



Western Cape  
Government

Agriculture

BETTER TOGETHER.



**Annual Report 2013/14**

Department of Agriculture

# Contents:

<b>PART A:</b> General Information	<b>3</b>
<b>PART B:</b> Performance Information	<b>39</b>
<b>PART C:</b> Governance	<b>149</b>
<b>PART D:</b> Human Resource Management	<b>163</b>
<b>PART E:</b> Financial Information	<b>203</b>



# Part A:

## General Information

Department's general information	4
List of abbreviations/acronyms	5
Foreword by the Minister/MEC	10
Report of the Accounting Officer	11
Statement of responsibility and confirmation of accuracy of the annual report	32
Strategic overview	33
Legislative and other mandates	34
Organisational structure	36
Entities reporting to the Minister/MEC	37

## 1. DEPARTMENT'S GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

<b>ACF</b>	Alternative Crops Fund
<b>AES</b>	Agricultural Economics Services
<b>AFS</b>	Annual Financial Statements
<b>Agri BEE</b>	Agricultural Black Economic Empowerment
<b>AgriSETA</b>	Agricultural Sectoral Education and Training Authority
<b>AGSA</b>	Auditor-General of South Africa
<b>AI</b>	Avian Influenza
<b>AIMS</b>	Agricultural Information Management System
<b>APAP</b>	Agricultural Action Policy Plan
<b>ARC</b>	Agricultural Research Council
<b>ASGISA</b>	Accelerated Shared Growth Initiative of South Africa
<b>ATKV</b>	Afrikaanse Taal- en Kultuurvereniging
<b>AVCASA</b>	Association of Veterinary and Crop Associations of South Africa
<b>BFAP</b>	Bureau for Food and Agricultural Policy Research
<b>BBBEE</b>	Broad-Based Black Economic Empowerment
<b>BRIP</b>	Berg River Improvement Plan
<b>BSE</b>	Bovine Spongiform Encephalosis
<b>CAADP</b>	Comprehensive Africa Agricultural Development Programme
<b>CD</b>	Chief Director
<b>CADIS</b>	Cape Animal Disease Information System
<b>CASP</b>	Comprehensive Agricultural Support Programme
<b>CARA</b>	Conservation of Agricultural Resources Act
<b>CAWC</b>	Conservation Agriculture Western Cape
<b>Cel</b>	Centre for e-Innovation
<b>CFPPA</b>	<i>Centre de Formation Professionnelle et de Promotion Agricole</i>
<b>CHE</b>	Council for Higher Education
<b>CITCOM</b>	Corporate Information Technology Committee
<b>COC</b>	Code of Conduct
<b>CoE</b>	Compensation of Employees
<b>COMBUD</b>	Computerised Budgets
<b>CoQA</b>	Co-innovation for Quality in African Food Chain
<b>COS</b>	Council of Stakeholders
<b>CPAC</b>	Commodity Project Allocation Committee
<b>CPI</b>	Consumer Price Index
<b>CRDP</b>	Comprehensive Rural Development Programme
<b>CRDS</b>	Comprehensive Rural Development Strategy
<b>CSC</b>	Corporate Services Centre
<b>D: ERM</b>	Director: Enterprise Risk Management
<b>DAFF</b>	Department of Agriculture, Forestry and Fisheries
<b>DD</b>	Deputy Director
<b>DDG</b>	Deputy Director-General
<b>DEA</b>	Department of Environmental Affairs
<b>DEADP</b>	Department of Environmental Affairs and Development Planning
<b>DEDAT</b>	Western Cape Department of Economic Development and Tourism
<b>DESP</b>	Departmental Equitable Share Projects
<b>DG</b>	Director-General

<b>DITCOM</b>	Departmental Information Technology Committee
<b>DORA</b>	Division of Revenue Act
<b>DP</b>	Development Planning
<b>DPAC</b>	Departmental Project Allocation Committee
<b>DPSA</b>	Department of Public Service and Administration
<b>DRDLR</b>	Department of Rural Development and Land Reform
<b>DTI</b>	Department of Trade and Industry
<b>DTPW</b>	Department of Transport and Public Works
<b>DVD</b>	Digital Versatile Disc
<b>EATI</b>	Elsenburg Agricultural Training Institute
<b>ECSA</b>	Engineering Council of South Africa
<b>EDP</b>	Economic Development Partnership
<b>EE</b>	Employment Equity
<b>EEP</b>	Employment Equity Plan
<b>EHW</b>	Employment Health and Wellness
<b>EIA</b>	Environmental Impact Assessment
<b>Email</b>	Electronic Mail
<b>EMF</b>	Environmental Management Framework
<b>EPA</b>	Economic Participation Agreement
<b>EPWP</b>	Extended Public Works Programme
<b>ERM</b>	Enterprise Risk Management
<b>ERMCO</b>	Enterprise Risk Management Committee
<b>ERP</b>	Extension Revitalisation Programme
<b>ETF</b>	Ethical Trade Facilitator
<b>EU</b>	European Union
<b>FAO</b>	Food and Agricultural Organisation of the United Nations
<b>FAPRI</b>	Food and Agricultural Policy Research Institute
<b>FARE</b>	Future of Agriculture and the Rural Economy
<b>FET</b>	Further Education and Training
<b>FIU</b>	Forensic Investigation Unit
<b>FSD</b>	Farmer Support and Development
<b>FWD</b>	Farm Worker Development
<b>GDP</b>	Gross Domestic Product
<b>GI</b>	Geographic Indicators
<b>GIAMA</b>	Government Immovable Asset Management Act
<b>GIS</b>	Geographic Information System
<b>GSSA</b>	Grassland Society of South Africa
<b>ha</b>	Hectares
<b>HAS</b>	Hygiene Assessment System
<b>HCDS</b>	Human Capital Development Strategy
<b>HET</b>	Higher Education and Training
<b>HEQC</b>	Higher Education Quality Committee
<b>HIV</b>	Human Immunodeficiency Virus
<b>HOD</b>	Head of Department
<b>HR</b>	Human Resources
<b>IAMP</b>	Immovable Asset Management Plan
<b>ICT</b>	Information and Communication Technologies
<b>IDP</b>	Integrated Development Plans

<b>IFSS-SA</b>	Integrated Food Security Strategy of South Africa
<b>IGDP</b>	Integrated Growth and Development Plan
<b>IMI</b>	Independent Meat Inspector
<b>IPAP</b>	Industrial Policy Action Plan
<b>ISC</b>	Intergovernmental Steering Committee
<b>IT</b>	Information Technology
<b>LARP</b>	Land and Agrarian Reform Programme
<b>LRAD</b>	Land Redistribution for Agricultural Development
<b>LLMS</b>	Learner and Learning Management System
<b>LIMS</b>	Laboratory Information Management System
<b>LOGIS</b>	Government Procurement System
<b>LTAS</b>	Long-Term Adaption Scenarios
<b>LTD</b>	Limited
<b>MAFISA</b>	Micro Agricultural Finance Institutions of South Africa
<b>MCEP</b>	Manufacturing Competitive Enhancement Programme
<b>MDG</b>	Millennium Development Goals
<b>MEC</b>	Member of the Executive Council
<b>MINMEC</b>	Minister and Members of the Executive Council Committee
<b>MINTEC</b>	Ministerial Technical Committee
<b>MISS</b>	Minimum Information Security Standard
<b>MOA</b>	Memorandum of Agreement
<b>MPAT</b>	Management Performance Assessment Tool
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>MTSF</b>	Medium-Term Strategic Framework
<b>NACH</b>	National Anti-Corruption Hotline
<b>NAPS</b>	Nominated Account Payment System
<b>NARS</b>	National Abattoir Rating Scheme
<b>NDP</b>	National Development Plan 2030
<b>NDV</b>	New Castle Disease Verification
<b>NEPAD</b>	New Partnership for Africa's Development
<b>NGOs</b>	Non-Governmental Organisations
<b>NGP</b>	National Growth Plan
<b>NIP</b>	National Infrastructure Plan
<b>NLACC</b>	National Land Acquisition Control Committee
<b>NMMU</b>	Nelson Mandela Metropolitan University
<b>NO</b>	National Outcome
<b>NPC</b>	Non-Profit Company
<b>NQF</b>	National Qualifications Framework
<b>OD</b>	Organisational Development
<b>OSD</b>	Occupational Specific Dispensation
<b>OECD</b>	Organisation for Economic Development and Cooperation
<b>OHS</b>	Occupational Health and Safety
<b>OQF</b>	Occupations Qualifications Framework
<b>PAHC</b>	Primary Animal Health Care
<b>PAJA</b>	Promotion of Administrative Justice Act
<b>PAYE</b>	Pay-as-you-earn
<b>PCR</b>	Polymerase Chain Reaction
<b>PDALFA</b>	Preservation and Development of Agricultural Land Facilitation Act



<b>PDI</b>	Previously Disadvantaged Individual
<b>PDMC</b>	Provincial Disaster Management Centre
<b>PERSAL</b>	Personnel Salary System
<b>PFMA</b>	Public Finance Management Act, 1999 (Act 1 of 1999)
<b>PLACC</b>	Provincial Land Acquisition and Consideration Committee
<b>PLAS</b>	Proactive Land Acquisition Strategy
<b>PPFA</b>	Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)
<b>PRF</b>	Protein Research Foundation
<b>PSCBC</b>	Public Services Coordinating Bargaining Council
<b>PSO</b>	Provincial Strategic Objective
<b>PSRMF</b>	Public Sector Risk Management Framework
<b>PTY</b>	Propriety
<b>PWD</b>	People with Disability
<b>R &amp; D</b>	Research and Development
<b>RADP</b>	Recapitalisation and Development Programme
<b>RDC</b>	Rural Development Coordination
<b>RPL</b>	Recognition of Prior Learning
<b>RSG</b>	Radio Sonder Grense
<b>RTDS</b>	Research and Technology Development Services
<b>RWOPS</b>	Remunerative Work Outside the Public Service
<b>SA</b>	South Africa
<b>SACNASP</b>	South African Council for Natural Scientific Professions
<b>SAET</b>	Structured Agricultural Education and Training
<b>SAPS</b>	South African Police Service
<b>SAQA</b>	South African Qualifications Authority
<b>SASAT</b>	South African Society for Agricultural Technologists
<b>SAVM</b>	Soil and Veld Management
<b>SCM</b>	Supply Chain Management
<b>SCOPA</b>	Standing Committee on Public Accounts
<b>SETA</b>	Sectoral Education and Training Authority
<b>SG</b>	Superintendent-General
<b>SIMFINI</b>	Financial Recordkeeping Programme designed for Agriculture
<b>SIP</b>	Strategic Infrastructure Projects
<b>SIZA</b>	Sustainability Initiative of South Africa
<b>SOC</b>	State-Owned Company
<b>SOP</b>	Standard Operating Procedures
<b>SMS</b>	Senior Management Service
<b>SPCA-GH</b>	Cape of Good Hope Society for the Prevention of Cruelty to Animals
<b>SPLUMA</b>	Spatial Planning Land Use Management Act
<b>SPS</b>	Sanitary and Phytosanitary standards
<b>SRM</b>	Sustainable Resource Management
<b>TOR</b>	Terms of Reference
<b>UTA</b>	Unit for Technical Assistance
<b>VAT</b>	Value-Added Tax
<b>VPH</b>	Veterinary Public Health
<b>VS</b>	Veterinary Services
<b>WCG</b>	Western Cape Government
<b>WCDaA</b>	Western Cape Department of Agriculture

<b>WCARF</b>	Western Cape Agricultural Research Forum
<b>WESGRO</b>	Western Cape Investment and Trade Promotion Agency
<b>WFP</b>	World Food Programme
<b>WG</b>	Work Group
<b>WIETA</b>	Wines Initiative for Ethical Trade Association
<b>WTO</b>	World Trade Organisation
<b>YPP</b>	Young Professionals Programme

### 3. FOREWORD BY THE MINISTER/MEC

This Annual Report is the fifth and last in this 2009 to 2014 political term. Reflecting on this period illustrates the diverse and challenging environment in which agriculture takes place on a daily basis. During the past five years, the sector has had to deal with natural disasters in the form of droughts, floods, and hail storms. Animal disease outbreaks affected the red meat, sheep, ostrich and horse industries, and labour unrest in 2012/13 strained relationships within the sector, as well as relationships with international clients.

Despite difficult operational conditions, the Western Cape agricultural sector experienced a period of growth and job creation during this time. It is noteworthy that the Department of Agriculture has also been able to deliver on its strategic targets set in 2009. I believe that the sector's growth is in part linked to the Department's choice of strategic targets, and then the Department's ability to deliver on these targets.

We said we want to increase agricultural production by 10% over a ten year period. Production increased from R24.9 billion in 2009 to R30.8 billion in 2012. With inflationary adjustment, this represents growth of 6.6%. The 10% target over ten years is therefore well on track.

We said we wanted to maintain or possibly increase our agricultural export profile. Provincial exports grew from R13.960 billion in 2009 to R16.019 billion in 2012. This represents growth of more than 15%.

We set ourselves the target of achieving a 60% success rate with all land reform empowerment projects. An independent audit was conducted on land reform empowerment projects in the Western Cape, and it was found that 62% of projects are successful.

We were also able to successfully establish a Rural Development Coordination Programme; and we were able to develop and implement a real-time irrigation monitoring system, in response to the ever increasing pressure on our valuable fresh water resource.

There were also several other positive changes during the past five years in the Western Cape agricultural sector:

- The Commodity Approach for agricultural land reform and development projects was developed;
- A College Board was established at Elsenburg;
- The Prestige Farm Worker Forum was established;
- A private sector sponsor for the Farm Worker Competition was secured;
- The Elsenburg wine cellar was upgraded, and new wine cultivars, as well as quality brandy, is currently being produced by the students;
- The Western Cape Department of Agriculture received accolades for Female Empowerment and is described as the Best Agriculture Research Department in the country. The Western Cape Department of Agriculture is named as the South African Department with the Best Annual Report for 2011, 2012, and 2013 by the Southern African Institute of Government Auditors (SAIGA).

Reflecting on all of the above, I think it is warranted to say Western Cape Agriculture has been able to weather the storms and kept the course it set itself five years ago. This Annual Report is in keeping with this theme, and even though an Annual Report reflects on a period past, it fills me with confidence for the Department and the role it will play in the future growth of the Western Cape agricultural sector.



A Winde  
Minister of Agriculture, Economic Development and Tourism  
Date: 31 May 2014

## 4. REPORT OF THE ACCOUNTING OFFICER

### 4.1 OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT

The external human capital development programmes continue and are constantly reviewed and enhanced to promote Agriculture as a career choice. Sixty (60) interns have been provided with workplace experience of which 21 have registered for further studies in agricultural fields. Thirty-five (35) bursaries have been awarded in critical and scarce skills, and five students are on the Young Professionals Programme of whom four will be completing their final year to obtain a Master's Degree.

The Agricultural Partnership for Rural Youth Development project, aimed at skills development mainly for farm worker children and rural youth, commenced during the last quarter. So far 25 bursaries and five scholarships have been awarded of which 15 were awarded by the Structured Agricultural Education and Training (SAET) programme. Five (5) million rand has been budgeted for the coming financial year. Processes are also underway to establish partnerships with host employers in the external agricultural industry to act as mentors for young people who are interested in agriculture and work as interns. The selection process for the granting of 30 more bursaries has been completed and the award will be made in the first quarter of 2014/15.

Security posed a major challenge to the Department at several service points, but particularly at Head Office. It was critical for the Department to engage with service providers to develop a sustainable security solution. The implementation of more stringent security measures and the installation of technology in conjunction with the Department of Community Safety resulted in a considerable reduction of breaches.

The FruitLook web portal was once again activated for the 2013/14 irrigation season. This web portal provides real-time information to farmers on a weekly basis on the actual water use for fruit crops and eight other parameters. It will assist them to optimise their agricultural water use and also result in savings in the use of electricity and fertiliser. Currently 507 people registered as users of the data including farmers, specialist extension officers, scientists and researchers. A total of 802 irrigation blocks were registered on the web portal in 2013/14 representing an area of 12 047 hectares, with an average irrigation block size of 15 hectares.

A total of 29 076 hectares of farm land was protected from predators through the fencing scheme that was implemented by utilising the fencing allocation of R4.1 million and creating 35 338 person days of employment. An amount of R21.2 million was paid out for drought assistance to farmers in the drought-stricken Central Karoo.

The Department is a key role player together with the Department of Environmental Affairs and Development Planning (DEADP), to develop an Environmental Management Framework (EMF) for the Sandveld area. The EMF will provide environmental information that must be considered in the evaluation of applications for environmental authorisation submitted in terms of the Environmental Impact Assessment (EIA) regulations. It is envisaged that the Sandveld EMF will go further, effectively providing a level of information that will allow the implementation of proactive farm-level planning, negating the need for further applications for environmental authorisations by individuals.

The Department continued with the commodity approach and supported a total of 67 projects through the Commodity Project Allocation Committees (CPACs), namely wine grapes (8), fruit (14), table grapes (3), grains (4), vegetables (16) including vegetable seed, animals (10) including piggery, beef and poultry, sheep and wool (8) and aquaculture (4). In addition, 44 mentors were appointed through the commodity approach to provide mentorship support to smallholder farmers.

During this period, the Department completed an external agricultural land reform evaluation study, as per its strategic objective, to ensure a success rate of at least 60% with land reform projects. The study

focused on a sample from a total of 246 agricultural land reform projects supported since 2009, based on five critical success factors, namely secured linkages to markets, financial management, record-keeping and reinvestment into the business, development and implementation of a long-term business plan and compliance with labour and tax laws. Accordingly, the study revealed a 62% success rate. Subsequently, the Department will devise a plan to respond to the 38% that was found not to be successful, for implementation in the new financial year.

Polymerase Chain Reaction (PCR) equipment was delivered at the accredited veterinary laboratory. This included a unidirectional flow unit (Laminar flow unit) that provides a bench-top work area suitable for setting up reagents for PCR testing. This ensures separation of work areas for PCR testing and reduces the risk of contamination of samples. The section also received a conventional PCR instrument from BIO-RAD to replace the current instrument that was more than ten years old. The old instrument has been discontinued and is no longer supported by the suppliers. The new instrument will be used to perform Newcastle Disease (NDV) PCR assays.

The Laboratory Integrated Information System (LIMS) software, which is used to electronically process and store data, has been updated to LIMS version 6. There are many improvements in the new version. For example, the new version includes 'dashboards' which give technical and administrative staff the opportunity to view a summary of all outstanding work in their respective sections.

The agricultural research and development mandate of the Department, as executed by the programme: Research and Technology Development Services (RTDS), was carried out as planned against a stable service delivery environment. The strategic objectives of this programme included research, development and adaptation of appropriate technologies to ensure sustainable production, the dissemination of research information in user-friendly format and the establishment and expansion of trials and demonstration blocks on the seven research farms in support of an enabling research environment within the specific districts of the Western Cape.

Comprehensive and client-focused research programmes and projects in animal and plant sciences were executed with due consideration for the needs and challenges of commodities and other stakeholders. Technical advice and rendering of diagnostic services to a range of internal and external clients were expanded in an effort to lower input cost and increase production levels with the ultimate aim to increase agricultural production with 10% over the next ten years.

The year commenced with 88 research projects after the remainder of final reports were submitted and new projects approved in the previous financial year. Six projects were closed in 2013/14, while 22 new projects were approved by the research project committee. This brings the total number of projects implemented in 2013/14 to 104.

In order to grow smallholder and commercial farmers that are resilient to climate change, the climate smart agri-production focus increased. The conservation agriculture programme and sustainable farming practises on research farms were expanded. Inputs were given to various national and provincial strategies, plans and documents in this regard. New and adapted technology generated from cutting-edge research efforts has and will ensure that producers are sustainable and competitive with limited natural resources (especially water) and the changing environment (with relation to water availability, disasters, and other effects of climate change).

The role of the agricultural sector in terms of the Green Economy was further elevated with participation in various working groups of the provincial strategic objectives (especially PSO 1, 7 and 11), and assistance in creating an enabling environment for Green Economy initiatives will be launched and embraced within the sector.

Interactions between researchers, industry organisations and farmers were once again extremely active, resulting in a more than expected number of engagements with industry to discuss research-related issues

and industry challenges. These meetings not only gave researchers the opportunity to disseminate technical information to clients, but also conveyed the research needs and challenges of clients to researchers and the subsequent alignment of the research portfolio.

The technology transfer portfolio, both on the scientific and popular level, was comprehensive. Thirty-six (36) scientific papers were published, while 91 presentations were made at scientific events. On the popular side, 149 presentations were made at technology transfer events, while 126 articles were written for the popular media. Furthermore, 42 radio talks were broadcasted. The research team organised ten technology transfer events, including the Outeniqua 60-year celebration event and information day. This attracted more than 400 farmers and other role players and the Department was once again applauded for the ground-breaking work done in the field of pasture and dairy research, and the way it is managing its research farms to remain centres of excellence. Eighteen (18) information packs were developed and distributed to the clients at the respective events.

Collaboration with industry partners expanded and requests received to act as a study leader or co-study leader for post-graduate studies underlined the importance of research networks, the partnerships between the Department and various tertiary institutions, and the role in human capacity building as part of our effort to build a new generation of farmers, researchers and technical support staff.

Support of international promotional events has contributed immensely to increase wine exports on new markets. One of the noticeable trends in this regard is that China became one of the top ten export destinations for South African wines in the past two years. During the 2013/14 financial year, 16 wine companies participated in the Yantai International Exposition, while the Beijing wine tasting added ten Chinese wine importers to the event to make a total of 26 companies. More than 50 South African wine companies were represented at the respective events, because the importers each have a number of companies in their portfolio. Another development in wine exports was Kenya, Angola and Nigeria, which overtook China during the first quarter of 2014. This can be attributed to slowing economic growth, cost-cutting measures and fierce competition in China. Important to note is that this trend is observed on packaged wines. This emphasises the importance of the African market and a need to invest more in this market to unlock further potential opportunities beyond wine.

The SAET programme continued to offer a wide range of accredited training programmes and skills training on the Higher Education and Training (HET) and Further Education and Training (FET) bands, to participants and potential participants in the agricultural sector in the Province.

On HET level, SAET offered the programme: Bachelors Degree in Agriculture (B. Agric), Certificate in Horse Mastership and Preliminary Riding Instruction, Diploma in Agriculture and Higher Certificate in the 2013 academic year. A total of 442 HET students registered in 2013, with a total of 96 equity candidates. In total, 102 students graduated from HET programmes, with 170 participants successfully completing the nine accredited short courses. The first module of the Cape Breeder's Club Equine Programme was presented from March through to October 2013. A total of 44 learners participated in the first level of the programme and 40 students passed the final examination.

A total of 20 new bursaries and 30 existing bursaries were awarded to the students from the programme's own budget. A further R1.502 million was sourced from external sponsors for bursaries for 48 students. Learnership programmes (six types) and numerous short skills courses were presented and in December 2013, 80 learnership students graduated. AgriSETA, who also commended the Institute on the high standard of quality management achieved, issued the certificates of competency. A total of 15 of these graduates moved from the FET level into HET programmes, of which 14 were accepted into the Higher Certificate programme and one registered for the B. Agric degree.

The offering of the learnership programmes again created an opportunity for another 55 learners to register in January 2014 for learnership training on NQF level 4. Nine of the 55 students enrolled, are employed on various farms in the Western Cape.

Short skills courses were presented to a total of 2 700 agricultural beneficiaries in the Province. The number of training beneficiaries for both farmers and farm labourers increased as a result of the strong partnership between the SAET and Farmer Support Development (FSD) programmes, which resulted in joint coordination and rollout of training within the regions. A large portion of the beneficiaries represented the Comprehensive Agricultural Support Programme (CASP) ILIMA/LETSEMA beneficiaries. In cases where SAET lacked capacity, Casidra SOC Ltd assisted by facilitating and coordinating training to beneficiaries.

The Rural Development Coordination Programme (RDCP), through its Development Planning (DP) sub-programme, plays the provincial coordination role for the roll-out of the national Department of Rural Development and Land Reform's (DRDLR) Comprehensive Rural Development Programme (CRDP) and is a key driver for achieving PSO11. Through this programme 16 rural development nodes have been activated across the Province since 2010, of which four were the focus for activation during the 2013/14 financial year. While the targeted number of nodes for inclusion in the programme by 2014 have been exceeded, it is important to note that the emphasis when looking ahead will be on deepening the development work in each node, towards economic development rather than vast geographical expansion of the programme. Planning for increased capacity in the DP sub-programme will have a direct impact on the Department's responsiveness to the demand to coordinate the efforts of stakeholder departments to strengthen government's reach and impact in these rural development nodes, in the 2014/15 financial year.

Following the widespread labour unrest in the rural areas of the Western Cape during the last quarter of 2012, a 12-point farm worker response plan was developed and implemented. One of these responses was the appointment of a panel consisting of generally accepted, impartial and prominent persons to listen to the perceptions and experiences of all individuals in the agricultural sector and in rural areas. The subsequent contextual report 'Future of Agriculture in the Rural Economy' (FARE) was released on 18 October 2013 and 120 specific interventions, which can be clustered into five themes, were recommended. These themes are:

- a) dialogue and the creation of partnerships;
- b) rural economy and smallholder development;
- c) land reform;
- d) rural labour market and labour relations, and
- e) settlement patterns in and social dimensions of rural communities.

Due to the wide range of the interventions, responses are required by all three spheres of government as well as by other stakeholders (employers, employees and other non-governmental organisations) in the agricultural sector. Nevertheless, consensus was reached that one intervention, the so-called 'FARE for All' concept, should be developed into an implementable project. The underlying principle of this concept is the development of mutual trust by taking shared responsibility for the problems facing the sector.

Maintaining safety and security was particularly challenging especially during the early part of the year when the Department and some of its remote service points were continually plagued by security breaches. The implementation of more stringent security measures and technology in conjunction with the Department of Community Safety resulted in a considerable reduction of security breaches. Establishing security capacity located within the Department and obtaining a security service that provides a holistic security solution as opposed to only access control will be a key focus area for the 2014/15 budget allocated for security services.

Maintaining the departmental infrastructure, buildings, including its heritage buildings, new capital projects such as a new research building, will be challenging as we compete for a limited provincial budget with other departments.

Despite the implementation of the Occupation Specific Dispensation (OSD) for the occupation group professional engineers and engineering technicians, the successful recruitment of experienced and professionally registered applicants stays a continuous challenge.

An increase in natural disasters has been experienced in the Province during the last few years. The administrative and technical support to land owners affected by these disasters creates an administrative, financial and human resource strain on the limited number of engineering officials of the programme: Sustainable Resource Management (SRM). Quite often the reactive nature of disaster management results in a delay in other engineering related projects such as LandCare and infrastructure projects for smallholder farmers. An allocation of R1.517 million for 2013/14 was received and a further R188.746 million in the following years to be received for the 2011/12 flood-aid scheme with no funding for the implementation of the scheme.

The decision of the Department of Agriculture, Forestry and Fisheries (DAFF) to redirect funding earmarked for the dairy and grain commodities negatively affected farmers in these sub-sectors. Furthermore, this decision affected the overall achievement of targets as grant funding could not be used to support farmers in these sub-sectors.

Due to protracted and complicated processes and procedures to fill vacant posts in the programme: Veterinary Services (VS), the programme was negatively influenced in terms of actual service delivery to clients, underspending of budget allocations and difficulty in reaching transversal and provincial performance targets. A good example is the total lack of personnel capacity that severely curbed service delivery in the sub-programme: Export Control in VS.

The prevailing threat of Avian Influenza (AI) to the ostrich flocks, especially in the Oudtshoorn area, as well as the uncertainty in the industry, necessitated plans to secure the flock with two off-site localities. The facility at Kromme Rhee was registered as a second EU-approved ostrich farming site, while the Nortier site will be finalised during 2014/15. The challenges in the ostrich industry have levelled out and producers are slowly adapting to new regulations and the production environment in the industry. The need for the 2014 Ostrich Auction, availing genetic material of superior quality to the industry, was confirmed and the planning for this event (in April 2014) commenced.

An issue receiving renewed attention was the integration of the research activities and outputs into the service delivery and training agenda of the extension officers and lecturers, respectively. In this respect the extended utilisation of research farms for more on-farm practical experience to students was discussed and implementation plans developed. The research and technical team is also involved in block sessions of the programme: FSD, while they are also lecturing and moderating for the programme: SAET.

Maintenance or replacement of research equipment has been receiving more attention as our research support is dependent on proper and reliable equipment and infrastructure.

Building human capacity in research and technical fields of the programme: Research and Technology Development Services (RTDS) remained high on the agenda, especially with the decline in students in agriculture, current researchers and technicians getting older and the South African Council for Natural Scientific Professions (SACNASP) requirements as set out in the OSD for scientists and technicians.

The programme: RTDS is actively involved in various internal and external student programmes and initiatives. Furthermore, a comprehensive Human Resource Plan (HRP) for the programme was compiled which will serve as a blueprint for appointments, employment equity (EE) targets, succession planning and capacity development initiatives over the next five years. Furthermore, a memorandum of agreement (MOA) was signed with Milk SA that will also address skills development in the dairy industry. The existing MOA with the Nelson Mandela Metropolitan University (NMMU) is currently under revision and will be expanded to include all skills development and career advancement initiatives between the two parties.

The challenge of compliance that threatens market access in existing and potential markets resulted in the Department supporting ethical trade initiatives of the Wine Industry Ethical Trade Association (WIETA) and the fruit industry's Sustainability Initiative of South Africa (SIZA). The Department committed R1 million to each industry for implementation and escalation of these initiatives.



There is a very high demand for learnership programmes. Taking into account that various target groups for learnership programmes (as per demand) require different approaches, the lack of adequately funded lecturing posts, remains a challenge. Furthermore, there is an even higher demand for various accredited as well as non-accredited short skills courses. The current human resource capacity is not sufficient to accommodate the growing training demand to ensure efficient and effective service delivery. The filling of lecturing posts and the lecturing staff turnover remain problematic as a scarcity of suitably qualified candidates is experienced, increasing the utilisation of external facilitators as well as contract staff.

The lack of proficiency of students in Mathematics and Science, the high cost of training provision and affordability of tuition fees versus a higher demand in training and addressing the different language requirements of trainees, remains the priority challenges of the Programme: SAET.

The misalignment between the DRDLR's land delivery processes and agricultural support programme of this Department remained a major challenge in the year and will remain a priority in 2015.

The Department of Agriculture is the custodian of PSO11: Creating opportunities for growth and development in rural areas. During the previous financial year the relevancy and efficacy of this PSO was evaluated during a Triennial Agricultural Summit and, following approval by Cabinet, the recommended changes were implemented during this financial year. The most important changes were: combining the 'agricultural production' and 'extension revitalisation' work groups into a single work group, changing the activities of the 'market access' work group and adding 'human capital development' as a separate work group.

The Agricultural Partnership for Rural Youth Development was implemented in the last quarter and will continue to ensure that the said targets for skills development are reached.

The Department is a key role player in the Berg River Improvement Plan (BRIP) which aims to increase the quality of the water in the Berg River and therefore improve the livelihood of all the people living along the 260 kilometre length of the river.

The Berg River Alien Clearing Project has already demonstrated great value in promoting the Green Economy, by adding financial value to alien biomass, which could result in the beginning of the end of one of our greatest threats to biodiversity in South Africa, namely alien plant infestation. The ultimate aim of this project is to restore the most important river system in the Cape Town metropolitan area to a healthy river system that will promote human well-being. To remove the alien vegetation and replace this with indigenous vegetation would cost the government about R300 million and the sustainability of the present initiatives could be doubtful. This project is aimed at doing this clearing by creating a value for the biomass and thereby adding value to the problem. This value would then partially or even totally fund the restoration and the biomass could be used to enhance energy production, further displaying sustainable technologies.

Severe agricultural damages were reported after the November 2013 and January 2014 floods. Non-insurable damages of R90 million were reported after the 2013 flood. Damage assessment forms received after the January 2014 flood (125 large, 13 medium and 16 smallholder farmers) indicate agricultural damages in excess of R1.2 billion with more than R 777 million non-insurable damages.

As a contribution to the realisation of the Millennium Development Goals (MDG, 1) in particular, National Outcome 7 and PSO 8, the Department commemorated the World Food Day on 11 October 2013 in Karatara in the Knysna municipality. As part of the event, a total of four community and 54 household gardens were supported in collaboration with the Knysna municipality.

As a response to the challenges of access to marketing information, the Department has introduced an Agri-Touch, computer-based platform for farmers in their localities. Furthermore, this platform also has interfaces for Agri-Suite Online, strategic commodities of the Province and information on institutional arrangements.

Provincial and municipal spheres of government embarked on a joint project of mass animal sterilisation. The Department and the municipalities of the City of Cape Town, Stellenbosch and Swartland co-funded the project. The funding was on a rand for rand basis with Province contributions matched by the municipalities. The aim of the project was to manage the uncontrolled dog and cat population. This was achieved by ensuring that at least 70% of the dog and cat pet population was sterilised within a breeding cycle of six months. The long-term benefit is better disease control and prevention of the spread of zoonotic diseases from animals to the human population.

The mandate and strategic objectives of the programme: RTDS with relation to agricultural research and technology development services was carried out as planned and was aligned with the national outcomes and specifically PSOs 1, 7 and 11. The research programmes and projects were continuously critically evaluated against the strategic goals of the Department, the respective research sub-programmes, as well as industry and client priorities. The research portfolio of the programme included 88 implemented research projects, while 22 new projects were approved and six projects completed during the financial year.

The Department also received recognition from industry for its role and input in the agricultural sector in the Western Cape. The Protein Research Foundation (PRF) presented an honorary award to the Department for its pioneering work towards establishing the canola industry in South Africa, as well as for the ongoing help and support. This award was for the sterling work of Programme: RTDS and Programme: FSD in terms of the canola industry (research and extension and the Super Canola competition).

As part of the Green Economy and climate smart agri-production drive, the climatic forecast service resulted in 12 agricultural condition and 10 climate reports disseminated by the sub-programme: Research Support Services (Unit: Risk and Potential Management) to relevant role players in the Province. The importance of conservation agriculture was emphasised with the hosting of the first Conservation Agriculture Western Cape (CAWC) conference. The conference consisted of three practical tours (with 160 persons taking part) and a conference day with 183 delegates. An international expert on conservation agriculture was the keynote speaker and applauded the Western Cape, its farmers and researchers for the progress on conservation agriculture. Several newsletters of the CAWC were also published in support of conservation agriculture in the small grain industry.

As part of the climate smart departmental activities, a recycling induction workshop was held, followed by the appointment of recycle managers (current staff with interest in green initiatives) and a recycling launch on each research farm. This drive has been initiated as part of our sustainable and in balance with nature programme on the research farms. The renewable energy facility at the Outeniqua research farm (converting cow manure to biogas and electricity) has been completed, but some technical challenges are still hampering the launch of the unit.

The technology transfer and information dissemination portfolio (as mentioned earlier) was comprehensive, and also included a new version of the information pack on 'Basic guidelines for veld improvement', which is crucial given drought conditions and extensive stock farming. The Outeniqua research farms' pasture and dairy research team excelled with the presentation of the Outeniqua 60-year celebration and more than 400 persons attend the morning event, followed by an afternoon of practical walk-and-talks and an evening event dedicated to the history of the farm and its founders. During this event, two research books and a DVD were launched, as well as a commemorative book on the history of the farm. Extensive media coverage was received for this event and a partnership with AgriConnect resulted in full coverage, both electronic and in the Dairy Mail. The Outeniqua team also hosted eight dairy farmers from Mozambique as part of our Africa research support initiative.

The flagship popular publication 'Agriprobe' underwent a transformation after an intensive scrutinising session and the new A5 format with a new look and feel has been well received by clients.

The first research workshop of the Western Cape Agricultural Research Forum (WCARF) as part of PSO11 drew the attention of 89 key decision makers spanning the public and private sector divide, representing government departments, industry and academia. The importance of this workshop was emphasised by the presence of the chairperson and members of the Standing Committee, and Prof. Mohammad Karaan, Dean of the Faculty of Agri-sciences at Stellenbosch University (US) and member of the National Planning Commission, delivering the keynote address. Presentations on the research portfolios of the Agricultural Research Council (ARC) and the WCDoA were followed by presentations of eight industry organisations on their respective research portfolios and processes. Challenges and areas of common ground were also highlighted.

The scientific expertise of the Department received national and international recognition from peers in the following ways:

- The Outeniqua research farm's pasture science team (sub-programme: Plant Sciences) excelled at the annual Grassland Society of SA (GSSA) conference with five platform and three poster presentations and two new project proposals. The excellence of this team was further acknowledged by the society when a scientist received two awards for her presentations. The first award, the Norman Rethman Planted Pastures Award was awarded for her platform presentation, while the second award was received for the best poster presentation at the conference. The GSSA council also announced that another young scientist was appointed as associate editor of the African Journal of Range and Forage Science, as well as publications editor of the GSSA. This is a sterling accolade for such a young scientist and council member. These two young award winning scientists were also invited to the International Grassland Congress as keynote speakers.
- Technicians from the sub-programme: Animal Sciences attended the 31<sup>st</sup> Annual Congress of the South African Society for Agricultural Technologists (SASAT). The team excelled when a technician was awarded the SASAT Applied Technology trophy for the most applicable presentation and another technician won the third prize for her poster presentation.
- The Research Manager: Animal Sciences received an award for his lifelong contribution to the South African small stock industry from the SA Federation of Small Stock Breeding Associations.
- A specialist scientist and his co-worker technician received the 2013 prize for the best research article in natural sciences published in their 2011 journals from the Afrikaanse Taal- en Kultuurvereniging (ATKV).
- At the Combined Crops, Soils, Horticulture and Weeds Congress during January 2014 in Grahams-town, three officials and one MSc student from the sub-programme: Plant Sciences attended the conference and delivered papers and posters, of which three were awarded with the best poster in conservation agriculture, the best overall paper and the best student paper in soil science.
- One of our students at the Outeniqua research farm has been awarded the Junior Captain Scott medal from the SA Academy for Science and Arts for the best MSc thesis in animal sciences at any SA university. The title of her thesis was 'Supplementation of high-fibre concentrate to jersey cows on pasture to overcome winter roughage shortages'. Her supervisor is one of our specialist scientists. The student will receive her medal at the June 2014 award ceremony in Stellenbosch.

