discussions – development of objectives
12 December 2010	Land Reform and Rural Development Coordinating Committee
21-22 October 2010	Departmental strategic planning retreat
28 January 2011	Meeting with organised agriculture (AgriNC, NAFU, etc)
28 January 2011 3 February 2011	Meeting with industry (GWK, Sen-Wes, Abattoir industry, etc)

The strategic planning process was undertaken as a result of the following reasons:

- The new electoral mandate which was translated into the government Medium Term Strategic Framework (MTSF) for the period 2009 – 2014.
- To update the strategic plan and align it with the new MTSF.
- To plan, review and align the resources to enable implementation of the new mandate of comprehensive rural development that became the responsibility of the Department after the announcement of the new executive council.
- To prepare for the finalization of the new annual performance plan for the 2011/2012 financial year.

The strategic planning session was for the first time attended by all the staff of the Department. This was important for the following reasons:

- The opportunity for the staff to obtain first hand information on the mandate of the Department in terms of the new Medium Term Strategic Framework and interact with the new MEC for the Department.
- To give the general staff of the Department the opportunity to make inputs on how in their view, the Department must execute its mandate in the new term
- SWOT analysis on the basis of the new mandate and the formulation of the critical success factors which must be taken into consideration for the successful implementation of the strategic plan and the annual performance plan.

The result of this interaction led to the formulation of the project, titled Vulindlela which refers to those issues which the Department must internally resolve and improve on in order to create an environment which will allow staff to excel in the implementation of the programmes of the Department.

The Department conduct a swot analysis with the following outcomes:

Strengths identified:

- Highly skilled, experienced, committed and dedicated personnel
- Gender representations at management level
- Service delivery which reaches its targets (clientele)
- Availability of Conditional Grants.
- Clearly and well defined performance targets.

Weaknesses identified:

- Poor Supply Chain Management
- Lack of archiving and document tracking system
- Poor IT Infrastructure
- Poor dissemination of information
- Poor intra Departmental cooperation
- Long turn- around time to fill funded vacant posts
- Non compliance with Batho Pele Principles
- Insufficient budget

Opportunities identified:

- Using Extension Recovery Plan to reach more emerging farmers.
- Job creation within rural communities.
- New mandate (Rural Development)
- Possible funding from other institutions
- Possible partnerships on research (ARC, ARD & Netherlands)
- Water Rights

Threats:

- Conflict on land use
- Ageing beneficiary profile and farm worker community
- TB and substance abuse and ageing profile of staff at the Research Stations.
- Vandalism of infrastructure and equipment provided by the Department.
- Slow pace of Land Reform.

6. STRATEGIC OUTCOME ORIENTED GOALS OF THE DEPARTMENT

The Department has seven programmes through which its mandate is executed. The budget structure was amended for the 2010/11 financial year to accommodate Rural Development.

Strategic outcome oriented goal 1	EFFECTIVE AND EFFICIENT GOVERNANCE
Goal statement	Promote and support sound administration and strategic management.
Strategic outcome oriented goal 2	ENSURE SUSTAINABLE USE AND MANAGEMENT OF NATURAL RESOURCES
Goal statement	To ensure that all land users utilise and conserve the natural resources, implement rehabilitation programmes and agricultural risk management strategies.
Strategic outcome oriented goal 3	PROMOTE OPTIMAL AND SUSTAINABLE AGRICULTURAL PRODUCTION TO ENSURE FOOD SECURITY
Goal statement	To provide appropriate technical and advisory services that will contribute towards increased food production and promote household food security.
Strategic outcome oriented goal 4	ENSURE BIO-SAFETY AND BIO-SECURITY FOR THE WELLNESS OF THE PUBLIC
Goal statement	To provide veterinary services which promote sustainable economic growth through export/import and, ensures the health and welfare of people and animals in the Northern Cape.
Strategic outcome oriented goal 5	ENSURE SUSTAINABLE AGRARIAN REFORM
Goal statement	To co-ordinate intervention programmes of all public institutions and private sector in rural areas for the achievement of sustainable land and agrarian reform.
Strategic outcome oriented goal 6	INCLUSIVE RURAL ECONOMIC GROWTH THROUGH PROMOTION AND SUPPORT OF AGRI-BUSINESSES AND AGRO-PROCESSING
Goal statement	To provide appropriate and efficient technology to add value to primary produce, the necessary support to various agro industries through the implementation of agro-processing strategy for contribution towards the growth of the sector, increased income and job creation. To provide economic support to producers (both small holder and commercial) to ensure viable enterprises and increase their contribution to the sector. Promote the establishment of co-operatives and provide support.
Strategic outcome oriented goal 7	CO-ORDINATE AND FACILITATE THE IMPLEMENTATION OF RURAL DEVELOPMENT PROGRAMMES
Goal statement	Ensure the effective implementation of the Comprehensive Rural Development Programme.

PART B:
STRATEGIC OBJECTIVES

Programme 1: Administration

7. Programme 1: Administration

The primary purpose of this programme is to manage and formulate policy directives and priorities, to ensure there is appropriate support service to all other programmes with regard to finance, personnel, information, communication and supply chain management. A new sub-programme has been created that will deal with Planning, Performance, Monitoring and Evaluation.

The programme is structured into six sub-programmes and renders support functions to all other programmes with regard to finance, personnel, information, communication and procurement.

Sub-programme 1.1: Office of the MEC

Set priorities and political directives.

Sub-programme 1.2: Senior Management

Translate policies and priorities into strategies for effective service delivery and, to manage, monitor and control performance.

Sub-programme 1.3: Corporate Services

Provide strategic support service based on the principles of corporate governance.

Sub-programme 1.4: Financial Management

To provide sound financial and risk management support services to the department.

Sub-programme 1.5: Communication Services

Provide internal and external communication services.

Sub-programme 1.6 Performance Monitoring and Evaluation

Monitor and evaluate departmental performance.

Strategic outcome oriented goal 1	EFFECTIVE AND EFFICIENT GOVERNANCE
Goal statement	Promote and support sound administration and strategic management.

7.1 Strategic objectives for Programme 1

Strategic Objective 1.1	Determine policy and set priorities for the department
Objective Statement	To advance agrarian transformation and rural development
Baseline	Strategic plan, policies and human resources are in place

Strategic Objective 1.2	To provide strategic leadership and support throughout the organization
Objective Statement	To translate policies and priorities into strategies for service delivery and to manage, monitor and measure performance.
Baseline	Policies are in place. Senior management structure is in place. Performance Management system is in place.