Formalising our collaboration with commodities was initiated with the signing of a MOA between the Department and Milk SA. The purpose of the agreement is to ensure a coordinated and functional approach in respect of Research and Development (R&D) of the dairy industry in the Province in order to support the strategic direction of South Africa. This entails broadening the market for milk and other dairy products, improving the international competitiveness and sustainability of the South African industry, empowering previously disadvantaged individuals, and supporting the NDP 2030, national outcomes and PSOs. The Department will avail its intellectual and other resources to address R&D needs as jointly identified by both parties, offer study leaders for post-graduate students where appropriate, and make its extensive facilities and pasture and dairy expertise at the Outeniqua and Elsenburg research farms available for the execution of mutually agreed and approved research projects and technology transfer events. Milk SA will ensure that the R&D agenda is identified and maintained through its structures, while both parties will ensure that the R&D projects are aligned with the priorities of the dairy industry. This agreement was yet

another example of the 'Better Together' drive of the Western Cape Government (WCG) in our search for food security and increased agricultural production. A request from Milk SA to establish a Dairy Research Forum for the Western Cape was responded to. In future, two working groups (Southern and Western Cape) will address the research needs of dairy farmers in the most effective way.

As part of our commitment to youth development in agriculture, the annual school days proved to be as popular as in the past and were attended by 635 learners over three days, despite bad weather conditions.

Complementary activities like the Africa agenda research conducted in the Department have gained recognition in the sector. The work has been presented to government, industry associations and agribusiness and is vital in informing strategies and investment decisions into Africa. This research is continually updated and will form part of the launch of the 2014/15 baseline book of the Bureau for Food and Agricultural Policy Research (BFAP). These activities were complemented by the development of a video to promote the agricultural sector to the international community. The Agribusiness Investment Unit has made a considerable achievement in facilitating investment into the sector as R105 million worth of investment was commitment for projects. The unit closed the 2013/14 year with a healthy investment pipeline of more than 10 projects that are on the 'A' list.

One the highlights of the market access programme are the positive yields obtained with the new cultivars that were tried on a few farms of black commercial farmers with the assistance of funding from the Flemish government. The next phase is to explore expansion of these on a larger scale. Financial compliance of land reform projects that are on the SimFini programme has improved tremendously. Thirteen (13) of the 30 projects are now compliant with company tax, value-added tax (VAT), pay-as-you-earn (PAYE) and the Unemployment Insurance Fund (UIF). Thirteen (13) other projects are in the process of registering legal entities. In support of climate change mitigation, a carbon footprint research was conducted for all research farms of the Department. The resource economists of the programme: Agricultural Economics Service (AES) have also been instrumental in establishing a recycling system in all farms in collaboration with farm managers. The annual BFAP baseline launch which is one of the prominent events in the agricultural sector calendar was held during August 2013. The event was attended by 183 delegates, the highest number since its introduction in the Western Cape.

The Elsenburg cellar was upgraded in 2011/12. This investment from the Department impacted positively on the training of prospective and new winemakers. The new infrastructure resulted in a cleaner cellar and since wine is easily susceptible to spoilage, the upgrade eases the cleaning procedures. New drains were installed to ease the flow of waste water and roof insulation helped to regulate the environmental temperature within the cellar. This placed less strain on the cooling system of the cellar. Now that the cellar infrastructure is upgraded and on par with that of the industry, we can focus on upgrading the specific wine-making equipment.

In 2013, the first ever pot still brandy was bottled by the cellar and launched by the Department on 5 December 2013. The production and bottling process created a new platform and perspective for our students to pursue a career in brandy production and/or marketing. Furthermore, it is a prestigious and elite product that was bottled in limited amounts for the Department. The Elsenburg brandy was also chosen to be shown at the 2014 Fine Brandy Fusion in Cape Town and Johannesburg.

Each year winemakers enter a certain amount of wines of their current vintage that shows potential to be judged at the South African Young Wine Show. In 2013, the Elsenburg cellar obtained five awards from a limited number of wines that were entered for the competition. During the competition, trainee wine-making students from Elsenburg provided logistical support to judges and this also exposed them to new job opportunities in the wine industry. The prizes won in the competition, gave the students confidence in their wine production abilities and confirmed that the investment in the cellar is paying off.

A positive review of the Western Cape-Burgundy Exchange Programme was received. In the 2013/14 year, a group of eight cellar workers from various wine estates were hosted by the *Centre de Formation Professionnelle et de Promotion Agricole (CFPPA)* in Beaune, France for training in winemaking, barrel

management and maintenance. Six previously disadvantaged individuals from the cheese industries were hosted by the CFPPA in Dijon, France to gain international experience in theoretical and practical cheese making. In addition, a group of 20 students were selected for the Elsenburg rugby team to participate in tournaments and combined rugby exercises with the CFPPA, Beaune and learn more about their cultural and training methods. Furthermore, a group of extension staff from the Department visited Burgundy in October 2013 and in return, a group of eight French winemaking students were hosted at Elsenburg and various wine estates during February and March 2014. The French Ambassador to South Africa, Ms Barbier, visited Elsenburg on 5 March 2014 and applauded the Department for its contribution to make this a flagship cooperation project.

The programme: Structured Agricultural Education and Training (SAET), was also awarded the AgriSeta Excellence Award 2012 as a leading public provider in the category: 'Best Public Training Institution' for excellence in providing skills and learnership training to rural individuals and communities.

The farm worker protest action experienced in the agricultural sector in the third and fourth quarter of the 2012/13 financial year provided an amplified view of the vast challenges faced by farm workers and rural communities at large. This led the Department to implement an agricultural response plan, driven by the Department's Farm Worker Development (FWD) sub-programme. Key focus areas of the plan are: farm worker household surveying, sharing best practices through case studies and proactive engagement with and among farm workers and farmers. In April 2013 the launch of the initiative, Future of Agriculture and the Rural Economy (FARE) started the process of engagements with various stakeholders in the agricultural sector and it is envisaged that the recommendations proposed through this initiative will result in guiding long-term interventions in response to the structural changes in the sector.

The Department drives the Farm Worker of the Year competition annually and despite the protest action, the sector celebrated the culmination of 16 regional farm worker competitions leading up to the gala event on 25 October 2013. An overwhelming increase in participation from regions, particularly affected by the farm worker protest action, was a significant indicator reflecting the sector's commitment to raising the profile of our farm employees. Streamlining this process will be a key focus during 2014/15 using the existing structures such as the PSO11 workgroup and the regional Intergovernmental Steering Committees (ISCs). Emphasis has also been on improving collaboration between the Rural Development Coordination (RDC) programme and the Department of Rural Development and Land Reform's (DRDLR) provincial office through joint planning. The first planning session was hosted by the Department on 17 September 2013, towards streamlining the implementation of the Comprehensive Rural Development Programme (CRDP) and farm worker development initiatives in the Province.

## 4.2 OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

### Departmental receipts

	2013/2014			2012/2013		
	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	0	0	0	0	0	0
Casino taxes	0	0	0	0	0	0
Horse racing taxes	0	0	0	0	0	0
Liquor licences	0	0	0	0	0	0
Motor vehicle licences	0	0	0	0	0	0
Sale of goods and services other than capital assets	27 473	28 276	(803)	26 277	26 230	47
Transfers received	0	20	(20)	0	276	(276)
Fines, penalties and forfeits	2	2	0	0	0	0
Interest, dividends and rent on land	467	467	0	47	1 150	(1 103)
Sale of capital assets	33	33	0	20	70	(50)
Financial transactions in assets and liabilities	116	116	0	0	458	(458)
<b>Total</b>	<b>28 058</b>	<b>28 914</b>	<b>(823)</b>	<b>26 344</b>	<b>28 184</b>	<b>(1 840)</b>

This Department does not collect any form of tax revenue. With the exception of the revenue received for tertiary education from paying students, all other revenue is incidental or a spin-off from either research or training. The Department does have an implemented revenue policy.

The tariffs in the tariff register follow a variety of principles, i.e. market-related, cost recovery and determined by legislation. Other considerations are influences like whether the clients are smallholder and/or subsistence farmers, the demand for the product or service as well as whether it is excess stock. This is indicated at every individual tariff on the tariff register. The latest tariff register is available on the Department's website.

Free services that are rendered by the Department are extension services that could lead to substantial income in consultation fees. However, by far the biggest users of these services are the smallholder and/or subsistence farmers who can ill-afford to pay for these services and rely on the Department for advice, information and technology transfer. It is determined as the mandate of the Department to provide this advice to all citizens for free.

During the reporting period 1 784 cattle belonging to small holder livestock owners were tested for tuberculosis, costing R14 254.

Officials from the programme: VS have also vaccinated the following number of animals in the small holder livestock sector:

- 4 282 cattle against Anthrax, costing R6 551;
- 2 927 poultry for Newcastle Disease, costing R2 020, and

- 1 223 cattle with RB51 vaccine for Brucellosis at a cost of R50 326.

State veterinarians provided free clinical services to the previously disadvantaged communities in Beaufort West area which entailed the following:

- 2 058 companion animals were examined and treated for diseases at a cost of R205 800;
- 52 cases of faecal egg count external parasite treatments were done at a cost of R728;
- 637 animals were euthanised at a cost of R44 590;
- 1 67 rams were tested at a cost of R1 336;
- 852 cattle were dipped for external parasites at a cost of R4 260;
- 1 635 animals were dipped for external parasites at a cost of R8 175;
- 1 120 horses were dewormed at a cost of R68 354;
- 1 388 clinical services for companion animals at a cost of R138 800;
- 3 615 clinical services on sheep and goats at a cost of R506 100;
- 489 euthanasia treatments at a cost of R34 230;
- 222 faecal egg count internal parasites at a cost of R3 108, and
- 36 ram tests at a cost of R288.

In the Malmesbury and George municipal areas 217 horses in the resource-poor communities were vaccinated against African Horse Sickness (AHS) at a cost of R30 083. This was done as a preventative measure to protect carthorses against AHS to ensure sustainability in communities where these horses are their livelihood.

A priority key performance objective for veterinary services is the annual vaccination against rabies of companion animals. Dogs and cats in the resource-poor communities throughout the Province were vaccinated as follows:

- Malmesbury 7 259
- Boland 24 962
- Swellendam 10 693
- George 11 003
- Beaufort West 5 875
- Vredendal 2 228

This intervention took place at a cost of R167 454.

Finally, in Beaufort West 94 *B.ovis* services on 28 animals at a cost of R2 318 were performed for free and 248 cattle dipped for free at a cost of R2 480.

The total cost for the above free services delivered amounts to R1 034 541.

The Department has a debt write-off policy that is aligned with the provincial policy in terms of which bad debt is written off if necessary. The total debt written off amounts to R92 000 and consists of 745 cases of non-materiality.

The revenue that was collected in excess of what was budgeted for was mostly due to better than expected yield prices received on farming products.

All capital assets that were sold were written off and were irreparable.

### 4.3 PROGRAMME EXPENDITURE

Programme name	2013/2014			2012/2013		
	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
Administration	97 172	91 466	5 706	82 088	81 346	742
Sustainable Resource Management	47 071	47 071	0	50 249	49 249	1 000
Farmer Support and Development Services	233 791	233 791	0	206 794	206 794	0
Veterinary Services	60 978	60 978	0	54 502	53 497	1 005
Research and Technology Development Services	96 280	95 530	750	88 867	87 356	1 511
Agricultural Economic Services	16 947	16 947	0	15 035	14 901	134
Structured Agricultural Education and Training	43 873	43 873	0	46 725	46 530	195
Rural Development Coordination	19 206	19 206	0	16 114	15 960	154
<b>Total</b>	<b>615 318</b>	<b>608 862</b>	<b>6 456</b>	<b>560 374</b>	<b>555 633</b>	<b>4 741</b>

With reference to spending trends the following needs to be emphasised:

The amount of under spending, R6.456 million or 1.05% of the adjusted budget is well within the national benchmark of 2%.

However, further investigation reveals the following:

Only equitable share was unspent. Of this amount R750 000 is treated as a compulsory saving to be rolled over in 2014/15 for finalising a tender regarding a climate change action plan. The balance of R5.706 million is funds relating to assets and liabilities that have not been transacted against an expenditure or revenue item, but influenced cash available. All were request for roll-over in 2014/15.

Virements were done to relieve unforeseen cost pressures caused by higher than expected price increases and unforeseen commitments through the reprioritisation of the available budget. Increasing pressure to increase food gardens and to find equitable share funding for the grain and dairy commodities are examples of this. A late decision by the Department of Agriculture, Forestry and Fisheries (DAFF) that no grant funding is to be used on grain and dairy led to the latter issue.

Virements were made from Programme 3 (R891 000), Programme 4 (R510 000), Programme 5 (R145 000) and Programme 7 (R190 000) to Programme 1 (R832 000), Programme 2 (R346 000), Programme 6 (R288 000) and Programme 8 (R234 000). All the virements were approved by the Accounting Officer in terms of section 43 (1) of the Public Finance Management Act (PFMA) and the virements were kept within the eight percent limitation in terms of section 43 (2) of the PFMA.

No unauthorised expenditure was incurred.



With regard to cellular phone contracts, irregular expenditure to the amount of R25 000 was reported due to the fact that they were finance leases. This has been condoned in terms of National Practice Note 5 of 2006/07.

With regard to 2012/13 irregular expenditure cases to the amount of R381 000 was condoned by the National Treasury regarding the absence of tax clearance certificates after a thorough investigation revealed that no losses to the Department were incurred.

The National Treasury did not condone six cases where tax clearance certificates were not obtained amounting to R488 000 and one case where a declaration of interest was not submitted for R8 000 for 2012/13.

Currently under investigation is one case of the absence of a tax clearance certificate amounting to R600 000 and seven cases of procurement that did not comply with the broad-based black economic empowerment (BBBEE) prescript amounting to R54 000.

A total of 89 different cases of possible fruitless and wasteful expenditure were reported to an amount of R153 000, while there were two cases of R3 000 originating from 2012/13 also investigated in the period under review. Of these, 84 cases amounting to R146 000 have been condoned by the Accounting Officer. This happened after a thorough investigation into the origin of each individual case to ascertain whether these expenses could not have been avoided through diligent circumspection and better planning. In all these cases the expenditure was found to be unavoidable.

At 31 March 2014, five cases of fruitless and wasteful expenditure to the amount of R10 000 were still under investigation.

#### **4.4 FUTURE PLANS OF THE DEPARTMENT**

One of the responses to the Cabinet decision in 2009 to enhance the efficacy of the various organs of state in the Province and the ability of the Department to respond to national outcomes and provincial priorities was an investigation by Organisational Development into the macro structure of the Department. In the report it was *inter alia* recommended that the span of control of the Head of Department (HOD) should decrease from 1:12 to 1:6 with the implication that the creation of the branches Agricultural Development and Support Services as well as Agricultural Research and Regulatory Services was suggested. In the case of each branch the position of Deputy Director-General (DDG) with the appropriate support structure was established. The creation of the Sub-programme: Business Planning and Strategy with the appropriate structure was also recommended as well as the formation of specific functionality in the Chief Directorate: Financial Management and the Directorate Operational Support Services. These recommendations were approved by the appropriate authorities and submitted to the Provincial Treasury for funding in 2012/13. Since this structure has to be implemented in incremental phases, the Province has made available R12.962 million for 2014/15, R20.553 million for 2015/16 and R28.832 million for 2016/17 to implement these recommended changes to the macro structure of the Department.

In the case of the Directorate: Business Planning and Strategy, the position of Deputy Director (DD): Strategic Planning and Reporting was filled during the current financial year. During the 2014/15 financial year the Deputy Director positions for Integrated Development Planning (IDP) as well as the one for Impact and Outcome Assessment will be filled. The filling of the position of DD: IDP will improve the alignment between the activities of the Department and the development plans of local governments. In the case of the DD: Impact and Outcome Assessment a rolling three-year evaluation plan will be implemented. The intention is that this function will generate management information which will result in more responsive interventions by the Department.

The Department expanded and established external partnerships with potential host employers in agriculture for the purpose of the implementation of human capital development programmes.

Continuation of the FruitLook project through which the actual water use of grape and fruit crops and seven other growth parameters are provided to farmers on a weekly basis for the next three years. The aim is to get to the stage where farmers will start to contribute towards the cost of the service for using the information provided and eventually to the stage where the subscriptions can fund the project. Until then, funding of the project remains a challenge and a submission has been submitted through Hortgro to the Department of Trade and Industry (DTI) to obtain funding through their Manufacturing Competitive Enhancement Programme (MCEP).

The agricultural land reform evaluation results will be taken forward with a view to address challenges identified for the 38% of projects that have not been so successful. The Department has commissioned a food garden evaluation study to determine its impact in addressing food insecurity. The Agricultural Information Management System (AIMS) will be implemented and rolled out across all programmes within the Department. The Agri-Touch platform will be rolled out to all municipal offices for ease of access by all smallholder farmers and commodity partners. The Department's commodity approach will be evaluated to determine progress made in relation to addressing the development of smallholder farmers in the Province.

The programme: VS plans to open a dedicated Veterinary Export Certification Office in Cape Town during the 2014/15 service year. The purpose of this office is to deliver centralised export certification services to all exporters of products of animal origin in the City of Cape Town.

Climate change will undoubtedly be the most important game changer in the agricultural sector in the Western Cape and sustainable food production will largely be determined by prevailing weather conditions (including the occurrence of extreme events), availability of water, and the judicious use of other natural resources. For this reason the Department has embarked on the development of a Climate Change Framework and Implementation Plan for the agricultural sector. The terms of reference (TOR) were finalised by an Interdepartmental Project Committee (consisting of representatives from our Department and DEADP) during the latter part of the financial year. The successful bidder will commence with this project during the first quarter of 2014/15 with a final delivery date of March 2016. During this period the framework, implementation plan and communication plan will be developed with extensive stakeholder involvement.

Major trends like a shift of economic power and growth in various countries force these countries to have dynamic strategies in place in order to adapt quickly to any new developments in the global environment. As an exporting province and sector that is vulnerable to the unstable market environment, emphasis on identification, development and optimisation of new (e.g. Africa and Asia) and existing markets such as the European Union (EU) will always be imperative to grow and maintain trade. The Department therefore plans to support market development initiatives that are aimed at opening up new markets while sustaining existing markets. The fragile export environment and competition that local products face from imports also calls for emphasis in market development initiatives in the local market. Internationally, even though for a longer period the focus on compliance has been on food safety, but that has grown to include social responsibility and environmental standards. The Department will therefore support the expansion of SIZA, the international benchmarked and endorsed ethical trade code to other industries.

Product saturation and competition in the export environment require producers to invest in activities or initiatives that would add value. Product differentiation is of importance here. Geographical Indications (GIs) are perceived as one of the ways to do this, especially for unique products with special characteristics such as rooibos and honey bush. In addition, GIs have become a key component under the World Trade Organisation (WTO) and also vital under the Economic Partnership Agreement (EPA) negotiations with the EU. The Department will therefore build capacity and support various industries in identifying products that have the potential to be supported through this system in order to strengthen the South African list that has been published in the EU. Furthermore, the programme: Agricultural Economics Services (AES) will undergo a work study investigation in an attempt to respond to client needs for the alignment and possibilities of a career path in the public sector.

The programme: Structured Agricultural Education and Training (SAET) will continue to facilitate and provide formal and non-formal training on NQF levels 1-7. The focus will be on youth and all farming groups in the agricultural sector in order to promote and support a knowledgeable, prosperous and competitive sector.

Efforts will continue to strengthen industry involvement in human capital development and training provision by means of regular training needs workshops as well as their participation subject and curriculum committee activities. This will contribute to the realignment of the training offerings by the Department to the client's training needs. New training and skills development courses will be developed to ensure that training offerings keep up with improved technology and new agricultural processes and practices.

The outcome of a training impact assessment and programme evaluation of the learnership training programme done in 2013 to determine the value and standard of structured learnerships that are offered, will influence and determine the future of this training programme. A closer working relationship between the Elsenburg Agricultural Training Institute (EATI) and FET Colleges in the Province with regard to learnership training is foreseen.

The development of a framework document for future campus development of the EATI, initiated in 2012, has been concluded in 2013. This framework development plan will pave the way for further detailed planning to ensure a coherent and structured approach to future expansion of training facilities at Elsenburg.

A new and comprehensive electronic Learner and Learning Management System (LLMS) will be procured. A detailed analysis of the required management information system has been concluded and an appropriate and suitable system will be acquired. Acquisition of an appropriate student administration system will not only ensure efficient and effective administration processes, but will definitely mitigate the risk of possible loss of accreditation, due to lack of information.

The Rural Development Coordination (RDC) programme, through its Development Planning sub-programme, aims to contribute towards creating vibrant, equitable and sustainable rural communities. The infrastructure and economic development phase of the approach will take precedence in the various rural development nodes as many nodes progressed through the social development phases. This will require limited emphasis on the activation of new nodes, but reach deeper into the existing nodes that can be explored to solidify efforts towards sustainable economic development. That being said, the year 2014/15 will see activation of two new rural development nodes with the associated establishment of two councils of stakeholders. This will bring the total number to 18 in 2014/15. About 1 000 rural community members will be targeted for training within the nodes. Fifty (50) projects across all nodes are planned to enable socio-economic development and job creation in these areas.

In response to the farm worker protests, the Department through its Farm Worker Development sub-programme, developed a response plan which included interventions such as, among others, a helpline for farm workers, the development of a training programme for farm workers to respond to the emerging mechanisation trends, ethical trade initiatives, and the compilation of best practice case studies to share among stakeholders. Many of these interventions being long term will require refinement and integration among stakeholders during the 2014/15 financial year as they were initiated in 2013/14. A total of 2 178 farm workers and their family members will benefit from training and development initiatives in 2014/15. A total of 385 farm workers will be assisted through the farm worker referral system and the helpline and farm worker surveys of two districts will be completed.

The provincial farm worker household survey is viewed as a strategic intervention that will enable much needed intelligence on the status of farm workers in the Province. Engaging municipalities and departments on the findings within the district and local municipal areas will be critical to creating awareness of the basic service delivery needs of farm workers and the employment and education status of youths in the 2014/15 period.

As a means to celebrate the achievements of the farm workers in the Province, the Department plans to continue facilitating the annual Western Cape Farm Worker of the Year competition and will strive to ensure widespread participation from 16 regions across the Province from a diverse range of farming enterprises.

#### **4.5 PUBLIC PRIVATE PARTNERSHIPS**

No public private partnerships were entered into in the year under review.

#### **4.6 DISCONTINUED ACTIVITIES/ACTIVITIES TO BE DISCONTINUED**

No activities were or will be discontinued.

#### **4.7 NEW OR PROPOSED ACTIVITIES**

It was already mentioned in Section 4.4 that three Deputy Director positions in the Directorate: Business Planning and Strategy are at various phases of being filled. These three positions will result in the following:

- a) The Department will be better positioned to manage the strategic and public participation processes in the Department.
- b) The Department will be able to manage the interaction between the activities of the Department and the needs expressed in the development plans of local governments.
- c) The Department will be able to evaluate the impact and outcomes of the activities of the Department and generate management information to become even more responsive.

Poor internet connectivity in the rural areas limit the access to the FruitLook web portal and therefore the ability to access the information provided to assist farmers to increase the efficiency of their irrigation water use and to optimise agricultural production of grape and food crops. An application will be developed in 2014/15 to provide registered farmers with this information via their cellphones. An amount of R200 000 has been obtained for this activity from the Green Economy funds.

The ultimate aim of this project is to restore the most important river system, namely the Berg River in the Cape Town metropolitan area to a healthy river system that will promote human well-being by reducing the vulnerability of very real flooding risks associated with climate change. This project is to investigate the biomass use and form and find market opportunities for the biomass. An allocation of R600 000 has been made for this study from the Green Economy funds.

Farmer Support and Development (FSD) will commission an external evaluation study of the commodity approach that was adopted since 2009. This evaluation will help the Department to determine the progress that has been made with respect to the development of smallholders through its partnership with commodity groups. The evaluation will be useful in determining progress so far, but also provide further input for the future. This evaluation will cost around R1million.

The programme: VS plans to open a dedicated Veterinary Export Certification Office in Cape Town during the 2014/15 service year. The purpose of this office is to deliver centralised export certification services to all exporters of products of animal origin in the City of Cape Town. During February 2011 the DAFF transferred all the export certification activities for the City of Cape Town, for which they had been responsible up to then, to the Western Cape Department of Agriculture. Unfortunately this was not accompanied by any additional funding or personnel capacity. As an emergency measure, the Boland state veterinary office had to take over this function. This resulted in an immediate deviation from the core function of this office (animal health controls and primary health care for small holder farmers in the metropole). During 2011 a work study was completed to determine the additional personnel required to perform this new export certification function. This work study was approved towards the end of 2013 and made it possible to budget for and to appoint the personnel necessary to perform this function in the City of Cape Town during the 2014/15 financial year.

Heightened consumer awareness towards improved meat safety is one of the drivers for the implementation of a proper regulatory framework for the harvesting, slaughtering and processing of game meat in South Africa. This is an additional regulatory function that the Veterinary Public Health (VPH) sub-programme will face with the implementation of the proposed game regulations. Another critical aspect towards enhancing consumer confidence in meat products is the implementation of independent meat inspection at all abattoirs. This will entail that government officials will increasingly be responsible for meat inspection services at abattoirs, therefore adding to the current responsibilities of the VPH sub-programme. Participation in the proposed National Abattoir Rating Scheme (NARS) is a third important aspect in the meat safety field that will result in additional workload on officials of the VPH sub-programme.

A new fund called the Alternative Crops Fund (ACF) of R3 million was announced during the Minister's budget speech in March 2014. Alternative crops are becoming a crucial focus area in the agricultural sector. The emphasis is increasing, as these new and novel crops are not only seen as 'niche' and 'much sought after', but these crops will undoubtedly fill a specific space in the Western Cape agricultural sector with the challenges of climate change. Furthermore, alternative crops could also secure specific markets nationally and internationally and add to the export figures and subsequent economic wealth and job creation in the Western Cape. Research funding for alternative crops has been fragmented, with the larger crops (like rooibos) being able to set up their own research funds. The smaller crops, such as figs, fynbos, berries, honey bush and pomegranates, for example, are not in the fortunate position to tap into levy funds. They have to rely on smaller contributions within their own industry or funds from government (provincial and national) to address important research needs. In rolling out this initiative, cost sharing with industry will be promoted and multi-stakeholder funding will emphasise our 'Better Together' slogan and will optimise funds to support the alternative industries.

The development of a green portal is one of the proposed activities under programme: Agricultural Economics Services (AES). The aim of the portal is to increase access to relevant information to support the clients in their green initiatives as one of the responses towards climate change mitigation. For this to be realised, additional resources are required, i.e. human capital to source and update the portal on a regular basis and for the actual development of the portal. About R2.5 million will be required for this activity.

The legislative process towards having a farm register is proposed to start during the five-year term commencing in May 2014. The aim of the register is to have proper and up to date information to assist planning and decision making. This will bridge the gap of outdated and lacking key statistics in the agricultural sector. The register will require proper Information Technology (IT) infrastructure and human capital for alternative sourcing, manning, and to conduct actual analysis of data. The financial implications are estimated at R10 million.

The implementation of the nationally accepted Norms and Standards for Agricultural Training Institutes will have profound implications on the future functioning of the Elsenburg Agricultural Training Institute (EATI). With the aid of college revitalisation funds made available by the DAFF, the following initiatives to improve infrastructure and facilities and strengthen academic training provided by the EATI, will be embarked upon:

- Upgrading of hostels including parking area and kitchen.
- Upgrading of practical training components of the college inclusive of decentralised centres, vineyard, vegetable, pomology and equine facilities.
- Procuring agro-processing equipment, i.e. cheese-making equipment.
- Upgrading of cellar equipment.
- Upgrading of student recreational facilities and equipment at Elsenburg and the decentralised centres.
- Strengthening of practical training component of Elsenburg inclusive of vegetable, agronomy, pomology and animal production facilities.
- Staff international interaction, i.e. staff development and student exchange programmes.

- Improving academic qualifications of staff through staff development and bursaries.
- Diversity training of staff and students through implementation of a transformation programme.
- Strengthening of the communication strategy and ICT, improved internet access and improved governance structures.

The programme: Rural Development Coordination (RDC) is gearing towards better coordination by enabling itself with the introduction of the smart pen technology to integrate its data into the Department's AIMS. This will afford the programme a more realistic view of what is being rolled out across the Province in rural development nodes and will aid in creating a more comprehensive baseline for identifying the gaps to steer service delivery. The Development Planning sub-programme will be focused on increasing its capacity to strengthen efforts across departments to take the rural development nodes into the two final phases of development, namely infrastructural and economic development. Ensuring that rural node priorities are aligned to the local government's Integrated Development Plans (IDPs) with clear commitments signed off by stakeholder departments is imperative.

The Farm Worker Development (FWD) sub-programme will be expanding the provincial wide farm worker survey to the Eden and West Coast districts and sharing findings through forum engagements with municipalities. The first farmer/farm worker case study will be published in the second quarter of 2014/15. In facilitating the Western Cape annual Farm Worker of the Year competition we are targeting expansion of participants in 16 regions within the Province as this is a significant initiative towards raising the profile of farm workers. Shoprite will remain the sponsor for this initiative.

#### **4.8 SUPPLY CHAIN MANAGEMENT**

Only one contract was approved where the open bidding process was not followed. The details are as follows:

eLEAF (Wageningen, Netherlands) Period: 1 October 2013 to 30 April 2014. This is currently the only institution that can provide weekly updates and disseminate information on satellite images in the format that the Department uses to keep its Fruitlook website updated.

All Supply Chain Management (SCM) processes are in place to adhere to legislative prescripts and to prevent irregular expenditure.

Staff shortages on administration clerk level, as a result of horizontal transfers, had a negative impact on operations and placed a heavier burden on the remaining administrative personnel. The latter was exacerbated by the resignation of the Assistant Director in the procurement section. The situation was further worsened by the precautionary suspension of another Assistant Director.

The changes in legislative requirements required the review of all SCM related policies, especially the Accounting Officer System. The changes in the electronic purchasing system required that all end users be trained in order to familiarise themselves with the new integrated procurement system (Integrated Procurement Solution) and that was quite a challenge given the fact that procurement is not the core function of end users.

The constant changes and upgrades to LOGIS brought about its own challenges because SCM staff had to get used to added functions, in addition to the existing work overload as a result of the staff shortages.

#### **4.9 GIFTS AND DONATIONS RECEIVED IN KIND FROM NON-RELATED PARTIES**

Gifts, donations and sponsorships to the amount of R1.523 million were received from non-related parties. Annexure 1G to the financial statements in part E provides a complete breakdown in this regard.

#### **4.10 EXEMPTIONS AND DEVIATIONS RECEIVED FROM THE NATIONAL TREASURY**

No exemptions or deviations were received from the National Treasury.

#### **4.11 EVENTS AFTER THE REPORTING DATE**

There was nothing to report.

#### **4.12 OTHER**

With regards to the Comprehensive Agricultural Support Programme (CASP), R106.376 million was received in terms of schedule 4 of the Division of Revenue Act (DORA). The amount of R101.35 million was spent on black subsistence, smallholder and commercial farmers for empowerment projects, mostly on infrastructure needs. An amount of R3.509 million was spent on training and R1.517 million was spent on disasters. All objectives were either met or close to being met.

In terms of schedule 5 of the Act, R7.233 million was received in terms of the LandCare Grant Programme. The total amount was spent at 31 March 2014. All objectives were met.

In terms of schedule 5 of the Act, R51.737 million was received in terms of the Ilima/Letsema grant. The total amount was spent at 31 March 2014. All objectives were met.

In terms of schedule 5 of the Act, R550 000 was received in terms of the Extended Public Works Programme (EPWP). The total amount was spent at 31 March 2014. All objectives were met.

An evaluation report for each of the above grants was submitted to the DAFF as well as to the national Department of Public Works in terms of the DORA.

All the above transfers were paid into the primary provincial bank account as prescribed.

#### **4.13 ACKNOWLEDGEMENT/S OR APPRECIATION**

The Annual Report compilation is a team effort that started with the approval of the Department's budget and Annual Performance Plan (APP). This set the framework for implementation and service delivery. I would therefore like to express my appreciation to all the officials of the Department for delivery on the plan of 2013/14, because without them the plan would have remained absolute.

My appreciation goes to Minister Van Rensburg for the support provided in the reporting year and to thank him for the last five years of allowing innovation and encouraging the Department to move to a higher level of engagement with our stakeholders.

Last but not least, to the clients of the Department and the stakeholders, your constant support and commitment to work with us is appreciated. There are still many challenges ahead, but together we can build the development path for all of us in the Province.

#### **4.14 CONCLUSION**

This Annual Report presents a picture to the readers of what the Department has done with the approved budget within the APP. It also highlights the targets achieved, but in essence it reminds the Department what is still required in a process of progressive realisation to ensure that the Agriculture sector continues

on a path of development that ultimately delivers on the vision of a united, responsive, and prosperous agricultural sector in balance with nature.

#### **4.15 APPROVAL AND SIGN OFF**

The Annual Financial Statements set out on pages 207-257 have been approved by the Accounting Officer.



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(Ms) JS Isaacs  
Accounting Officer  
Department of Agriculture  
Date: 31 May 2014



## 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 the 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 2014.

Yours faithfully



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(Ms) JS Isaacs  
Accounting Officer  
Date: 31 May 2014

## 6. STRATEGIC OVERVIEW

### 6.1 VISION

A united, responsive and prosperous agricultural sector in balance with nature

### 6.2 MISSION

Unlocking the full potential of agriculture to enhance the economic, ecological and social wealth of all the people of the Western Cape through:

- Encouraging sound stakeholder engagements.
- Promoting the production of affordable, nutritious, safe and accessible food, fibre and agricultural products.
- Ensuring sustainable management of natural resources.
- Executing cutting edge and relevant research and technology development.
- Developing, retaining and attracting skills and human capital.
- Providing a competent and professional extension support service.
- Enhancing market access for the entire agricultural sector.
- Contributing towards alleviation of poverty and hunger.
- Ensuring transparent and effective governance.

### 6.3 VALUES

- Honesty
- Accountability
- Service excellence
- Good governance
- Commitment.

### 6.4 STRATEGIC OUTCOME-ORIENTATED GOALS

- Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009.
- Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years.
- Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years.
- Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production.
- Increase agricultural economic opportunities in selected rural areas based on socio-economic needs over a 10-year period.

## 7. LEGISLATIVE AND OTHER MANDATES

### 7.1 CONSTITUTIONAL MANDATES

In the Constitution of the Republic of South Africa, 1996, an entire chapter is dedicated to the Bill of Rights of South African citizens. Without going into too much detail, this Bill of Rights inter alia focuses on rights such as:

- Everyone has a right to an environment that is protected and not harmful (Section 24).
- Food and water (Section 27 (1b)).
- Basic and further education (Section 29).

Schedule 4: Part A: Concurrent national and provincial functional areas:

- Agriculture
- Animal control and diseases
- Disaster management
- Environment
- Soil conservation
- Tourism
- Trade
- Urban and rural development

Schedule 4: Part B: National and provincial government regulate municipal implementation:

- Municipal planning

Schedule 5: Part A: Exclusive provincial competence:

- Abattoirs
- Provincial planning
- Veterinary services (excluding regulation of the profession)

Schedule 5: Part B: Province regulates and monitors municipal implementation:

- Fencing and fences
- Markets
- Municipal abattoirs

### 7.2 LEGISLATIVE MANDATES

The Department has a regulatory responsibility in the following Acts:

- Meat Safety Act, 2000 (Act 40 of 2000)
- Animal Diseases Act, 1984 (Act 35 of 1984)
- Agri-BEE Transformation Charter (under Act 53 of 2003).

### 7.3 POLICY MANDATES

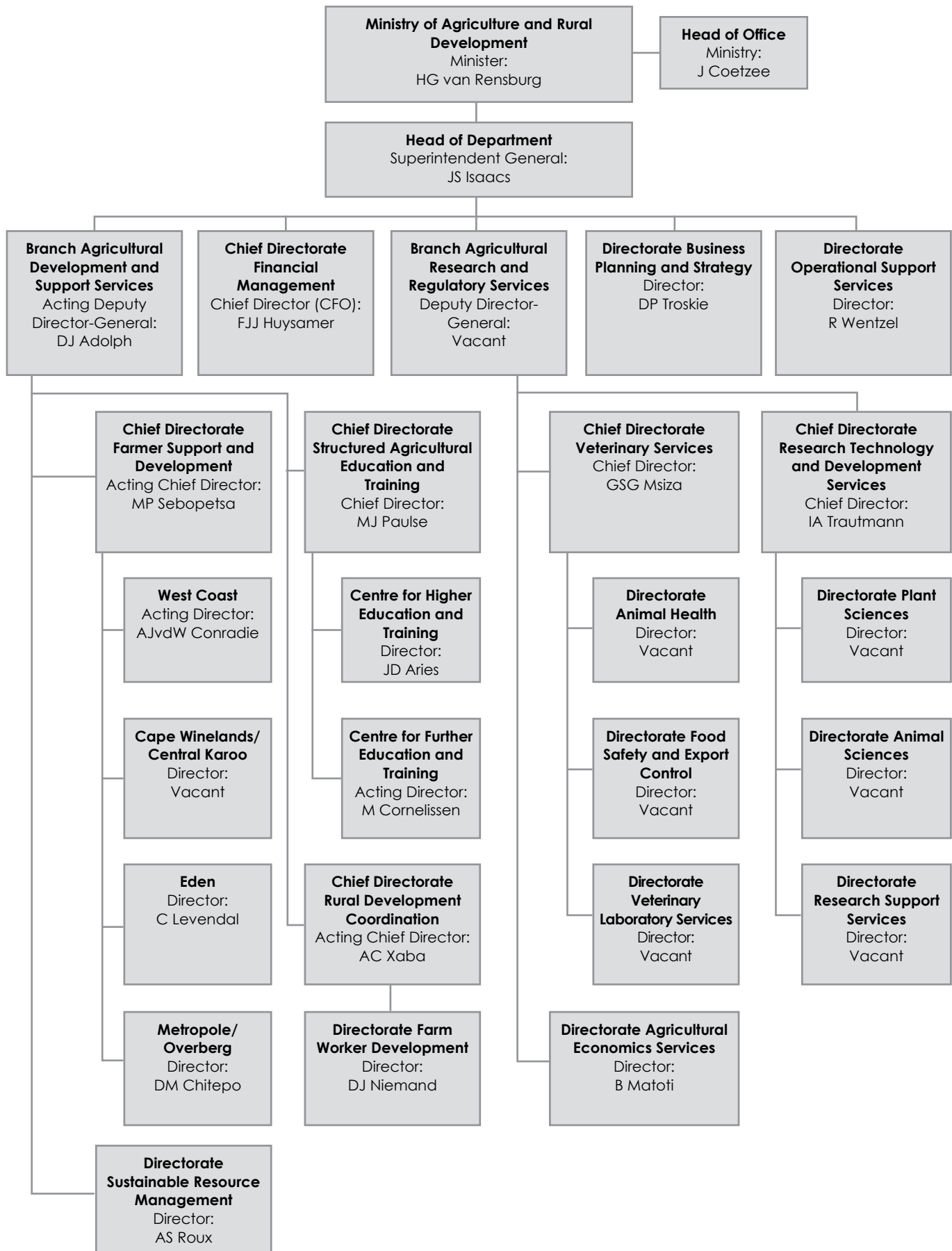
- Millennium Development Goals (MDG)
- The Comprehensive Africa Agricultural Development Programme (CAADP)
- Accelerated Shared Growth Initiative of South Africa (ASGISA)

- National Development Plan 2030 (NDP)
- National Programme of Action with its 12 National Outcomes (NO)
- The Strategic Plan for South African Agriculture (to be replaced by IGDP)
- Integrated Growth and Development Plan (IGDP)
- Primary Animal Health Care Policy of DAFF
- Higher Education Policy Framework
- Further Education and Training Framework
- National Qualifications Framework(NQF)
- Occupations Qualifications Framework(OQF)
- South African Qualifications Authority (SAQA)
- Norms and Standards for Educators
- Norms and Standards for Agricultural Training Institutes of South Africa
- National Education and Training Strategy for Agriculture and Rural Development in South Africa (2005)
- National Mentorship Framework for the Agricultural Sector
- Norms and Standards for Extension and Advisory Services in Agriculture
- National Articulation Framework for Agricultural Training Programmes
- National Agricultural Research and Development Strategy
- National Strategic Plan for HIV and AIDS
- Settlement Implementation Strategy
- Integrated Food Security and Nutrition Strategy
- Comprehensive Rural Development Programme (CRDP)
- Comprehensive Agricultural Support Programme (CASP)
- The Western Cape's Strategic Plan and its various strategic objectives with specific emphasis on PSO11: Increasing opportunities for growth and development in rural areas (PSO11)
- Agricultural and Agri-business Strategy for the Western Cape
- OneCape 2040 Provincial Spatial Development Strategy
- Integrated Development Plans of Local Government

#### **7.4 RELEVANT COURT RULINGS**

The Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970): *Stalwo v/s Wary*: The owner sold portions of undivided agricultural land to be rezoned for industrial purposes. The legality of the contract was contested in court. The High Court ruled that since the Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970) was applicable the contract was not binding. The Appeal Court thereafter set that ruling aside, which raised the question on whether the Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970) has any status anymore. The Constitutional Court, however, set the Appeal Court ruling aside. Agriculture is a concurrent function and involves all three spheres of government.

## 8. ORGANISATIONAL STRUCTURE



## 9. ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial relationship	Nature of Operations
Casidra SOC Ltd	Companies Act, Act 71 of 2008	100% shareholding	Poverty alleviation through economic growth. Development of human resources through training and empowerment. Financial independence through restructuring. Effective business management.

The total shareholding in Casidra SOC Ltd is with the Western Cape Government under the oversight of the Provincial Minister of Agriculture and Rural Development.

Casidra SOC Ltd is structured as a private company under the Companies Act, 2008, (Act 61 of 1973, now Act 71 of 2008) with a unitary Board of Directors. The organisational structure comprises of a General Manager responsible for operational activities, and a Chief Financial Officer responsible for finance and administration, both reporting directly to the Chief Executive Officer as Chief Executive.

Casidra SOC Ltd is a schedule 3D company (Provincial Government Business Enterprise) under the Public Finance Management Act, 1999 (Act 1 of 1999). This status has been assessed together with their current structure and financial viability.

The mandate of this institution is to conduct agricultural and economic development within the rural and land reform context, in terms of Resolution 271/2007 as approved by Cabinet.

It is the mission of Casidra SOC Ltd to improve the quality of life of particularly the low-income section of the population, mainly in rural areas of the Western Cape through integrated, people-orientated development, thereby aiding the establishment of self-sufficient communities.



# Part B:

## Performance Information

Auditor General's Report: predetermined objectives	40
Overview of departmental performance	40
Strategic outcome oriented goals	67
Performance information by programme	73
Transfer payments	124
Conditional grants	137
Donor funds	145
Capital investment	146



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

Refer to page 204 of the Report of the Auditor-General, published as Part E: Financial Information.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 2.1 SERVICE DELIVERY ENVIRONMENT

When the current Strategic Plan of the Department of Agriculture was written in 2009, a number of trends in the service delivery environment were not yet apparent. Below is an inconclusive list of some of the changes which are having an impact on the Department and its activities:

- a) The financial crisis in the Euro zone is leading to consumer constraints in the traditional agricultural export markets of the Western Cape.
- b) The bailouts following the sub-prime housing crisis in the United States of America, combined with its involvement in various protracted and unsavoury conflicts around the world, led to extremely high levels of public debt in the USA. This resulted in their society becoming much more inward focused and leading to changes in trade, consumption and aid patterns.
- c) The pressures in the economies of developed countries and the fast growth of certain economies of developing countries led to a changing world order. It is interesting to observe how the roles of coloniser and colony are being reversed with Angola becoming a serious investor in the Portuguese economy.
- d) The result is that developing countries and consumers are expressing themselves with renewed confidence on the world stage.
- e) Despite expectations to the contrary, the economies of a number of BRIC countries fails to live up to the expectations. India's economy stagnated, the forthcoming Soccer World Cup highlights fissures in Brazilian society and Russia's foreign policy underlines its oligarch dominated economy and reliance on commodity exports.
- f) Nevertheless, a number of African countries are some of the fastest growing economies in the world, albeit from a low base. This trend placed new emphasis on Africa as a market for agricultural exports as well as on the importance of the Comprehensive Africa Agricultural Development Programme (CAADP).
- g) The ageing population in developed economies and the high population growth in economic vibrant developing economies lead to stagnating and quality-conscious food markets in developed countries and fast-growing conspicuous consumption food demand in developing countries.
- h) Global urbanisation trends lead to more than half of the world's population being divorced from their means of agricultural production.
- i) The fast-growing developing economies, especially those receiving benefits from off-shore energy resources, lead to increasing levels of inequality. These changes threaten social stability, not only at a global level, but also in a number of countries.
- j) Public and private standards are increasingly being used by a number of developed and developing countries to protect their domestic markets against competition from abroad. Although some may consider this to be a threat, early compliance may lead to competitive market access advantages.

- k) A combination of developments in the fields of automation, traction systems, observation technologies, communication, computing power, algorithm design and database efficiency are leading to changes in agricultural technologies. The real impact of these will only be observed in the future.
- l) General consensus is developing that the world's climate is changing and that renewed mitigation measures are necessary. However, as the true manifestation of the impact of climate change is not yet clear, mitigation practices are still in the process of being developed.
- m) The labour unrest in the rural areas of the Western Cape is a manifestation of the inequality in our society as well as the people's aspirations and expectations.

As more than 50% of the agricultural products of the Western Cape agricultural sector are destined for the export market, it is more exposed to changes in the international environment than any other part of the country. At the same time farming technologies are generally being imported from abroad. It follows that all these trends do have an impact on the Western Cape agricultural sector and, therefore on the activities of the Department. The responses by the Department forms part of its strategic interventions and will be discussed in more detail in Section 2.4 of this part of the Annual Report.

The management of state housing has become the responsibility of the Department of Transport and Public Works. Management of these houses were not part of the Department's core business and placed undue pressure on already limited resources and budget.

The Department has not escaped the general scourge of crime and has seen an escalation of security breaches at many of its service delivery points. Security assessments have commenced and new measures and technology have been implemented to increase safety and security.

A support service was provided to enhance the sustainable utilisation of natural agricultural resources and to conserve the environment within the context of the climate change phenomenon. The FruitLook real-time web application, through which irrigators are provided weekly with updated information on the actual water use of their crops and seven other growth parameters, was continued and provided the data to all fruit crop orchards/vineyards in the area covered by the satellite image. The FruitLook project annually runs from 1 October to the end of the irrigation season on 30 April.

Engineering support services were provided by the programme: Sustainable Resource Management (SRM) to enhance environmentally and economic sustainable farming practices such as conservation agriculture, to prevent pollution through agricultural activities and to increase water use efficiency of all irrigation farmers. The services were rendered through 379 support initiatives (investigation reports, designs and completion certificates) were rendered to our clients, 141 of which were for CASP/Land and Agrarian Reform Programme (LARP) beneficiaries. A total of 302 clients were provided with ad hoc engineering advice or training to increase their production of which 186 were provided with information and training to increase their water use efficiency.

Dry land grain and rooibos tea farmers were provided with support through 83 initiatives to change from conventional farming to conservation farming practices to increase soil fertility and retain moisture in the soil.

Through the provision of agricultural engineering and LandCare services, proactive communication, facilitation and implementation of projects as well as technology transfer to clients and partners, sustainable resource management solutions and methodologies were provided. This was achieved through six awareness campaigns on LandCare and six capacity-building exercises that were conducted. A total of 29 076 hectares of farm land was improved through conservation measures, mostly through the upgrading of 25 kilometre fencing and construction of 84 kilometre new farm boundary fences that prevent predators from entering the sheep and goat farms. The fencing project was the result of R4.1 million fencing allocation to the Department. A total of 327 farm plans were updated for sustainable farming purposes.

Part of protecting our natural agricultural resources is the prevention of the fragmentation of agricultural land by providing comments according to the applicable legislation to the relevant authority as to the recommended land use. In total 1 028 applications for the subdividing and /or rezoning of agricultural land were assessed and comments provided.

An important service provided is the verification, survey, planning, design and implementation of disaster relief to farmers and providing the required technical support during the rehabilitation phase. During the year the implementation of two disaster-aid projects were continued, namely the 2008 floods and 2010 Eden drought project.

A total of 40 authorisation letters were issued to 70 farmers for drought aid in the drought stricken areas of the Central and Klein Karoo and 24 stock-watering systems were installed and existing systems were upgraded as part of the drought aid scheme. The drought aid scheme was completed in 2013/14. In total R72.8 million was paid out for drought assistance since the inception of the scheme, with R3.9 million paid in the 2013/14 financial year.

The amount of R41.7 million of the 2008 flood relief allocation was used up to the end of March 2013 for river bank protection works to prevent further erosion of valuable agricultural land. Due to delays with obtaining the required environmental authorisations for all the river bank erosion protection this work could not be completed in 2013/14 and will be completed by the middle of 2014.

An assessment of the August 2013 and January 2014 flood damage was completed and submitted to the Provincial Disaster Management Centre to assist them in obtaining funding for flood repair work. An allocation of R191.7 million was received for a flood-aid scheme for both the 2011 and 2012 floods, with an amount of R1.517 million for the 2013/14 financial year. The full allocation of R1.517 million was used for preparatory actions to obtain the required environmental authorisations for the construction work to start in 2014/15.

FSD continued with its commodity approach to farmer support and development aimed at creating the institutional environment to draw on commodity experts in the sector to contribute to planning and prioritising of funding for land reform enterprises. Ten Commodity Project Allocation Committees (CPACs) have been established and meet monthly to consider requests from farmers.

The Department completed an external agricultural land reform evaluation as per its strategic objective of ensuring at least 60% land reform success. The evaluation was conducted by the Kayamandi Development Services, appointed with support from the Department of Performance Monitoring and Evaluation in the Presidency. Accordingly, the study revealed a 62% success rate from a population of 246 agricultural land reform projects that the Department has supported since 2009.

The sub-programme: Farmer Settlement and Development delivered the following outputs for the reporting period 2013/14:

117 farm assessments were completed, 96 farm plans, 55 smallholder farmers and 29 commercial farmers were supported.

The sub-programme: Extension and Advisory Services delivered the following outputs for the reporting period 2013/14:

86 agricultural demonstrations, 31 farmers' days were hosted, 60 skills audits were completed and 4 646 farmers were supported with advice.

The sub-programme: Food Security delivered the following outputs for the reporting period 2013/14:

93 community food security projects, 35 school food garden projects and 1 213 households were supported through the suitcase programme.

As a contribution to the realisation of the Millennium Development Goals (MDG, 1) in particular National Outcome 7 and PSO 8, the Department commemorated World Food Day on 11 October 2013 in Karatara

in the Knysna municipality. As part of the event, a total of four community and 54 household gardens were supported in collaboration with the Knysna municipality.

There are still challenges regarding coordination between the Department of Rural Development and Land Reform's (DRDLR) land delivery structures, for example Provincial Land Acquisition Consideration Committee (PLACC) is still misaligned to this Department's agricultural support programme. This creates a challenge in the sense that it could result in double dipping in some projects and also impact negatively on the sustainability of projects. This area will again receive attention during the 2014/15 financial year.

Farmer Support and Development (FSD) championed the delivery of the 4<sup>th</sup> Departmental Extension and Advisory Services Symposium held from 17 to 19 July 2013. The purpose of the symposium was to encourage information sharing and integrated service delivery among all extension officials across all programmes of the Department. The programme also completed the aerial mapping survey of agricultural production and infrastructure in the Province during the period reported on. The data derived will further strengthen the AIMS system that will be rolled in the 2014/15 financial year.

Due to protracted and complicated processes and procedures to fill vacant posts in the Department, it was negatively influenced in terms of actual service delivery to clients, underspending of budget allocations and difficulty in reaching transversal and provincial performance targets. A good example is the persisting lack of personnel capacity that severely curbed service delivery in the sub-programme: Export Control in the programme: VS.

The sub-programme: Veterinary Public Health is mandated to enforce the Meat Safety Act, 2000 (Act 40 of 2000) and is therefore from a regulatory point of view responsible for ensuring safe meat for consumption by the public. Major challenges are experienced by officials of the sub-programme due to the lack of independent meat inspection at abattoirs. Together with the lack in regulatory approach towards game meat supply, as well as widespread illegal slaughter activities, consumer safety in meat products could be placed at risk. Appointment of the assignee will boost inspection service in that the public has access to safe and wholesome meat fit for human consumption.

The main services of the programme: Research and Technology Development Services (RTDS) focused on the following:

- 1) Providing cutting-edge technology to commercial and smallholder farmers and other stakeholders through a client-focused and problem-driven research and technology development portfolio executed by the sub-programme: Animal Sciences, Plant Sciences and Research Support Services respectively. The research agenda was consulted with the respective commodities at various forums and contact sessions and was aligned to the research needs of the said commodity. Fifty-three (53) meetings with industry organisations were held to discuss research needs. Eighty-eight (88) existing projects were executed, twenty-two (22) new projects were approved and six projects were completed. This brought the total number of projects at the end of 2013/14 to 104. Our services also included a spatial analysis (GIS) and risk potential management service and an analytical service for soil, water and plant samples to assist stakeholders in decision making in terms of available resources and applications of fertiliser and agro-chemicals.
- 2) Disseminating and communicating appropriate new and adapted technology and scientific information in the form of user-friendly information packages, scientific and popular publications, target-group focused information days and exhibitions, on-farm 'walk and talks' and radio talks. Information emanating from research was disseminated to clients in a comprehensive technology transfer portfolio. This ranged from one-on-one sessions, walk and talks, radio talks (42), presentations at information sessions for farmers (149), organising of technology transfer events (10), popular publications (126), information packs (18), to the very scientific forms of technology transfer, including papers and posters at conferences (91) and scientific papers (36).

- 3) Providing research and infrastructure support services to the two research sub-programmes, departmental programmes and other external research institutions and clients from seven research farms. These farms were maintained and strategically upgraded to support the research efforts to its fullest. Fourteen (14) technical committee meetings were held on the farms and they coordinated the research effort and infrastructure needed. The sustainability of the farms also received renewed attention and several measures were implemented in this regard.

No major problems were encountered in delivering the said services. However, the prevailing threat of Avian Influenza (AI) to our research flocks, especially in the Oudtshoorn area, as well as the uncertainty in the industry, continued for several months and the research resources were at severe risk. Risk mitigating measures were implemented, which resulted in the Oudtshoorn research farm and Kromme Rhee being registered as EU-approved farms and our research efforts continued against strict biosecurity measures.

The demand for our research services and technical advice, however, is increasing, especially in climate smart agri-production, judicial resource utilisation (lower input, higher output) and novel decision-making tools and systems.

Internationally, the Food and Agriculture Organisation embarked on a study 'Food Wastage Footprint: Impacts on Natural Resources'. This is the first study to analyse the impact of global food wastage, looking at its consequences for the climate, water and land use, and biodiversity. Among the key findings is that each year, food that is produced but not eaten uses a volume of water equivalent to the annual flow of Russia's Volga River and is responsible for adding 3.3 billion tons of greenhouse gases to the planet's atmosphere. These investigations might lead to the broadening of the scope of the existing environmental standards and calls for research and innovation across the chain to reduce the wastage footprint. These are some of the issues that the programme has to take into consideration during the next financial year.

Nationally, the increase in interest rates had a negative impact on the farming environment which is already indebted. The Consumer Price Index (CPI) increased to 5.9% in February and consumers were among the groups that were affected badly by these hikes, including fuel price hikes during the last quarter of 2013/14. These hikes further had a negative impact on the cost of production which resulted in increased food costs. Analysis of this is part of the research conducted within the programme: AES in collaboration with BFAP. Locally, structural changes, mainly increased labour costs due to increased minimum wage necessitated focused attention on developing and updating enterprise budgets for the various industries. However, shortage of staff within the Production Economics component was a challenge in delivering this service optimally, but in collaboration with industry personnel some of these budgets could be completed.

The non-existence of the intermediary for Micro Finance Institutions for South Africa (MAFISA) scheme in the Western Cape has badly affected farmers, especially under the Proactive Land Acquisition Strategy (PLAS). It is difficult for these farmers to get loans from commercial banks as they do not own land that can be used as collateral. Efforts of the programme also went to engaging the accredited institutions by DAFF to also operate in the Western Cape. The re-launch of the AgriBEE fund by DAFF sparked interest in the agricultural sector, because the programme received a lot of enquiries and applications for funding. However, the actual disbursement of these funds to projects in the Western Cape is yet to be seen. In addition, the section 9 sector codes (AgriBEE) led to a lot of enquiries because clients needed to familiarise themselves with the new code and the implementation thereof. However, the link of various elements such as the procurement and the allocation of permits for imports and exports to name a few, were among the challenges imposed by the new code. The programme coordinated awareness sessions on the AgriBEE code even though more skills are still acquired to assist implementation.

SAET continued to offer a wide range of accredited training programmes and skills training on Higher Education and Training (HET) and Further Education and Training (FET) bands to participants and potential participants in the agricultural sector in the Western Cape Province.

Six types of learnership programmes and numerous short skills courses were presented and in December 2013, 80 learnership students graduated and AgriSETA, who also commended the institute on the high

standard of quality management achieved, issued the certificates of competency. Fifteen of these graduates moved from FET level to HET programmes of which 14 were accepted for the Higher Certificate programme and one of the students registered for the B. Agric degree.

The offering of the learnership programmes again created an opportunity for another 55 learners to register in January 2014 for learnership training on NQF level 4. Of the 55 students that enrolled, nine are now employed on various farms in the Western Cape. In comparison with previous years, fewer students were enrolled, due to a new approach towards the learnership programme, which will be finalised in the next financial year. The new approach makes provision for work place experience and a broader exposure to practical facilities.

Short skills courses were presented to a total of 2 700 agricultural beneficiaries in the Province. As a result of the strong partnership between the programmes: SAET and FSD, which resulted in joint coordination and roll-out of training within the regions, the number of training beneficiaries for both farmers and farm aids increased. A large portion represented the CASP and ILIMA/LETSEMA beneficiaries. In cases where the sub-programme lacked capacity, Casidra assisted to facilitate and coordinate training to beneficiaries. The programme: SAET has over performed in terms of the presentation of short courses. This over performance can be attributed to the high demand due to the quality and relevance of the content of these courses. A master trainer short course of the Association of Veterinary and Crop Associations of South Africa (AVCASA) was successfully presented to 10 lecturers and staff from other programmes from 26 to 28 November 2013. The course was presented free of charge by the organisation.

On HET level, SAET offered the B. Agric degree programme, a Certificate in Horse Mastership and Preliminary Riding Instruction, a Diploma in Agriculture and a Higher Certificate in the 2013 academic year.

A total number of 442 HET students registered in 2013, with a total of 96 equity candidates. A disappointing low number of applications were received from African students by the end of the closing date of 30 June 2013. However, most black qualifying candidates were selected from the list of late applications to increase transformation at the Institute.

In total, 102 students graduated from HET programmes, with 170 participants successfully completing nine accredited short courses. The first module of the Cape Breeder's Club Equine Programme was presented from March through to October 2013. Forty-four (44) learners participated in the first level of the programme and 40 students passed the final examination.

During 2013 SAET bottled its first brandy in the history of the Institute. Due to the exceptional quality of the brandy, the television programme kykNET visited the cellar at the end of March 2014 and allocated a five-minute time slot on 31 March 2014 to the brandy- making process at the cellar.

A total of 20 new bursaries and 30 existing bursaries were awarded to the students from our own budget. A further R1.502 million was sourced from external sponsors for bursaries for 48 students.

The programme: RDC has 16 activated rural development nodes across the Province of which four were activated during the 2013/14 financial year, namely Struisbaai, Suurbraak, Malmesbury and Elandsbaai. The focus was the institutionalisation process of the Councils of the Stakeholders (COS) in each of these nodes. They have progressed through the following phases in the rural development model: Intergovernmental Steering Committee establishment and social facilitation. Social upliftment, infrastructure development and economic development will follow in the phased development approach over the next few years. Interdepartmental Steering Committees (ISCs) to support the development projects in these nodes have been established with the participation of various departments. While addressing social needs as the key to rural development, ultimately the programme's aim is geared towards an inclusive sustainable rural economy. In order to deepen the work in these existing nodes rather than geographically expanding the scope, increased capacity in the Development Planning sub-programme will directly impact on the Department's responsiveness to the demand to coordinate stakeholder departments' collective efforts in the 2014/15 financial year.

A list of the current/activated rural development nodes follows below:

1. Oudtshoorn Municipality (Ward 9 and 10 – Dysselsdorp)
2. City of Cape Town Municipality (Ward 29 – Atlantis, Mamre and Pella)
3. Matzikama Municipality (Ward 2 – Doring Bay, Ebenezer, Lutzville, Strandfontein, Papendorp)
4. Witzenberg Municipality (Ward 1, 4 and 6 – Bella Vista, Nduli, Prins Alfred Hamlet)
5. Beaufort West Municipality (Ward 1 – Murraysburg)
6. Beaufort West Municipality (Ward 1 – Merweville)
7. Prince Albert Municipality (Ward 1 – Leeu Gamka)
8. Bitou Municipality (Ward 4 – New Horizons area)
9. Theewaterskloof Municipality (Ward 5 and 6 – Villiersdorp, Lebanon, Nuweberg, Kleinbegin)
10. Mossel Bay Municipality (Ward 4 – Brandwacht, Ward 5 – Toekoms, Ward 7 – Buisplaas, Herbertsdale, Sonskynvallei, Vleesbaai, Ward 14 – Friemersheim, Groot Brakrivier, Ruiterbos)
11. Knysna Municipality (Ward 2 – Karatara, Ward 5 – Rheenendal)
12. Laingsburg (Ward 1 – Matjiesfontein)
13. Swellendam Municipality (Ward 3 – Suurbraak)
14. Cape Agulhas Municipality (Ward 5 – Struisbaai)
15. Swartland Municipality (Ward 7 – Malmesbury)
16. Cederberg municipality (Ward 4 – Elandsbaai).

Nine Councils of Stakeholders and five Intergovernmental Steering Committees (ISCs) were established to support the recently activated development nodes across the Province. Forty ISC engagements were facilitated across the Province with the relevant government departments to facilitate collaboration. Eighty-nine (89) projects in the rural development nodes led by various stakeholders have been captured, implemented and monitored during this reporting period. A total of 2 419 citizens in the rural development nodes have been trained in various subjects. Four quarterly PSO11 workgroup 4 committee engagements were convened with representatives from various departments to guide rural development at a provincial level. Through the national DRDLR's MINMEC and MINTEC processes, the provincial Minister of Agriculture and Rural Development and the Department have been tasked to ensure collaboration with all other stakeholder departments in terms of achieving national outcome 7 (Vibrant, equitable and sustainable rural communities with food security for all) and to facilitate consolidated provincial reporting on a quarterly basis.

The FWD sub-programme has focused on the roll-out of the Farm Worker Response Plan. This plan includes key projects such as the provincial-wide Farm Worker Survey which aims to gather information about priority farm worker needs in order to inform appropriate government response interventions. The Cape Winelands and Overberg have been focus areas since they were most affected by the protest action and the reports of the Overstrand and Theewaterskloof regions are completed and available. Surveys of the Stellenbosch and Drakenstein local municipal areas are underway. The Cape Winelands area, namely Langeberg, Witzenberg and Breede Valley and the rest of the Overberg, namely Agulhas and Swellendam, will follow early in the 2014/15 financial year. This process has been far more time-consuming than was expected and that has impacted on the pace of completion of surveys per region. Further capacity via Casidra has been explored to increase output on this front. However, the value of completing a thorough survey is imperative to ultimately develop relevant response services.

Another pivotal project included in the plan is the farmer/farm worker case studies. Fifteen case studies have been recorded to be included in a publication that will enable sharing and dialogue on best practices and success stories among farmers and farm workers. This publication is due to be launched in the second quarter of the new financial year. Such and other efforts resulted in a total of 32 325 farm workers and their family members being reached by the Department. Of this total, 30 830 farm workers and their family members participated in training and development programmes and 495 were assisted through the referral system. Development officers participated in 36 district forum engagements and 15 development projects were supported of which four focused on substance abuse.

To support dialogue on farm worker issues the sub-programme's community development officers participated in 15 district forum engagements across the Province. The Farm Worker of the Year competition gained momentum with 16 regions and a record number of 921 farm workers participating. This culminated in the provincial competition gala event on 25 October 2013, where the winner of the Farm Worker of the Year 2013, Mr Karools Paulse, from the Olifants River region in the West Coast district was announced.

## 2.2 SERVICE DELIVERY IMPROVEMENT PLAN

The Department has completed a Service Delivery Improvement Plan. The tables below highlight the plan and the achievements to date.

### Main services and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
To provide extension and advisory services to farmers	Existing farmers (subsistence, smallholder and commercial farmers)	a) Undertake 1 200 farm visits to provide advice and contribute to successful land reform	a) Undertake 1 250 farm visits to provide advice and contribute to successful land reform	a) Undertook 1 430 farm visits to provide advice and contribute to successful land reform
	Land reform beneficiaries	b) Provide 3 600 farmers with advice and support	b) Provide 3 650 farmers with advice and support	b) 4 290 farmers were provided with advice and support
Raising public awareness regarding food safety and animal disease	The public in general	c) Awareness of the Western Cape public through distribution of 1250 pamphlets, 30 posters and 16 awareness sessions during opportunities at appropriate venues on an ongoing basis	c) Awareness of the Western Cape public through distribution of 1 500 pamphlets, 35 posters and 19 awareness sessions during opportunities at appropriate venues on an ongoing basis	c) Awareness of the Western Cape public through distribution of 1 220 pamphlets, 12 posters (further distribution held back in anticipation of changes to the branding and logo for the Province and departments) and 15 awareness sessions reported during 2013/14 cycle



Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
				<b>Additional achievement</b>
				Undertook training at different abattoirs that reflected information sessions held or training conducted at facilities for a period of more than 40 days where employees were trained in meat inspection, approved slaughtering methodologies, game harvesting and hygiene practices.

**Batho Pele: arrangements with beneficiaries (consultation, access etc.)**

Current/actual arrangements	Desired arrangements	Actual achievements
<b>To provide extension and advisory services to farmers</b>		
<b>Consultation</b>	<b>Consultation</b>	<b>Consultation</b>
a) Citizen's Report	a) Citizen's Report	a) Departmental annual Citizen's Report was published and distributed Province wide in November 2013.
b) Organised agriculture and their members	b) Organised agriculture and their members	b) Met with organised agriculture and their members, at scheduled times.
c) Radio shows	c) Radio shows	c) Radio shows were utilised where the opportunity arose, or when necessary.
d) Forum meetings of Department and stakeholders	d) Forum meetings of Department and stakeholders	d) Forum meetings between Department and stakeholders were held at scheduled times. Internal forum meetings/block sessions between management and extension staff to exchange ideas and information were held on a monthly basis.
e) Written correspondence	e) Written correspondence	e) Written consultation mechanisms were utilised on a daily basis to address enquiries and queries, exchange information and establish client needs immediately.
f) Farmers' days	f) Farmers' days	f) Scheduled farmers' days held and attended.
g) Telephonic engagements	g) Telephonic engagements	g) Telephonic consultations were utilised on a daily basis to address enquiries and queries, exchange information and to establish client needs immediately.
h) Emails	h) Emails	h) Electronic consultation mechanisms were utilised on a daily basis to address enquiries and queries, exchange information and establish client needs immediately.
<b>Access</b>	<b>Access</b>	<b>Access</b>
a) Department of Agriculture, Private Bag X1, Elsenburg, 7607	a) Department of Agriculture, Private Bag X1, Elsenburg, 7607	a) Services were provided on a daily basis at the Head Office of the Department at Muldersvlei Road, Elsenburg, Stellenbosch.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Access</b>	<b>Access</b>	<b>Access</b>
b) District offices at: <ul style="list-style-type: none"> <li>• Beaufort West</li> <li>• George</li> <li>• Bredasdorp</li> <li>• Stellenbosch</li> <li>• Moorreesburg</li> <li>• Bellville</li> </ul>	b) District offices at: <ul style="list-style-type: none"> <li>• Beaufort West</li> <li>• George</li> <li>• Bredasdorp</li> <li>• Stellenbosch</li> <li>• Moorreesburg</li> <li>• Bellville</li> </ul>	b) Services were provided at all district offices in the Province.
c) Offices in smaller towns	c) Offices in smaller towns	c) Services were provided at decentralised offices of the programme: FSD.
		<b>Additional achievement</b>
		a) Access also provided through daily visits to farmers by extension staff.
		b) Daily access available through walk-in, phone-in, emailing and website channels. Also through scheduled open days and farmers' days and the monthly Thusong Outreach Intervention Programme.
		c) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department.
<b>Courtesy</b>	<b>Courtesy</b>	<b>Courtesy</b>
Through official channels, namely:	Through official channels, namely:	Through official channels, namely:
a) Management	a) Management	a) Management
b) Head of Communication	b) Head of Communication	b) Head of Communication
c) Email	c) Email	c) Email
d) Telephonic engagements	d) Telephonic engagements	d) Telephonic engagements
e) Written correspondence	e) Written correspondence	e) Written correspondence
f) Face-to-face	f) Face-to-face	f) Face-to-face
	g) Complaints register	g) Complaints are recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency.
	h) Open/farmer's days and site visits	h) Open/farmers' days and site visits attended at scheduled times.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Courtesy</b>	<b>Courtesy</b>	<b>Courtesy</b>
		<b>Additional achievement</b>
		<p>a) The rights of clients/citizens, including the right to be treated in a humane, respectful and dignified manner by staff are captured in the Departmental Service Delivery Charter, Section 5 of the Service Charter for the Public Service (Resolution 1 of 2013) as well as the Code of Conduct for Public Servants. These standards are annually consulted with all stakeholders.</p> <p>b) All staff members are regularly reminded to adhere to these standards during interaction with clients/citizens and colleagues during face-to-face, telephonic, electronic, written and other forms of service delivery interventions.</p>
<b>Openness and transparency</b>	<b>Openness and transparency</b>	<b>Openness and transparency</b>
a) Telephonic engagements	a) Telephonic engagements	a) On a daily basis through telephonic engagements.
b) Verbal (site sessions)	b) Verbal (site sessions)	b) Verbally to clients during site sessions on a daily basis.
c) Written correspondence	c) Written correspondence	c) On a daily basis through written correspondence.
d) Email	d) Email	d) On a daily basis through electronic communication.
e) One-on-one meetings	e) One-on-one meetings	e) Scheduled one-on-one meetings.
f) Open/farmers' days	f) Open/farmers' days	f) Scheduled open and farmers' days.
g) Annual Citizen's Report	g) Annual Citizen's Report	g) The annual Citizen's Report was published and distributed widely within the Province. The report contained information about the purpose of the Department, its public service responsibilities and core functions, budget utilised, staff complement with personnel expenditure and race and gender setup. It also contained particulars of each organisational unit's service delivery achievements for the past financial year.
h) Site visits	h) Site visits	h) During site visits.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Openness and transparency</b>	<b>Openness and transparency</b>	<b>Openness and transparency</b>
i) Annual Report	i) Annual Report	i) The Department's Annual Report was published and distributed to stakeholders. The report contained information about the purpose of the Department, its public service responsibilities and core functions, budget utilised, staff complement with personnel expenditure and race and gender setup. It also provided particulars of each organisational unit's service delivery achievements for the past financial year.
j) Radio shows	j) Radio shows	j) Information regarding the Department and its core business was conveyed to clients through radio shows where the opportunity arose or when necessary.
		<b>Additional achievement</b>
		Information regarding the Department and its core business was conveyed to clients at monthly Thusong interventions.
<b>Value for money</b>	<b>Value for money</b>	<b>Value for money</b>
a) Province-wide support and advice provided to all farmers	a) Province-wide support and advice provided to all farmers	a) Extension and advisory services were rendered on a daily basis to subsistence, smallholder and commercial farmers in all the districts/areas of the Province.
b) Clients get useful and useable information at no cost.	b) Clients get useful and useable information at no cost.	b) Free services in the form of advice, information and technology transfer was rendered by the Department to increase the general knowledge of the specific farmer concerning a variety of farming practices.
<b>Raising public awareness regarding food safety and animal disease</b>		
<b>Consultation</b>	<b>Consultation</b>	<b>Consultation</b>
a) Roadshows	a) Roadshows	a) Roadshows were utilised when the opportunity arose or when necessary.

<b>Current/actual arrangements</b>	<b>Desired arrangements</b>	<b>Actual achievements</b>
<b>Consultation</b>	<b>Consultation</b>	<b>Consultation</b>
b) Citizen's Report	b) Citizen's Report	b) The annual Citizen's Report of the Department was published and distributed to the agricultural community at large within the Province.
c) Organised agriculture and their members	c) Organised agriculture and their members	c) Met with organised agriculture and their members at scheduled times.
d) Radio shows	d) Radio shows	d) Radio shows were utilised when the opportunity arose or when necessary.
e) Forum meetings with the Department and stakeholders	e) Forum meetings with the Department and stakeholders	e) Forum meetings with the Department and stakeholders were held at scheduled times.
f) Written correspondence	f) Written correspondence	f) Written consultation arrangements were utilised on a daily basis to immediately address enquiries received.
g) Farmers' days	g) Farmers' days	g) Scheduled farmers' days held and attended.
h) Vaccination campaigns	h) Vaccination campaigns	h) Vaccination campaigns conducted on either a daily, weekly or monthly basis.
i) Telephonic engagements	i) Telephonic engagements	i) Telephonic and verbal, consultation arrangements were utilised on a daily basis to immediately address enquiries received.
j) Emails	j) Emails	j) Electronic consultation arrangements were utilised on a daily basis to immediately address enquiries received.
<b>Access</b>	<b>Access</b>	<b>Access</b>
a) Department of Agriculture, Private Bag X1, Elsenburg, 7607	a) Department of Agriculture, Private Bag X1, Elsenburg, 7607	a) Services were provided at the Head Office of the Department at Muldersvlei Road, Elsenburg, Stellenbosch.
b) Offices at: <ul style="list-style-type: none"> <li>• Beaufort West</li> <li>• George</li> <li>• Piketberg</li> <li>• Swellendam</li> <li>• Worcester</li> <li>• Khayelitsha</li> <li>• Klipheuwel</li> <li>• Fisantekraal</li> </ul>	b) Offices at: <ul style="list-style-type: none"> <li>• Beaufort West</li> <li>• George</li> <li>• Piketberg</li> <li>• Swellendam</li> <li>• Worcester</li> <li>• Khayelitsha</li> <li>• Klipheuwel</li> <li>• Fisantekraal</li> </ul>	b) Services were provided at the all district and decentralised offices.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Access</b>	<b>Access</b>	<b>Access</b>
		<b>Additional achievement:</b>
		<p>a) Access was also made available through walk-in, phone-in, emailing, website facilities, open days and farmers' days.</p> <p>b) Reasonable accommodation made and considered to provide proper access for people with disabilities.</p>
<b>Courtesy</b>	<b>Courtesy</b>	<b>Courtesy</b>
Through official channels:	Through official channels:	Through official channels:
a) Management	a) Management	a) Management
b) Head of Communication	b) Head of Communication	b) Head of Communication
c) Email	c) Email	c) Email
d) Telephonic engagements	d) Telephonic engagements	d) Telephonic engagements
e) Written correspondence	e) Written correspondence	e) Written correspondence
f) Face-to-face	f) Face-to-face	f) Face-to-face
	g) Complaints register	g) Complaints are recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency.
	h) Open/farmers' days and site visits	h) Scheduled open/farmers' days and site visits attended.
		<b>Additional achievement</b>
		<p>a) The rights of clients/citizens, including the right to be treated in a humane, respectful and dignified manner by staff, are captured in the Departmental Service Delivery Charter. These standards are annually consulted with all stakeholders including staff members.</p>
		<p>b) Staff members are regularly reminded to adhere to these standards during interaction with clients/citizens and colleagues during face-to face, telephonic, electronic, written and other forms of service delivery interventions/interactions.</p>
<b>Openness and transparency</b>	<b>Openness and transparency</b>	<b>Openness and transparency</b>
a) Telephonic engagements	a) Telephonic engagements	a) On a daily basis through telephonic engagements.