Strategic Objective 1.3	To implement Good Management Practices
Objective statement	Ensure an appropriate support service based on the principles of corporate governance
Baseline	Policies and support functions are in place

Strategic Objective 1.4	To provide sound financial and risk management support services for the department
Objective statement	To ensure effective, efficient and economical use of departmental resources towards the attainment of departmental mandate
Baseline	Financial and risk management policies including support functions are in place.

Strategic Objective 1.5	Provide internal and external communication services
Objective statement	Focus on internal and external communication in the Department through written, verbal, visual and electronic media as well as marketing and advertising of the Departmental services.
Baseline	

Strategic Objective 1.6	Performance monitoring and evaluation
Objective statement	To monitor and evaluate performance of the department in relation to the implementation of the strategic plan, Annual Performance Plan and other policy commitments
Baseline	Although the department has engaged in monitoring processes no formal M&E has been undertaken. In 2010 the M&E function was formalised by establishing a unit. There is currently limited human resource and the structure has not been formalised.

7.2 Resource considerations

Programme 1 Administration had strong growth over the period 2007/08 – 2008/09, however in 2009/10 there was a decrease in the budget allocation of this programme. A decrease of 10 per cent was observed and this was due to shifting the salaries of senior managers to their respective programmes. The budget grows steadily over the MTEF period from R73.416 million in 2011/12 to R77.456 million in 2012/13 and finally R81.463 million in the final year. A new sub-programme named Planning, Performance, Monitoring and Evaluation has been established for the 2011/12 financial year.

Programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Administration	43,038	54,427	53,952	61,629	64,250	64,250	73,416	77,456	81,463
Sustainable Resource Management	58,937	57,972	35,386	33,737	35,667	35,667	21,047	28,164	28,234
Farmer Support And Development	68,745	72,217	110,815	119,051	123,349	123,349	163,411	176,277	193,269
Veterinary Services	23,849	28,577	29,865	31,230	34,161	34,161	32,809	34,774	36,398
Technical Research And Development Services	21,299	24,959	32,033	39,451	38,793	38,793	39,518	41,547	43,758
Agricultural Economics	3,777	24,959	7,624	10,936	11,012	11,012	12,500	12,981	13,596
Rural Development	-	24,959	-	8,021	13,077	13,077	14,383	14,769	15,770
Total	219,645	24,959	269,675	304,055	320,309	320,309	357,084	385,968	412,488

Over the MTEF period, the allocation for compensation of employees shows a healthy growth in line with recommended salary adjustments. It also provides for the capacitating of the sub-programme Planning, Performance and Monitoring & Evaluation.

The Goods & Services allocation is R32.636 million in 2011/12 financial year. This is only a 4.6 per cent increase when compared to the Revised Estimate of 2010/11 financial year. Capital funds have been set aside for the acquisition of a new vehicle for the MEC in the 2012/13 financial year.

Legal Services component will assist and manage all litigation matters (in High Court). They will monitor legislative compliance within the Department.

Regular legal advisory services will be rendered to personnel and all contracts (employment contracts, leases, service level agreements etc.) will be managed and monitored. A fully fleshed Legal Service Unit and legal library will be (vacancies filled) established.

Logistical Services will ensure that sufficient and appropriate office accommodation is available to accommodate the entire Department. All repairs and maintenance on departmental buildings will be management. Provision of accommodation at all Research Stations will be ensured.

An accommodation / housing policy will be development. Furthermore all leases in conjunction with the Department of Public Works (office accommodation) will be reviewed and managed. Departmental offices and state buildings (houses, store rooms etc.) will be renovated throughout the regions.

Fleet Management (Transport) will provide and manage all transport needs in the Department and will ensure that the process of approving subsidized vehicles (increase frequency of transport committee sittings) be speed-up. The Unit will also assist employees to obtain loans for subsidized vehicles by engaging financial institutions. A Departmental Transport Strategy / Policy will be developed.

The Employee Wellness Programme, Performance Management and Human Resources Development are three areas we focused on as a means to making this Department the employer of choice. The Department has made progress in terms of Employment Equity and reached its set targets in terms of pre-sentivity in some areas.

1.3Risk management

Appropriately skilled personnel – proper recruitment, training and retention Non-compliance to policies.

*Programme 2:
Sustainable Resource
Management*

8. Programme 2: Sustainable Resource Management

The function and aim of the programme is to provide a technical engineering support service to land users in order to ensure sustainable use and management of agricultural resources.

The Programme aims to support and enhance the capacity of clients with regard to irrigation technology (including the revitalization of irrigation infrastructure), on-farm mechanization, production-, marketing- and agro-processing infrastructure, animal housing in order to optimize production and ensure access to affordable and diverse food.

Sub-programme 2.1: Engineering Services

To provide support (development, evaluation and research) and capacitate clients with regard to irrigation technology, on-farm mechanization, animal housing, farm structures and maintenance of farm equipment.

Sub-programme 2.2: Land Care

To coordinate and facilitate the planning and implementation of LandCare Programmes.

Sub-programme 2.3: Land Use Management.

To implement Act 43 of 1983 for the Conservation of Agricultural Resources (Plan, survey and design) including preparations for Disaster Management.

Strategic outcome oriented goal 1	ENSURE SUSTAINABLE USE AND MANAGEMENT OF NATURAL RESOURCES.
Goal statement	To ensure that all land users utilise and conserve the natural resources, implement rehabilitation programmes and agricultural risk management strategies

8.1 Strategic objectives

Strategic Objective 2.1	Technical and engineering support to agricultural development and support programmes.
Objective Statement	Technical and engineering support with regards to infrastructure and mechanization to projects in the identified areas for land reform and rural development with particular emphasis in Riemvasmaak, John Taolo Gaetsewe, Frances Baard and Pixley Ka Seme areas
Baseline	Surveys to obtain information will be conducted

Strategic Objective 2.2	Co-ordination, planning and implementation of the LandCare programmes
Objective Statement	The implementation and management of the LandCare Programme in the Northern Cape Province according to all LandCare principles
Baseline	Level of awareness has not been determined.

Strategic Objective 2.3	Promotion of sustainable use of natural resources through Land Use Planning, Conservation of Agricultural Resources Act (CARA) (Act 43 of 1983).
Objective Statement	To ensure sustainable agricultural resource use through survey and designs of soil conservation structures and farm plans, efficient water use and design of irrigation systems.
Baseline	CARA – norms and standards available

Strategic Objective 2.4	Coordination of agricultural risk and disaster management.
Objective Statement	To ensure that an agricultural risk and disaster management plan is developed, coordinated and implemented annually. Monitoring and assessment of disasters to be able to implements applicable schemes (drought, veld fire and flood) for rehabilitation and support purposes.
Baseline	Gap analysis performed to determine shortfalls.

8.2 Resource considerations

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Engineering Services	1,677	1,934	2,337	2,931	2,959	2,959	3,937	4,161	4,327
Land Care	57,260	55,963	29,726	30,559	31,027	31,027	6,355	12,724	12,055
Land Use Management	-	75	3,323	247	1,681	1,681	10,755	11,279	11,852
Total	58,937	57,972	35,386	33,737	35,667	35,667	21,047	28,164	28,234

The budget allocation for Sustainable Resource Management in the 2011/12 financial year is R21.047 million which is 37 per cent less than the original allocation of 2010/11. During 2010/11 financial year, this programme had an amount of R15.119 million of the Infrastructure Grant to Provinces (IGP). The agriculture sector is no longer a beneficiary of the IGP Grant as discussed earlier in the paragraph on infrastructure.

The sub-programme LandCare will only accommodate the LandCare Conditional Grant from the 2011/12 financial year with all other operational expenditure being shifted to the Land Use Management sub-programme. The Land Care conditional grant grows by more than 100 per cent in 2012/13 when compared to 2011/12.

Appointments as indicated in Human Resource Plan

The budget of Compensation of Employees in this programme has an average annual growth rate of 4.8 per cent and makes provision for ICS at the recommended levels. All other areas of this programme's budget show a decrease due to the removal of the IGP grant.

The directorate has developed a Human Resource Development Plan and adjusted the organogram accordingly to address the current and future needs based on the responsibilities and the new mandate of the Department. Currently the directorate is under-staffed and is experiencing difficulties in dealing with the demand. It is envisaged that three senior officials will retire in 2016.

The Human Resource Development Plan will be implemented over a four year period and young graduates will be paired with experienced engineers and technicians to develop their skills.

Retaining current personnel

The national shortage of engineers and engineering technicians is seriously hampering service delivery within the agricultural sector. Due to the high demand for qualified engineers and engineering technicians and salaries offered by the private sector, the government often loses qualified and experienced engineers.

The proposed Occupation Specific Dispensation and a clear recruitment programme will assist in keeping required skills in the employ of government.

Reprioritisation of the budget to accommodate appointments (operational & capital costs)

The planning and development of the identified areas in the province will require the necessary operational- and capital budget for effective service delivery.

The budget will be reprioritised to accommodate:

- Sufficient subsistence and travelling allowances
- Computer hardware and software (Engineering design and other supporting software)
- Surveying and other equipment, as well as the maintenance thereof.
- Replacement and obtaining of office furniture

Some of the key priorities within engineering in the medium term strategic framework 2009/2014

- The development and implementation of a comprehensive Agricultural Risk Management Plan as part of disaster management strategy with full participation of the role-players and stake-holders followed by annual review and monitoring of the implementation.

The plan will ensure that various role players are aware of the required preventative measures, emergency response approach and rehabilitative measures to be implemented.

- Technical engineering support to the Comprehensive Rural Development Programme particularly the pilot area of Riemvasmaak and other identified areas in the John Taolo Gaetsewe and Pixley Ka Seme districts. This will include surveys, designs and construction of relevant on- and off-farm infrastructure including participation in the development planning of the areas.
- As part of support for the Illima/Letsema programme of increasing agricultural production in the province, the officials in the Directorate will provide technical support on the rehabilitation of irrigation schemes including the development of new irrigation schemes under the Orange River Emerging Farmer Support and Development programme. This will be done through the designs and construction of farm infrastructure in the form of overnight dams, sub-surface drainage infrastructure, irrigation systems and repair of damaged canals.
- Rehabilitation of the various agricultural projects and land that is currently fallow and non-productive including assisting projects that are experiencing challenges such as Warrenton Super Chicken.
- Technical support on agro-processing ventures such as the procurement and installation of equipment to complete the pasteurization plant at the Rooibos Tea Project in Niewoudtville.
- Land degradation and sustainable use of natural resources remains one of the key areas of concern and thus the Department will continue with land care awareness programme throughout the province and specifically focus on the youth through the junior land care projects.

Some of the projects that will receive attention in Land Use Management are:

- Development of bulk water infrastructure at Riemvasmaak for irrigation
- Construction of farm infrastructure in the form of sub-surface drainage and overnight dams at Vaalharts
- Stock water supply in the John Taolo Gaetsewe District
- Investigation on the feasibility of irrigation at Oranje-Riet
- Technical engineering support to all development projects
- Finalization of the Vaalharts Revitalization Programme regarding the feasibility study, business- and implementation plan
- Commencement of Boegoeberg revitalization
- Construction of fences under the National Fencing Scheme

8.3 Risk management

The following key risk factors will affect the realization of the directorate's strategic objectives:

- Non-appointment and strategic placement of engineers and engineering technicians.
- Natural disasters (e.g. Flood) which might require temporary suspension of certain activities to implement the applicable disaster scheme.
- Non-performance or delays by service providers appointed by the Department.
- Equipment failure and possible budget deficit to address maintenance issues, depending on magnitude.

*Programme 3:
Farmer Support and
Development*

9. Programme 3: Farmer Support and Development

To provide support to farmers and rural communities through agricultural development programmes.

Sub-programme 3.1: Extension and Advisory Services

Provides extension and advisory services to the farmers.

Sub-programme 3.2: Food Security

Co-ordinates and implement the Integrated Food Security Strategy of South Africa (IFSS).

Strategic outcome oriented goal 3	PROMOTE OPTIMAL AND SUSTAINABLE AGRICULTURAL PRODUCTION TO ENSURE FOOD SECURITY
Goal statement	To provide appropriate technical and advisory services that will contribute towards increased food production and promote household food security.