Current/actual arrangements	Desired arrangements	Actual achievements
<b>Openness and transparency</b>	<b>Openness and transparency</b>	<b>Openness and transparency</b>
b) Verbal (site sessions)	b) Verbal (site sessions)	b) Verbally to clients during site sessions.
c) Written correspondence	c) Written correspondence	c) On a daily basis through written communications.
d) Email	d) Email	d) On a daily basis through electronic communication.
e) One-on-one meetings	e) One-on-one meetings	e) On a daily basis during one-on-one meetings.
f) Roadshows	f) Roadshows	f) Roadshows utilised when the opportunity arose or when necessary.
g) Open/farmers' days	g) Open/farmers' days	g) Scheduled open days and farmers' days.
h) Annual Citizen's Report	h) Annual Citizen's Report	h) The annual Citizen' Report was published and distributed widely within the Province. It contains information about the purpose of the Department, its public service responsibilities, budget utilised, staff complement with personnel expenditure and race and gender setup as well as particulars of each organisational unit's service delivery achievements for the past financial year.
i) Site visits	i) Site visits	i) On a daily basis during site visits
j) Annual Report	j) Annual Report	j) The Annual Report was published and distributed to all stakeholders. It contains information about the purpose of the Department, its public service responsibilities, budget utilised, staff complement with personnel expenditure and race and gender setup as well as particulars of each organisational unit's service delivery achievements for the past financial year.
k) Radio shows	k) Radio shows	k) Information regarding the Department and its core business was conveyed to clients through radio shows whenever the opportunity arose or when necessary.



Current/actual arrangements	Desired arrangements	Actual achievements
		<b>Additional achievement</b>
		a) Information regarding the Department and its core business was conveyed to clients at monthly Thusong interventions.
Value for money	Value for money	Value for money
a) Province-wide education and information sharing at minimum cost	a) Province-wide education and information sharing at minimum cost	a) The distribution of pamphlets and posters as well as the conducting of awareness sessions in targeted areas and specific places in communities was dealt with on a decentralised basis at regular intervals to reach most of the citizens in the whole of the Province.
b) Clients get useful and useable information at no cost	b) Clients get useful and useable information at no cost	b) Free services were rendered by the Department to increase the general knowledge of citizens regarding hygienic meat and slaughtering practices and prohibitions in this regard as well as immunisation of their animals.

### Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievements
<b>To provide extension and advisory services to farmers</b>		
a) Departmental website	a) Departmental website	a) Departmental website was maintained and updated on a regular basis.
b) Annual Report	b) Annual Report	b) Annual Report was published and distributed to all stakeholders.
c) Radio Elsenburg	c) Radio Elsenburg	c) Radio Elsenburg were utilised when the opportunity arose or when necessary.
d) One-on-one meetings	d) One-on-one meetings	d) Utilised scheduled meetings as an information tool.
e) Information sessions (open/farmers' days)	e) Information sessions (open/farmers' days)	e) Utilised farmers'/open days as an information tool.
f) Annual Citizen's Report	f) Annual Citizen's Report	f) Annual Citizens Report was published and distributed to all stakeholders and the agricultural community at large in the Province.
g) Site visits	g) Site visits	g) Utilised site visits as an information tool.

Current/actual information tools	Desired information tools	Actual achievements
h) Radio shows	h) Radio shows	h) Radio shows were utilised when the opportunity arose or when necessary.
	i) Thusong Centres	i) Monthly Thusong Outreach Interventions utilised as an information tool.
		<b>Additional achievement</b>
		a) Roadshows were utilised when the opportunity arose or when necessary. b) Written and electronic media platforms were utilised as an information tool.
Raising public awareness regarding food safety and animal disease		
a) Departmental website	a) Departmental website	a) Departmental website maintained and updated on a regular basis.
b) Annual Report	b) Annual Report	b) Annual Report was published and distributed to all stakeholders.
c) Radio Agriculture	c) Radio Agriculture	c) Radio shows were utilised when the opportunity arose or when necessary.
d) One-on-one meetings	d) One-on-one meetings	d) Utilised scheduled meetings as an information tool.
e) Information sessions (farmers' / open days)	e) Information sessions (farmers' / days)	e) Utilised scheduled farmers' / open days as an information tool.
f) Annual Citizen's Report	f) Annual Citizen's Report	f) Annual Citizen's Report was published and distributed to all stakeholders and the agricultural community at large.
g) Site visits	g) Site visits	g) Utilised site visits as an information tool.
h) Roadshows	h) Roadshows	h) Roadshows were utilised when the opportunity arose or when necessary.
	i) Radio shows	i) Radio shows were utilised when the opportunity arose or when necessary.
	j) Thusong Centres	j) Monthly Thusong Outreach Interventions were utilised as an information tool.

## Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<b>To provide extension and advisory services to farmers</b>		
a) Through official channels, i.e. Head of Communication; management and supervisory staff, face-to-face as well as verbal, written and electronic/digital communication facilities	a) Direct contact, email, telephonically with management or supervisors at Head Office, Muldersvlei Road, Elsenburg	a) Normal channels for complaints as mentioned in Service Delivery Charter were utilised, i.e. via senior management staff (telephonically or email). In most cases enquiries instead of complaints are received through these channels.
	b) Via the Head of Communication regarding complaints/suggestions and compliments	b) Normal channels for complaints as mentioned in Service Delivery Charter were utilised, i.e. via the Head of Communication. In most cases enquiries instead of complaints are received through these channels.
	c) Complaints register	c) Complaints were recorded and responded to in accordance to departmental service delivery standard for written and electronic response times.
	d) Ministerial Red Numbers	d) A further channel is Red Number enquiries, directed via the Minister for Agriculture and Rural Development as well as hotline queries (Presidency). Cases were responded to in line with the prescribed timelines for such queries and enquiries. Various answers have been submitted on a range of issues directed to the Department. Receipt of complaint, enquiry and query is immediately acknowledged and feedback given. Where necessary, feedback is given on progress with outstanding cases.
<b>Raising public awareness regarding food safety and animal disease</b>		
a) Through official channels, i.e. Head of Communication; management and Supervisory staff, face-to-face as well as verbal, written and electronic/digital communication facilities	a) Direct contact, email, telephonically with management or supervisors at Head Office at Muldersvlei Road, Elsenburg	a) Normal channels for complaints as mentioned in Service Delivery Charter were utilised, i.e. via senior management staff (telephonically or email). In most cases enquiries instead of complaints are received through these channels.

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
	b) Via the Head of Communication regarding complaints/ suggestions and compliments	b) Normal channels for complaints as mentioned in Service Delivery Charter were utilised, i.e. via the Head of Communication as well as all senior management staff. In most cases enquiries instead of complaints are received through these channels.
	c) Suggestion boxes	c) Suggestion boxes found not to be the correct solution because they were not utilised by the clients. The rest of the mechanisms mentioned under this heading used to appropriately address issues concerning queries, complaints, compliments and suggestions from customers.
	d) Complaints register	d) Complaints are recorded and responded to immediately. A departmental service delivery standard for written and electronic response times exist.
	e) Ministerial Red Numbers	e) A further channel is ministerial Red Numbers, directed via the Minister for Agriculture and Rural Development as well as hotline queries (Presidency). Cases were responded to in line with the prescribed timelines for such queries and enquiries. Various answers have been submitted on a range of issues directed to the Department. Receipt of complaint, enquiry and query is immediately acknowledged and feedback given. Where necessary, feedback is given on progress with outstanding cases.

### 2.3 ORGANISATIONAL ENVIRONMENT

The changes in the macrostructure of the Department were discussed in more detail in Section 4.4 of Part A of this Annual Report. In short, it can be mentioned that filling the three Deputy Director positions in the Directorate: Business Planning and Strategy will result in the Department being:

- a) Better positioned to manage the strategic and public participation processes in the Department.
- b) Able to manage the interaction between the activities of the Department and the needs expressed in the development plans of local governments.
- c) Being able to evaluate the impact and outcomes of the activities of the Department and therefore generate management information to become even more responsive.

Although the Department has an approved and signed off organisational structure in place since November 2012, certain programmes require review to meet new service demands. The programmes currently to be reviewed are programme 1: Administration (sub-programmes: Financial Management and Operational Support Services with security and external development initiatives as priority), programme 2: Sustainable Resource Management (SRM), programme 6: Agricultural Economics Services (AES) and programme 7: Structured Agricultural Education and Training (SAET). The organisational design process has commenced.

Human Resource Services are rendered by the Corporate Services Centre (CSC) of the Department of the Premier. However, the Department had to perform many strategic human resource functions that could not be done by the CSC. These functions are increasing continually and the possibility of establishing a strategic unit will be considered during the organisational design process.

Despite the implementation of the OSD for engineers and engineering technicians, technical staff could not be found and appointed in SRM due to the lack of suitable candidates that applied for the advertised posts. The OSD prescripts require that only engineers and engineering technicians registered with the Engineering Council of South Africa (ECSA) may be appointed permanently. The bursary programme that has been implemented to attract more people of the designated groups to agriculture and thereby improve our equity status and service delivery to clients due to the lack of scarce skills in the targeted groups of engineers and engineering technicians, continues to provide candidates that can be appointed on contract. They can then be exposed to the practical implementation side of engineering and obtain the required expertise to register with the ECSA. Ten (10) candidate engineering technicians have been placed in the districts and are on their way to work independently. Two candidate engineers, both from the designated groups, were also appointed on contract. The successful recruitment of experienced graduate and professional engineers remains a continuous challenge.

Farmer Support and Development (FSD) completed the matching and placing process following the approval of the microstructure. Accordingly, all the contract staff appointed under the Extension Revitalisation Programme (ERP) was appointed permanently to bring stability particularly for the field staff. Furthermore, FSD prioritised the filling of all vacant positions starting with those of the district managers and senior agricultural advisors to be concluded in the first quarter of 2014/15 financial year.

Thirty-four (34) staff members were supported through ERP bursaries to further their studies in order to comply with the national norms and standards for extension. To this end, 86% of the extension staff is compliant with the norms and standards for extension and have a minimum four-year qualification in agriculture.

During February 2011 the DAFF transferred all the export certification activities for the City of Cape Town, for which they had been responsible up to then, to the Western Cape Department of Agriculture. Unfortunately this was not accompanied by any additional funding or personnel capacity. As an emergency measure, the Boland state veterinary office had to take over this function. This resulted in an immediate deviation from the core function of this office (animal health controls and primary health care for smallholder farmers in the City of Cape Town).

Furthermore, an increased service delivery demand for veterinary export certification was noted during the past few years. This resulted in an increased demand for official controls and auditing of approved and registered export establishments. A work study completed during 2011 indicated the shortage in number of personnel to keep on rendering an acceptable service to exporters in the Province. Unfortunately the work study was only approved at the end of 2013 and service delivery to exporters in the Province suffered severely during the service year due to this persisting and severe lack of personnel capacity.

The programme: VS lost an experienced chief meat inspector due to retirement and the State Veterinarian: Boland office. The filling of these key positions is underway.

Most of the vacant positions of the programme: Research and Technology Development Services (RTDS) were filled during the year, with a limited number of vacant posts remaining. The new microstructure of the programme is judiciously being implemented by focussing on the most critical positions and available

budget. A comprehensive HR plan for the programme was compiled and will be the blueprint for new appointments, EE targets, succession planning and human capital development initiatives for the next five years. Against this plan, several transformation candidates were appointed in support and technical positions. The prerequisite of SACNASP registration for OSD posts (scientist and technician level), however, is resulting in severe recruitment challenges as many affirmative candidates are not registered or do not have the required subjects to be registered.

An ongoing concern is the lack of a career path for agricultural economics in the public sector because the field was not included on the OSD framework. A number of resignations at entry level were experienced even though some appointments were made. The production economics component eventually succeeded in filling its senior positions, but struggled due to lack of suitable candidates. These positions are critical in providing some of the basic and core services of the programme: Agricultural Economics Services (AES). The skills required in this division are also one of the identified scarce skills within the subject field. A serious delay in responding to the programme's request for a work study investigation was one of the challenges as the request was logged two years ago. This is one of the mechanisms perceived to enable the programme to align, respond to clients' needs and also to investigate a possible career path within prescripts.

The programme: AES experienced an increased demand for services especially under sub-programme 6.1. However, there are fewer funded positions to respond to this demand. Procurement of the service provider to maintain and complete the development of the Micro Combud programme used to develop enterprise budgets was a lengthy and strenuous process, since specialised skills were required to support the process. However, this process had to be discontinued, because unjustified quotes were received from the service providers. The system is critical as the less experienced candidates are joining the public service and is also vital to keep immense amounts of historical data, which is crucial for research purposes. The programme will work with centralised IT services on alternatives during the 2014/15 financial year.

A former intern and later YPP student (black male) was appointed as research technician at the Tygerhoek research farm and was our first employee appointed after a successful student career at the Department. Unfortunately he tragically passed away, prior to him receiving his M. Tech degree from the Nelson Mandela Metropolitan University. His degree was awarded posthumously in April 2014.

The three Extraordinary Professors in the programme were also re-appointed by their respective universities. Interviews were held for the two positions of research coordinators for the Langgewens and Oudtshoorn research farms and the new incumbents started on 1 April 2014. Two staff transfers from other departmental programmes to administrative positions in the programme were also concluded during the latter part of 2013/14.

As spatial analysis and intelligence is becoming more important for the Department in terms of service delivery and improved support and impact, a request for a work study to realign the structure of the GIS unit to the strategic framework of the Department and subsequent planning and decision support needs, was submitted to the CSC. It is hoped that this will receive attention in 2014.

Continued implementation of the norms and standards for Agricultural Training Institutes will have a significant effect on the functioning of the EATI, especially with regard to governance structure, training offerings and qualifications of staff, accreditation and staff remuneration. A review of the organisational structure of SAET will be requested to align its structure with its mandate to become a training centre of excellence. The recruitment and retention of well-skilled staff remains a challenge, but current shortages of lecturing staff was mitigated by appointing training facilitators and contract lecturers.

The sub-programme: Development Planning has been planning to appoint two Deputy Directors and one administrative officer on 3-year contracts in the first quarter of 2014/15. One administrative officer's position has been filled on a permanent basis as of 1 March 2014. This will address some of the capacity issues encountered in coordination of the Comprehensive Rural Development Programme (CRDP). All positions within the sub-programme: Farm Worker Development (FWD) are currently filled.

## 2.4 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

Over the year under review there was an important policy change at each of the international, national and provincial levels. At the international level the Comprehensive African Agricultural Development Programme (CAADP) received renewed attention and South Africa started a process to submit a compact on how it will use 10% of its government expenditure to achieve a 6% agricultural growth rate. During a consultative workshop on 18 June 2013 the Western Cape determined that the following specific matters need to receive attention to reach the CAADP objectives:

- a) Agricultural research and development;
- b) food security;
- c) market access;
- d) competitive supply chains, and
- e) capacity development on a transversal level.

It is important that these matters should dovetail with the work groups in PSO11: Creating opportunities for growth and development in rural areas.

At the national level the National Development Plan 2030: Our future – make it work (NDP), was accepted as the document which will guide the activities at all levels of government. Of particular importance for the Department is Chapter 6 of the NDP: An integrated and inclusive rural economy. In a letter, dated 28 August 2013, from the Presidency to the DG of the Province, it was clearly indicated how the NDP should be translated into the Medium Term Strategic Framework (MTSF) as well as the indicators and targets to be reached for the achievement of the fourteen national outcomes (NO). In the table below the actions described by the NDP are linked to the various work groups and activities of PSO11.

### The Department's alignment with the NDP

NDP ACTION	PSO11	ACTIONS
Pick and support commercial agricultural sectors	WG 1: Production and extension	Commodity approach
	WG 2: Market access	Maintain existing markets (e.g. EU) and develop new markets (e.g. China)
	WG 3: Research	Research priorities determined and coordinated province-wide
	WG 5: Human capital development	HET and FET programmes
Land reform projects used for commercial farming (making land reform work)	WG 1: Production and extension – target 60% land reform success rate	Support successful communal smallholder farmers (CASP)
		Commodity approach
		Extension revitalisation
Job creation in upstream and downstream industries	WG 3: Rural development: Nodal approach	Organise communities and establish and provide business training for cooperatives
		Attract investment in communities
	WG 5: Human capital development	Agricultural Human Capital Development Strategy being revisited

NDP ACTION	PSO11	ACTIONS
Creative combinations between opportunities	WG 1: Production and extension	Commodity approach
Give new entrants access to value chains	WG 2: Market access	Domestic market access for new entrants.
		International market access (e.g. Europe, Nigeria – wine, China, etc.)
Farm worker empowerment and relations	Farm worker sub-group of WG 4: Rural development	Farm Worker Response Plan
National food security	WG 1: Production and extension	
	WG 3: Research	Develop and coordinate research agenda
	WG 5: Human capital	HET and FET training
Regional food security	WG 6: Institutional arrangements	Anchor for CAADP in Province
Revitalise rural towns	WG 4: Rural development	Nodal development
Rural governance	WG 6: Institutional arrangements	Home for FARE results
Expand irrigation	Revitalisation of irrigation schemes	e.g. Ebenezer
	New irrigation schemes	Plan water use from Clanwilliam Dam (2016)
	Increase water-use efficiency	Fruitlook/Grapelook
Food security	Food security strategy	Implement
	Household food security	Household food gardens

At a provincial level the OneCape Vision 2040 provides further guidance to the activities of the Province. The table below indicates the link between the six transitions of OneCape Vision 2040 and the activities of PSO11.

### The Department's alignment with OneCape Vision 2040

ONECAPE	PSO11	ACTIONS
Educating Cape	WG 3: Research	Research networks
	WG 4: Rural development	Social networks
	WG: 5 Human capital development	Agricultural Human Capital Development Strategy
Enterprising Cape	WG 4: Rural development	Social enterprise in rural nodes
Green Cape	WG 3: Research	Climate change response plan Water-use efficiency
Connecting Cape	WG 2: Market access	Expand trade ties with targeted regions in Africa and Asia
	WG 6: Institutional Arrangements	CAADP
Living Cape	WG 4: Rural development	Rural nodal development



ONECAPE	PSO11	ACTIONS
Leading Cape	WG 1: Production and extension	Multi-level collaboration through commodity approach
	WG 2: Market access	Collaboration in domestic and international activities
	WG 3: Research	Multi-level research collaboration
	WG 4: Rural development	Collaboration via Council of Stakeholders in nodes
	WG 5: Human capital development	Multi-level training collaboration
	WG 6: Institutional arrangements	Collaboration with stakeholders

It is important to note that the Department does not experience these documents as conflicting, but that the same actions will work towards achieving the ultimate objectives of both the NDP and OneCape Vision 2040. For this reason all the performance targets in the APP have been mapped to indicate the linkages to both the national outcomes and the provincial strategic objectives (see the table below).

#### Linkages between the Department's annual performance indicators and various national and provincial objectives

	INDICATORS			
	Strategic	Transversal	Provincial	Total
NO4	0	4	4	8
NO5	0	0	1	1
NO7	0	8	18	26
NO10	0	2	3	5
PSO7	0	0	1	1
PSO8	1	0	0	1
PSO11	17	2	14	33
<b>Total</b>	<b>18</b>	<b>16</b>	<b>41</b>	<b>75</b>

Through a similar mapping exercise the Department's performance indicators are linked to the PSO work groups in which the Department plays a crucial role. A summary of this information is provided in the table below.

#### Linkages between the Department's expenditure and the provincial strategic objectives

WORK GROUP	THEME	KEY POLICY PRIORITIES	SUB PROG.	2013/14 (R 000)
PSO11, WG 1	Agricultural production	Growth strategy to increase production by 10% over 10 years	6.1.	12 958
			6.2.	3 989
		60% land reform projects successful in five years	3.1.	176 905
			3.2.	30 606
PSO11, WG 2	Market access for all farmers	Maintain export position over the next five years by growing its value added from R14.014 billion in 2009	4.1.	35 470
			4.2.	6 049
			4.3.	5 284
			4.4.	14 175

WORK GROUP	THEME	KEY POLICY PRIORITIES	SUB PROG.	2013/14 (R 000)
PSO11, WG 3	Research and technology	Collaborate on research to increase agricultural production by 10% over 10 years.	5.1.	60 341
			5.2.	287
			5.3.	34 902
PSO11, WG 4	Rural development	Develop selected rural nodes for growth and farm worker development	8.1.	3 039
			8.2.	16 167
PSO11, WG 5	Agricultural human capital development	Transformation and development of skills	7.1.	34 194
			7.2.	9 679
PSO7	Natural resource management	Climate change response and water	2.4	2 441
PSO8, WG 4	Food security	Reduce hunger	3.3.	8 012
<b>TOTAL</b>				<b>454 888</b>
<b>% OF VOTE 11</b>				<b>74%</b>

The Spatial Planning Land Use Management Act (SPLUMA) was signed by the President on 5 August 2013, but the regulations pertaining to the Act still need to be published before the Act can be implemented. Progress has been made with the compilation of the Western Cape Land Use Management Bill (LUPB) that will replace the Land Use Management Ordinance. This is still under discussion and in various stages of the legislative process. At the same time, the Subdivision of Agricultural Land Act, 1970, (Act 70 of 1970) is being revamped to stay in line with recent developments and policy changes. The revamped act is called the Preservation and Development of Agricultural Land Facilitation Act (PDALFA). Similarly, actions are underway to revamp the Conservation of Agricultural Resources Act (CARA). Only after these pieces of legislation become new acts, can the impact on the service delivery of the Department be determined.

The Department of Agriculture, Forestry and Fisheries (DAFF) commissioned an impact study on the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema conditional grants and the results will shed light on how these grants fared to date in addressing challenges of smallholder farmers in the country. Furthermore, the study could also come with recommendations that may warrant some changes in the future.

Cabinet approved a Food and Nutrition Security Policy during September 2013, to provide an overarching guiding framework to maximise synergy between the different strategies and programmes of government and civil society. This is quite important in that for the first time in South Africa, food and nutrition security are not seen in isolation, but as one.

The DAFF has introduced a new programme, namely *Fetsa Tlala*, aimed at increasing production by smallholder farmers to help address the food insecurity challenges. Furthermore, the programme will be anchored by the World Food Programme (WFP) as a market platform to enhance sustainability of smallholder enterprises.

The DAFF developed an Agricultural Policy Action Plan (APAP) that seeks to position the agricultural sector to focus on initiatives that will enable the sector to contribute to the imperatives of the NDP. The overarching objectives of the APAP are to promote labour absorption and broaden market participation, through a well-considered, adequately consulted, and finely-tuned strategic intervention aimed at increasing value-chain efficiencies and competitiveness.

Future developments in the meat safety field will impact significantly on the sub-programme: Veterinary Public Health when three important regulatory aspects are promulgated. These consist of the implementation of independent meat inspection, the NARS and the proposed game regulations.

The registration of the Oudtshoorn and Kromme Rhee research farms as EU approved ostrich farms has been maintained according to strict regulations and DAFF veterinary directives. For this reason, the ostrich research and ostrich auction could proceed in support of the ostrich industry.

The protection of products like rooibos, honeybush and karoo lamb under the Merchandise Act will hopefully pave the way for others that have similar characteristics. This protection is necessary, because it is a requirement if these products are to be protected under EU regulations. Following this is a list of South African product names that was published in the EU. Since geographical indications are the only opportunity for South Africa to negotiate market access with the EU, the country has been given a timeline to work on its list. A concerted effort was made during 2013/14 with regard to advocacy and information sharing on geographic indicators through the market access work group and other platforms. Internal capacity to support various industries to develop case studies and to provide support to the national departments that will be driving the process will therefore be imperative during the 2014/15 financial year. One of the officials from the programme: AES attended training in Switzerland in November 2013.

The offering of accredited skills-based short courses and learnerships will be affected by the restructuring of the Sector Education and Training Authorities (SETAs), especially with regard to future funding of these programmes. Furthermore, the Higher Education and Training Act (as amended), which now has the mandate over both FET and HET, will have a direct impact on among others, how the educational streams need to operate and its accreditation and programme approval status.

Implementation of the Agricultural Colleges Revitalisation Plan will affect the functioning of the Elsenburg Agricultural Training Institute (EATI), especially with regard to governance structure, training offerings, and qualifications of staff, accreditation and staff remuneration. The microstructure of the sub-programmes need to be revised in order to be aligned to the new mandate and scope of the EATI framework as envisaged by the DAFF and aligned with the macrostructure of the Department. This will be implemented once approval has been granted.

While the first joint planning session was hosted by the DRDLR's provincial office it remains challenging to secure ongoing and consistent engagement to ensure consolidated efforts towards achieving national outcome 7 and the PSO11.

The roll-out of the Farm Worker and Farmer Response Plan, following the 2012/13 strikes, remains a priority alongside deepening the rural development coordination work through implementing the CRDP.

The Farm Worker Household Survey will be rolled out across the Province to provide information to all relevant departments and stakeholders to guide appropriate service delivery offerings to farm workers as per the identified needs.

### 3. STRATEGIC OUTCOME ORIENTED GOALS

#### 3.1 SUPPORT THE PROVINCIAL AGRICULTURAL SECTOR TO MAINTAIN ITS EXPORT POSITION FOR THE NEXT FIVE YEARS BY GROWING ITS VALUE ADDED FROM R14.014 BILLION IN 2009

Work group 2 of PSO11 was tasked with this particular outcome and the following actions were implemented:

- a) Grow the domestic market.
- b) Protect the domestic market through a veterinary regulatory service of such a quality that it provides safe food domestically, while adhering to the standards of importing countries.
- c) Develop new markets, with specific reference to China and Africa, through promotional activities.
- d) Maintain existing export markets through product differentiation (i.e. support to ethical trade initiatives such as WIETA and SIZA and geographical indications) and market promotion initiatives.

Engineering services were provided to the agricultural clients by the programme: SRM to maintain or increase the export position and increase the feasibility and sustainability of their farming enterprises. Engineering services were provided to the clients through 379 support initiatives such as investigation reports, designs and completion certificates and 302 clients were provided with ad hoc engineering advice or training.

FSD continued with its commodity approach to farmer support and development in the Province. This approach has facilitated the appointment of 44 mentors linked to smallholder farmers and their access to formal markets.

A dedicated office to focus on the processing and issuing of export certificates has been established within the City of Cape Town.

Research on market access issues is key to the success of our smallholder and commercial farmers. Market access not only includes focus areas such as accessing new or previously inaccessible markets, but also focuses on the specifications and compliance of products to successfully enter these markets. In this regard the Department has played a leading role in contributing to the setting of standards and providing support to the industries. Programme: RTDS has contributed to the industry standards of various commodities, with special focus on the livestock industry. It also assisted with the refinement of bio-security measures of the ostrich industry as a prerequisite for entering the EU market. Research on ostrich leather and pitting has also contributed to higher quality skins and better prices obtained.

Market access for all farmers is one of the key priorities to achieve objectives as set out in PSO11 and this lead to the establishment of a market access work group. Supporting new and growing markets such as China and Africa are on top of the agenda of the work group and the Department has supported five international market development initiatives that took place in these countries for the major exporting industries. The financial support given to the wine and fruit industries to drive their ethical trade initiatives is also a response to one of the priorities of the work group, namely to maintain market access in the existing established markets like the EU.

In addition, the programme: Agricultural Economics Services (AES) coordinated logistics of sponsored products to be exhibited in India under the theme: 20 Years of Democracy. The activities aimed at increasing exports will also achieve the objectives of the NDP and NO4. Locally, targeted interventions for smallholder farmers are undertaken through the market access programme. As a result, 41 projects have received comprehensive support through the programme. Increased access to markets by small holder farmers is also one of the expected sub-outputs of NO7. Initiatives linked to this programme resulted in 65 agri-businesses that were supported to access markets locally and abroad while 54 market information reports have been produced and disseminated during this year.

SAET contributed in a very significant way to human capital and skills development in the agricultural sector and continued to facilitate and provide formal and informal training on NQF levels 1-7. The focus was on youth and all farming groups such as subsistence, smallholder and commercial farmers and farm aids in the agricultural sector, in order to promote and support a knowledgeable, prosperous and competitive sector.

For the period under review, a total of 2 700 agricultural beneficiaries (mainly beneficiaries of the CASP and Ilima/Letsema programmes, including farmers, and farm aids) were trained in short skills courses. A total initial registration of 55 learners on various learnership programmes on NQF level 4 were recorded at the beginning of the academic year, with 80 students graduating in December 2013. Based on the fact that jobs and income must be created and/or maintained in order to achieve the above-mentioned strategic goal, it is important for the sub-programme to maintain the same level of performance with regard to training those who are interested, focusing on youth, all farming groups as well as subsistence, smallholder and commercial farmers and farm aids, in the agricultural sector. Ensuring structured agricultural education and training to all participants in the agricultural sector will establish a knowledgeable and competitive sector and will also contribute to the implementation of the Human Capital Development Strategy (HCDS).

The programme: SAET offered four formal HET training programmes, namely B. Agric, a Diploma and Higher Certificate in Agriculture as well as a Certificate in Horse Mastership and Preliminary Riding Instruction to 442 students. A total of 102 students graduated from these programmes in December 2013.

### **3.2 ENSURE THE SUCCESS OF AT LEAST 60% OF ALL AGRICULTURAL LAND REFORM PROJECTS IN THE PROVINCE OVER THE NEXT FIVE YEARS**

Following the amalgamation of the production and extension revitalisation work groups of PSO11, the following actions were launched to address this outcome:

- a) Engage with agricultural commodity groups to help emerging producers;
- b) Implement the commodity approach to support smallholder farmers.

Appropriate engineering services were provided by Sustainable Resource Management (SRM) to 98 land reform beneficiaries to increase the feasibility and sustainability of their farming enterprises. This was done through 141 support initiatives such as investigation reports, designs and completion certificates.

The Department completed an external agricultural land reform evaluation study, as per its strategic objective, namely to ensure the success of at least a 60% of land reform projects. The study focused on a sample from a total of 246 agricultural land reform projects supported since 2009. Accordingly, the study revealed a 62% success rate. Subsequently, the Department will be devising a plan to respond to the 38% that was found to be unsuccessful.

The use of Smartpen technology has proven to be a significant tool for data capturing and the monitoring of services delivered in the field. FSD gave 86 agricultural demonstrations, presented 31 farmers' days and supported 4 646 farmers with advice.

A total of 44 mentors were appointed by the commodity partners during the period report on to strengthen smallholder production. This is significant, because it also affords smallholder farmers the opportunity to benefit from the existing networks within commodity groups by enabling them to produce quality products and gain access to markets.

The success of land reform projects is based on a plethora of factors, of which one of the most important is the fine balance between available natural resources, especially soil and water, and choice of farming operation. In this regard the research effort and spatial intelligence tools have assisted in identifying resource limitations or opportunities, while spatial analysis support (maps and other tools) was invaluable

to the extension officers and farmers, to name but a few. Furthermore, the sustainability of land reform projects is also based on production technologies, and in this regard the research efforts have focused on yield-increasing and/or cost-decreasing climate-smart technologies in plant and animal production. The analytical services have furthermore provided pivotal information on water, soil and plant analyses which assisted in fertiliser recommendations and optimising production methods. The information dissemination portfolio has expanded to also include smallholder farmers and their specific research and information needs.

Resettled famers with livestock are supported with veterinary clinical services. This entails attending to their sick and frail animals, diagnosing underlying causes and administering applicable treatments. Healthy animals ensure that farmers do not suffer unnecessary losses through deaths. Healthy productive animals result in increasing herd sizes, increased profitability, sustainability and success.

Targeted interventions for black smallholder and commercial farmers within programme: AES include the SimFini financial programme, where 30 businesses were assisted with comprehensive support with regard to their farm records. The programme is also a custodian of the Black Farmer and Food Garden databases which have proven to be useful managerial tools to assist decision making. The beneficiaries of the MAFISA loans were given financial management advice and monitored on a regular basis to eliminate the repayment irregularities. The market access programme is also a targeted intervention to improve the ability of black smallholder and commercial farmers to take up market and related opportunities across the value chain. Complementary to the market access programme is research conducted in collaboration with the Wageningen University and the University of Fort Hare through the Co-innovation for Quality in African Food Chain (CoQA) research and capacity-building programme.

SAET (sub-programme: FET) in collaboration with the FSD programme presented a variety of skills programmes to beneficiaries of CASP and Ilima/Letsema across the provincial districts. This contributed to about 2 700 beneficiaries being trained in total, inclusive of farm aids, subsistence, smallholder and commercial farmers and all other interested parties.

### **3.3 SUPPORT THE SECTOR (FARMERS AND INDUSTRIES) TO INCREASE AGRICULTURAL PRODUCTION (PRIMARY PROVINCIAL COMMODITIES) BY AT LEAST 10% OVER THE NEXT 10 YEARS**

Two of the PSO11 work groups focused on this strategic outcome. The first work group (agricultural production) took the following actions:

- a) Develop agri-partnerships to stimulate agricultural growth and development;
- b) facilitate access to the range of public sector funds that can be used by commercial agriculture;
- c) provide a wide-ranging agricultural economics research and support service;
- d) host a triennial provincial Agricultural Growth Summit (2012, 2015), and
- e) continue to support the Agri-business Investment Unit at Wesgro.

The other work group, research and technology, implemented the following strategies:

- a) Provide a comprehensive research and technology development service;
- b) disseminate research and technical information;
- c) prioritise research and high-growth agricultural activities with the representative of partner associations of the private sector, and
- d) work with other domestic and international players.

Irrigation farmers (186) were provided with relevant information by the programme: SRM to assist them to optimally utilise the natural resources available to them to increase production while using the same water allocation. Farmers were furthermore assisted with 83 mechanisation and conservation farming, 7 on-farm value adding, 60 farm structures and animal handling and 44 river bank erosion protection initiatives.

The spatial intelligence project ensured that the Department has accurate baseline information on agricultural production in the Province to enable the Department to better measure this strategic objective. FSD dedicated a considerable amount of time to the strengthening of the commodity approach to farmer support and development in the Province. Accordingly, a total of 67 projects were supported through the Commodity Project Allocation Committee (CPAC), namely wine grapes (8), fruit (14), table grapes (3), grain (4), vegetables including vegetable seed (16), animals (10) including piggery, beef and poultry, sheep and wool (8) and aquaculture (4).

Quarterly meetings were held between the Department and the CPAC to share information and discuss progress relating to work group 1 (production and extension), which contributes to output 1 of the national outcome 7 and PSO11. Through the commodity approach a total of 44 mentors were appointed to support smallholder farmers. FSD gave 86 demonstrations, held 31 farmers' days and supported 4 646 farmers with advice.

Farmers were assisted with vaccination and deworming programmes. This ensures that animals do not contract diseases. Secondly, animals were routinely tested for occurrences of erosion diseases that affect growth and calving rates.

Comprehensive and client-focussed research programmes and projects were executed by the sub-programmes: Animal and Plant Sciences, and supported by the sub-programme: Research Support Services. In order for agricultural producers (commercial and smallholder) to sustain or increase their production, two factors are critical, i.e. lower input technology (lower input cost) and higher output technology (production). Both should be researched. This is of the utmost importance against the challenges of climate change and the adoption and implementation of climate smart practises. The role of research and development in this regard is of critical importance. New and adapted technology generated from cutting-edge research efforts has and will ensure that producers are sustainable and competitive with limited natural resources (especially soil quality and water) and the changing environment and will secure the base to increase agricultural production by 10% over the next ten years. Climate-smart agriculture will be of the utmost importance in all agricultural operations, while on-farm renewable energy opportunities will be much sought after. Conservation agriculture, especially in the small grain and potato industries, will be expanded with the support of focused research and intensified technology transfer efforts. Agriculture is one of the most important and largest knowledge-based sectors in South Africa. Science and technology with research as key cornerstone are important to underpin agrarian economic growth and to ultimately address food security and rural development. In this respect, the Western Cape Agricultural Research Forum is striving to coordinate all research efforts and optimise available research resources to increase the research support to the agricultural sector in the Western Cape.

Through collaboration with the Bureau for Food and Agricultural Policy Research (BFAP), research is conducted based on economic modelling, specifically medium-term projections of price and production volumes for different agricultural industries and farm-level models for strategic decision making. The basket of industries that are included in the industry projections have expanded over the past few years as new industry models are developed, while maintaining existing industry models. These include table grapes, apples, pears, winter grains, dairy, meat, and potatoes. Some of these industries are among those with identified potential under the NDP.

This research is disseminated through a book and an annual event known as BFAP baseline launch. Included in the BFAP tools is the agri-benchmark that generates sustainable, comparable, quantified information about farming systems and in particular comparisons of typical farms (production systems, production costs, competitiveness, future development). As a result, the agri-benchmark network embarked on the model for horticulture and the results will be presented during the 2014 baseline launch. In support of

planning of the production process, the programme: AES also developed 34 new budgets while 25 existing ones were updated.

SAET partnered with various stakeholders in promoting and supporting skills development and capacity building in agriculture. Skills-based training was provided to 2 700 farmers and farm-aids, while 422 students enrolled for full-time study in HET programmes. A total of 102 students graduated from these programmes and will enter the sector primarily as farmers, farm managers, assistant farm managers, supervisors, agriculturalists and agricultural advisors.

### **3.4 OPTIMISE THE SUSTAINABLE UTILISATION OF OUR NATURAL RESOURCES THROUGH CONSERVATION METHODOLOGIES TO INCREASE AGRICULTURAL PRODUCTION**

In order to prevent duplication, the Department did not address this particular outcome as part of PSO11, but rather combined its efforts with the activities of PSO7: Mainstreaming sustainability and resource use efficiency. The following specific actions were launched:

- a) An agricultural climate change response plan is to be developed.
- b) Additions to the existing parts of the water management plan to increase agricultural production per unit water used.

Sustainable Resource Management (SRM) provided relevant information to 186 irrigators to assist them to increase their water use efficiency to produce more crops with less water. SRM also provided relevant information to dry land grain and rooibos tea farmers through 83 initiatives to change from conventional farming to conservation farming practices to increase soil fertility and retain moisture in the soil. Six (6) awareness campaigns on LandCare and six capacity-building exercises were conducted. Twenty nine thousand and seventy six hectares of farm land was improved through conservation measures and 327 farm plans were updated for sustainable farming purposes.

The Department's Unit for Technical Assistance (UTA) is fully functional and provides a full range of planning and assessment services that include environmental assessment and natural resource planning expertise. The household food production programme (suitcase) of the sub-programme: Food security is designed to encourage the use of family drip irrigation systems and contributes to water conservation, while not compromising food production.

The challenges of climate change have already impacted on the Western Cape, believed to be the Province which will be affected most by this phenomenon. For this reason we have experienced a high demand for research and technology development services to assist farmers to sustain their production against a set of climate challenges. We have also increased focus on climate change related research disciplines, including minimum or no tillage for soil conservation, crop rotation for higher production, increased crop cover to prevent evaporation (these are the three pillars of conservation agriculture), judicious fertiliser use, alternative farming practices and possible new and alternative crops for the Western Cape. Conservation agriculture in the small grain and potato industry will also be advocated and promoted in focused technology transfer efforts.

The programme: AES supports conservation agriculture research. In support of the Agri Mega event a brochure on conservation agriculture was developed and later transformed into an article that was published in 'Agriprobe'. In addition, Master's research within the programme is pursued on conservation agriculture. The renewable energy and carbon footprint research conducted under macro and resource economics of the programme: AES is aligned to this strategic goal and national outcome 10 and PSO7. Furthermore, one of the officials of the programme went on a trip to Brazil to learn about conservation agriculture during the reporting year.

In addition, the programme: SAET promotes conservation agricultural practices in the Province through its extension and advisory services to farmers. The promotion of sustainable farming practices forms a central theme in the teaching of students on both FET and HET levels. SAET (sub-programme: FET) promotes



sustainable agricultural practices. For example, it presents a module on sustainable farming practices, as well organic farming, natural resource management and principles of food security, as part of a structured learnership programme. The promotion of sustainable farming practices also forms a central theme in the teaching of students in all tertiary education training programmes. The curricula of all HET training programmes cover a substantial amount of course content on natural resource management. It is a module that is offered in each year of study and forms a third of all course content, especially the Diploma in Agriculture.

### **3.5 INCREASE AGRICULTURAL ECONOMIC OPPORTUNITIES IN SELECTED RURAL AREAS BASED ON SOCIO-ECONOMIC NEEDS OVER A 10-YEAR PERIOD**

The rural development work group of PSO11 took the following steps to achieve this strategic outcome:

- a) Create an enabling environment for rural development to ensure effective delivery of basic services, education, transport, health, safe environment, integrated human settlements, social cohesion and e-governance.
- b) Implement the Rural Development Plan and consider the needs to expand it beyond the current nodes; 15 nodes have been selected and were active by 2014.
- c) Develop nodes to be demand-led, private sector driven local economic development.
- d) Review programmes and projects that are in progress, planned and completed – focus on soft skills training for farm workers; communication strategy and align the programmes to work group 1.

The Department commemorated World Food Day on 12 October 2013 in Karatara in the Knysna municipality. As part of the event, the Department supported households with food production packages (suitcase) to enable own food production.

A total of 128 community projects (including school projects) and 1 213 households were supported during the year across the Province targeting the food-insecure communities and reaching 2 633 beneficiaries.

The establishment of new agricultural enterprises in rural areas was supported by the research and development portfolio of the Department. This included the supplying of decision-making tools (i.e. risk and potential assessments) and technical support in the judicious use of natural resources to optimise agricultural production with limited input. The programme: Research and Technology Development Services (RTDS) has also availed livestock of superior genetic quality to smallholder farmers to provide a quality livestock source for their farming operations.

The programme: AES participated in the Rural Development Steering Committee meetings in various nodes. The Agribusiness Investment unit has made a considerable contribution to achieve the above objective as the unit has committed R105 million worth of investment in a number of projects during the 2013/14 financial year. A majority of these projects are in rural areas. A concerted effort has been made to work with the RDC programme in creating awareness and establishing new cooperatives in the rural nodes. As a result, a number of workshops were held in this regard.

SAET is actively involved with skills development in the rural nodes of the Province, especially within the CRDP nodes. Training in leadership, communication, entrepreneurship, agri-marketing and financial management is provided to mainly members of the Council of Stakeholders (COS).

In support of economic opportunities within rural and peri-urban agricultural nodal zones, the sub-programme: FET assisted with specific training interventions for COS members within regions. For example, the Dysseidsorp area where beneficiaries of the Dysseidsorp and Murraysburg Comprehensive Rural Development Programme (CRDP) received training in various skills programmes. New nodal zones have been identified to undergo similar training.

Rural Development Coordination (RDC), through its Development Planning sub-programme, aims to contribute towards creating vibrant, equitable and sustainable rural communities. Sixteen (16) rural development nodes have been activated through this sub-programme across the Province of which four nodes were activated during the 2013/14 financial year. Nine (9) COs and five intergovernmental steering committees (ISC) were established to support the recently activated development nodes across the Province. Eighty-nine (89) projects in the rural development nodes led by various stakeholders have been captured, implemented and monitored. A total of 2 419 citizens in the rural development nodes have been trained in various subjects. While broader economic development remains a challenge, the above achievements have taken the selected rural communities a step further. The Farm Worker Development sub-programme has focused on the roll-out of the Farm Worker Response Plan. This includes key projects such as the provincial-wide farm worker survey which aims to gather information about priority farm worker needs in order to inform appropriate government response interventions.

Another pivotal project included in the plan is the farmer/farm worker case studies. Fifteen (15) case studies have been recorded to be included in a publication which will enable sharing and dialogue on best practices and success stories among farmers and farm workers. This publication is due to be launched in the second quarter of the new financial year.

Such and other efforts resulted in a total of 32 325 farm workers and their family members being reached by the Department. Of this total, 30 830 farm workers and their family members participated in training and development programmes while 495 were assisted through the referral system. Development officers participated in 36 district forum engagements and 15 development projects were supported of which four focused on substance abuse. To support dialogue on farm worker issues the sub-programme's community development officers participated in 15 district forum engagements across the Province. The Farm Worker of the Year competition gained momentum with 15 regions participating with a record number of 921 farm workers who participated. This initiative has great potential to raise the profile of farm employees.

## **4. PERFORMANCE INFORMATION BY PROGRAMME**

### **4.1 PROGRAMME 1: ADMINISTRATION**

The provision of strategic and relevant support services to the respective line functions (programmes) of the Department which include the following:

- Leadership and strategic direction pertaining to all relevant policies, prescripts and national and provincial frameworks.
- Provision of effective and efficient administrative support, financial support and sound corporate governance.
- A comprehensive communication service.
- Building and transforming the respective programmes in the Department and agricultural sector to give impetus to our vision.

The provision of leadership and services within the context of national and provincial human resources and financial directives is supported in the Strategic Plan for South African Agriculture. This plan has three broad principles, namely equitable access and participation (People), sustainable resource management (Planet) and global competitiveness and profitability (Profit). There are 12 national outcomes and the provincial strategic plan has 11 strategic objectives. All of these give impetus to the open society opportunity framework.

Improving the image of agriculture in the Western Cape is becoming more and more important in order to change negative perceptions to positive ones. This applies particularly to those who can make meaningful contributions, but are reluctant to do so due to being ill-informed about the sector the priorities and strategic

objectives of the Department. Internally, the aim of communication is to create an informed and unified personnel body that understands the various policies, vision and mission and their role in it.

This programme is structured into five sub-programmes, namely:

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

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

The strategic objective of the programme is:

The Department must be managed according to sound corporate governance principles, giving due recognition to its mandate and the required responsiveness towards the citizens and stakeholders of the Department.

#### Strategic objectives

Programme 1: Administration					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Achieving a clean external audit opinion without other matters	Not reported on during this period	Yes	Yes	0	

#### Performance indicators

Sub-programme 1.3: Corporate Services					
Performance Indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Coordination, consolidation and submission of the User Asset Management Plan (UAMP)	Not reported on during this period	Yes	Yes	0	

Sub-programme 1.4: Financial Management					
Performance Indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Achieving a clean external audit opinion without other matters for Financial Management	Not reported on during this period	Yes	Yes	0	
Achieving a clean external audit opinion without other matters for Supply Chain Management	Not reported on during this period	Yes	Yes	0	

Sub-programme 1.5: Communication Services					
Performance Indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Number of publications coordinated	Not reported on during this period	11	11	0	
Number of events coordinated	Not reported on during this period	12	12	0	

### Contribution to the outcomes of the Department's strategic goals

Communication Services support strategic, ministerial and departmental communication. These communication interventions support the achievement of the following strategic outcomes:

- Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009.
- Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years.
- Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years.
- Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production.

- e) Increase agricultural economic opportunities in selected rural areas based on socio-economic needs over a 10-year period.

### Strategy to overcome areas of underperformance

There were no areas of underperformance.

### Changes to planned targets

No in-year changes in performing indicators targets were made.

### Linking performance to budgets

#### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Office of the MEC	6 134	6 134	0	5 917	5 917	0
Senior Management	5 747	5 747	0	5 361	5 361	0
Corporate Services	49 216	43 802	5 414	38 646	38 646	0
Financial Management	29 264	29 252	12	27 734	26 992	742
Communication Services	6 811	6 531	280	4 430	4 430	0
<b>Total</b>	<b>97 172</b>	<b>91 466</b>	<b>5 706</b>	<b>82 088</b>	<b>81 346</b>	<b>742</b>

## 4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Support services are provided by the programme: SRM to all farmers in the Province. The major emphasis is to maintain, improve and sustainably utilise the natural resources through the implementation of projects, regulation and communication campaigns. In its endeavours to ensure the overall sustainability of the agricultural sector, the focus is on interventions at farm level. The impact of climate change will be felt by SRM first and the changes in methodologies to support farmers will force this programme to remain innovative.

To respond to these challenges, the aim is to provide SRM solutions and methodologies through the provision of agricultural engineering and LandCare services, proactive communication, facilitation and implementation of projects as well as technology transfer to clients and partners. This programme is also responsible for the implementation and management of disaster aid schemes.

The programme's purpose is linked directly to NO10: Environmental assets and natural resources that are well protected and continually enhanced, and PSO7: Mainstreaming sustainability and optimising resource-use efficiency as well as supporting PSO11.

This programme is structured into four sub-programmes, namely:

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

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

The strategic objectives of the sub-programmes are as follows:

Sub-programme: Engineering Services

- Provide engineering services to support and increase agricultural production and optimise sustainable natural resource use.

Sub-programme: LandCare

- Promote the sustainable use and management of natural agricultural resources.

Sub-programme: Land Use Management

- Promote the implementation of sustainable use and management of natural agricultural resources through regulated land use.

Sub-programme: Disaster Risk Management

- Provide support services to clients with regard to agricultural disaster risk management.

### Strategic objectives

Sustainable Resource Management					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Engineering Services:</b> Number of engineering services provided to support and increase agricultural production and optimise sustainable natural resources	542	446	681	235	Service is demand-driven and more requests were received
<b>LandCare:</b> Number of actions to promote the sustainable use and management of natural agricultural resources	498	322	383	61	Service is demand-driven and more requests were received
<b>Land Use Management:</b> Number of regulated land use actions to promote the implementation of sustainable use and management of natural agricultural resources	1 070	1 150	1 335	185	Service is demand-driven and more requests were received
<b>Disaster Risk Management:</b> Number of support services provided to clients with regard to agricultural disaster risk management	48	20	58	38	Severe weather conditions resulted in an increase in early warnings issued to clients

## Performance indicators

Sub-programme 2.1: Engineering Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Engineering investigations and advisory reports prepared	145	150	194	44	Service is demand-driven and more requests were received
Engineering designs with specifications compiled	71	81	98	17	Service is demand-driven and more requests were received
Final certificates issued for engineering construction	56	50	87	37	Service is demand-driven and more requests were received
Clients provided with ad hoc engineering advice during official engagements	270	200	302	102	Service is demand-driven and more requests were received

Sub-programme 2.2: LandCare					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of awareness campaigns conducted on LandCare	6	6	6	0	
Number of capacity-building exercises conducted within approved LandCare projects	6	6	6	0	
Number of farm land hectares improved through conservation measures	27 359	1 000	29 076	28 076	Fencing allocation received, allowed a large number of additional hectares to be protected from predators
Number of beneficiaries adopting practicing sustainable production technologies and practices	0	0	0	0	

Sub-programme 2.2: LandCare					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of green jobs created through LandCare	242	90	145	55	Support by external partners resulted in increased job creation
<b>Provincial specific indicators</b>					
Number of area-wide planning projects	10	10	10	0	
Number of protection works	52	150	47	(103)	This service's demand is linked to disaster (flood) schemes and therefore very unpredictable
Number of drainage works	50	50	66	16	Service is demand-driven and more requests were received
Number of veld utilisation works	139	100	248	148	Service is demand-driven and more requests were received
Number of EPWP person days	55 732	27 000	35 338	8 338	Support by external partners resulted in increased job creation
Number of youth attending Junior LandCare initiatives	9 707	7 000	8 862	1 862	Target exceeded, because some of the planned camps were replaced by visits to the schools where presentations were done to expose more youth to the principles of conservation

Sub-programme 2.3: Land Use Management					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of recommendations made	1 070	900	1 028	128	Service is demand-driven and more applications were received



Sub-programme 2.3: Land Use Management					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of farm plans completed	241	250	327	77	Service is demand-driven and more requests were received

Sub-programme 2.4: Disaster Risk Management					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of early warning advisory reports issued	20	20	58	38	Severe climate necessitated the high number of early warnings issued
Number of disaster relief schemes managed	3	3	3	0	

### Contribution to the outcomes of the Department's strategic goals

#### Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009.

Engineering services were provided to agricultural clients to maintain or increase the export position and at the same time increase the feasibility and sustainability of their farming enterprises. Engineering services were provided to clients through 379 support initiatives such as investigation reports, designs and completion certificates and 302 clients were provided with ad hoc engineering advice or training.

#### Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years

Appropriate engineering services were provided to 98 land reform beneficiaries to increase the feasibility and sustainability of their farming enterprises. This was done through 141 support initiatives such as investigation reports, designs and completion certificates.

#### Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years

One hundred and eighty six (186) irrigation farmers were provided with relevant information to assist them to optimally utilise the natural resources available to them to increase production while using the same water allocation. Farmers were furthermore assisted with the following initiatives: 83 mechanisation and conservation farming, seven on-farm and value adding, 60 farm structures and animal handling, and 44 river bank erosion protection initiatives.

## Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production

SRM provided relevant information to 186 irrigators to assist them to increase their water use efficiency to produce more crops with less water. Suitable information was also provided to dry land grain and rooibos tea farmers through 83 initiatives to change from conventional farming to conservation farming practices to increase soil fertility and retain moisture in the soil. Six (6) awareness campaigns on LandCare and six capacity-building exercises were conducted. 29 076 hectares of farm land were improved through conservation measures and 327 farm plans were updated for sustainable farming purposes.

### Strategy to overcome areas of underperformance

The services provided to our clients are demand-driven and we do not have control over the demand. All requests received during the year were dealt with. The current economic situation plays an important role in the investment farmers can make on their properties and the engineering/LandCare service they request from the Department.

### Changes to planned targets

No in-year changes in performing indicators targets were made.

### Linking performance to budgets

#### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Engineering Services	16 083	16 083	0	16 822	16 629	193
LandCare	27 694	27 694	0	32 647	31 840	807
Land Use Management	853	853	0	760	760	0
Disaster Risk Management	2 441	2 441	0	20	20	0
<b>Total</b>	<b>47 071</b>	<b>47 071</b>	<b>0</b>	<b>50 249</b>	<b>49 249</b>	<b>1 000</b>

## 4.3 PROGRAMME 3: FARMER SUPPORT AND DEVELOPMENT

The purpose of the programme: FSD is to:

- Ensure a sustainable support mechanism for new and established farmers (including land reform beneficiaries).
- Measure the impact of the interventions as delivered by the programme.
- Leverage investment from the private sector and commodity groupings.
- Ensure quality and standards of service and advice to farmers.
- Ensure we assist municipalities and other government departments with the implementation of food gardens for communities and households.

FSD sub-programmes are:

- Farmer Settlement and Development
- Extension and Advisory Services
- Food Security
- Casidra SOC Ltd.

Strategic objectives and annual targets for 2013/14

1. Agricultural Production: Develop and implement a strategy that will support 10% agricultural growth over the next year 10 years.
2. Market Access: Support the agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009.
3. Agricultural Research: Collaborate with farmers and industries to execute research and to develop cutting-edge technologies whereby agricultural production can increase by 10% over 10 years.
4. Rural Development: To create an enabling environment for business in rural areas and the development of selected rural nodes to facilitate their socio-economic growth towards a sustainable future.
5. Extension Revitalisation: Ensure that at least 60% of all agricultural land reform projects in the Province succeed in the next three years.

### **Strategic objectives, performance indicators, planned targets and actual achievements**

Sub-programme: Farmer Support and Development

- Facilitate, coordinate and provide support to black smallholder and commercial farmers through sustainable agricultural development within agrarian reform initiatives in the Province.

Sub-programme: Extension and Advisory Services

- Provide extension and advisory services to farmers.

Sub-programme: Food Security

- Support, advise and coordinate the implementation of the Integrated Food Security Strategy of South Africa (IFSS-SA).

Sub-programme: Casidra SOC Ltd

- Provide infrastructure to farmers to improve production, support smallholder farmers and poor households to improve their livelihoods and manage state-owned farms.

## Strategic objectives

Farmer Support and Development					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Farmer Support and Development:</b> Number of farm assessments and farm plans completed for smallholder and commercial farmers within the agrarian reform initiatives	154	95	117	22	Target was exceeded, because there was an increased demand for farm assessment by DRDLR for their soil and veld management (SAVM) programme.
<b>Extension and Advisory Services:</b> Number of site visits to subsistence, smallholder and commercial farmers to deliver extension and advisory services	4 148	4 200	4 646	446	Target was exceeded, because more projects were visited as part of the preparation for the Agri-week event for livestock farmers in the Central Karoo, and assessment for the SAVM project of the DRDLR.
<b>Food Security:</b> Number of food security projects implemented as per Integrated Food Security Strategy of SA (IFSS-SA)	960	1 120	1 231	111	Target was exceeded due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens. This was made possible through the improved collaboration with local municipalities by the provision of indigent registers, and the Department of Water Affairs, which provided water tanks for water harvesting.
<b>Casidra SOC Ltd:</b> Number of agricultural projects facilitated	48	48	51	3	Target was exceeded, because one beekeeping project that was received and supported was not aligned to a specific commodity.

## Performance indicators

Sub-programme 3.1: Farmer Support and Development					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of farm assessments completed	75	114	117	3	Target was exceeded, because there was an increased demand for farm assessment by the DRDLR for their SAVM programme.
Number of smallholder farmers supported	37	66	55	(11)	Target not met due to the DAFF's decision not to fund dairy and grain commodities and late arrival of conditional grants, with farmers missing planting season.
<b>Provincial specific indicators</b>					
Number of farm plans completed	79	95	96	1	Target was exceeded. More farm plans were completed, because more plans were required in preparation for the service delivery conference championed by the DRDLR.
Number of commercial farmers supported	26	29	29	0	
Sub-programme 3.2: Extension and Advisory Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of agricultural demonstrations facilitated	78	66	86	20	Target was exceeded, because there was an increased demand for farmers' days by farmers and this was made possible with the support from commodity partners.

Sub-programme 3.2: Extension and Advisory Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of farmers' days held	29	27	31	4	Target was exceeded, because there was an increased demand for farmers' days by farmers and this was made possible with the support from commodity partners.
Number of commodity groups supported	10	10	10	0	
<b>Provincial specific indicators</b>					
Number of projects supported through mentorship	26	30	44	14	Target was exceeded, because more mentors were appointed by commodity partners for projects funded in the previous years. The DRDLR has appointed mentors on PLAS projects that also receive support from the Department.
Number of farm visits to small holder farmers to provide advice and contribute to successful land reform	1 957	1 400	1 866	466	Target was exceeded, because more projects were visited as part of the preparation for the provincial Agri-week event for livestock farmers in the Central Karoo and assessment for the SAVM project of the DRDLR.
Number of agricultural businesses skills audited	66	60	60	0	
Number of farmers supported with advice	4 148	4 200	4 648	448	Target was exceeded, because more projects were visited as part of the preparation for the provincial Agri-week event for livestock farmers in the Central Karoo and assessment for the SAVM project of the DRDLR.

Sub-programme 3.3: Food Security					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of food security status reports compiled	4	4	4	0	
Number of verified food insecure households supported	897	1 036	1 231	195	Target was exceeded, due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens. This was made possible through the improved collaboration with local municipalities by the provision of indigent registers, and the Department of Water Affairs, which provided water tanks for water harvesting.
<b>Provincial specific indicators</b>					
Number of community food security projects supported	63	70	93	23	Target was exceeded, due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens.
Number of participants in community food security projects	468	700	1 213	513	Target was exceeded, due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens. A number of projects supported, opted to keep group sizes.
Number of school food gardens supported	14	14	35	21	Target was exceeded, due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens.

Sub-programme 3.3: Food Security					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of participants in school food gardens	265	140	189	49	Target was exceeded, due to the DAFF's decision to move funding earmarked for dairy and grain commodities to food gardens and also the improved collaboration with other stakeholders. A number of projects supported, opted to keep group sizes.
Number of food security awareness campaigns held	1	1	1	0	

Sub-programme 3.4: Casidra SOC Ltd					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Number of agricultural projects facilitated outside of commodity structures	10	10	11	1	Target was exceeded due to one beekeeping project that was received and supported, but not aligned to a specific commodity.
Day-to-day management of provincial state farms with a view towards breaking even	3	3	3	0	
Number of agricultural projects facilitated within commodity structures	Not reported on during this period	35	37	2	Target was exceeded because an increased number of applications were received and supported by the CPACs.



### **Contribution towards the outcomes of Department's strategic goals**

#### **Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009**

The programme continued with its commodity approach to farmer support and development in the Province. This approach has facilitated the appointment of 44 mentors linked to smallholder farmers and their access to formal markets.

#### **Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years**

The Department completed an external agricultural land reform evaluation study as per its strategic objective, namely to ensure a success rate of at least 60% of its land reform projects. The study focused on a sample from a total of 246 agricultural land reform projects supported since 2009. Accordingly, the study revealed a 62% success rate. Subsequently, the Department will be devising a plan to respond to the 38% that was found to be unsuccessful.

The use of Smartpen technology has proven to be a significant tool for data capturing and monitoring the in-field services that were delivered. The programme delivered 86 agricultural demonstrations, 31 farmers' days and supported 4 646 farmers with advice.

A total of 44 mentors were appointed by the commodity partners during the period of report to strengthen smallholder production. This is significant in that it also affords smallholder farmers the opportunity to benefit from the existing networks within commodity groups, thereby enabling them to produce quality products and gain access to markets.

#### **Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years**

The programme dedicated a considerable amount of time to the strengthening of the commodity approach to farmer support and development in the Province. Accordingly, a total of 67 projects were supported through the Commodity Project Allocation Committee (CPAC), namely wine grapes (8), fruit (14), table grapes (3), grain (4), vegetables (16) including vegetable seed, animals (10 piggery, beef and poultry), sheep and wool (8) and aquaculture (4).

Quarterly meetings were held between the Department and Commodities to share information and discuss progress relating to work group 1 (production and extension), which contributes to output 1 of the national outcome 7 and PSO11. Through the commodity approach a total of 44 mentors were appointed to support smallholder farmers. The programme delivered 86 demonstrations, 31 farmers' days and supported 4 646 farmers with advice.

#### **Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production**

The Department's Unit for Technical Assistance (UTA) is fully functional and provides a full suite of planning and assessment services that include environmental assessment and natural resource planning expertise.

The sub-programme: Food Security's household food production programme (suitcase) is designed in a way that it encourages the use of family drip irrigation systems, thereby contributing to water conservation while not compromising food production.

In addition, the programme promotes conservation agricultural practices in the Province through its extension and advisory services to farmers.

### **Increase agricultural economic opportunities in selected rural areas based on socio-economic needs over a 10-year period**

The Department commemorated the World Food Day event on 12 October 2013 in Karatara in the Knysna municipality. As part of the event, the Department supported households with food production packages (suitcase) to enable own food production.

A total of 128 community projects (including school projects) and 1 213 households were supported during the year, targeting the food-insecure communities and reaching 2 633 beneficiaries.

### **Strategy to overcome areas of under performance**

The programme will seek engagement with DAFF to further raise the challenges experienced due to the late transfer of conditional grants which affected the achievement of targets. The late transfer of funds has led to farmers missing the planting season. This meant they had to wait for another year. This is quite critical given the Mediterranean nature of the Western Cape Province.

Furthermore, the decision by the DAFF to not fund the grain and dairy sub-sector has affected the achievement of targets.

### **Changes to planned targets**

No in-year changes in performing indicators targets were made.

### **Linking performance with budgets**

#### **Sub-programme expenditure**

Name of sub-programme	2013/2014			2012/2013		
	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
Farmer Support and Development	176 905	176 905	0	144 045	144 045	0
Extension and Advisory Services	30 606	30 606	0	33 260	33 260	0
Food Security	8 012	8 012	0	11 549	11 549	0
Casidra SOC Ltd	18 268	18 268	0	17 940	17 940	0
<b>Total</b>	<b>233 791</b>	<b>233 791</b>	<b>0</b>	<b>206 794</b>	<b>206 794</b>	<b>0</b>

#### 4.4 PROGRAMME 4: VETERINARY SERVICES

The purpose of this programme is to ensure healthy animals, healthy food of animal origin and healthy consumers in the Western Cape. The programme promotes international trade by facilitating exports of animals and animal products, and ensures the safety of meat and meat products through the implementation of the Meat Safety Act, 2000 (Act 40 of 2000), the Animal Diseases Act, 1984 (Act 35 of 1984) and other relevant legislation. Support is also given to ensure improved primary production for resettled smallholder farmers.

The programme executes its mandate from the four sub-programmes: Animal Health, Export Control, Veterinary Public Health and Veterinary Laboratory Services.

The strategic objective of the sub-programme: Animal Health is to prevent and control animal diseases.

The strategic objective of the sub-programme: Export Control is to provide sanitary and phytosanitary control measures including risk assessments, and export certification in order to promote and facilitate the exportation of products of animal origin.

The strategic objective of the sub-programme: Veterinary Public Health is to ensure the safety of meat and meat products through the implementation of the Meat Safety Act, 2000 (Act 40 of 2000), the Animal Diseases Act, 1984 (Act 35 of 1984) and other relevant legislation.

The strategic objective of the sub-programme: Veterinary Laboratory Services is to render efficient and appropriate veterinary diagnostic service.

#### **Strategic objectives, performance indicators, planned targets and actual achievements**

Sub-programme: Animal Health

- To conduct surveillance on certain important animal diseases by sampling and testing a sample of animals in a sample of flocks or herds.

Sub-programme: Export Control

- To promote, facilitate, and maintain international market access for products of animal origin through provision of sanitary and zoo-sanitary control measures and guarantees, including risk assessment and health certification in order to facilitate the exportation of animals and animal products.

Sub-programme: Veterinary Public Health

- To provide safe meat to the consumer by monitoring the veterinary public health risks and to promote, regulate and monitor the implementation of effective hygiene management practices at abattoirs.

Sub-programme: Veterinary Laboratory Services

- To conduct a veterinary laboratory service in accordance with national and international norms and standards to enhance acceptance of health certification for trade in animals and animal products, ensure optimal animal production and conduct targeted research on animal diseases relevant to the economy of the Province.

## Strategic objectives

Veterinary Services					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Animal Health:</b> Number of animals surveyed for diseases*	853 317	400	3 516	3 116	As the method of counting changed from individual to grid counting during the year a target had to be estimated. The estimate for this year was obviously far off the mark and has been revised and adjusted upwards for the next report year.
<b>Export Control:</b> Number of veterinary export certificates issued	200	300	257	(43)	Game export certification is much reduced, because no export of cloven hoofed wild game meat is allowed due to foot and mouth disease outbreak in the country since 2011.  Fresh ostrich meat export certification is much reduced, because of prohibition of export certification by the DAFF. This is counter-balanced by the export of processed ostrich meat that has now been approved for export and is slowly gaining momentum.
<b>Veterinary Public Health:</b> Number of abattoirs registered	74	75	70	(5)	All applications received were processed, registered, demand- driven abattoir private enterprises.
<b>Veterinary Laboratory Services:</b> Number of specimens tested	Not reported on during this period	130 000	130 912	912	The Provincial Veterinary Laboratory is dependent on external clients for the submission of specimens for testing and has no control over the number of specimens submitted for testing (i.e. reactive service delivery).  0.7% more specimens were received in comparison to the number projected.

\* Methodology of counting changed from individual counting to grid counting. The overall number of animals inspected did not decrease.

## Performance indicators

Sub-programme 4.1: Animal Health					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of animal vaccinations against controlled animal diseases	73 279	100 000	88 913	(11 087)	Vaccination can either be systematic as a purely preventative intervention or as a response to a disease outbreak in a defined area. As disease outbreaks in general were lower than in previous years, the number of vaccinations performed was consequently lower.
Number of primary animal health care (PAHC) interactions held	4 601	800	2 822	2 022	This aspect of veterinary service delivery has been targeted by the national government as a priority. Consequently much more effort has been put into this to assist primarily smallholder farmers to keep their animals as healthy as possible.
Number of official veterinary movement documents issued	12 201	12 000	12 855	855	This is a totally demand-driven activity regulated by economic factors beyond our control.
Number of animals sampled/ tested for disease surveillance purposes*	153 618	11 000	6 793	(4 207)	As the method of counting changed from individual to grid counting during the year, a target had to be estimated. The estimate for this year was obviously too optimistic and has been revised and adjusted downwards for the next report year.

Sub-programme 4.1: Animal Health					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of animal inspections for regulatory purposes*	853 317	400	3 516	3 116	As the method of counting changed from individual to grid counting during the year, a target had to be estimated. The estimate for this year was obviously far off the mark and has been revised and adjusted upwards for the next report year.

\* Methodology of counting changed from individual counting to grid counting. The overall number of animals inspected did not decrease.

Sub-programme 4.2: Export Control					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of veterinary export certificates issued	18	300	257	(43)	Game export certification is much reduced, because no export of cloven-hoofed wild game meat is allowed due to foot and mouth disease outbreak in the country since 2011. Fresh ostrich meat export certification is much reduced, because of prohibition of export certification by the DAFF. This is counter-balanced by the export of processed ostrich meat that has now been approved for export and is slowly gaining momentum. The number of export certificates requested is demand-driven and not under the control of the Department. It is confirmed that all the export certificates that were requested (and complied) were issued.

Sub-programme 4.2: Export Control					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of export establishments registered	117	130	104	(26)	The number of establishments registered is based on client demand. It is not under the control of the Department, but it is confirmed that all the establishments that requested approval/ registration were audited.
<b>Provincial specific indicators</b>					
Perform annual food safety and export certification audits at export establishments for the recommendation of registration renewal	97	60	104	44	The number of establishments registered is based on client demand. The number of audits concluded equals the number of establishments that applied for export registration. It is not under the control of the Department.
Number of samples collected for residue monitoring at export establishments	139	484	133	(351)	The number of samples collected is based on an annual sampling plan provided by DAFF. It does not fall under the control of the sub-directorate: Export Control.

Sub-programme 4.3: Veterinary Public Health					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of abattoir inspections conducted	426	350	305	(45)	Vacancies resulted in officials being allocated more facilities and therefore they could not visit facilities on a regular basis.
Number of inspection facilities processing animal products and by-products inspected	61	48	44	(4)	This is a demand-driven activity. Fewer inspections were required than targeted.

Sub-programme 4.3: Veterinary Public Health					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of abattoirs registered	74	75	70	(5)	All applications received were processed, registered and demand-driven abattoir private enterprises.
<b>Provincial specific indicators:</b>					
Number of public awareness sessions held	19	20	14	(6)	Vacancies resulted in fewer awareness sessions hosted.
Number of illegal slaughter investigations held	21	12	16	4	Complaints received were investigated. They were demand-driven and created less time for other routine work (as above).
Number of BSE samples to collect	338	480	393	(87)	Sample collection hampered by facilities not slaughtering target animals on specified days set aside for sample collection.
Sub-programme 4.4: Veterinary Laboratory Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of specimens tested	138 944	130 000	130 906	906	The Provincial Veterinary Laboratory is dependent on external clients for the submission of specimens for testing and has no control over the number of specimens submitted for testing i.e. reactive service delivery. 0.7% more specimens were received in comparison to the number projected.



Sub-programme 4.4: Veterinary Laboratory Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of tests performed	169 621	140 000	158 096	18 096	The Provincial Veterinary Laboratory is dependent on external clients for the submission of specimens for testing and the number of tests requested. The laboratory has no control over the number of tests requested, i.e. reactive service delivery. 12.0% more tests were performed in comparison to the number projected.
Number of control audit reports	82	80	165	80	The appointment of a Quality Control Manager, a full DAFF approval audit and preparation for ISO, 17 025 accreditations resulted in 106.3% more control audit reports being issued in comparison to the number projected.
<b>Provincial specific indicators</b>					
Total number of controlled/notifiable disease samples tested	115 387	120 000	103 761	(16 239)	The Provincial Veterinary Laboratory is dependent on external clients for the submission of controlled/notifiable disease samples for testing and has no control over the number of samples submitted for testing i.e. reactive service delivery. 13.5% fewer controlled/notifiable disease sample specimens were received in comparison to the number projected.

Sub-programme 4.4: Veterinary Laboratory Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Total number of veterinary public health samples tested	4 195	2 500	4 406	1 906	The Provincial Veterinary Laboratory is dependent on external clients for the submission of veterinary public health samples for testing and has no control over the number of samples submitted for testing i.e. reactive service delivery.
Number of samples tested for emerging farmers	4 948	2 000	3 869	1 869	Officials from the programme: Veterinary Services submitted more samples for smallholder farmers than the number projected.

#### Contribution to the outcomes of the Department's strategic goals

##### Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009

A dedicated office to focus on the processing and issuing of export certificates has been established within the City of Cape Town. The office will provide a streamlined service and support to exporters. The ability of exporters to comply with the requirements of trading partners translates to more exports.

##### Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years

Resettled farmers with livestock are supported with veterinary clinical services. This entails attending to their sick and frail animals, diagnosing underlying causes and administering suitable treatment. Healthy animals ensure that farmers do not suffer unnecessary losses through deaths. Healthy productive animals result in increasing herd sizes, more profitability, sustainability and success. Private veterinarians cooperate and assist with provision of clinical services.

##### Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years

Farmers were assisted with vaccination and deworming programmes. This ensures that animals do not contract diseases. Secondly, animals were routinely tested for occurrences of erosion diseases that affect growth and calving rates.

##### Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production

Empower livestock owners with up-to-date practices on pasture and veld management. This ensures that overgrazing of veld is prevented and therefore avoids soil erosion.

### Strategy to overcome areas of underperformance

The programme aims to fill all vacant posts and newly-funded posts to increase capacity. In instances where indicators are demand-driven by client requests, historical trends have been taken into account to set realistic targets.

### Changes to planned targets

No in-year changes in performing indicators targets were made.

### Linking performance with budgets

#### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Animal Health	35 470	35 470	0	34 577	33 572	1 005
Export Control	6 049	6 049	0	3 647	3 647	0
Veterinary Public Health	5 284	5 284	0	4 583	4 583	0
Veterinary Laboratory Services	14 175	14 175	0	11 695	11 695	0
<b>Total</b>	<b>60 978</b>	<b>60 978</b>	<b>0</b>	<b>54 502</b>	<b>53 497</b>	<b>1 005</b>

## 4.5 PROGRAMME 5: RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES

The purpose of this programme is to render expert and needs-based research, development and technology transfer services impacting on development objectives.

The purpose of the three sub-programmes is as follows:

Research: Conduct, facilitate and coordinate research and participate in multi-disciplinary development projects.

Technology Transfer Services: Disseminate information on research and technology developed to clients.

Infrastructure Support Services: Provide and maintain infrastructure facilities for the line function to perform their research and other functions, i.e. research farms.

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

Sub-programme: Research

- To execute research and develop new cutting-edge technologies whereby the increase in agricultural production, and sustainability and competitiveness of our farmers, will be ensured.

Sub-programme: Technology Transfer Services

- To serve as a conduit for converting the research rand into an information rand. Information on new and adapted technology is packaged in the form of user-friendly, client-focused and problem-solving information packages for dissemination to our internal clients (extension officers and lecturers). This includes our external stakeholders the Agricultural Research Council (ARC) and its research institutes, tertiary institutions, industry and commodity organisations, agri-businesses, technical experts and consultants, interdepartmental networks and working groups, farmers (all categories) and the public. Furthermore, technology transfer events and walk-and-talks are organised on a regular basis in all our districts to convey the research message to the said stakeholders.

Sub-programme: Infrastructure Support Services

- To render on-farm infrastructure and research support from seven research farms to our own research efforts, as well as to external research partners such as the institutes of the ARC and tertiary institutions.

**Strategic objectives**

Research and Technology Development Services					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Research:</b> Number of research projects executed	85	85	104	19	During the financial year, 88 running projects were executed, 22 new projects were approved and six projects were completed. As new projects were approved, the number of implemented projects increased. Approval of new projects was done in a judicial way taking budget and capacity constraints into account. It should be noted that several student projects as part of our post-graduate programme are part of the new projects approved and had no additional budget or capacity implications.

Research and Technology Development Services					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Technology Transfer Services:</b> Number of technology transfer actions	503	385	367	(18)	The demand for technology transfer services was extremely high during this year. Outputs were generated according to invitation by commodity groups and other clients or in response to technology transfer needs observed by our research team. Fewer technology transfer events were organised this year by commodities which resulted in a lower output in the number of presentations delivered. Furthermore, the large number of scientific presentations (papers and posters) led to capacity constraints to deliver at local technology transfer events.
<b>Infrastructure Support Services:</b> Number of farms provided and maintained	7	7	7	0	

## Performance indicators

Sub-programme 5.1: Research					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Projects implemented	85	85	104	19	During the financial year, 88 running projects were executed, 22 new projects were approved and six projects were completed. As new projects were approved, the number of implemented projects increased. Approval of new projects was done in a judicial way taking budget and capacity constraints into account. It should be noted that several student projects as part of our post-graduate programme are part of the new projects approved and had no additional budget or capacity implications.
Scientific papers published	32	50	36	(14)	Scientific papers are only counted once published. A number of papers were finalised and submitted to the respective journals, but have not been published in 2013/14, and were therefore not counted.
Presentations at scientific events	86	60	91	31	Scientific events are not always scheduled in advance and could result in a different output as planned. Furthermore, researchers are also not always sure about the completeness of data, particularly in the case with student projects, where this is often decided on just prior to a conference registration deadline or on invitation by the organisers of the said event.
<b>Provincial specific indicators</b>					
Research committee meetings	5	4	4	0	

Sub-programme 5.1: Research					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Industry meetings	60	48	53	5	Meetings with industry organisations are attended on invitation and it is not always easy to predict the number correctly in advance. Only some organisations have pre-set dates and scheduling of their research priority meetings, while the others meet on a needs-arising basis. Furthermore, the Department's growing role as a research body to be reckoned with is resulting in more industry involvement than before.
Climate change projects	5	8	8	0	
Compile climate change plan	0	1	0	(1)	The compilation of this plan is beyond our expertise and the DEADP offered to assist within the ambit of the PSO7, Climate Change Adaptation working group. A framework for the plan was to be completed in the latter part of 2012/13, but this did not happen due to internal DEADP constraints. After the completion of the Long-Term Adaptation Scenarios (LTAS) to climate change and the completion of several other related plans, the plan for agriculture commenced. The terms of reference were finalised and the project was put out on tender at the end of March 2013. It is envisaged that the plan will be finalised in March 2016.
Number of WCARF meetings	3	3	4	1	Three meetings of WCARF were planned and held. However, members supported the idea of a research workshop during October 2013 which resulted in an additional meeting.