9.1 Strategic objectives

Strategic Objective 3.1	Strengthen support to small holder and medium scale farmers to graduate into commercial farmers in order to improve agricultural production.
Objective Statement	Improve support packages to farmers in order to increase agricultural production and number of employees on farms
Baseline	The majority of small holder and medium scale farmers in the province lack relevant knowledge and skills to apply appropriate production practices and systems.

Strategic Objective 3.2	Comprehensive development of farm workers to enhance their livelihood and full participation in the sector.
Objective Statement	Capacity building of farm-workers and farm dwellers and co-ordinate access to services
Baseline	Most farm workers and farm dwellers don't have access to basic agricultural services and are therefore excluded from the mainstream economy

9.2 Resource considerations

This programme was reconfigured in 2009/10 and the sub-programme of Farmer Settlement was moved to Programme 7: Rural Development and Farmer Settlement. The historical expenditure has been restated for this programme. Farmer Support and Development has observed very strong growth, from R119.051 million in 2010/11 to R163.411 million in 2011/12 as a result of conditional grants in this programme. This increase of 37.3 per cent is attributed to conditional grants in the programme viz. Ilima/Letsema and CASP.

The Ilima/Letsema grant accounts for R60 million in 2011/12 and R63 million in 2012/13. These funds are located primarily within Goods & Services and a smaller proportion within payments for capital assets for projects of an infrastructure nature.

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Extension & Advisory Services	20,644	23,856	101,569	112,356	116,620	116,620	156,125	168,626	185,205
Food Security	4,824	5,852	5,609	6,695	6,729	6,729	7,286	7,651	8,064
Farmer Settlement	43,277	42,509	3,637	-	-	-	-	-	-
Total	68,745	72,217	110,815	119,051	123,349	123,349	163,411	176,277	193,269

With regard to human resource, there has been gradual increase of Extension Officers on the ground, which has been made possible by Extension Recovery Programme.

The programme enabled the recruitment of 16 additional officers since 2008 and the number is expected to increase over the MTEF. Provision of the necessary ICT equipment as well as training and re-skilling is hoped to improve the efficiency of extension services.

The historical expenditure has been restated for this programme. Compensation of Employees has been stabilized over the MTEF period with the Extension Recovery Plan which is part of the Comprehensive Agricultural Support Programme conditional grant.

Farmer Support and Development has observed very strong growth, from R86.540 million in 2009/10 to R119.051 million in 2010/11, as a result of conditional grants in this programme. This increase of 37.5% is attributed to conditional grants in the programme.

The Ilima/Letsema grant accounts for R30 million in 2010/11 and R60 million in 2011/12. These funds are located within payments for capital assets and are generally towards projects of an infrastructure nature.

Priorities for 2010/11 financial year include the following:

- The implementation of agricultural support programmes that will improve production practices of emerging farmers, optimize their production and help them to access markets in order to contribute to agrarian transformation, vibrant, equitable and sustainable rural communities that contribute towards food security for all.
- Priority will be on the identified rural development priority areas of Riemvasmaak, John Taolo Gaetsewe and Pixley Ka Seme. Support programmes will include, among others, the following:
 - Comprehensive Agricultural Support Programme (CASP) will be provided, which support includes fencing, irrigation infrastructure, tractors and implements, production inputs and marketing. 24 projects will be implemented and 2267 farmers will participate and benefit.
 - Training and capacity building of farmers through short courses, demonstrations, information days, workshops and excursion tours to introduce and expose farmers to various aspects of production, farm management, financial management and marketing. 9550 farmers will participate and benefit from these capacity building programmes.
 - Provision of agricultural extension and advisory services on various aspects of production and farm management and as part of Ilima/Letsema programme to increase agricultural production by encouraging and providing support to put fallow land into production and revitalization of projects that have experienced problems and are out of production.
 - Continuation of the Orange River Emerging Farmer Settlement Programme and through vineyard development scheme, among others as well as olives youth project in Vaalharts and Schmidtsdrift new irrigation development will give effect to an increased participation of historically disadvantaged farmers in irrigated agriculture and agro-processing.
 - Also part of a drive to increase food production, particularly at household level, several integrated food security interventions will be made. This include providing support in the form of production inputs to households and communities to establish backyard and community food gardens, provision of fruit trees, layers and broilers and giving advice on production and other aftercare support.
 - Extension support to agricultural cooperatives and commodity groups to improve their operations and full participation in the sector's value chain.
- Training and re-skilling of extension officers will continue, which is aimed at improving the efficiency of extension services.
- The participation of women and youth in the agricultural sector is still low. Interventions and targeted support will continue that will create a conducive environment to participate in the value chain of the sector.
- The Food Security Unit will create awareness on own food production by the households to reduce household food insecurity in the Province.
- They will further be activity involved in the household profiling process in support of the War on Poverty Programme.
- The establishment of food gardens at schools and community centres will be promoted throughout the regions.

- To contribute towards massification of food production the Department will be distributing fruit trees and will maintain poultry projects.
- As the leading Department for IFSNP, continuous support to the coordination and implementation of integrated food security interventions in the Province.

9.3 Risk management

As farming is dependent on nature, natural disasters might require temporary suspension of certain activities. High energy and fluctuating fuel costs might contribute to increased cost of production, thus impacting on the planned production and other value chain activities.

Group dynamics where joint or communal production activities are involved might lead to inability to achieve planned targets.

Programme 4: Veterinary Services

10. Programme 4: Veterinary Services

The aim of the programme is to provide veterinary services which promote sustainable economic growth through export/import and, ensures the health and welfare of people and animals in the Northern Cape. The programme consists of the following 4 sub-programmes:

Sub-programme 4.1: Animal Health

To facilitate and provide Animal Disease control services in order to protect the animal population against highly infectious and economic diseases, through the implementation of the Animal Diseases Act (Act 35 of 1984) or Animal Health Act (Act 7 of 2002), when promulgated and Primary Animal health programme/projects.

Sub-programme 4.2: Export Control

To provide control measures including risk assessment and Health Certification, in order to facilitate the importation and exportation of animals and animal products.

Sub-programme 4.3: Veterinary Public Health

To ensure the safety of meat and meat products and the prevention of food borne diseases through the implementation of Meat Safety Act (Act 40 of 2000), food safety awareness and various meat safety schemes.