<b>Sub-programme 5.2: Technology Transfer Services</b>					
<b>Performance indicator</b>	<b>Actual achievement 2012/2013</b>	<b>Planned target 2013/2014</b>	<b>Actual achievement 2013/2014</b>	<b>Deviation from planned target to actual achievement for 2013/2014</b>	<b>Comment on deviations</b>
<b>Sector-specific indicators</b>					
Presentations at events	203	200	149	(51)	Presentations are often on invitation by external stakeholders and could vary substantially from the target set. Furthermore, the large number of presentations at scientific events as mentioned above led to capacity constraints to deliver at local technology transfer events.
Demonstration trials conducted	0	0	0	0	
Articles in popular media	180	140	168	28	The higher output was due to real-time information needed on specific topics and requests by popular media. Furthermore, the technology transfer events organised by the programme, including the Outeniqua 60 farmers' day, resulted in a large number of popular articles and radio talks.
Information packs developed	21	15	18	3	The higher number was due to additional events being organised by the programme (resulting in more supporting hard copy information) on demand by clients. Three additional information packs were published as part of the Outeniqua 60 information day.
<b>Provincial specific indicators</b>					
Technology transfer events conducted	15	10	10	0	
Agricultural condition reports	21	8	12	4	Reports are disseminated as they become available and largely depend on the current agricultural conditions and documents received from the DAFF for distribution. This has resulted in a higher number than planned.



Sub-programme 5.2: Technology Transfer Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Climate reports	61	12	10	(2)	Reports are disseminated or uploaded on the website as data becomes available and largely depend on the current climatic conditions. For this reason the target was not achieved.

Sub-programme 5.3: Infrastructure Support Services					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Infrastructure provided	7	7	7	0	
Infrastructure maintained	7	7	7	0	
<b>Provincial specific indicators</b>					
Technical working committee meetings	14	14	14	0	

### Contribution to the outcomes of the Department's strategic goals

The sub-programme: Research executed its mandate in alignment with the National Agricultural Research and Development Strategy (2008), national outcomes, provincial strategic objectives (PSO) and departmental strategic goals.

The success of the agricultural sector in the Western Cape is vested in a combination of critical success factors which were also identified as the key strategic objectives of the Department. The most important of these is a sustainable export position, an increase in agricultural production and the optimisation and judicious utilisation of our natural resources. Agricultural research and development is key to these success factors.

### Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009

A thriving export sector is only sustainable if primary production is supported by sound technology development and world standard sustainable agricultural practices. The research portfolio of the Department was aligned with the needs of both commercial and smallholder farmers. The sharp increase in the engagement and collaboration with industry organisations was a clear indication of the need for

cutting-edge technology development, especially low-input, high-output and climate-smart technologies. The programme has contributed to the industry standards of various commodities, with special focus on the livestock industry. It has also assisted with refinement of biosecurity measures of the ostrich industry as a prerequisite for entering the EU market. Research on ostrich leather and pitting has also contributed to higher quality skins and better prices obtained on export markets.

**Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years**

The research portfolio (with 88 implemented, 22 new and six completed research projects), and its technology transfer agenda have supported the knowledge base and sustainability of our sector. Furthermore, the analytical and diagnostic services as well as technical advice contributed to more informed decision making in terms of the choice of farming operation and on-farm resource utilisation. New and adapted technology generated from cutting-edge research efforts has and will ensure that producers are sustainable and competitive with limited natural resources (especially soil quality and water) and the changing environment and will secure the base to increase agricultural production by 10% over the next ten years. Climate-smart agriculture will furthermore be of the utmost importance in all agricultural operations, while on-farm renewable energy opportunities will be much sought after. Conservation agriculture, especially in the small grain and potato industries, will be expanded with the support of focused research and intensified technology transfer efforts. Conservation agricultural practices also resulted in higher production figures in small grains on the same land, especially in the Swartland and Southern Cape areas. Agriculture is one of the most important and largest knowledge-based sectors in South Africa, and science and technology with research as the key cornerstone are important to underpin agrarian economic growth and ultimately address food security and rural development. In this regard, the Western Cape Agricultural Research Forum (WCARF) is also striving to coordinate all research efforts and optimise available research resources to increase the research support to the agricultural sector in the Western Cape.

**Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production**

We have increased our focus on climate-smart agriculture and climate change related research disciplines. This includes minimum or no tillage for soil conservation, crop rotation for higher production, increased crop cover to prevent evaporation (the three pillars of conservation agriculture), judicious fertiliser use, alternative farming practices and possible new and alternative crops for the Western Cape. Conservation agriculture in the small grain and potato industry will also be advocated and promoted in focused technology transfer efforts.

The sub-programme: Technology Transfer Services was pivotal in converting research results into information packages (ranging from scientific to popular) for all farmers.

**Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years, and optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production**

The technology transfer and information dissemination agenda was driven by our research portfolio in the disciplines of animal production, plant production and resource utilisation. Information and knowledge management is the driver for sustainable production. The technical information services portfolio exceeded most of its targets. This is a clear indication of the drive from researchers to 'push' information to clients beyond the farm gate. On the other hand, the 'pull' of information from commodities and other clients kept our focus on production challenges, emphasising that the competitive edge is vested in novel climate-smart agricultural technology development and the implementation of results on farm level.

In order to ensure the outputs and outcomes of the research portfolio, a well-maintained research environment in the form of seven research farms was of critical importance. The sub-programme indirectly contributed to the departmental strategic objectives and also supported the research efforts of various ARC institutes, tertiary institutions and other industry role players.

### Strategy to overcome areas of underperformance

Underperformance was realised in four indicators, namely the number of scientific papers, number of presentations at technology transfer events, number of climate reports distributed and the compilation of a climate change plan for the agricultural sector.

The number of scientific papers is dependent on the processes of scientific journals and several papers were submitted, but not processed and published in 2013/14. The number of presentations at technology transfer events is dependent on industry events and invitations, but was hampered in this financial year by the larger number of scientific presentations delivered. Management of scientific capacity and commitments should rectify this underperformance. Climate reports are distributed when data becomes available and is not an underperforming output that needs remedial action. The development of a climate change plan for agriculture is in process and the tender process commenced during March 2014. This is a two-year project (in three phases) and it is envisaged that the project will be completed by March 2016.

### Changes to planned targets

No in-year changes in performing indicators targets were made.

### Linking performance with budgets

#### Sub-programme expenditure

Name of sub-programme Name	2013/2014			2012/2013		
	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
Research	61 091	60 341	750	56 157	54 646	1 511
Technology Transfer Services	287	287	0	0	0	0
Infrastructure Support Services	34 902	34 902	0	32 710	32 710	0
<b>Total</b>	<b>96 280</b>	<b>95 530</b>	<b>750</b>	<b>88 867</b>	<b>87 356</b>	<b>1 511</b>

## 4.6 PROGRAMME 6: AGRICULTURAL ECONOMIC SERVICES

The purpose of the Programme: AES is to provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agribusiness development to increase economic growth.

The programme executes its mandate through two sub-programmes:

- Agribusiness Support and Development
- Macroeconomics Support.

The purpose of the sub-programmes is as follows:

Sub-programme: Agribusiness Support and Development

- To provide agricultural stakeholders with agricultural economic advice.

Sub-programme: Macroeconomics Support

- 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 achievements

The strategic objectives of the sub-programmes are as follows:

Sub-programme: Agribusiness Support and Development

- To provide agricultural stakeholders with economic advice in support of sustainable agricultural and agribusiness development to increase economic growth.

Sub-programme: Macroeconomics Support

- To monitor and evaluate all economic and statistical data requests received and responded to and disseminate agricultural statistics to selected target groups through appropriate channels. This will be done through an enquiry database which keeps accurate records of all enquiries received and responded to, as well as the development and management of macroeconomic models geared towards supporting sound decision making.

### Strategic objectives

Agricultural Economic Services					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Agribusiness Support and Development:</b> Number of stakeholders provided with agricultural economic services	2 175	713	1 456	743	Some of the services are demand-driven but also linked to increased demand on Agribee, cooperatives and also export enquiries.
<b>Macroeconomics Support:</b> Number of information activities performed to support sound decision making	303	221	414	193	Some of the services are demand-driven but also linked to additional capacity, repackaging of information, and a number of events that took place during the second semester.

## Performance indicators

Sub-programme 6.1: Agri-Business Support and Development					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of Agri-Businesses supported with agricultural economic services towards accessing markets	70	44	65	21	The number of companies that participate in the international events is difficult to anticipate. In addition, the Food Bank initiative has contributed to this overachievement.
Number of clients supported with agricultural economic advice	1 936	639	1 278	639	Some of the services are demand-driven but also linked to increased demand on Agribee, cooperatives and also export enquiries.
Number of agricultural economic studies conducted	16	12	9	(3)	This is based on requests received and is therefore demand-driven.
<b>Provincial specific indicators:</b>					
Number of marketing information outputs disseminated	54	31	54	23	This was influenced by the stability within the unit and also requests received from clients in various industries
Value of committed investment for green fields and expansion of agricultural and agribusiness projects	R172.2 million	R50 million	R105 million	R55 million	This is attributed to a healthy investment pipeline and concerted efforts in following up with clients
Number of budgets developed	11	30	34	4	This is due to structural changes that took place in the industry as it increased the need for new budgets
Number of budgets updated	24	10	25	10	This is due to structural changes that took place in the industry as it increased the need for new budgets

Sub-programme 6.1: Agri-Business Support and Development					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of existing agricultural cooperatives supported	10	10	44	34	This is attributed to the national drive on cooperatives and the grant provided to qualifying enterprises, as well as collaboration with the RDC in the nodes
Number of agricultural cooperatives developed	40	10	16	6	This is attributed to the national drive on cooperatives and the grant provided to qualifying enterprises, as well as collaboration with the RDC in the nodes
Number of stakeholders engaged in on agricultural economic activities	119	10	53	43	This was a result of participation in rural nodes, the market access work group and various requests for meetings

Sub-programme 6.2: Macroeconomics Support					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector Specific indicators:</b>					
Number of requests responded to on macro-economic information	142	150	166	16	The requests depend on enquiries received and are therefore demand-driven.
Number of macro-economic reports developed	37	25	36	11	This is due to additional and competent personnel and the number of events that took place during the second semester.
<b>Provincial specific indicators</b>					
Number of databases populated	44	34	43	10	This is a result of new databases that were developed for livestock.
Number of surveys conducted	1	1	1	0	

Sub-programme 6.2: Macroeconomics Support					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of information dissemination activities conducted	79	11	168	157	This is also linked to additional capacity, repackaging of information, and a number of events that took place during the second semester.

### Contribution to the outcomes of the Department's strategic goals

#### Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009

The market access activities such as promotional events, the support provided to black smallholder and commercial farmers through the market access programme, the market research conducted and compliance support under the programme: AES are aimed at achieving the above-mentioned goal.

#### Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years

The programme has targeted interventions for land reform beneficiaries such as the market access programme to support the beneficiaries towards achieving market access by eliminating the barriers upstream and downstream. The SimFini project supports the beneficiaries with capacity building and actual financial records at farm level. Lastly, Micro Agricultural Finance Institutions of South Africa (MAFISA) target black smallholder and commercial farmers.

#### Strategy to overcome areas of underperformance

The aim of programme: AES is to fill vacant posts for increased capacity and to forge and strengthen relations with industry organisations, institutions and departments at various spheres of governments on research and other activities of the programme.

#### Changes to planned targets

No in-year changes in performing indicators targets were made.

### Linking performance with budgets

#### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Agribusiness Support and Development	12 958	12 958	0	37 074	36 879	195
Macroeconomics Support	3 989	3 989	0	9 651	9 651	0
<b>Total</b>	<b>16 947</b>	<b>16 947</b>	<b>0</b>	<b>46 725</b>	<b>46 530</b>	<b>195</b>

#### 4.7 PROGRAMME 7: STRUCTURED AGRICULTURAL EDUCATION AND TRAINING

The purpose of the programme is to facilitate and provide structured agricultural education and training in line with the Agricultural Education and Training Strategy to all participants in the agricultural sector in order to establish a knowledgeable, prosperous and competitive sector.

The programme has a crucial role to play in implementing the Human Capital Development Strategy (HCDS) of the Department in ensuring a skilled and capable workforce to support an inclusive growth path and vibrant, equitable and sustainable rural communities and food security for all.

The broad client base of the Department expects the programme to provide quality training and skills development, ranging from two-day short courses for farm aids and commercial and smallholder farmers, to B-degree level training of young prospective agriculturalists, including structured learnership training over a period of 12 months.

The fundamental role of agriculture to stimulate economic development of the country, especially in the rural agricultural areas will only be realised if the rural people are equipped with the necessary and required knowledge and skills base.

The purpose of the sub-programmes is as follows:

#### **Strategic objectives, performance indicators, planned targets and actual achievements**

The strategic objectives of the sub-programmes are as follows:

Sub-programme: Higher Education and Training

- To provide formal and informal training on post grade 12 level (NQF levels 5 and above) to anybody who qualifies and wishes to study in agriculture and related fields.

Sub-programme: Further Education and Training

- To provide informal and formal training within the provisos of NQF levels 1 to 4 and in the form of short skills courses and learnerships to anybody who wishes to participate, with special emphasis on youth, all farming groups such as subsistence, smallholder and commercial farmers and farm aids.



## Strategic objectives

Structured Agricultural Education and Training					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Higher Education and Training:</b> Number of students registering into accredited Higher Education Training (HET)	401	380	442	62	High demand for HET programmes.
<b>Further Education and Training:</b> Number of learners completing accredited skills programmes	50	50	80	30	Due to the high demand for learnership training, more students (91) were registered on the programme and with quality training a pass rate of 88% was achieved

## Performance indicators

Sub-programme 7.1: Higher Education and Training					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of students registering into accredited HET qualifications	401	380	442	62	High demand for HET programmes
Number of students completing accredited HET qualifications	140	90	102	12	High number of students registered for HET
<b>Provincial specific indicators</b>					
Number of bursaries awarded	37 new 23 existing	50	50	0	
Implementation of student equity targets	110	100	96	(4)	This target is demand-driven and special preference is given to black students who meet the qualification requirements of the Institute

Sub-programme 7.1: Higher Education and Training					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of short courses offered	Not reported on during this period	7	9	2	The sub-programme over-performed by two (2) short courses, because the academic roster was shifted by a week to make provision for the National Colleges sports week. The implication was that instead of presenting the short courses during the last week of the second quarter as planned, it was shifted and presented during the first week of the third quarter.
Number of students completing short courses	Not reported on during this period	150	170	20	The sub-programme over-performed by twenty (20) students, because the academic roster was shifted by a week to make provision for the National Colleges sports week. The implication was that instead of presenting the short courses during the last week of the second quarter as planned, it was shifted and presented during the first week of the third quarter.

Sub-programme 7.2: Further Education and Training					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Sector-specific indicators</b>					
Number of learners completing non-accredited short courses	2 482	1 700	2 700	1 000	Due to the high demand for short skills training, a total of 58.8% more beneficiaries were trained than targeted for

Sub-programme 7.2: Further Education and Training					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of learners completing accredited skills programmes	79	50	80	30	Due to the high demand for learnership training, more students (91) were registered on the programme and with quality training a pass rate of 88% was achieved
<b>Provincial specific indicators</b>					
Number of learners enrolled in learnership programmes	91	80	55	(25)	A new approach with regard to the learnership programme runs as a pilot project this year, where learnership programmes are only presented at Elsenburg Main Campus. The reason for this is to present experience with an intensive exposure to practical training and work-integrated learning where students do practical work on selected farms.
Articulation/RPL of FET learners to HET	8	8	15	7	More students applied for articulation and due to quality training 53% more students successfully articulated to a higher certificate in the HET band than was expected.
Number of learnership programme types offered	Not reported on during this period	4	4	0	

### Contribution to the outcomes of the Department's strategic goals

#### Support the provincial agricultural sector to at least maintain its export position for the next five years by growing its value added from R14.014 billion in 2009

SAET contributed in a very significant way to human capital and skills development in the agricultural sector and continued to facilitate and provide formal and informal training, on NQF levels 1-7. The focus was on youth, all farming groups and subsistence, smallholder and commercial farmers and farm aids in the agricultural sector in order to promote and support a knowledgeable, prosperous and competitive sector.

Based on the fact that jobs and income must be created and/or maintained in order to achieve the above-mentioned strategic goal, it is important for the sub-programme to at least maintain the same level

of performance with regard to training to all who are interested. The focus will remain on youth and all farming groups including subsistence, smallholder and commercial farmers and farm aids.

Eighty (80) learners graduated from the learnership training programme.

For the period under review, a total of 2 700 agricultural beneficiaries (mainly beneficiaries of the CASP and Ilima/Letsema programmes, including farmers, and farm-aids) were trained in short skills courses.

SAET offered four formal HET training programmes namely, the B. Agric degree, a Diploma and Higher Certificate in Agriculture as well as the Certificate in Horse Mastership and Preliminary Riding Instruction to 401 students. A total of 102 students graduated from these programmes.

### **Ensure that at least 60% of all agricultural land reform projects in the Province are successful over the next five years**

The SAET (sub-programme: FET) in collaboration with the FSD Programme presented a variety of skills programmes to beneficiaries of CASP and Ilima/Letsema across the provincial districts. This contributed to approximately 2 700 beneficiaries trained in total, including farm aids, subsistence, smallholder and commercial farmers and all other interested parties.

### **Support the sector (farmers and industries) to increase agricultural production (primary provincial commodities) by at least 10% over the next 10 years**

The programme partnered with various stakeholders in promoting and supporting skills development and capacity building in agriculture. Skills-based training was provided to 2 700 farmers and farm-aids, while 401 students enrolled for full-time study in HET programmes. A total of 102 students graduated from these programmes and will enter the sector primarily as farmers, farm managers, assistant farm managers, supervisors, agriculturalists and agricultural advisors.

### **Optimise the sustainable utilisation of our natural resources through conservation methodologies to increase agricultural production**

SAET promotes sustainable agricultural practices and present a module on sustainable farming practices, organic farming, natural resource management and principles of food security, as part of a structured learnership programme. The promotion of sustainable farming practices also forms a central theme in the teaching of students in all tertiary education training programmes.

The curricula of all HET training programmes cover a substantial amount of course content on natural resource management. It is a module that is offered every year for all students and forms the basis of the Diploma in Agriculture.

### **Increase agricultural economic opportunities in selected rural areas based on socio-economic needs over a 10 year period**

SAET is actively involved with skills development in the rural nodes of the Province, especially within the Comprehensive Rural Development Programme (CRDP) nodes. Training in leadership, communication, entrepreneurship, agri-marketing and financial management is provided to mainly members of the Council of Stakeholders (COS).

In support of economic opportunities within rural and peri-urban agricultural nodal zones, the sub-programme: FET provided specific training interventions for COS members within regions. For example, beneficiaries of the CRDP in the areas of Dytsseldorp and Murraysburg received training in various skills programmes including leadership, communication, entrepreneurship, agri-marketing and financial management. New nodal zones have been identified, to undergo similar training.

## Strategy to overcome areas of underperformance

Where underperformance is indicated above, the target was amended for the following financial year by presenting a pilot programme for learnership programmes.

Where the implementation of student equity targets is concerned, a greater effort will be made to recruit and support qualifying candidates from this target group. Schools in historically disadvantaged communities offering Agriculture, Mathematics and Science will be targeted in marketing agriculture as a potential career.

## Changes to planned targets

No in-year changes in performing indicators targets were made.

## Linking performance with budgets

### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Higher Education and Training	34 194	34 194	0	37 074	36 879	195
Further Education and Training	9 679	9 679	0	9 651	9 651	0
<b>Total</b>	<b>43 873</b>	<b>43 873</b>	<b>0</b>	<b>46 725</b>	<b>46 530</b>	<b>195</b>

## 4.8 PROGRAMME 8: RURAL DEVELOPMENT COORDINATION

The purpose of the programme is to create vibrant, sustainable rural communities, to facilitate the implementation of the national CRDP and to facilitate the development of farm workers in the Western Cape.

The programme is structured into two sub-programmes, namely:

- Development Planning
- Farm Worker Development.

The focus of the programme is on coordinating the implementation of the rural development nodes in the Province and the facilitation of services to ensure that:

- All provincial departments and local government authorities deliver services in a coordinated and cohesive way in the selected rural nodes through the establishment of ISCs in each rural node.
- The institutionalisation of community organisational structures in the selected rural nodes is created to empower those communities in terms of identifying and implementing new projects within their communities.
- Economic, social development and infrastructure projects are established to facilitate economic growth in the selected rural nodes.
- Skills training is undertaken for unemployed people in the selected rural nodes.
- Sustainable employment is created for unemployed people in the selected rural nodes.
- Improvement in food security is enabled through interventions at household level in the selected rural nodes.

- The image and socioeconomic conditions of farm workers is enhanced by providing them with life skills to improve their quality of life.

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

The strategic objectives of the sub-programmes are as follows:

#### Sub-programme 8.1: Development Planning

- To successfully facilitate the implementation of the national CRDP and the 15 selected rural nodes in the Western Cape.

#### Sub-programme 8.2: Farm Worker Development

- To enhance the image and socioeconomic conditions of farm workers and their family members by providing them with development and life skills training to improve their quality of life.

### Strategic objectives

Rural Development Coordination					
Strategic objectives	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Development Planning:</b> Number of rural nodes facilitated through the implementation of the Comprehensive Rural Development Programme (CRDP) to ensure socioeconomic development	4	4	4	0	
<b>Farm Worker Development:</b> Number of farm workers and their family members' development facilitated in the Province	3 012	2 530	32 325	28 795	The target for the year is estimated before the receipt of project funding applications which includes the number of training beneficiaries to be targeted per project. To allow for a more accurate target the funding advertisement process was brought forward for the 2014/15 financial year.

## Performance indicators

Sub-programme 8.1: Development Planning					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Rural nodes activated	4	4	4	0	
Intergovernmental Steering Committees (ISC) established	1	4	5	1	An ISC was established in Knysna during the first quarter. This is a rural node which was activated in the fourth quarter of the previous financial year. The first (4) ISC engagements with various participating departments were facilitated for the four newly-activated nodes during the fourth quarter 2013/14. The rural development nodes were activated in the second and third quarters, because participating departments and municipalities could participate then and so establish the four ISCs in the fourth quarter
Councils of Stakeholders (COS) established	18	4	9	5	Six (6) COS were established during the fourth quarter and a service provider was appointed to facilitate the institutionalisation process. The intention was to standardise the process of establishing the remaining six COS at the same time. These six COS include those rural development nodes recently activated in 2013/14.

Sub-programme 8.1: Development Planning					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
CRDP rural node implementation plans compiled	2	4	6	2	Six (6) Implementation plans were compiled for the fourth quarter. Four of these plans were for the newly-activated nodes, and a further two Implementation plans were completed for previously activated nodes.
CRDP rural nodes: 3-year phased process implementation completed	0	1	0	(1)	While five rural development nodes, activated early in 2011 have exceeded the 3-year implementation period. The various phases, especially the infrastructure development and economic development phases have not been completed. Development work is a process and when the 3-year rural development model was initially designed the challenges faced in implementing the CRDP were not clearly understood. An evaluation of the CRDP implementation in Dysseisdorp is currently being finalised and will cast light on the lessons learned to inform review processes. The Matzikama rural development node is currently in the final two phases of the model.



Sub-programme 8.1: Development Planning					
Performance indicator	Actual achievement 2012/2013	Planned target 2013/2014	Actual achievement 2013/2014	Deviation from planned target to actual achievement for 2013/2014	Comment on deviations
Number of projects implemented in rural nodes logged at ISCs	Not reported on during this period	55	89	34	Eighty nine (89) projects were logged at the various ISCs during 2013/14 as a result of commitment expressed by the various stakeholders and government departments working in support of the CRDP.
People trained in rural nodes	1 303	1 400	2 419	1 019	As many as 2 419 people attended training sessions in various areas in the rural nodes during 2013/14. The sub-programme does not have control over how many people ultimately participate in training sessions in these nodes in the Province, because the sessions are arranged by various stakeholders and departments. The overachievement on this target could also be attributed to improved reporting by the various departments.
Rural Development (PSO11 work group) meetings coordinated for the Province	3	4	4	0	
Interdepartmental Steering Committee engagements coordinated	Not reported on during this period	40	40	0	

Sub-programme 8.2: Farm Worker Development					
Performance indicator	Actual achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
<b>Provincial specific indicators</b>					
Number of farm workers and their family members included in life skills training and development programmes	2 391	1 980	30 830	28 850	The target for the year is estimated before the receipt of project funding applications which includes the number of training beneficiaries to be targeted per project. To allow for more accurate target setting the funding advertisement process was brought forward for the 2014/15 financial year.
Number of farm worker development related District Forum meetings attended	32	12	36	24	In terms of rural nodal development, community development officers were involved in most ISC meetings hosted in the regions. The inclusion of these engagements was overlooked in the determination of the annual target and indicator definitions.
Number of farm workers and their family members assisted through the referral system	552	350	495	145	The higher number of referrals can be attributed to the roll-out of regular Thusong mobile events that were hosted across the Province and the helpline that was advertised from May 2013.
Number of regional and provincial farm worker competitions hosted	15	15	16	1	Interest in participation in the regional competitions exceeded the expected participation level.
Number of farm worker development projects funded	18	10	15	5	The increase in projects supported can be attributed to the fact that the funding amount per project was reduced to allow for more projects to be assisted.

Sub-programme 8.2: Farm Worker Development					
Performance indicator	Actual achievement 2012/2013	Planned Target 2013/2014	Actual Achievement 2013/2014	Deviation from planned target to Actual Achievement for 2013/2014	Comment on deviations
Number of substance abuse awareness and prevention projects funded	4	4	4	0	
Number of municipal regions within a district with a completed farm worker database	0	2	1	(1)	This project is far more time-consuming than was initially expected. Only the Theewaterskloof municipality within the Overberg district was able to complete the database during the financial year. A lot of time was spent on the process of appointing suitable service providers as well as adapting the questionnaire to make it more applicable for the Department and other stakeholders.

### Contribution to the outcomes of Department's strategic goals

#### Increase agricultural economic opportunities in selected rural areas based on socioeconomic needs over a 10-year period

The Rural Development Coordination (RDC) programme, through its sub-programme: Development Planning aims to contribute towards creating vibrant, equitable and sustainable rural communities. Through this programme 16 rural development nodes have been activated across the Province of which four nodes were activated during the 2013/14 financial year. Nine COSs and five ISCs were established to support the recently-activated development nodes across the Province during this year. Eighty nine (89) projects in the rural development nodes led by various stakeholders have been captured, implemented and monitored during this reporting period. As many as 2 419 citizens in the rural development nodes have been trained in various subjects during the year. While broader economic development remains a challenge, the above achievements have taken the selected rural communities a step further.

The Farm Worker Development (FWD) sub-programme has focused on the roll-out of the Farm Worker Response Plan. This plan includes key projects such as the provincial-wide Farm Worker Survey which aims to gather information about the priority needs of farm workers in order to inform appropriate government response interventions.

Another pivotal project included in the plan is the farmer/farm worker case studies. Fifteen (15) case studies have been recorded and will be included in a publication that will enable sharing and dialogue on best practices, and success stories among farmers and farm workers. This publication is due to be launched in the second quarter of the new financial year.

Such and other efforts resulted in a total of 32 325 farm workers and their family members being reached by the Department. Of this total, 30 830 farm workers and their family members participated in training and development programmes, 495 were assisted through the referral system and development officers participated in 36 district forum engagements. In addition, fifteen (15) development projects were supported of which four focused on substance abuse. To support dialogue on farm worker issues the sub-programme's community development officers participated in 15 district forum engagements across the Province. The Farm Worker of the Year competition gained momentum with 16 regions participating with a record number of 921 farm workers who participated. This initiative has great potential to raise the profile of farm employees.

### Strategy to overcome areas of underperformance

#### CRDP rural nodes: 3-year phased process implementation completed

While five rural development nodes activated early in 2011 have exceeded the 3-year implementation period, the various phases, especially the infrastructure development and economic development phases, have not been completed. Development work is a process and when the 3-year rural development model was initially designed the challenges faced in implementing the CRDP were not clearly understood. An evaluation of the CRDP implementation in Dysseisdorp is currently being finalised and will cast light on the lessons learned to inform review processes. The Matzikama rural development node is currently in the final two phases of the model. The definition of the 'completion' of the implementation will need further refinement to ensure that future targets reflect the experience gained since 2010.

#### Number of municipal regions within a district with a completed farm worker database

The appointment of a service provider with clear deliverables and time frames supported by regular monthly engagement with the Department should promote improved delivery of surveys and report completion per region. Now that we have experience in managing this process and its associated challenges, targeting will be more realistic. For the 2014/15 financial year the survey will be rolled out to the West Coast and Eden District municipal areas. Two districts will be the focus for each year of a three-year cycle to ensure that the whole Province is surveyed to provide government with data that can inform service offerings. However, the three-year cycle needs to be repeated to ensure that updated data can be shared and services remain relevant.

#### Changes to planned targets

No in-year changes in performing indicators targets were made.

#### Linking performance with budgets

##### Sub-programme expenditure

Name of sub-programme	2013/2014			2012/2013		
	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
Development Planning	3 039	3 039	0	5 354	5 200	154
Farm Worker Development	16 167	16 167	0	10 760	10 760	0
<b>Total</b>	<b>19 206</b>	<b>19 206</b>	<b>0</b>	<b>16 114</b>	<b>15 960</b>	<b>154</b>

## 5. TRANSFER PAYMENTS

### 5.1 TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	Executing the functions and duties as contained in the Shareholder's Compact	24 148	24 019	To maintain Casidra's core business and manage three farms. Included is AIMS funds received R1 641 000. Spent R1.512 million and ordered R1.641million
Casidra SOC Ltd	For the implementation and administration of LandCare projects 2013/14 (1st tranche)	485	485	Due to the late receipt of the 1st & 2nd tranche payments, implementation was delayed. A total of R5.589 million(88%) was ordered against the 28 LandCare projects allocated for implementation. 10 of the 28 projects were completed within 2013/14.
Casidra SOC Ltd	For the implementation and administration of LandCare projects 2013/14 (2nd tranche)	2 342	2 342	
Casidra SOC Ltd	For the implementation and administration of LandCare projects 2013/14 (3rd tranche)	2 439	1 374	
Casidra SOC Ltd	For the implementation and administration of LandCare projects 2013/14 (4th tranche)	1 092	0	
Casidra SOC Ltd	For the implementation and administration of EPWP projects 2013/14	550	549	
Casidra SOC Ltd	For the implementation and administration of EPWP projects 2013/14	550	549	

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	For the implementation and administration of DESP projects 2013/14 (1st tranche)	255	255	Due to the late receipt of the first and second tranche payments, implementation was delayed. A total of R2.302 million (87%) was ordered against the 23 Departmental Equitable Share Projects (DESP) allocated for implementation. Eight (8) of the 23 projects were completed within 2013/14.
Casidra SOC Ltd	For the implementation and administration of DESP projects 2013/14 (2nd tranche)	1 275	1 275	
Casidra SOC Ltd	For the implementation and administration of DESP projects 2013/14 (3rd tranche)	860	614	
Casidra SOC Ltd	For the implementation and administration of DESP projects 2013/14 (4th tranche)	235	0	
Casidra SOC Ltd (CASP)	For the Institutionalisation and support of the COS regarding rural development coordination	1 180	350	Of the eight COS structures that were institutionalised, R250 000 was committed for their operational costs. An additional R550 000 was committed for the institutionalisation and establishment of six more COS in 2013/14.  Business support for cooperatives continued in all the nodes including access to funding and markets.
Casidra SOC Ltd (Vegetable Industry)	Establishing a collaborative relationship between the industry and the Western Cape Department of Agriculture (WCDoA) (1st tranche)	1 820	1 820	Demand-driven. Almost all the funds were allocated to 14 projects from August 2013, of which four were completed at year-end. Implementation is seasonal. Total of R3.654 million (35%) was ordered.
Casidra SOC Ltd (Vegetable Industry)	Establishing a collaborative relationship between the industry and the WCDoA (2nd tranche)	4 147	1 201	
Casidra SOC Ltd (Vegetable Industry)	Establishing a collaborative relationship between the industry and the WCDoA (3rd tranche)	4 533	0	

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd (Animal Industry)	Establishing a collaborative relationship between the industry and the WCDoA(1st tranche)	4 880	4 880	83% of the funds were allocated to 13 projects. The first funds were only received in August due to late payments from the DAFF for projects to start. A total of R11.013 million (56%) was ordered.
Casidra SOC Ltd (Animal Industry)	Establishing a collaborative relationship between the industry and the WCDoA (2nd tranche)	3 500	1 762	
Casidra SOC Ltd (Animal Industry)	Establishing a collaborative relationship between the industry and the WCDoA (3rd tranche)	5 435	0	
Casidra SOC Ltd (Animal Industry)	Establishing a collaborative relationship between the industry and the WCDoA (4th tranche)	5 815	0	
Casidra SOC Ltd	For implementing the 2013/14 farm worker development projects as well as the Western Cape Farm Worker of the Year regional competition's functions (1st tranche)	1 472	1 154	Service-level agreements were concluded with 16 non-profit entities to the value R1.39 million for capacity-building interventions to improve the livelihood of farm workers. An additional 16 competitions for farm workers were funded.
Casidra SOC Ltd	For implementing the 2013/14 farm worker development projects as well as the Western Cape Farm Worker of the Year regional competition's functions (2nd tranche)	960	0	The second tranche payment was received end of February 2014 and the funds will be utilised in the new financial year. A total of R1.154 million (47%) was ordered.

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (1st tranche)	1 800	1 800	A total of 87 community gardens, a World Food Day event and 747 home gardens were financed and projects were first funded from 2012 available funding. Since August new projects were approved from these funds and seasonal requirements resulted in projects not being implemented in the dry season. A total of R4.952 million (52%) was ordered.
Casidra SOC Ltd	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (2nd tranche)	2 700	2 700	
Casidra SOC Ltd	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (3rd tranche)	5 000	285	
Casidra SOC Ltd	For implementing the 2013/14 farm worker development projects and training	3 505	237	A total of 6 099 training days were undertaken to develop farmers and farm workers. Funds from the previous year were still available to be spent first. A total of R2.845 million (81%) was ordered.
Casidra SOC Ltd (Viticulture)	Establishing vineyards for the wine industry and other new farmers (1st tranche)	3 626	3 626	The full amount was allocated to eight projects, but funding was only received in September and in December. Spending is seasonal. A total of R4.12 million (37%) was ordered.
Casidra SOC Ltd (Viticulture)	For the purpose of establishing a collaborative relationship between the industry and the WCDoA (2nd tranche)	3 945	327	
Casidra SOC Ltd (Viticulture)	For the purpose of establishing a collaborative relationship between the industry and the WCDoA (3rd tranche)	3 501	0	



Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	Establishing vineyards for the table grape industry and other new farmers (1st tranche)	3 860	3 644	The funds were all allocated to four projects. A total of R4.008 million (35%) was ordered at year-end. The funds were only received in September 2013 and included the establishment of orchards that can only be done in the winter of 2014.
Casidra SOC Ltd	Establishing vineyards for the table grape industry and other new farmers (2nd tranche)	4 571	0	
Casidra SOC Ltd	Establishing vineyards for the table grape industry and other new farmers (3rd tranche)	3 127	0	
Wesgro Agribusiness Investment Unit	Investing in future agriculture business ventures to attract foreign investment relating to agricultural development (1st tranche)	690	690	RNT Snacks: Fifteen (15) jobs were created and an investment value of R15 million committed. Montagu Dried Fruit: Seventy (70) jobs were created and an investment value of R20 million committed.
Wesgro Agribusiness Investment Unit	Investing in future agriculture business ventures to attract foreign investment relating to agricultural development (2nd tranche)	690	334	Freezerlink: Twenty (20) jobs were created and an investment value of R30 million committed. Henties: Twenty (20) jobs were created and an investment value of R40 million committed. New, quality investment projects brought into the pipeline of six. Outward missions to Dubai and Germany with a total of 25 engagements successfully generated five quality leads from international sources.
Casidra SOC Ltd	For the purpose of supporting the unit for technical assistance (1st tranche)	2 000	475	Assistance was given with three business plans for new farmers and 84 other technical queries were dealt with. The unit was established mid-year 2011, resulting in spending that needs roll-over every year. Total of R1.876 million (33%) was ordered.
Casidra SOC Ltd	For the purpose of supporting the unit for technical assistance (2nd tranche)	3 654	0	

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	For the purpose of implementing the SimFini financial record-keeping programme for the 2013/14 financial year (1st tranche)	661	156	Funds from the previous year were still available to be spent first. A total of R1.071 million (91%) was ordered. This is a 12-month programme and will be completed in the second quarter of 2014/15.
Casidra SOC Ltd	For the purpose of implementing the Simfina financial record-keeping programme for the 2013/14 financial year (2nd tranche)	517	0	
Casidra SOC Ltd	For the purpose of implementing rural development projects (1st tranche)	2 500	0	The project for the processing of products was designed by engineers and planned during the year. Implementation started in the first quarter 2014. The land transfer of the erven delayed the delivery.
Casidra SOC Ltd	For the purpose of implementing rural development projects (2nd tranche)	1 500	0	
Casidra SOC Ltd (Mechanisation)	Establishing a collaborative relationship between the industry and the Western Cape (1st tranche)	2 500	1 376	72 tractors and implements were distributed to 73 beneficiaries and managed on a monthly basis. Due to the late arrival of funds from DAFF (December 2013), the project was approved under reallocated funds and started with implementation in June 2013. Total of R1.595 million (39%) was ordered.
Casidra SOC Ltd (Mechanisation)	Establishing a collaborative relationship between the industry and the Western Cape (2nd tranche)	1 600	0	
Casidra SOC Ltd (Vegetable Seed)	Establishing a collaborative relationship between the industry and the WCDoA	2 000	0	Funds were received in December 2013 and the CPAC could not evaluate projects in time for approvals.
Casidra SOC Ltd	To provide comprehensive support to existing and new projects to access domestic and international markets	2 000	0	Funds from the previous year were still available to be spent first.

Name of public entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	Achievements of the public entity
		R'000	R'000	
Casidra SOC Ltd	For the implementation and administration of the Berg River Project for the remainder of the financial year 2013/14	1 000	28	Nine hectares were cleared from alien vegetation. Project spending was first paid from another fund that was implemented concurrently and funds had to be spent by the end of the year. Project was completed in May 2014. A total of R0.978 million (97%) was ordered.
Casidra SOC Ltd	For the payment of clinical services rendered by private veterinarians to smallholder livestock farmers	100	12	Five (5) farmers were assisted with veterinary services. Demand-driven service and provision for animal disease emergencies.
Casidra SOC Ltd	For the purpose of providing relief to farmers who were victims of the 2012 floods in the Western Cape as set out in the disaster framework	1 517	0	Project was referred to Casidra in March 2014. Implementation prioritised for 2014/15.
Casidra SOC Ltd (Fencing project)	For the purpose of establishing a collaborative relationship between the industry and the WCDoA	3 000	0	Project was referred to Casidra in March 2014. No time for implementation.
National Agricultural Marketing Council	Contribution towards the market access, supply chain and logistics development programme for black smallholder and commercial farmers in the fruit industry	500	123	Technical support - production Market linkages – assistance with access to market Development of business plans for Ceres farmers (2).

Casidra SOC Ltd is the main implementing agent of the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema grants for projects with regard to the following commodities: vegetables, beef, poultry, ostrich, piggery, aquaculture, viticulture and all other commodities not implemented by the Agri Mega Group (See 5.2) and the Deciduous Fruit Producers Trust (See 5.2). The requested narrative for the rest of the institutions being transferred to is mentioned under purpose in the following table.

All the transfers are done in terms of Memoranda of Agreement (MOA), except for the amount of R24.148 million (amount at the top of the table), which was done in terms of the Shareholder's Compact with Casidra SOC Ltd.

All transfers that are linked to MOAs also have reporting prescripts, including spending, for the scrutiny of the Department. In the case of Casidra SOC Ltd, monthly financial reporting is done and a quarterly

narrative report is also submitted, including spending progress. In all other cases the MOA will stipulate reporting within the practical parameters of that specific project.

In cases where full spending did not take place, the funds are expected to be fully spent before 31 March 2015.

## 5.2 TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2013 to 31 March 2014

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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Agri Mega (Sheep and Wool)	Non-profit company	Establishing a collaborative relationship between the industry and the WCDoA (1st tranche)	Yes	3 206	1 506	100% of amount allocated to projects. 97% of unspent funds have been ordered. The slow spending can be attributed to the seasonal nature of the industry since weather conditions also play a part, especially with the erection of infrastructure for feedlots.
Agri Mega (Sheep and Wool)	Non-profit company	Establishing a collaborative relationship between the industry and the WCDoA (2nd tranche)	Yes	4 260	0	60% of funds received have been allocated to projects and the rest of funds will be allocated between April and June 2014. The funds were only received in the fourth quarter, with spending to take place in the first and second quarter of 2014/15.
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (1st tranche)	Yes	5 592	5 592	
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (2nd tranche)	Yes	4 056	1 244	100% of funding is allocated to projects. Spending is low as a result of the seasonal nature of the industry and funds were only received in October 2013.

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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (3rd tranche)	Yes	1 000	587	Project is still in progress.
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (4th tranche)	Yes	2 156	0	Suppliers not complying with supply chain requirements causing delays with regard to implementation. No spending is also attributed to the seasonal nature of the industry, because the planting season only starts in May.
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (5th tranche)	Yes	2 372	0	Suppliers not complying with supply chain requirements causing delays with regard to implementation. No spending is also attributed to the seasonal nature of the industry, because the planting season only starts in May.
Deciduous Fruit Producers Trust	Trust	Establishing fruit orchards for the fruit industry and other new farmers (6th tranche)	Yes	5 211	0	Funds approved at DPAC in the fourth quarter and only transferred at the end of the fourth quarter. Alternative crops have been incorporated under the fruit CPAC and spending on the approved project will commence from April – September 2014.
Western Cape Economic Development Partnership	NPC	Facilitating the FARE Project (Future of Agriculture and the Rural Economy process) in the Western Cape (1st tranche)	Yes	3 000	3 000	

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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Western Cape Economic Development Partnership	NPC	Facilitating the FARE Project (Future of Agriculture and the Rural Economy process) in the Western Cape (2nd tranche)	Yes	1 500	220	<p>In progress:</p> <p>FARE Phase 2 – Development of Phase 2 concept:</p> <ul style="list-style-type: none"> <li>◆ Monitoring and accountability online tool.</li> <li>◆ Social dialogue platform concept and implementation in regional pilot areas.</li> <li>◆ Engagements with stakeholders and design teams for concept design.</li> </ul> <p>Social dialogue platform:</p> <ul style="list-style-type: none"> <li>◆ Partnership between WIETA, the Western Cape Economic Development Partnership and the Institute for Development and Labour Law at the University of Cape Town.</li> </ul> <p>Partnership Exchange Laboratory (PEX Lab):</p> <ul style="list-style-type: none"> <li>◆ To be hosted in June 2014.</li> <li>◆ Opportunity for stakeholders to engage in the subject matter of partnership and sustainable development in the rural economy and agricultural sector. It consists of a Thought Leaders' Dinner and a full day PEX Lab.</li> </ul>

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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Agri Mega	Non-profit company	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (1st tranche)	Yes	5 431	5 431	
Agri Mega	Non-profit company	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (2nd tranche)	Yes	4 674	78	100% of funds transferred has been allocated and ordered. Funds were only received in the fourth quarter.
Agri Mega	Non-profit company	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (3rd tranche)	Yes	3 039	0	4% of amount transferred has been ordered. 100% of the funds have been allocated, but the funds were only received towards the end of the fourth quarter.
Vinpro NPC	Non-profit company	For the implementation of the Wines Initiative for Ethical Trade Association (WIETA) standard in the wine industry	Yes	1 000	174	Delayed implementation was the result of an addendum to the existing MOA that had to be drafted, but funds will be spent, because there is a plan in place.

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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Agri Mega	Non-profit company	Establishing a collaborative relationship between the grain industry and the WCDoA (1st tranche)	Yes	5 470	1 975	Funds were only received in the third quarter. 60% of the amount transferred has been allocated to projects. 46% of the unspent funds have been ordered. The planting season only starts in April, which will result in an increase in spending.
Agri Mega	Non-profit company	Establishing a collaborative relationship between the grain industry and the WCDoA (2nd tranche)	Yes	3 000	0	Funds were only received at the end of the fourth quarter. The planting season only starts in April.
Stellenbosch University	Higher Education Institution	Funding the Agrifutura project	Yes	132	132	
Wines of South Africa	Non-profit company	Transfer funds to Wines of South Africa for promotional events in China	Yes	261	261	
Agri Mega	Non-profit company	For the purpose of hosting the 2014 Bien Donne Agri Cape Week	Yes	1 660	1 660	
Agri Mega	Non-profit company	Implementing the Household Food Production Programme to enhance household food security of the vulnerable (4th tranche)	Yes	2 476	0	80% of funds transferred have been allocated. Funds were only received at the end of the fourth quarter.
Various municipalities	Local government	Vehicle licences	No	57	57	



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	Amount spent by the entity	Reasons for the funds unspent by the entity
				(R'000)	(R'000)	
Government Motor Transport	Departmental account	Expand departmental fleet	No	235	235	
Department of the Premier	Provincial department	TV licences	No	9	9	
South African Revenue Services	Constitutional Chapter 9 Institution	Excise duties	No	160	160	
Households	Individuals	Bursaries, leave gratuity, severance packages	No	4 100	4 100	

All transfer payments budgeted for were paid.

The Agri Mega Group is responsible for implementing projects for the sheep and wool, dairy and grain industries. The Deciduous Fruit Producers' Trust is responsible for implementing projects within horticulture with deciduous fruit being the major commodity here. The requested narrative for the rest of the institutions being transferred to is mentioned under purpose in the table above.

All the transfers are done in terms of Memoranda of Agreement.

All transfers that are linked to MOA also have reporting prescripts, including spending, for scrutiny by the Department.

In the case of Agri Mega Group and Deciduous Fruit Producers' Trust a quarterly narrative report is also submitted, including spending progress. In all other cases the MOA will stipulate reporting within practical parameters of that specific project.

In all cases where full spending did not take place the funds are expected to be fully spent before 31 March 2015.

**The table below reflects the transfer payments that were budgeted for in the period 1 April 2013 to 31 March 2014, but no transfer payments were made**

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for	Amount transferred	Reasons why funds were not transferred
		(R'000)	(R'000)	
Cape of Good Hope Society for Prevention of Cruelty to Animals (SPCA – GH)	<ul style="list-style-type: none"> <li>• An effective curbing of pet over-population in the Western Cape</li> <li>• Promotion of responsible pet ownership through humane education</li> <li>• Curbing of the risk of zoonosis, especially rabies</li> </ul>	500	0	Administrative reporting delay on previous transfer. Transfer took place in April 2014.
Stellenbosch University (US)	Bursaries	250	0	Agreement between US and the Elsenburg Agricultural Training Institute (EATI) that money may be used for bursaries.

## 6. CONDITIONAL GRANTS

### 6.1 CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

No conditional grants were paid to departments or municipalities.

### 6.2 CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

#### Conditional Grant: Comprehensive Agricultural Support Programme

<b>Department that transferred the grant</b>	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 restitution and redistribution, and other previously disadvantaged producers who acquired land through private means, and are engaged in value-adding enterprises domestically, or involved in export. To address damage to infrastructure caused by floods.

Expected outputs of the grant	Output Description	Expected Output
	Farmers supported per category (subsistence, smallholder and black commercial)	Subsistence – 90 Smallholder – 180 Black commercial - 200
	Youth, women and farmers with disabilities supported through CASP	Youth – 1 500 Women – 500 Disabled – 3
	On and off-farm infrastructure provided and repaired	Marketing and storage facilities – 3 Processing facilities – 5 Other agricultural facilities e.g. feedlots – 10 Water and irrigation systems – 8 Fencing – 1
	Beneficiaries of CASP trained in farming methods	30
	Beneficiaries of CASP accessing markets	400
	Jobs created	Male – 240 Female – 140
	Extension personnel recruited and maintained in the system	79
	Extension officers upgrading qualifications at various institutions	11
	Successful partnership created to support farmers	10
	Hectares of land ploughed and planted	309

<b>Actual outputs achieved</b>	<b>Output description</b>	<b>Actual output</b>
	Farmers supported per category (subsistence, smallholder and black commercial)	Subsistence – 110 Smallholder – 206 Black commercial - 226
	Youth, women and farmers with disabilities supported through CASP	Youth – 1 729 Women – 652 Disabled – 4
	On and off-farm infrastructure provided and repaired	Marketing and storage facilities – 3 Processing facilities – 7 Other agricultural facilities e.g. feedlots – 12 Water and irrigation systems – 8 Fencing – 2
	Beneficiaries of CASP trained in farming methods	36
	Beneficiaries of CASP accessing markets	432
	Jobs created	Male – 262 Female – 174
	Extension personnel recruited and maintained in the system	79
	Extension officers upgrading qualifications at various institutions	7
	Successful partnership created to support farmers	10
	Hectares of land ploughed and planted	652
<b>Amount per amended DORA (R'000)</b>	104 859	
<b>Amount received (R'000)</b>	104 859	
<b>Reasons if amount as per DORA was not received</b>	All amounts per DORA were received	
<b>Amount spent by the Department (R'000)</b>	104 859	
<b>Reasons for the funds unspent by the entity</b>	All amounts were spent	
<b>Reasons for deviations on performance</b>	Delayed transfer of grant and decision not to fund dairy and grain commodities	
<b>Measures taken to improve performance</b>	The reasons above to be cleared with DAFF	
<b>Monitoring mechanism by the receiving Department</b>	Commodity Project Allocation Committees (CPACs) report on a monthly and quarterly basis to the Department on project progress and expenditure. Extension officers do monthly monitoring on projects by making site visits and using the SmartPen.	

### Conditional Grant: Comprehensive Agricultural Support Programme (Disaster Relief)

<b>Department that transferred the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	Disaster relief after the 2011/12 floods
<b>Expected outputs of the grant</b>	Construction of river erosion protection works to prevent the loss of valuable agricultural land
<b>Actual outputs achieved</b>	Started the process to compile Environmental Impact Assessments (EIAs) for the planned construction works
<b>Amount per amended DORA</b>	1 517
<b>Amount received (R'000)</b>	1 517
<b>Reasons if amount as per DORA was not received</b>	All amounts per DORA were received
<b>Amount spent by the Department (R'000)</b>	1 517
<b>Reasons for the funds unspent by the entity</b>	All amounts were spent
<b>Reasons for deviations on performance</b>	No deviation from performance
<b>Measures taken to improve performance</b>	None necessary
<b>Monitoring mechanism by the receiving Department</b>	Monthly reports to DAFF

### Conditional Grant: Ilima/ Letsema

<b>Department that transferred the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	To assist vulnerable 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>	<b>Output description as per framework</b>	<b>Expected output</b>
	Hectares planted and ploughed	138
	Tonnes produced within agricultural development corridors, e.g. maize and beans	0
	Beneficiaries/farmers supported by the grant per category	Subsistence – 400 Smallholder – 200 Black commercial – 20
	Hectares of rehabilitated and expanded irrigation schemes	0
<b>Actual outputs achieved</b>	<b>Output description as per framework</b>	<b>Actual output</b>
	Hectares planted and ploughed	185
	Tonnes produced within agricultural development corridors, e.g. maize and beans	0
	Beneficiaries/farmers supported by the grant per category	Subsistence – 458 Smallholder – 271 Black commercial – 29
	Hectares of rehabilitated and expanded irrigation schemes	0
<b>Amount per amended DORA (R'000)</b>	51 737	
<b>Amount received (R'000)</b>	51 737	
<b>Reasons if amount as per DORA was not received</b>	All amounts per DORA were received	
<b>Amount spent by the Department (R'000)</b>	51 737	
<b>Reasons for the funds unspent by the entity</b>	All amounts were spent	
<b>Reasons for deviations on performance</b>	No deviations other than exceeding targets	
<b>Measures taken to improve performance</b>	No underperforming targets	
<b>Monitoring mechanism by the receiving Department</b>	CPACs report on a monthly and quarterly basis to the Department on project progress and expenditure. Extension officers do monthly monitoring on projects by making site visits and using the SmartPen.	

### Conditional Grant: LandCare

<b>Department that transferred the grant</b>	Department of Agriculture, Forestry and Fisheries	
<b>Purpose of the grant</b>	To promote sustainable use and management of natural resources by engaging in the initiatives which 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>	<b>Output description</b>	<b>Expected output</b>
	Number of awareness campaigns conducted on LandCare	6
	Number of capacity building exercises conducted within approved LandCare projects	6
	Number of farm land hectares improved through conservation measures	1 000 ha
	Number of green jobs created through LandCare	90
	Number of area-wide planning projects	10
	Number of protection works	150
	Number of drainage works	50
	Number of veld utilisation works	100
	Number of EPWP person days	27 000
	Number of youth attending junior LandCare initiatives	7 000

<b>Actual outputs achieved</b>	<b>Output description</b>	<b>Actual output</b>
	Number of awareness campaigns conducted on LandCare	6
	Number of capacity-building exercises conducted within approved LandCare projects	6
	Number of farm land hectares improved through LandCare conservation measures	29 076 ha
	Number of green jobs created through LandCare	145
	Number of area-wide plannings	0
	Number of protection works	34
	Number of drainage works	45
	Number of veld utilisation works	143
	Number of EPWP person days	25 897
	Number of youth attending junior LandCare initiatives	7 192
<b>Amount per amended DORA (R'000)</b>	7 233	
<b>Amount received (R'000)</b>	7 233	
<b>Reasons if amount as per DORA was not received</b>	All amounts per DORA were received	
<b>Amount spent by the Department (R'000)</b>	7 233	
<b>Reasons for the funds unspent by the entity</b>	All amounts were spent	
<b>Reasons for deviations on performance</b>	No deviations from performance	
<b>Measures taken to improve performance</b>	None necessary	
<b>Monitoring mechanism by the receiving Department</b>	Monthly monitoring of expenditure vs project implementation and reaching the objectives of the project. At the end of the year an evaluation of the projects is done.	



### Conditional Grant: Extended Public Works Programme

<b>Department that transferred the grant</b>	Department of Public Works
<b>Purpose of the grant</b>	Create 27 000 person days of jobs for unemployed rural people
<b>Expected outputs of the grant</b>	27 000 person days of jobs
<b>Actual outputs achieved</b>	35 338 person days of jobs
<b>Amount per amended DORA (R'000)</b>	550
<b>Amount received (R'000)</b>	550
<b>Reasons if amount as per DORA was not received</b>	All amounts per DORA were received
<b>Amount spent by the Department (R'000)</b>	550
<b>Reasons for the funds unspent by the entity</b>	All amounts were spent
<b>Reasons for deviations on performance</b>	No deviations from performance
<b>Measures taken to improve performance</b>	None necessary
<b>Monitoring mechanism by the receiving Department</b>	Monthly and quarterly EPWP reports submitted

All objectives were met with the CASP, Ilima/Letsema, LandCare and EPWP grants.

Programme: SRM received a LandCare grant of R7.233 million for the implementation of projects aimed at restoring sustainability to land and water management in both rural and urban areas. It encompasses integrated sustainable natural resource management where the primary causes of natural resource decline are recognised and addressed.

The full LandCare grant of R7.233 million was spent on 44 approved projects.

Programme: SRM received a grant for EPWP amounting to R550 000. The full amount was spent on one project for the clearing of alien plants by using unemployed local labour.

Programme: SRM received a CASP grant for disaster relief after the 2011/12 floods amounting to R1.517 million. The full amount was spent.

Programme: FSD received in total R156.596 million for conditional grants. The spending can be broken down as follows per grant:

1. Comprehensive Agricultural Support Programme:
  - Implement infrastructure projects amounting to R83.155 million
  - Extension Revitalisation Programme funding amounting to R21.704 million.
2. Ilima/Letsema:
  - Implement Ilima/Letsema projects amounting to R51.737 million.

The Programme: FSD utilised three implementing agents with Casidra still being the main implementing agent receiving R87.91 million and also acts as the secretariat for the animal, vegetable, viticulture and table grape industries, as well as food security projects. They are also responsible for the implementation of some strategic projects on behalf of the Department. The Deciduous Fruit Producers' Trust received R20.387 million for the fruit commodity. Agri Mega received R23.086 million representing the dairy, grain and sheep and wool industries. The programme complied with DORA by utilising its allocated budget for its intended purpose. The Department worked within the conditions of the Act and also within the frameworks of CASP and Ilima/Letsema. Eight commodity groups in the Western Cape were supported in this way to establish new farmers within their ranks.

Programme: SAET received an amount of R3.6 million CASP funding to initiate the implementation of the nationally-accepted set of Norms and Standards for Agricultural Training Institutes.

The amount of R3.509 million was spent on the five pillars (infrastructure development, learning programmes and quality assurance, training of staff, strengthening governance and curricula review and provision of Information and Communications Technologies (ICT)).

The total amount of R165.896 million for all four grants was received in four quarterly tranches as published, albeit the first tranche of CASP and Ilima/Letsema was only received on the last working day of the first quarter.

All the above grants were deposited into the accredited bank account of the Provincial Treasury.

CASP, Ilima/Letsema, LandCare and EPWP quarterly reports, as well as monthly financial reports were submitted on time as required by DORA.

## **7. DONOR FUNDS**

No donor assistance was received.

## 8. CAPITAL INVESTMENT

### 8.1 CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

The departmental asset management plan was done, linked to the budget and implemented.

The fifth Infrastructure Asset Management Plan (IAMP) in terms of the Government Immovable Asset Management Act, 2007 (Act 19 of 2007) (GIAMA) was completed and will form the basis for the accommodation, maintenance and capital needs of the Department for the next five years. Of major concern is the deterioration of the infrastructure, sewerage and water resources at the Head Office of the Department at Elsenburg.

The laboratories and other research buildings are inadequate for the research work needed and considerable upgrading has to be done to meet the standards for the Health and Safety Act and other ISO standards. A plan to totally redesign the Department's outdated research infrastructure facilities is taken up in the IAMP.

Similarly the Department is in need of a Campus Plan for its College infrastructure and facilities. This has also been taken up in the IAMP.

Water-supply problems continued during the reporting year at the Head Office and have emphasised the urgent need for an Elsenburg resources master plan. This plan is part of the IAMP.

Completed building projects will be reported on by the Department of Transport and Public Works (DTPW) (Vote 10) as the budget and all processes are the responsibility of this department.

There are no plans to close down or downgrade any current facilities.

At present, the Department does not keep to its own maintenance schedule in terms of immovable assets and infrastructure and is solely reliant on the provincial DTPW for its maintenance needs, since it is centralised with them in the Province.

The Department of Agriculture, Forestry and Fisheries (DAFF) transferred 72 tractors and 324 related implements to the Department in 2012/13. The value of these tractors and implements amounting to R38.6 million was added to the Department's asset register as at 31 March 2014. However, these items were transferred to Casidra during the 2013/14 financial year to create mechanisation centres for the support of emerging farmers. This is once-off. Outlier is to be considered in the rather big decline in implements in the financial statements.

Assets with a cost value of R5.5 million, but no book value were written off and sold as scrap or disposed of.

Losses in terms of assets during the year were for theft (R75 000) and vehicles (R67 000).

The Department is per prescript using LOGIS as an asset register. This system meets the minimum conditions of asset record-keeping and is a constraint as an asset management tool, especially where the asset register is sizable as in the case of this Department where line items in excess of 30 000 are kept. It cannot provide for all the needs of changing biological assets.

A monthly reconciliation between LOGIS and BAS ensures an updated asset register.

The condition of moveable assets varies from very good to poor. Firstly, there are vehicles (sedans and one-tonners) that are mostly in a good maintained condition, but the buses and bigger trucks are already beyond the normal replacement date. However, this situation improved with one bus being replaced this year. The condition of tractors and other implements on the research farms has improved when compared

to previous years with a couple of new replacements. The normal lifespan of the tractors is eight years. We are still exceeding this, but have improved on the previous year's average. The condition of expensive high technology equipment like seed planters, combine harvesters and crop spraying equipment varies from average to poor with some being irreparable and replacement is unaffordable.

All major maintenance projects on infrastructure will be reported on by the DTPW (Vote 10), because the budget and all processes lie with them. No other major maintenance projects were undertaken.

The complete list of infrastructure maintenance remains longer than the available funding and capacity can support and this is a growing concern.

The maintenance of other asset items is under control.

No major capital projects were undertaken.



# Part C:

## Governance

Introduction	150
Risk management	151
Fraud and corruption	152
Minimising conflict of interest	153
Code of conduct	154
Health safety and environmental issues	155
Standing committees	155
Scopa resolutions	156
Prior modifications to audit reports	157
Internal control unit	158
Internal audit and audit committees	158
Audit committee report	160

## 1. INTRODUCTION

The Department views good corporate governance as an essential building block for success. Good governance is essentially about effective leadership and embodies all processes and systems by which institutions are directed, controlled and held accountable. Governance is therefore a fundamental element in ensuring that public finances and resources are utilised effectively, efficiently and economically.

The Department has an approved strategic plan (setting out the Department's policy priorities, programmes and project plans for a five-year period) and an annual performance plan (setting out what the Department intends doing in the coming financial year and during the Medium-Term Expenditure Framework (MTSF) to implement its strategic plan. Performance indicators and targets are set to assist the Department in realising its goals and objectives as set out in the annual performance and strategic plans.

Quarterly performance reports provide progress updates on the implementation of the Department's Annual Performance Plan (APP) with particular reference to monitoring delivery against quarterly performance targets. The aforementioned takes place in accordance with Chapter 5 of the National Treasury Regulations and ensures that financial and non-financial performance information underpins planning, budgeting, implementation management and accountability reporting to promote transparency and expenditure control towards the economic, efficient and effective use of public resources.

With reference to the King III Report on Corporate Governance and sections 38 to 40 of the Public Finance Management Act, 1999 (Act 1 of 1999), this Department puts extra emphasis on the responsibilities of the Accounting Officer (AO) to ensure that its revenue, expenditure, assets and liabilities are managed effectively and efficiently.

The King III report highlights the role of the internal audit as an assurance provider on governance, risk management and control processes. Risk-based auditing is therefore a central focus of King III. A system of internal audit under the control and direction of the audit committee is in place. The audit committee is established as an oversight body providing oversight over the internal audit, external audit, financial reporting, governance and risk management processes. The audit committee has adopted appropriate formal terms of reference (TOR), while the activities of internal audits are governed by an approved Internal Audit Charter. The Department has an established Enterprise Risk Management Committee (ERMCO). The duties of ERMCO are set out in its formal TOR.

A number of other departmental structures are also in place and contribute to the improvement of governance. These include an established (i) health and safety committee, as well as a safety and security committee; (ii) departmental information technology committee (DITCOM) which, among others, is responsible for information technology governance; (iii) internal control unit, which renders financial compliance management support and maintains the governance improvement plan for the Department; (iv) compliance monitoring function within supply chain management; and (v) management performance assessment committee, which oversees the assessment of performance with regard to the Management Performance Assessment Tool that assesses the quality of management practices across a comprehensive range of management areas.

In addition, the Department realised that external independent evaluations of specific projects and programmes can add value to the implementation and management frameworks by adjusting these to deliver better services to the Department's clients. A rolling departmental evaluation plan for three years has been developed and submitted to the Department of the Premier (which is the provincial coordinator). This serves as the Department's contribution to the provincial evaluation plan that was approved by Cabinet. The first three (3) evaluations have been completed and two (2) more will be completed by the end of May 2014. A further ten (10) evaluations are scheduled for the 2014/15 financial year.

## 2. RISK MANAGEMENT

The AO's responsibility for Enterprise Risk Management (ERM) emanates from section 38 (1) (a) (i) of the PFMA that requires that the AO for a department must ensure that the department has and maintains an effective, efficient and transparent system of financial and risk management and internal control. The AO for the Department of Agriculture takes responsibility for implementing ERM in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) with the support of the Directorate: Enterprise Risk Management (D:ERM) in the Department of the Premier. D:ERM provides a centralised strategic support service to the Department.

In compliance with the PSRMF and to further embed risk management within the Department, the Western Cape Government (WCG) has adopted an ERM policy which sets out the WCG's overall intention with regard to ERM in support of its vision: 'To be the best-run regional government in the world'.

The Department has an approved Risk Management Strategy as well as an ERM implementation plan to give effect to the ERM policy in a structured, coherent and systematic manner. This enables the Department to deliver on its departmental goals, objectives and key performance indicators, enhance risk-informed decision making and optimise compliance with applicable legislation. It further outlines the roles and responsibilities of managers and staff in embedding risk management in the Department and defines the enabling legislation, standards, mechanisms, tools and resources to be used to realise the ERM plan.

During the period under review, the Department assessed its risks relative to its strategic and annual performance plan. Risk assessments are conducted on strategic and programme level, while risk registers are reviewed and assessed regularly. The review/assessment includes the identification of new and/or emerging risks as well as the assessment of risks on an inherent and residual basis (after devising and implementing mitigating control strategies) and devising risk treatments for risks carrying an unacceptable level.

The Department has an established Enterprise Risk Management Committee (ERMCO) that assists the AO in executing his or her respective responsibilities regarding risk management. The Committee operates under approved TOR and provides governance oversight over the entire system of risk management of the Department. It ratifies, prioritises and further recommends to the AO which significant risks are mitigated with an appropriate risk response/treatment in order to meet the departmental strategic objectives.

The Committee comprises of select members of the Department's senior management team. As per its TOR, the Committee should meet four times a year (quarterly). The Committee meetings during the financial year under review were attended as follows:

Member	Position	Scheduled meetings	Attended
Ms. Joyene Isaacs	Accounting Officer (Chairperson)	3	3
Mr. Dudley Adolph	DDG: Agricultural Development and Support Services (Acting)	3	3
Dr. Gininda Msiza	CD: Veterinary Services	3	3
Dr. Ilse Trautmann	CD: Research and Technology Development Services	3	2
Mr. Marius Paulse	CD: Structured Agricultural Education and Training	3	3
Mr. Mogale Sebopetsa	CD: Farmer Support and Development (Acting)	3	3
Ms. Antonia Xaba	CD: Rural Development Coordination (Acting)	3	2
Mr. Floris Huysamer	Chief Financial Officer	3	3
Ms. Rashidah Wentzel	Director: Operational Support Services	3	1



Member	Position	Scheduled meetings	Attended
Mr. Andre Roux	Director: Sustainable Resource Management	3	3
Ms. Bongiswa Matoti	Director: Agricultural Economic Services	3	3
Ms. Beulah Misrole (Resigned 30 March 2014)	Director: Enterprise Risk Management	3	0
Dr. Dirk Troskie	Director: Business Planning and Strategy	3	2
Ms. Petro Van Rhyn	Manager: Communication Services	3	3
Mr. Werner Van Zyl	Manager: Internal Control	3	3

Note: Q2 ERMCO meeting was not scheduled and held due to other commitments and priorities.

The Audit Committee's responsibilities towards risk management are defined in the Audit Committee Charter. The Audit Committee provides an independent oversight of the Department's system of risk management. The committee is furnished with quarterly ERM progress reports and departmental risk profiles and registers to execute their independent oversight role. The Audit Committee's evaluation of the risk management process is in relation to the progress of implementation of the Department's annual ERM implementation plan and significant/strategic risks faced by the Department and its relevant risk response/treatment strategies.

While it is acknowledged that not all risks can be eliminated, it is good practice to acknowledge that risk management is an essential enabler for the desired risk management culture that will support the WCG and the Department's efforts to meet objectives, maximise opportunity and minimise adverse consequences.

While great strides have been made with institutionalisation of ERM, the Department will continue to embed ERM as risk maturity increases. During the latter part of the 2013/14 financial year a risk maturity assessment was conducted by the D: ERM within the Department of the Premier (Corporate Assurance). The assessment entailed assessing the departmental risk maturity against a set of standards. Assessed against the previous maturity assessment (conducted during 2012/13) the Department's risk maturity increased.

Through the institutionalisation of ERM, 'renewed' focus has been placed on the monitoring of performance. This includes regular monitoring of performance against predetermined objectives in order to identify and implement remedial measures in a timely manner (to maintain and improve performance). Departmental performance (against predetermined objectives) is also reported quarterly to the Audit Committee.

### 3. FRAUD AND CORRUPTION

The WCG adopted an Anti-Corruption Strategy which confirms the Province's zero tolerance to fraud and corruption. The Department has an approved Fraud Prevention Policy and plan which is aligned to the Provincial Anti-Corruption Strategy.

As part of the Fraud Prevention Plan an implementation plan has been developed. Progress against planned activities is provided quarterly to ERMCO. During the year the Department focused on a number of key focus areas. This included the roll-out of various anti-corruption initiatives as well as the performance of a departmental fraud risk assessment in collaboration with the Forensic Investigative Unit (FIU).

With respect to whistle-blowing, a number of channels to promote and facilitate effective, varied and anonymous mechanisms to report suspected fraud, theft and corruption exist. These channels are described in detail in the provincial Anti-Corruption Strategy and the departmental Fraud Prevention Plan and include the following, among others:

- report to management;
- report directly to the FIU, and
- National Anti-Corruption Hotline (NACH) – 0800 701 701.

We protect employees who blow the whistle on suspicions of fraud, corruption and theft if the disclosure is a protected disclosure (i.e. not malicious). The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft and corruption and should they do so in person, their identities are kept confidential by the person to whom they are reporting.

Forensic investigations continued to be offered by the shared FIU that was corporatised to the Corporate Services Centre (CSC) in the Department of the Premier. FIU services all departments across the WCG and assists departments with the investigation, prevention and detection of fraud, theft and corruption-related incidents.

Each allegation received by the FIU (either directly or referred by the Department and/or received from the NACH) is recorded in a case management system that is maintained by FIU. This is used as a management tool to report on progress made in cases relating to the Department and will generate statistics for the Province and Department. The Department also maintains its own 'case management system' through which cases are registered and progress is monitored.

Once fraud or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is subjected to a disciplinary hearing. Where the Department incurred a loss, measures to recover such a loss are instituted. Furthermore, where prima facie evidence of criminal conduct is found, the matter is reported to the South African Police Service. Changes/improvements are also made to improve the system of internal control where required.

#### **4. MINIMISING CONFLICT OF INTEREST**

A high standard of professional ethics must be promoted and maintained in the Public Service. To this effect, all members of the Senior Management Service (SMS) are required to disclose to the executive authority particulars of all their interests in accordance with Chapter 3 of the Public Service Regulations. The objective of Chapter 3 is to identify any conflict of interest in order to promote just and fair administrative actions of officials in senior positions. This will help to protect the Public Service from actions that may be detrimental to its functioning. Such disclosures take place annually. Should any conflict of interest arise it will be dealt with in accordance with the Public Service Regulations and related prescripts.

The Code of Conduct (COC) for the Public Service and the Code of Conduct for Supply Chain Practitioners both lay down norms and standards to promote integrity and guide employees as to what is expected of them ethically (both in their individual conduct and in their relationships with others). All employees are expected to comply with the COC for the Public Service.

With regard to supply chain management, all members of the bid adjudication committee, specification committee and evaluation committee are required to declare any conflict of interest which may exist (declaration of confidentiality, impartiality and conflict of interest). If a conflict of interest arises, the committee member must recuse him/herself from proceedings. Should any breaches in the COC be identified it will be managed in accordance with the Disciplinary Code and Procedures for the Public Service.

With regard to potential conflict of interest within supply chain management, all bidders and prospective bidders who intend doing business with the Department are required to register on the Western Cape Supplier Database and complete a declaration of interest, bidder's past supply chain management practices and independent bid determination form.

The Provincial Treasury in collaboration with provincial departments has already instituted a process through which potential conflicts of interest can be identified by comparing similar and comparable information from the Personnel Salary System (PERSAL) with information provided by suppliers of their directors, members, shareholders and employees. Should any potential conflict of interest be identified such cases are referred to departments for 'investigation' (determining whether identified employees were involved in the procurement process and ascertaining whether the employees have the required approval for remunerative work outside the public service).

With respect to 'remunerative' work outside the Public Service (RWOPS), employees are required to apply in accordance with approved provincial policy governing RWOPS. All applications must be in writing and must, among others, address the nature and extent of remunerative work to be performed, including the times/hours of duty and relation thereof (possible conflict of interest or areas of concern) to the normal duties that the employee performs in the Public Service. Such applications are then subject to review. Where non-compliance is detected such instances will be dealt with in accordance with the policy and where appropriate, in terms of the Disciplinary Code and Procedures for the Public Service.

The Department also has an approved gift policy (which deals with matters pertaining to conflict of interest) that provides specific guidelines and procedures for the acceptance and declaration of gifts by employees.

As indicated in section 3 above, the Department has an approved Fraud Prevention Policy and plan. One of the sections of the plan deals with conflict of interest as discussed in this section of the report.

## 5. CODE OF CONDUCT

The Code of Conduct for the Public Service, as included in Chapter 2 of the Public Service Regulations, is the 'adopted' code. The code of conduct:

- lays down norms and standards in promoting integrity, and efficient and effective delivery of services to the public;
- provides a set of standards describing the behaviour we expect from our employees;
- guides employees with regard to what is expected of them ethically, both in their individual conduct and in their relationships with others, and
- forms an integral part of the way we work every day.

All employees are expected to comply with the Code of Conduct. The code is furthermore strengthened by the Code of Conduct for Supply Chain Management Practitioners. All bid committee members and supply chain management practitioners are required to acknowledge that they will abide by the Code of Conduct for Supply Chain Management Practitioners.

All new employees are required to undergo induction training and are provided with the explanatory manual on the Code of Conduct for Public Service. The manual has also been posted on the Department's intranet, while elements of the code of conduct are highlighted during fraud awareness sessions.

The Disciplinary Code and Procedures for the Public Service are used to promote acceptable conduct, and to avert and correct unacceptable conduct.

## 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The health and safety risks within the Department vary from office incidents to more complex occupational hazards such as exposure to chemicals and physical injuries. The majority of employees are in administrative or advisory positions and therefore hence the risk of being exposed to serious agricultural threats and hazards is much lower.

The Department endeavoured to ensure compliance with all health and safety legislation, legal prescripts and incorporated codes of conduct by the appointment in terms of section 16(2) of delegates, health and safety representatives, emergency evacuation personnel, first aiders, the establishment of safety committees and a security committee.

The Department has also recognised the need to develop, implement and maintain policies, programmes and procedures to assist in a major business disruption which led the development of the Business Continuity Plan. This plan prepares the steps the Department will initiate to recover systems and ensure continuity of critical business functions with minimal resources.