Sub-programme 4.4: Veterinary Laboratory Services

To render diagnostic, laboratory and investigative services and epidemiological studies that will generate data to back the control of animal diseases.

Strategic outcome oriented goal 4	ENSURE BIO-SAFETY AND BIO-SECURITY FOR THE WELLNESS OF THE PUBLIC
Goal statement	To provide veterinary services which promote sustainable economic growth through export/import and, ensures the health and welfare of people and animals in the Northern Cape.

10.1 Strategic objectives

Strategic Objective 4.1	Animal disease control with focus on outbreaks and prevention
Objective statement	To promote Primary Animal Health Care and food security
Baseline	The Government has estimates on % prevalence and incidence of various diseases and programmes are designed to reduce the prevalence.

Strategic Objective 4.2	Primary animal health care
Objective statement	Develop risk assessment strategies in line with National and International standards as well as providing health certification for import and export of animals and animal products.
Baseline	Average number of certificates issued is 100 per quarter.

Strategic Objective 4.3	Food safety awareness
Objective statement	To ensure that the public consume same food and create public awareness on their constitutional rights.
Baseline	60 abattoirs are annually registered and inspected at least twice a year. 30 schools are visited annually as well as all public institutions. 6 workshops are conducted every year.

Strategic Objective 4.3	Expand Veterinary Laboratory services
Objective statement	To ensure that the public consume same food and create public awareness on their constitutional rights.
Baseline	60 abattoirs are annually registered and inspected at least twice a year. 30 schools are visited annually as well as all public institutions. 6 workshops are conducted every year.

10.2 Resource considerations

Veterinary services programme has seen consistent and healthy growth in expenditure in the period 2007/08 – 2009/10. The average growth in this period has been almost 12.7 per cent from R23.849 million to R29.865 million.

The budget allocation for Veterinary Services has increased by 5 per cent in 2011/12 when compared to the original allocation of 2010/11. The primary reason for the increase in the funding is in Compensation of Employees due to the carry through effect of the 2010 ICS and wage adjustments.

The budget of this programme is stable and shows a nominal average annual growth of 2.1 per cent in the period 2011/12-2013/14.

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Animal Health	18,664	21,381	22,050	22,352	24,406	24,406	21,735	23,151	24,174
Export Control	597	284	491	1,558	551	551	1,607	1,689	1,783
Veterinary Public Health	2,727	4,342	3,799	3,876	4,725	4,725	4,430	4,640	4,868
Veterinary Laboratory Services	1,861	2,570	3,525	3,444	4,479	4,479	5,037	5,294	5,573
Total	23,849	28,577	29,865	31,230	34,161	34,161	32,809	34,774	36,398

Key priorities:

- The Department intends doing a post-outbreak assessment on the Rift Valley Fever that occurred in Kakamas resulting in a review of the contingency plans that were put in place. We will further intensify the vaccination and awareness campaign for Rift Valley Fever in the Northern Cape to mitigate against this.
- In terms of anthrax, the Department hopes to set up a Polymerase Chain Reaction (PCR) laboratory for rapid and reliable diagnosis in the province. A prospective longitudinal study on the home range of the Kudu in the Ghaap Plateau will be undertaken to inform control strategies of anthrax.
- Primary animal health care will also become a key focus with an emphasis on responsible animal ownership and animal welfare aspects
- Maintaining the export status and promoting access of emerging farmers to the export market will remain one of the focus areas with continuation of traceability programme and maintaining high standards on the Sanitary status of the province
- Bio-security and Bio-safety programme which will assist in the prevention of introduction of animal diseases and promote food safety in the province

Trends in the supply of key inputs - the key inputs that will be required include procurement of relevant veterinary equipment, vaccines and medication. The other important aspects will include the subsistence and travelling, cost of communication.

10.3 Risk management

The main key risk area will be abnormal outbreaks and introduction of new animal diseases outbreaks in the province and nationally which might lead to certain programmes being suspended. The Directorate has established a rapid response unit and an epidemiological system that will continuously monitor the situation in the province. Contingency plans for animal diseases will be developed.

The other critical risk area will be our personnel being exposed to zoonotic diseases which might have a negative impact on their health status. We have in collaboration with the Employee assistance unit and the Department of Health established mechanisms to constantly monitor the health status taking into consideration certain zoonotic diseases.

*Programme 5:
Technology Research &
Development Services*

11. Programme 5: Technology Research and Development Services

This programme aims to render agricultural research and the development of information systems with regard to agricultural and natural resource utilisation technologies through the timely provision of progressive technologies and information with regard to crop production, animal production and resource utilisation, the programme aims to ensure the competitive capacity of its clients.

The programme is structured into 3 sub-programmes with strategic goals and strategic objectives. The programme is headed by a Director, Technology Research and Development, who is responsible for the management of the programme. This position is currently supported by two Deputy Directors responsible for primarily the sub-programmes Animal Production Research and Crop Production Research. This management structure is also responsible for managing the sub-programmes, Resource Utilization Research, Information Services and Infrastructure Support Services.

Sub-programme 5.1: Research

To conduct, facilitate and co-ordinate agricultural research; to develop/adapt and or transfer appropriate technology to clients and to participate in multi-disciplinary agricultural development projects.

Sub-programme 5.2: Information Services

To co-ordinate the development and dissemination of information to clients including the development and utilisation of various information systems.

Sub-programme 5.3: Infrastructure Support Services

To provide and maintain infrastructure facilities for the line function to perform their research and other functions i.e. experiment farms.

Strategic oriented outcome goals 5	ENSURE SUSTAINABLE AGRARIAN REFORM
Goal statement	To co-ordinate intervention programmes of all public institutions and private sector in rural areas for the achievement of sustainable land and agrarian reform.

11.1 Strategic objectives for Programme 5

Strategic Objective 5.1	Develop alternative models for advisory services
Objective Statement	Integrate indigenous knowledge system of farmers with modern agricultural techniques.
Baseline	

Strategic Objective 5.2	Increased funding in agricultural research and development to enable farmers to use current information.
Objective Statement	Mobilise resources to ensure appropriate and effective technology development and transfer
Baseline	Provision of spatial indicators and the transfer of appropriate technologies via information days, brochures and training. Various databases have been developed

Strategic Objective 5.3	Provide and maintain infrastructure facilities on the Research Stations
Objective Statement	Maintain farm infrastructure to provide support to research, trials and demonstrations.
Baseline	Three of the seven research stations supports crop production research and development while six of the seven supports animal production research and development Four research stations supports land reform through new farmer development

11.2 Resource considerations

The funds allocated to Technology Research and Development had a significant increase of 51 per cent in the 2009/10 financial year when compared to the expenditure of 2008/09. This was due to earmarked funds being allocated to the department for the commercialization of goats which is considered to be a provincial priority.

Over the MTEF period, the programme has stable and consistent growth averaging at almost 4.1 per cent. Compensation of Employees in this programme grows by 8.3% in 2010/11. The funding allocated here makes provision for ICS as well as for the filling of critical posts on research stations.

Compensation of Employees in this programme grows by 7.3 per cent in 2010/11. The funding allocated here makes provision for salary adjustment from May 2011 as well as for the filling of critical posts on research stations. The Goods and Services budget has observed a decline in its allocation due to reprioritisation that has taken place during the budget process.

The Goods and Services budget has observed a decline in its allocation due to reprioritisation that has taken place during the budget process. Vacant posts will be advertised and filled in accordance with the mandate of the Department.

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Research	10,249	15,330	16,515	21,087	20,695	20,695	21,954	23,088	24,317
Information Services	-	3	85	882	882	882	994	1,044	1,101
Infrastructure Support Services	11,050	9,626	15,433	17,482	17,216	17,216	16,570	17,415	18,340
Total	21,299	24,959	32,033	39,451	38,793	38,793	39,518	41,547	43,758

The programme aims to render agricultural research and the development of information systems with regard to agricultural and natural resource utilisation technologies. Through the timely provision of progressive technologies and information with regard to crop production, animal production and resource utilisation, the programme aims to ensure the competitive capacity of its clients.

Priority areas

- Research has shown that support services with regard to new technologies is of paramount importance to small and medium-scale farmers in their quest to become successful commercial farmers. Therefore, the focus of research in the Northern Cape Department of Agriculture, Land Reform and Rural Development is to develop and adapt production technology to satisfy especially the needs of emerging farmers. This programme also strives to strengthen linkages between all role players in order to provide a more efficient service to all farmers. Research in the oil, cereal, industrial and fodder crops will continue in collaboration with other research institutes. The pasture and veld management trials with GADI will be continued and the research stations will continue to offer necessary facilities and support.
- **Livestock production** with promotion of certain breeds and commodities (nguni, goats, sheep) will remain the focus. New projects are also envisaged with respect to **fodder and energy developments**.
- **The goat-milk project's** first phase will be completed and the development of the projects phase two at Rietrivier will be implemented. Support and information to agricultural projects with respect to the **comprehensive rural development strategy** will be enhanced.
- Research directorate will also assist in the development of an agricultural master plan. This will assist various role players in intervention measures and project proposals for the communities.
- New innovative research will be conducted on various commodities such as Bamboo project.
- Commercialisation of the goats programme has to date advanced with establishment of cooperatives and distribution of seed stock to the cooperatives.

- The Directorate will continue with distribution of seed stock and training of the emerging goat farmers.

Resource considerations for this sub-programme are:

- * Lack of funding to replace aging and damaged infrastructure.
- * Lack of adequate funding to adequately train and equip personnel with necessary skills demanded in a changing environment.
- * Availability and quality of natural resources (water and veld) and cost of inputs puts a considerable strain on the limited resources of this programme.

These constraints will be addressed through reprioritisation of the budget within the programme with recruitment of young people and repair and replacement of infrastructure in the next 4 years.

11.3 Risk management

The following strategic risks were identified as most important to the sub-programme research:

- Inability to recruit and retain adequately trained young research and technical personnel in fields identified as scarce and critical skills to the research stations in the remote areas of the Northern Cape.
- Scarce water resources and its quality (high salinity) for agricultural use.
- Fluctuating fuel prices and energy price hikes will result on agricultural input costs.
- Lack of appropriate ICT infrastructure, resulting in inadequate communication and linkages between researchers and clients

Programme 6:
Agricultural Economics

12. Programme 6: Agricultural Economics

To provide timely and relevant agricultural economic support to internal and external clients in order to ensure sustainable agricultural development. It should provide advice and support ranging from micro to macro level. The advice should be updated, relevant and based on sound research. The programme consists of two sub-programmes:

Sub-programme 6.1: Agric-Business and Development

To provide Agric-Business support through entrepreneurial development, marketing services, value adding, production and resource economics.

Sub-programme 6.2: Macro Economics and Statistics.

To develop and maintain a database on various economic variables to carry out statistical and macro-economic analysis in order to inform planning and decision making.

Strategic outcome oriented goal 6	INCLUSIVE RURAL ECONOMIC GROWTH THROUGH PROMOTION AND SUPPORT OF AGRI-BUSINESSES AND AGRO-PROCESSING
Goal statement	To provide appropriate and efficient technology to add value to primary produce, the necessary support to various agro industries through the implementation of agro-processing strategy for contribution towards the growth of the sector, increased income and job creation. To provide economic support to producers (both small holder and commercial) to ensure viable enterprises and increase their contribution to the sector. Promote the establishment of co-operatives and provide support.

12.1 Strategic objectives

Strategic Objective 6.1	Marketing support to improve market access by emerging farmers
Objective Statement	To provide market infrastructure, establish market linkages and ensure that the emerging farmers has access to markets for all their agricultural products.
Baseline	Marketing information system has been established Auction pens has been constructed Market linkages established with some major retailers
Strategic Objective 6.2	Establishment and support of Agricultural cooperatives
Objective Statement	To promote entrepreneurship in rural communities through the formation and support of agricultural cooperatives throughout the value chain. Provide economic support for non-farming enterprises
Baseline	There are 112 cooperatives established, 41 close corporations.
Strategic Objective 6.3	Provide agricultural economic support to create viable enterprises throughout the value chain.
Objective Statement	Avail business and technical support for the establishment of sustainable enterprises.
Baseline	
Strategic Objective 6.4	Policy development and analysis
Objective Statement	Development and analysis of policies to guide transformation and promote growth of the sector
Baseline	

12.2 Resource considerations

The expenditure of 2008/09 grew by 89 per cent when compared to the previous financial year of 2007/08 as a consequence of increased agricultural support rendered which is a national policy priority.

The budget allocation of this programme shows consistent and strong growth over the MTEF period at an average annual rate 7.3 per cent and is indicative of the commitment to the national priority. The increased funds are set aside for Agro-Processing which is part of the core business of this programme.

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Agri-Business Development & Support	1,037	2,400	1,625	6,882	6,405	6,405	7,381	7,608	7,949
Macro Economics & Statistics	2,740	4,763	5,999	4,054	4,607	4,607	5,119	5,373	5,647
Total	3,777	7,163	7,624	10,936	11,012	11,012	12,500	12,981	13,596

The Goods and Services budget of this programme has an average growth over the MTEF in excess of 7 per cent. This bodes well for this programme as the increases are above expected inflation levels.

Key priorities:

- The Directorate of Agricultural Economics will promote entrepreneurship in rural communities through the formation and support of agricultural cooperatives throughout the value chain. Riemvasmaak which is a Comprehensive Rural Development Programme (CRDP) pilot will also be catered for in this regard.
- Investigate and facilitate joint venture partnerships/equity for emerging farmers and entrepreneurs.
- Training and capacity building of farmers on marketing and trade requirements will also feature in the coming financial year. This serves to establish viable economic production units.
- The Directorate will develop, maintain market statistic information, disseminate market information, develop economic models, a comprehensive agricultural industrial Strategy and analyze agricultural policies.
- A system that will help quantify both the production and revenue trends of different sub-sectors in the Province will be developed by the programme.
- Cost-benefit analysis on the funded agricultural projects to determine if they are sustainable, making profit as well as turning around the livelihoods of their intended beneficiaries will be conducted.
- Micro financing for agricultural enterprises (farmers and entrepreneurs) through MAFISA and other financial institutions will be facilitated.
- The Directorate will be actively involved in the feasibility analysis of organic meat production and processing in John Taolo Gaetsewe District.
- Economics support will be provided in terms of economic viability analysis to the proposed production and processing initiatives. This process will commence in Riemvasmaak in the 2010/11 financial year.
- Profiling of socio-economic status of Riemvasmaak will be done. Later this will be rolled out to other provincial districts such as John Taolo Gaetsewe and Pixley ka Seme.
- Farmers will be assisted with regard to establishment of market linkages. This process will commence in Riemvasmaak in the 2010/11 financial year.
- Farmers will be trained on financial management. This process will commence in Riemvasmaak in the 2010/11 financial year.
- Furthermore, the Directorate will play a leading role with regard to projects evaluation in Riemvasmaak and other districts.

12.3 Risk management

The inadequate number of agricultural economists employed in the programme

Currently there are ten people in the unit and the unit's services are stretched very thin in an attempt to deliver on the outlined plan. The Department has advertised for four posts of agricultural economists to be filled.

Global economic pressures on agriculture

Prices of inputs and energy have a direct impact on agricultural enterprise viability. As is currently the case with maize, the maize prices for producers have fallen whereas input prices and energy prices have not decreased, these are directly impacting adversely on agricultural production. The Department's emphasis on Cooperative development can assist producers to weather hikes in input prices by procuring inputs in bulk and also acquiring markets that will be supplied consistently thereby enabling a better bargaining platform for producers.

Environmental changes due to climate change

These increase the possibilities of natural disasters and their potential impact on agriculture and its contribution to the economy. Appropriate assessment of risk and its management is being undertaken by the Department.

*Programme 7:
Rural Development & Farmer
Settlement*

13. Programme 7: Rural Development and Farmer Settlement

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.

Sub-programme 7.1: Comprehensive Rural Development Programme (CRDP)

Coordinate the provision of social and economic infrastructure and facilitate sustainable livelihood programmes in rural areas

Sub-programme 7.2: Farmer Settlement

Fast tracking land reform through the identification of productive agricultural land and potential beneficiaries.

13.1 Strategic objectives for Programme 7

Strategic outcome oriented goal 7	CO-ORDINATE AND FACILITATE THE IMPLEMENTATION OF RURAL DEVELOPMENT PROGRAMMES
Goal statement	Ensure the effective implementation of the Comprehensive Rural Development Programme.

Strategic objective 7.1	Co-ordinate the provision of social and economic infrastructure and facilitate sustainable livelihood programmes in rural areas
Objective statement	Coordinate and support the acquisition of strategically located land for redistribution.
Baseline	

Strategic objective 7.2	Facilitate and co-ordinate provision of agricultural support in the settlement of land and agrarian reform beneficiaries
Objective Statement	Facilitate the provision of agricultural support on identified farms in order to improve production.
Baseline	

Strategic objective 7.3	Development of farm workers and farm dwellers
Objective Statement	To ensure that farm workers have the necessary knowledge of their rights, their skills are developed and that living conditions are improved.
Baseline	

Strategic objective 7.4	Co-ordinate institutional environment for sustainable and inclusive economic growth in rural areas
Objective Statement	Identify and co-ordinate implementation plans for revival of economic growth nodes in rural towns
Baseline	

13.2 Resource considerations

This programme was established in the 2009/10 financial year to deal with the mandate of Rural Development.

Dedicated funding only became available from the 2010/11 financial year onwards. It has also accommodated the sub-programme of Farmer Settlement which was located previously within Programme 3: Farmer Support and Development.

Sub-programme	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Rural Development	-	-	-	3,396	8,403	8,403	8,338	8,443	9,131
Farmer Settlement	-	-	-	4,625	4,674	4,674	6,045	6,326	6,639
Total	-	-	-	8,021	13,077	13,077	14,383	14,769	15,770

The budget allocation of this programme in 2010/11 was R8.021 million. The total allocation in 2011/12 is R14.383 million which is 79 per cent higher than the previous year.

Funding in the programme has been stabilised with an earmarked allocation over the MTEF for comprehensive rural development. The average annual nominal growth in the budget allocation of this programme over the MTEF is 6.4 percent.

The Rural Development and Farmer Settlement programme will drive all the rural development initiatives in the Province. This will give the Department the capacity to guide provincial government in the implementation of the Rural Development Strategy.

Profiling of John Taolo Gaetsewe and Pixley Ka Seme District will be completed in order to identify the developmental needs of those areas. This will form the basis for the further roll out of the Comprehensive Rural Development Programme (CRDP) to these districts.

Riemvasmaak was identified as a pilot for rural development in the province. John Taolo Gaetsewe and Pixley Ka Seme have been identified and will follow as from 2010/11. This Programme is charged with the responsibility to coordinate and facilitate implementation of development programmes in order to ensure that the outcome of vibrant, equitable and sustainable rural communities contributing toward food security for all is achieved.

In the 2009/10 financial year the Department provided water and animal handling infrastructure to this area. Plans for the construction of a tarred road from Kakamas to Sending are underway and the Department coordinated the building of a clinic in Sending. One hundred houses are currently being constructed (20 in Vredesvallei and 80 in Sending).

The Department has managed to secure office accommodation in Kakamas for the Comprehensive Rural Development Programme (CRDP). These offices will be shared with Department Rural Development & Land Reform's provincial office and the plan is to get them operational in 2010/11..

Both (Sending and Vredesvallei) early childhood development centres are being upgraded. The process of repatriating 20 families from Namibia to Riemvasmaak has commenced.

With regard to the Provincial Rural Development Strategy a workshop has been scheduled for 25 March 2010 to present the strategy to stakeholders for inputs. A final draft will be completed by May 2010. This strategy will guide and inform development planning and resources allocation by all stakeholders and role players in rural development

The Department will participate in reviewing all land reform policies and legislation in order to respond to the need of accelerating the land reform programme.

Further to this, the department will work with Department of Rural Development and Land Reform to identify productive agricultural land for redistribution to identified beneficiaries.

Municipalities will be assisted to manage their commonage management capacity.

The Department will further drive the development and implementation of a comprehensive farm worker development programme.

13.3 Risk management

Non co-operation of stakeholders might impact on the execution of the planned programmes. Continuous monitoring and engagement of stakeholders will timeously detect gaps within implementation and ensure that planned outputs are realised.

Misunderstanding within communities on planned development programmes. Create awareness and provide clarification of the Rural Development concept and ensure that such understanding is widely inculcated among all roll players.

Lack of funding of additional mandate also poses risk of the programme not being able to deliver on the new mandate of rural development

- Recruitment and retention of certain expertise to assist the Department to deliver services.
- Improvement on Condition of Service.
- Inflation
- Funding of additional national mandates

PART C:
LINKS TO OTHER PLANS

14. Links to the long-term infrastructure and other capital plans

The Illima/Letsema grant funds the infrastructure development of the two major projects in the Department viz. Vaalharts Irrigation Scheme and the Rooibos Tea in Niewoudtville. In the 2010/11 financial year, the Vaalharts Irrigation project will be allocated R5 million and the Rooibos Tea project an amount of R20 million. The remaining R5 million will be directed towards infrastructure projects in the Pixley Ka Seme District.

The Comprehensive Agricultural Support Programme (CASP) also funds infrastructure developments in the province amongst others such as fencing, sub-surface drainage and boreholes. An amount of R8.7 million has been allocated for developments in the Riemvasmaak area which is a presidential pilot of the CRDP. The Ganspan Co-operative in the Phokwane Municipality will also receive funding from this grant in 2010/11 for a storage facility and the purchase of equipment amounting to R3.8 million.

15. Conditional Grants

The Department has three sources of funding, namely, equitable share, conditional grants and Departmental receipts which is revenue collected on behalf of the province.

Over the MTEF, conditional grants are increasing at a faster rate than the equitable share where in 2012/13 conditional grants constitute almost 42% of the funding available. The trend suggests that conditional grants might overtake equitable share funding in the near future. In 2010/11 conditional grants receive a substantial increase of 36% compared to 2009/10. The underlying reason for the increase in the conditional grants is the Illima/Letsema grant which is now R30.000 million (previously R7.500 million).

The Department manages four conditional grants with a total value R109.389 million. These are:

- Comprehensive Agricultural Support Programme Grant
- Land Care Programme Grant: Poverty Relief & Infrastructure Development
- Illima/Letsema Projects Grant

Name of grant	LandCare Programme
Purpose	To promote the sustainable utilization of agricultural resources
Performance indicator	Number of awareness events conducted Number of LandCare projects implemented
Continuation	The LandCare Programme to be continued throughout the Strategic Plan period (2010 – 2015)
Motivation	Ever since inception the LandCare Programme has conducted numerous awareness events where the sustainable utilization of agricultural resources is promoted. A total of 123 LandCare projects were implemented where numerous resource management practices e.g. rotational grazing systems (through infrastructure development - fencing and stock water), soil reclamation (through the construction of conservation structures), awareness activities as well as training and capacity building initiatives were successfully funded.

Name of grant	Comprehensive Agricultural Support Programme (CASP)
Purpose	To expand the provision of agricultural support service to promote and facilitate agricultural development to targeted groups.
Performance indicator	Number of hectares of fences constructed. Number of boreholes drilled. Number of hydroponics structures completed.
Continuation	Grant continuous until 2013.

Name of grant	Illima/Letsema Projects
Purpose	To assist vulnerable South African farming communities to achieve an increase in agricultural production.
Performance indicator	Number of hectares supported by the programme. Number of beneficiaries/entrepreneurs supported by the grant. Number of newly established infrastructures/plants through the grant.
Continuation	Grant continuous until 2013

Conditional Grants	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Agricultural Disaster Management Grant	38,781	2,436	3,322		1,434	1,434			
Comprehensive Agricultural Support Programme Grant	30,433	33,879	57,359	58,275	58,275	58,275	72,052	80,380	92,039
Ilima/Letsema Projects Grant		31,535	20,835	30,000	30,000	30,000	60,000	63,000	66,465
Land Care Programme Grant: Poverty Relief & Infrastructure Development	6,945	4,840	7,152	5,995	5,995	5,995	6,355	12,724	12,025
Infrastructure Grant to Province	10,408	9,613	13,135	15,119	15,444	15,444			
Total	86,567	82,303	101,803	109,389	111,148	111,148	138,407	156,104	170,529

16. Public entities

The registration of Kalahari Kid Cooperative was completed in the 2010/11 financial year. Its main objectives are:

Management of the production farm, Marketing of live animals and animal products – processing through the abattoir and selling of products and Marketing of animals from the co-operatives as well as procurement of goods from emerging farmers.

17. Public-Private Partnerships

Not applicable