## 7. STANDING COMMITTEES

Date of meeting	Committee	Subject addressed	Manner of address
23 July 2013	Standing Committee on Agriculture and Environmental Planning	Briefing by the Department of Agriculture on the veterinary services unit with specific reference to sourcing staff, enhancement of diagnostic services and funding for research	Presentation to the committee
30 July 2013	Standing Committee on Agriculture and Environmental Planning	Cape Nature and the Department of Agriculture to brief the committee on their progress with regards to the management of damage-causing animals and the monitoring systems in place, as well and the efficacy of control measures	Presentation to the committee
1 November 2013	Standing Committee on Public Accounts	Annual Report of the Department of Agriculture	Discussion and accepted. Resolutions of matters recorded below in 8.
2 December 2013	Standing Committee on Agriculture and Environmental Planning	Adjusted estimates of the Department of Agriculture	Discussion and accepted
18 February 2014	Standing Committee on Agriculture and Environmental Planning	Briefing by the Department of Agriculture on the full evaluation report which will be done on the Market Access programme which is to be completed in 2013/14 financial year	Presentation to the committee

Date of meeting	Committee	Subject addressed	Manner of address
12 March 2014	Standing Committee on Agriculture and Environmental Planning	Appropriation Bill: Budget of the Department of Agriculture for 2014/15	Discussion and accepted

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
1 (Opening comments)	<p>The committee noted the Auditor-General's audit opinion regarding the Department's Annual Financial Statements, obtaining an unqualified audit outcome with no findings, and that this was an improvement from the 2011/12 financial year where the Department obtained an unqualified audit opinion with findings.</p> <p>The committee congratulated the Department on the progress it has made in this regard and for its commitment to achieve a clean audit in 2014 and beyond. This included the publishing of all the forensic investigation cases that were investigated during the year under review in its Annual Report. To achieve this commitment and to avoid a regression in the audit outcome, the Department should urgently and sustainably address all matters raised by the Auditor-General, the Audit Committee and this committee.</p> <p>The committee took cognisance of the fact that 100% of high-risk areas were covered by Internal Audit, compared to 39% last year. The committee further noted that all four of the internal audits approved for auditing during the financial year, were actually completed.</p>	As stated under subject	Noted and accepted	Yes
2	The committee thanked the Department for publishing its resolutions, and actions taken in this regard, in its Annual Report, but noted that this was not an accurate reflection of the oversight role exercised by the committee, in the year under review.	The Department should publish the committee's opening comments specific to this Department, this table of resolutions and the list of information requested by the committee, in all future Annual Reports.	Will be done from the 2013/14 Annual Report.	Yes

Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
3	The committee noted that the Department coordinated investigations into the overpayment of the ministerial drivers of various Departments dating back a number of years. These overpayments were deemed, by the Department, to be immaterial to the Annual Financial Statements.	The Department should brief the committee on progress achieved and/or the outcomes of these investigations.	To be scheduled by SCOPA.	No
4	The committee noted that of the total number of 156 targets planned for the year, 38 were not fully achieved during the year under review. This represented 25% of total planned targets that were not fully achieved during the year under review.  This was mainly due to human resource constraints at the Department and the fact that indicators and targets were demand-driven and therefore unpredictable.	This matter should be referred to the relevant Standing Committee for further monitoring and evaluation, with the Department.	Ongoing. To be scheduled by Standing Committee.	No
5	The committee noted that one case reported in August 2011, relating to alleged financial irregularities against an official for financial mismanagement of an indigenous tree project, was being investigated by the provincial FIU.	The Department and the FIU should brief the committee on the progress achieved and/or the outcomes of these investigations.	To be scheduled by SCOPA on a transversal level and led by Provincial Corporate Assurance.	Yes
6	The Department of Agriculture should provide the committee with an executive summary regarding the internal audit reports on food security and climate change which occurred during the 2011/12 financial year, as indicated on page 108 of the Annual Report of the Department.	Written executive summary to be submitted as requested.	Written executive summary submitted.	Yes

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
Of the total number of 155 targets planned for the year, 38 were not fully achieved during the year under review. This represents 25% of total planned targets that were not fully achieved during the year under review.	2012/13	On Audit Report. Pre-audit figures show that of the 126 targets planned, 21 were not fully achieved. This represents 17% of the total planned targets not fully achieved.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing/resolving the matter
Non-compliance with the appointment process	2010/11	On Management Report. CSC to improve on non-compliance
Preference points not calculated correctly - BBBEE points not added	2012/13	Resolved
Name of bidders not advertised on the auditee's website within 10 days	2011/12	Resolved
Bids not reported within 10 days in terms of Practice Note 6 of 2007/08	2011/12	Resolved
Internal audit did not audit information systems	2012/13	Receiving attention

## 10. INTERNAL CONTROL UNIT

The establishment of an effective system of internal control emanates from section 38 of the PFMA. Internal control is broadly defined as a process undertaken by an institution's Accounting Officer, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives. It includes all processes and procedures that management implements to ensure that revenue, expenditure assets and liabilities are managed effectively and efficiently.

Management is accountable to the Accounting Officer for designing, implementing and monitoring the process of internal control. The internal control unit forms an integral part of the system of internal control. In order to carry out its role effectively, the internal control unit maintains a degree of independence from the other financial management activities, although being part of the organisational structure of the Office of the Chief Financial Officer.

During the year the unit supported the improvement of financial governance mainly through:

- maintaining the governance improvement plan for the Department;
- rendering a financial compliance management support;
- making recommendations for improvement in internal control;
- compiling the fraud prevention policy and plan as well as managing the fraud prevention implementation plan for the Department;
- provisioning of full secretariat support to the Enterprise Risk Management Committee;
- rendering advice/support on risk management and fraud-related matters, and
- rendering support in respect to the Management Performance Assessment Tool (MPAT).

The organisational structure of financial management, which includes the Internal Control Unit, is currently being evaluated. It is expected that the evaluation will be completed during the 2014/15 financial year.

## 11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It should assist the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the Department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Department included eight assurance engagements. The details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which include oversight responsibilities relating to:

- Internal audit function;
- External audit function as carried out by the Auditor-General of South Africa - AGSA;
- Departmental Accounting and reporting;
- Departmental accounting policies;
- Review of Auditor-General of South Africa's management- and audit reports;
- Review of departmental in-year monitoring;
- Departmental risk management;
- Internal control;
- Pre-determined objectives, and
- Ethics and forensic investigations.

**The table below discloses relevant information on the audit committee members:**

Name	Qualifications	Internal or external	If internal, position in the Department	Date appointed	Date resigned	No. of meetings attended
Ms Judy Gunther	CIA; CRMA; AGA; MDipTech CA; BCompt	External	N/a	01 January 2013	N/a	8
Mr Ronnie Kingwill	CA(SA);	External	N/a	01 January 2013	N/a	8
Mr Burton van Staaden	CA(SA); BCom (Honours)	External	N/a	01 January 2012	N/a	8
Mr Kerry Larkin	CRMA; CCSA; CIA; BCompt; ND: FIS	External	N/a	01 January 2013	N/a	5
Mr Francois Barnard	MComm (Tax); CA(SA); BCompt (Honours); BProc	External	N/a	01 January 2013	N/a	8



## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2014.

### **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 (approved on the 11 September 2013), as its Audit Committee Terms of Reference, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### **The Effectiveness of Internal Control**

Internal Audit followed a risk based approach for the planning of audit work.

The following internal audit work was planned and completed during the year under review:

- Higher Education and Training (HET) and Further Education and Training (FET)
- LandCare
- Asset Management
- Interim Financial Statements – Health Check
- Transfer Payments
- Farm Worker Development
- Supply Chain Management – Bid Administration
- Supply Chain Management - Procurement

The areas for improvement noted by Internal Audit during the performance of their work are as followings:

- Farm Worker Development - Formalise and implement standard operating procedures relating to farm worker household surveys.
- Further Education and Training statements - Terms of Reference for the curriculum committees to be improved

Corrective actions have been agreed by management and the implementation there-of are being monitored by the Audit Committee.

The Audit Committee has considered the work of internal audit, as well as the assurance provided by the various other assurance providers such as management, the internal control unit, the enterprise risk management unit, treasury and external audit, and nothing has come to our attention which would indicate a material breakdown in the internal control systems in the Department.

### **In-Year Management and Quarterly Performance Reports**

The Department has reported monthly and quarterly to the Treasury as is required by the PFMA.

The Audit Committee is satisfied with the content and quality of quarterly financial and performance reports, prepared and issued by the Accounting Officer of the Department during the year under review.

### **Evaluation of Financial Statements**

The Audit Committee has:

- reviewed and discussed the audited Annual Financial Statements to as presented in the Annual Report, with the Auditor-General of South Africa and the Accounting Officer;
- reviewed the Auditor-General of South Africa's Management Report and Management's response

thereto;

- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed the Department's processes for compliance with legal and regulatory provisions;
- reviewed the information on predetermined objectives as reported in the annual report;
- reviewed material adjustments resulting from the audit of the Department, and
- where appropriate, recommended changes to the interim financial statements as presented by the Department for the six months ending 30 September 2013.

### **Internal Audit**

Vacancies within the internal audit structures are receiving on-going attention and good progress is being made to fill the funded vacancies.

There were no unresolved internal audit findings.

### **Risk Management**

The Department has taken full responsibility and ownership for the implementation of the Enterprise Risk Management (ERM). The risk reports are reviewed and updated on a quarterly basis by management and overseen by the Audit Committee. The challenge remains to institutionalise ERM throughout the Department. The Audit Committee noted the emerging risks and will be monitoring these on a regular basis.

### **Auditor-General of South Africa's Report**

- The Audit Committee concurs and accepts the Auditor-General of South Africa's opinion regarding the Annual Financial Statements and proposes that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General of South Africa.
- The Audit Committee has met with the Auditor-General of South Africa and the Department to ensure that there are no unresolved issues emanating from the regulatory audit.
- The Audit Committee has reviewed the Department's implementation plan for audit issues raised in the previous year on a quarterly basis and is satisfied that the matters have been adequately resolved.
- The Audit Committee recommended that the Annual Financial Statements be approved by the Accounting Officer on the 11<sup>th</sup> August 2014.

### **Appreciation**

The Audit Committee wishes to express its appreciation to the Management of the Department, the Auditor-General South Africa and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.



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Ms Judy Gunther  
Chairperson of the Economic Cluster Audit Committee  
Department of Agriculture  
Date: 15 August 2014



# Part D:

## Human Resource Management

Legislation that governs human resource management	164
Introduction	165
Human resource oversight statistics	170

## 1. LEGISLATION THAT GOVERNS HUMAN RESOURCE MANAGEMENT

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

In addition to the Public Service Regulations, 2001 (as amended on 30 July 2012), the following prescripts direct Human Resource Management within the Public Service:

- **The Constitution of the Republic of South Africa, 1996**
- **Public Service Act, 1994 (Act 103 of 1994) as amended by Act 30 of 2007**

To provide for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith.

- **Occupational Health and Safety Act, 1993 (Act 85 of 1993)**

To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.

- **Labour Relations Act, 1995 (Act 66 of 1995)**

To regulate and guide the employer in recognising and fulfilling its role in effecting labour peace and the democratisation of the workplace.

- **Basic Conditions of Employment Act, 1997 (Act 75 of 1997)**

To give effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment; and thereby to comply with the obligations of the Republic as a member state of the International Labour Organisation; and to provide for matters connected therewith.

- **Skills Development Act, 1998 (Act 97 of 1998)**

To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework (NQF) contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.

- **Employment Equity Act, 1998 (Act 55 of 1998)**

To promote equality, eliminate unfair discrimination in employment and to ensure the implementation of employment equity measures to redress the effects of discrimination; to achieve a diverse and efficient workforce broadly representative of the demographics of the Province.

- **Public Finance Management, 1999 (Act 1 of 1999)**

To regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

- **Skills Development Levy Act, 1999 (Act 9 of 1999)**

To provide any public service employer in the national or provincial sphere of government with exemption from paying a skills development levy; and for exemption from matters connected therewith.

- **Promotion of Access to Information Act, 2000 (Act 2 of 2000)**

To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.

- **Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA)**

To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

## 2. INTRODUCTION

### The value of human capital in the Department

Our people are the foremost contributors to the achievements of the Department and of the successes of the Western Cape Government (WCG). Service excellence depends on the well-being of our organisation and its people. We therefore:

- value people who act with integrity, and are engaged, caring, competent, accountable and responsive;
- see people management as the responsibility of everyone;
- ground the management of our people in the principles of dignity, respect, transparency and equity;
- grow, develop, empower and enable our people to reach and use their full potential, and
- embrace diversity and have a deep respect for one another's culture, individuality, language, values and beliefs.

### Overview of Human Resource Matters

People are a key element in achieving the strategic objectives of the Department. Human resource planning therefore aims to ensure that the Department has the right people, with the right skills, at the right place and at the right time, all the time.

It is within this context that the Department's new strategic Human Resource (HR) plan (previous plan expired 31 March 2013) was developed and implemented for the period 1 April 2013 to 31 March 2018. The HR plan is reviewed annually to determine whether the human resource strategic objectives are still valid and address the human resource priorities in the Department. Biannual progress reports monitored the implementation of the key activities contained within the HR plan and were submitted to the Department of Public Service Administration (DPSA) as directed.

By means of workforce planning, the Department identified the current and future human resource needs and flagged the potential challenges that could impact on the achievement of the Department's strategic objectives.

## Set Human Resource Priorities for the Year under Review and the Impact of these Priorities

After analysing the current workforce profile and the future demand, the following human resource priorities were identified:

No.	HR priority	Impact
1	<b>Recruitment/Staffing</b> (including turnover, vacancy rate, recruitment and selection, succession planning, attraction and retention measures)	Vacancies filled with the right and suitable appointees at the right time and within the prescribed/agreed timeframes
2	<b>Training and development</b> (including the development of individual competencies as well as, critical and scarce skills)	Purpose-directed training and development to address employer, employee, client and job needs requirements
3	<b>Employment equity</b> (including representativeness regarding gender, youth, people with disabilities and designated groups)	A representative staff complement on all occupational levels
4	<b>Values, ethics and organisational culture</b> (including employee wellness, health and safety, labour issues, incentives, surveys/assessments and information sharing)	Healthy, informed, content and satisfied staff
5	<b>Organisational design</b> (including job evaluation and issues relating to the facilitation and/or execution of human resource functions)	Appropriate and relevant functional structure and establishment Improved organisational performance

## Workforce Planning Framework and Key Strategies to Attract and Recruit a Skilled and Capable Workforce

Without people, the Department cannot deliver an optimum service and without an adequate budget, it cannot recruit, develop nor retain people needed to deliver optimum services.

The challenges facing the Department have been identified. These challenges have been addressed by identifying key activities which have been incorporated into the action plan.

The following are the key activities as set out in the action plan:

HR priority (No. as above)	Key activities
1	<p style="text-align: center;"><b>Recruitment/Staffing</b> <b>Populate establishment</b></p> <ul style="list-style-type: none"> <li>Develop and implement plans to facilitate the phasing-in of the filling of vacancies over a period of three years.</li> <li>Corporate Services Centre (CSC) to do an analysis of the recruitment process to identify and resolve bottlenecks.</li> <li>CSC must introduce measures to reduce the turn-around time for filling of permanent posts, and capacitate line managers in recruitment.</li> <li>Determine the reasons for the high turnover among African employees – link this with Employment Equity Plan (EEP).</li> </ul>
1	<p style="text-align: center;"><b>Succession planning</b></p> <ul style="list-style-type: none"> <li>The CSC must consider developing a transversal guideline/framework regarding succession planning.</li> </ul>

HR priority (No. as above)	Key activities
1	<p style="text-align: center;"><b>Measures to retain scarce/critical skills and to preserve institutional memory</b></p> <ul style="list-style-type: none"> <li>• Continue with the measures in the Recruitment and Retention Policy of the Department aimed at reducing exits.</li> <li>• Implement and expand a non-monetary award system as an incentive scheme for high performers and personnel with special skills.</li> <li>• Improve measures to recruit and retain personnel within the scarce occupational groupings who are presently excluded from current Occupation Specific Dispensations (OSDs).</li> <li>• Implement practices such as job shadowing and mentoring of younger employees, among others, to counter loss of institutional memory.</li> <li>• Introduce/maintain measures to attract, develop, transfer and retain skills (e.g. via mentoring, bursaries, internships and learnerships) aimed at 'Veterinary Services' and 'Agricultural Advisor', as well as at addressing the core, critical and scarce skills, as identified in Tables 7, 8 and 9.</li> <li>• Develop Standard Operating Procedures (SOPs) for all work processes in order to institutionalise knowledge and memory of work processes and work methodologies.</li> <li>• Investigate the concept of introducing an exit companion to accompany staff members before the official date of resignation in order to establish the latter's networks, information available, transferable knowledge, etc.</li> <li>• The CSC to investigate the exit interview process with a view to enhancing its credibility, including identifying skills lost.</li> <li>• Ensure that exit interviews are conducted in all cases to determine reasons why employees leave the Department.</li> </ul>
1	<p style="text-align: center;"><b>Revisit employment profile status and amend PERSAL</b></p> <ul style="list-style-type: none"> <li>• Lower/phase out the number of staff in excess on the establishment.</li> <li>• Phase out contract appointments (excluding seasonal, project- specific and additional appointments to the establishment).</li> <li>• Amend PERSAL to consist of only permanent funded posts.</li> </ul>
2	<p style="text-align: center;"><b>Training and Development Promote human capital development</b></p> <p>Implement the following training interventions:</p> <ul style="list-style-type: none"> <li>• Department to give effect to its Human Capital Development Strategy through internship programmes, bursaries in critical and scarce skills and programmes for young professionals.</li> <li>• Negotiate training sessions dedicated to departmental staff.</li> <li>• Implement component-specific training, skills development (seminars, workshops) plus ongoing learning sessions as quarterly events within components.</li> <li>• Implement critical competency/skills training.</li> <li>• Promote management/knowledge of diversity, i.e. knowledge of cultural differences and proficiency in all three languages.</li> </ul>
2	<p>Explore/implement the following initiatives:</p> <ul style="list-style-type: none"> <li>• The Provincial Training Institute (PTI) must incorporate the identified key competencies in its medium to long-term planning.</li> <li>• Reinstate and present/facilitate the compulsory learning areas.</li> <li>• Alternative training and development funding models.</li> <li>• Capacity building – memorandums of understanding (MOUs) with tertiary institutions, special bursaries, and mentoring of post-graduate students by specialist scientists.</li> <li>• Training policy: each employee should, in a two to three-year cycle, attend a pre-determined number of training days and/or training to the value of a pre-determined amount.</li> <li>• Implement a structured job-orientated induction programme.</li> </ul>



HR priority (No. as above)	Key activities
2	<p style="text-align: center;"><b>Improve integrity of data</b></p> <ul style="list-style-type: none"> <li>• Explore possibility of additions to be made to PERMIS, inclusive of provision to record progress made with training.</li> <li>• Update PERSAL with available information on qualifications.</li> <li>• Continue with the process of verification of qualifications.</li> <li>• Continue with the project regarding the implementation of the Integrated Financial Management Systems (IFMS) human resources in the WCG.</li> <li>• Conduct data integrity intervention by the CSC.</li> </ul>
3	<p style="text-align: center;"><b>Employment Equity</b> <b>Prioritise and fill posts in line with EE plans and targets</b></p> <ul style="list-style-type: none"> <li>• Adherence to set EE goals and targets, as per EEP, as well as national targets of 50% for women in senior management service (SMS) and 2% for people with disabilities (PWD), within the constraints of a shortage of maths and science qualifications and a shortage of funded posts.</li> <li>• Targeted recruitment to be done (although not to the detriment of service delivery) to meet the numerical goals within the EEP, in particular to address underrepresentation of women in SMS and under-represented groups in general.</li> <li>• Actively implement the affirmative action measures contained in the EEP (2012-2017) of the Department.</li> </ul>
3	<p style="text-align: center;"><b>Develop/implement EE policy and specific measures</b></p> <ul style="list-style-type: none"> <li>• Implement and report on the job access (disability) and gender equality strategic frameworks.</li> <li>• Flexi-workplace practices to support women in employment.</li> <li>• CSC to provide/facilitate a training intervention aimed at females and Africans on middle management levels to create a pool of suitable candidates for filling of senior management posts.</li> <li>• Implement succession planning on middle management service (MMS) levels so that PWDs can be eligible for higher promotion posts in management, when a vacancy arises.</li> <li>• Posts to be identified to be advertised specifically for PWDs.</li> <li>• Target employees from designated groups for functional training and part-time bursaries to enhance their current skills and competencies.</li> <li>• Special development programmes for designated groups, only for skills that are in short supply, e.g. agricultural engineers, agricultural veterinarians and agricultural economists.</li> </ul>
4	<p style="text-align: center;"><b>Values, Ethics and Organisational Culture</b> <b>Promote staff health and wellness</b></p> <ul style="list-style-type: none"> <li>• Awareness, communication and information campaign around sick leave to be continued.</li> <li>• Managers to market and promote overall wellness during wellness programmes (which may include flu injections to assist in minimising the high incidence of normal sick leave for influenza and common cold-related illnesses).</li> <li>• Monitor employees' sick leave utilisation and its impact on productivity, make staff aware of the prescripts governing normal leave, sick and incapacity leave, while sensitising them to the financial implications.</li> </ul>
4	<p style="text-align: center;"><b>Build/maintain constructive external and internal relationships</b></p> <ul style="list-style-type: none"> <li>• Continue with the six-weekly letter to SG: CSC regarding follow-up on HR cases/issues or direct communication with heads of units at CSC.</li> <li>• Improve relation management between CSC and Department on HR issues.</li> <li>• Negotiate appropriate and regular service interventions from the Directorate Organisational Behaviour, Department of the Premier.</li> <li>• Solicit inputs and feedback as part of internal and external service and relations improvement initiatives.</li> <li>• Implement staff and client satisfaction surveys.</li> </ul>

HR priority (No. as above)	Key activities
4	<ul style="list-style-type: none"> <li>• Regular communication and updates to staff on issues of significant importance within the Department and/or affecting staff.</li> <li>• Continue with negotiations to find amicable agreements as a win-win solution to the issue of staff not having been placed, for both parties.</li> <li>• Support employees who are eligible for retirement in terms of EH&amp;WP.</li> </ul>
5	<p style="text-align: center;"><b>Organisational Design</b></p> <p style="text-align: center;"><b>Populate and review structure in line with service delivery mandates and agendas</b></p> <ul style="list-style-type: none"> <li>• Arrange funds for phasing in of 2011 organisational design (OD) recommendations as well as envisaged training endeavours.</li> <li>• Acquire funding for new critical research and technical positions.</li> <li>• OD investigation/revision/re-evaluation of structures.</li> <li>• Review of 2011 OD recommendations within specific components against additional national and provincial strategic agendas.</li> <li>• OD to assess the staff implications of NDP expectations for the Department.</li> </ul>

It is expected that departmental management and the CSC take joint responsibility for the execution of the action plans, as well as ownership for delivering the necessary outcomes.

### Employee Performance Management Framework

One of the cornerstones of the Staff Performance Management System is the basic requirement that all employees are obliged to do what is expected of them. These expectations and the required performance standards are concretised by means of job descriptions, performance agreements, business plans and/or service-level agreements. Rewards and incentives are therefore only granted for work that qualitatively and quantitatively surpasses work for which employees are remunerated.

Employees who are nominated for performance bonuses are assessed by moderation panels, who then examine the evidence of superior performance. Underperforming staff members are, however, required to complete the actions stipulated in a performance improvement plan. These are closely monitored to ensure absolute compliance with acceptable performance standards.

The framework also seeks to promote a positive workplace culture that encourages formal and informal discussions about performance quality, lead practice and continuous individual improvement.

This system sets the framework in which both the employer and employee can equally realise their goals and objectives to ensure the achievement of PSO 12, namely '*being the best-run regional government in the world.*'

### Employee wellness

Developing a wellness culture in the Department is of strategic importance to ensure that employees achieve optimum levels of performance while feeling cared for and supported in the work context. The Western Cape Government's transversal Employee Health and Wellness Programme (EHWP) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services. The EHWP is monitored by the Department through monthly utilisation reports for primary services 24/7/365 (telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy). A quarterly report is prepared by the Directorate: Organisational Behaviour within the CSC that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, ongoing reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/AIDS, Health and Productivity, Wellness Management and Safety Health Environment Risk and Quality Management (SHERQ).

### 3. HUMAN RESOURCE OVERSIGHT STATISTICS

#### 3.1 PERSONNEL-RELATED EXPENDITURE

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2). In particular, it provides an indication of the amount spent on personnel in terms of each of the programmes or salary bands within the Department.

The figures in Table 3.1.1 are drawn from the basic accounting system and the figures in Table 3.1.2 are drawn from the PERSAL system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in total expenditure reflected on these systems.

**The key in the table below is a description of the programmes within the Department. Programmes will be referred to by their number.**

Programme	Programme designation
Programme 1	Administration
Programme 2	Sustainable Resource Management
Programme 3	Farmer Support and Development
Programme 4	Veterinary Services
Programme 5	Research and Technology Development Services
Programme 6	Agricultural Economic Services
Programme 7	Structured Agricultural Education and Training
Programme 8	Rural Development Coordination

**Table 3.1.1: Personnel expenditure by programme, 2013/14**

Programme	Total expenditure	Personnel expenditure	Training expenditure	Goods and services	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee	Number of employees
	(R'000)	(R'000)	(R'000)	(R'000)		(R'000)	
Programme 1	91 466	43 941	328	39 444	48.0	212	207
Programme 2	47 071	23 417	273	9 667	49.7	316	74
Programme 3	233 791	39 900	185	21 287	17.1	285	140
Programme 4	60 978	44 252	364	12 344	72.6	325	136
Programme 5	95 530	61 148	264	24 920	64.0	207	295
Programme 6	16 947	10 137	106	2 505	59.8	317	32
Programme 7	43 873	27 051	103	13 960	61.7	104	259
Programme 8	19 206	8 327	26	1 661	43.4	194	43
<b>Total</b>	<b>608 862</b>	<b>258 173</b>	<b>1 649</b>	<b>125 788</b>	<b>42.4</b>	<b>218</b>	<b>1 186</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, excluding the Minister.

**Table 3.1.2: Personnel expenditure by salary bands, 2013/14**

Salary bands	Personnel expenditure	% of total personnel expenditure	Average person- nel expenditure per employee	Number of employees
	(R'000)		(R'000)	
Lower skilled (Levels 1-2)	19 227	7.2	55	353
Skilled (Levels 3-5)	52 705	19.8	154	342
Highly-skilled production (Levels 6-8)	68 423	25.7	267	256
Highly-skilled supervision (Levels 9-12)	104 997	39.5	491	214
Senior management (Levels 13-16)	20 581	7.7	980	21
<b>Total</b>	<b>265 933</b>	<b>100.0</b>	<b>224</b>	<b>1 186</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, learnerships, but excluding the Minister.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. In each case, the table provides an indication of the percentage of the personnel budget that was used for these items.

**Table 3.1.3: Salaries, overtime, housing allowance and medical assistance by programme, 2013/14**

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount	Salaries as a % of personnel expend- iture	Amount	Overtime as a % of personnel expend- iture	Amount	Housing allowance as a % of personnel expend- iture	Amount	Medical assistance as a % of personnel expend- iture
	(R'000)		(R'000)		(R'000)		(R'000)	
Programme 1	30 035	11.3	245	0.1	1 092	0.4	1 860	0.7
Programme 2	16 355	6.2	0	0.0	476	0.2	908	0.3
Programme 3	28 338	10.7	12	0.0	920	0.3	1 482	0.6
Programme 4	30 542	11.5	872	0.3	909	0.3	1 870	0.7
Programme 5	41 392	15.6	1 463	0.6	2 156	0.8	3 748	1.4
Programme 6	7 283	2.7	0	0.0	240	0.1	390	0.1
Programme 7	18 517	7.0	475	0.2	841	0.3	1 670	0.6
Programme 8	6 122	2.3	24	0.0	253	0.1	236	0.1
<b>Total</b>	<b>178 584</b>	<b>67.2</b>	<b>3 091</b>	<b>1.2</b>	<b>6 887</b>	<b>2.6</b>	<b>12 164</b>	<b>4.6</b>

Note: Salaries, overtime, housing allowance and medical assistance are calculated as a % of the total personnel expenditure which appears in Table 3.1.2 above. Furthermore, the table does not make provision for other expenditure such as pensions, bonuses and other allowances which make up the total personnel expenditure. Therefore, salaries, overtime, housing allowance and medical assistance amount to 75.5% of the total personnel expenditure.

The totals of Table 3.1.3 and 3.1.4 do balance. However, due to the fact that the data is grouped by either programme or salary band and is rounded off to thousands, the data reflects differently to 3.1.4.

**Table 3.1.4: Salaries, overtime, housing allowance and medical assistance by salary bands, 2013/14**

Salary bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount	Salaries as a % of personnel expenditure	Amount	Overtime as a % of personnel expenditure	Amount	Housing allowance as a % of personnel expenditure	Amount	Medical assistance as a % of personnel expenditure
	(R'000)		(R'000)		(R'000)		(R'000)	
Lower skilled (Levels 1-2)	12 322	4.6	710	0.3	987	0.4	1 569	0.6
Skilled (Levels 3-5)	35 101	13.2	1 040	0.4	2 725	1.0	4 313	1.6
Highly-skilled production (Levels 6-8)	47 701	17.9	676	0.3	1 568	0.6	2 960	1.1
Highly-skilled supervision (Levels 9-12)	70 682	26.6	665	0.3	1 393	0.5	3 021	1.1
Senior management (Levels 13-16)	12 778	4.8	0	0.0	214	0.1	302	0.1
<b>Total</b>	<b>178 584</b>	<b>67.2</b>	<b>3 091</b>	<b>1.2</b>	<b>6 887</b>	<b>2.6</b>	<b>12 165</b>	<b>4.6</b>

Note: The totals of Table 3.1.3 and 3.1.4 do balance. However, due to the fact that the data is grouped by either programme or salary band and is rounded off to thousands, the data reflects differently.

### 3.2 EMPLOYMENT AND VACANCIES

The following tables summarise the number of posts on the establishment, the number of employees, the percentage of vacant posts, and whether there are any staff that are additional to the establishment. This information is presented in terms of three key variables: programme (Table 3.2.1), salary band (Table 3.2.2) and critical occupations (Table 3.2.3). Departments have identified critical occupations that need to be monitored. Table 3.2.3 provides establishment and vacancy information for the key critical occupations of the Department.

**Table 3.2.1: Employment and vacancies by programme, as at 31 March 2014**

Programme	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Programme 1	158	127	19.6	16	9.5
Programme 2	70	57	18.6	14	0
Programme 3	153	108	29.4	17	18.3
Programme 4	178	121	32.0	7	28.1
Programme 5	328	269	18.0	4	16.8
Programme 6	36	26	27.8	0	27.8

Programme	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Programme 7	141	114	19.1	4	16.3
Programme 8	19	14	26.3	27	0
<b>Total</b>	<b>1 083</b>	<b>836</b>	<b>22.8</b>	<b>89</b>	<b>14.6</b>

**Table 3.2.2: Employment and vacancies by salary bands, as at 31 March 2014**

Salary band	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Lower skilled (Levels 1-2)	217	190	12.4	4	10.6
Skilled (Levels 3-5)	296	250	15.5	50	0
Highly-skilled production (Levels 6-8)	296	207	30.1	23	22.3
Highly-skilled supervision (Levels 9-12)	252	173	31.3	11	27.0
Senior management (Levels 13-16)	22	16	27.3	1	22.7
<b>Total</b>	<b>1 083</b>	<b>836</b>	<b>22.8</b>	<b>89</b>	<b>14.6</b>

Note: The information in each case reflects the situation as at 31 March 2014. For an indication of changes in staffing patterns over the year under review, please refer to section 3.4 of this report.

**Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2014**

Critical occupations	Number of funded posts	Number of posts filled	Vacancy rate %	Number of persons additional to the establishment	Vacancy rate taking additional staff into account
Agricultural Advisor	69	49	29.0	0	29.0
Agricultural Economist	24	16	33.3	0	33.3
Agricultural Technician	8	7	12.5	0	12.5
State Veterinarian	44	30	31.8	5	20.5
Agricultural Scientist	72	49	31.9	1	30.6
Lecturer	36	27	25.0	1	22.2
Agricultural Engineer	30	21	30.0	0	30.0
<b>Total</b>	<b>283</b>	<b>199</b>	<b>29.7</b>	<b>7</b>	<b>27.2</b>

### 3.3 JOB EVALUATION

The Public Service Regulations, 2001 as amended, introduced post-evaluation as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities may evaluate or re-evaluate any post in their organisation.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**Table 3.3.1: Job evaluation, 1 April 2013 to 31 March 2014**

Salary band	Total number of posts	Number of posts evaluated	% of posts evaluated	Posts upgraded		Posts downgraded	
				Number	% of number of posts	Number	% of number of posts
Lower skilled (Levels 1-2)	217	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	296	2	0.2	0	0.0	0	0.0
Highly-skilled production (Levels 6-8)	296	0	0.0	0	0.0	0	0.0
Highly-skilled supervision (Levels 9-12)	252	2	0.2	3	0.3	0	0.0
Senior management Service band A (Level 13)	14	0	0.0	0	0.0	0	0.0
Senior management Service band B (Level 14)	6	0	0.0	0	0.0	0	0.0
Senior management Service band C (Level 15)	1	0	0.0	0	0.0	0	0.0
Senior management Service band D (Level 16)	1	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>1083</b>	<b>4</b>	<b>0.4</b>	<b>3</b>	<b>0.3</b>	<b>0</b>	<b>0.0</b>

*Note: The existing Public Service Policy requires departments to subject specifically identified posts (excluding educator and occupation-specific dispensation (OSD posts) to a formal job evaluation process. These include newly created posts, as well as posts where the job content has changed significantly. This job evaluation process determines the grading and salary level of a post.*

**The majority of posts on the approved establishment were evaluated during previous reporting years, and the job evaluation results are still applicable.**

**Table 3.3.2: Profile of employees whose salary positions were upgraded, because their posts were upgraded, 1 April 2013 to 31 March 2014**

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	1	0	1
Male	1	0	0	1	2
<b>Total</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>
<b>Employees with a disability</b>					<b>0</b>

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation (including higher notches awarded). Reasons for the deviation are provided in each case.

**Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation by major occupation, 1 April 2013 to 31 March 2014**

Major occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
Veterinarian Technologist	1	8	-	3-notch increment	Attraction
Director	1	13	-	4-notch increment	Retention
<b>Total number of employees whose salaries exceed the level determined by job evaluation (including the awarding of higher notches) in 2013/2014</b>			<b>2</b>		
<b>Percentage of total employment</b>			<b>0.2</b>		

**Table 3.3.4: Employees who have been granted higher salaries than those determined by job evaluation per race group, 1 April 2013 to 31 March 2014**

Beneficiaries	African	Indian	Coloured	White	Total
Female	0	0	0	1	1
Male	0	0	1	0	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>
<b>Employees with a disability</b>					<b>0</b>

### 3.4 EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupations (Table 3.4.2).



**Table 3.4.1: Annual turnover rates by salary band, 1 April 2013 to 31 March 2014**

Salary band	Number of employees as at 31 March 2013	Turn-over rate 2012/13	Appoint-ments into the department	Transfers into the department	Termina-tions out of the department	Transfers out of the department	Turn-over rate 2013/14
Lower skilled (Levels 1-2)	162	3.7	2	0	6	0	3.7
Skilled (Levels 3-5)	321	6.3	30	1	29	3	10.0
Highly-skilled production (Levels 6-8)	236	9.2	45	1	44	5	20.8
Highly-skilled supervision (Levels 9-12)	201	6.9	20	0	22	2	11.9
Senior man-agement Service band A (Level 13)	14	6.7	0	0	1	0	7.1
Senior man-agement Service band B (Level 14)	6	16.7	0	0	0	0	0.0
Senior man-agement Service band C (Level 15)	1	0.0	0	0	0	0	0.0
Senior man-agement Service band D (Level 16)	0	0.0	0	0	0	0	0.0
<b>Total</b>	<b>941</b>	<b>6.8</b>	<b>97</b>	<b>2</b>	<b>102</b>	<b>10</b>	<b>11.9</b>
			<b>99</b>		<b>112</b>		

Note: A transfer is when a Public Service official moves from one department to another, on the same salary level.

**Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2013 to 31 March 2014**

Critical occupation	Number of employees as at 31 March 2013	Turn-over rate 2012/13	Appoint-ments into the department	Transfers into the department	Termina-tions out of the department	Transfers out of the department	Turn-over rate 2013/14
Agricultural Advisor	55	6.6	14	0	17	2	34.5
Agricultural Economist	17	40.0	2	0	1	2	17.6
Agricultural Technician	8	0.0	2	0	2	1	37.5
State Veterinarian	76	5.1	5	0	2	1	3.9
Agricultural Scientist	49	0.0	0	0	0	0	0.0
Lecturer	28	13.3	6	0	6	0	21.4
Agricultural Engineer	22	0.0	0	0	0	0	0.0
<b>Total</b>	<b>255</b>	<b>6.8</b>	<b>29</b>	<b>0</b>	<b>28</b>	<b>6</b>	<b>13.3</b>
			<b>29</b>		<b>34</b>		

**Table 3.4.3: Staff leaving the employ of the Department, 1 April 2013 to 31 March 2014**

Exit category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2013
Death	5	4.5	0.5
Resignation *	51	45.5	5.4
Expiry of contract	30	26.8	3.2
Dismissal – operational changes	0	0.0	0.0
Dismissal – misconduct	9	8.0	1.0
Dismissal – inefficiency	0	0.0	0.0
Discharged due to ill-health	1	0.9	0.1
Retirement	5	4.5	0.6
Employee initiated severance package	1	0.9	0.0
Transfers to statutory	0	0.0	0.0
Transfers to other Public Service departments	10	8.9	1.1
<b>Total</b>	<b>112</b>	<b>100.0</b>	<b>11.9</b>

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.

\* Resignations are further discussed in Tables 3.4.4 and 3.4.5.

**Table 3.4.4: Reasons why staff resigned, 1 April 2013 to 31 March 2014**

Resignation reasons	Number	% of total resignations
Better remuneration	6	11.8
No reason	45	88.2
<b>Total</b>	<b>51</b>	<b>100.0</b>

**Table 3.4.5: Different age groups of staff who resigned, 1 April 2013 to 31 March 2014**

Age group	Number	% of total resignations
Ages 20 to 24	1	2.0
Ages 25 to 29	11	21.6
Ages 30 to 34	12	23.5
Ages 35 to 39	9	17.6
Ages 40 to 44	9	17.6
Ages 45 to 49	2	3.9
Ages 50 to 54	5	9.8
Ages 55 to 59	2	3.9
<b>Total</b>	<b>51</b>	<b>100.0</b>

**Table 3.4.6 Employees who initiated severance packages, 1 April 2013 to 31 March 2014**

Salary band	Number of applications received	Number of applications referred to MPSA	Number of applications supported by the MPSA	Number of packages approved by Department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	1	1	1	1
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
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

**Table 3.4.7: Promotions by salary band, 1 April 2013 to 31 March 2014**

Salary band	Employees as at 31 March 2013	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Lower skilled (Levels 1-2)	162	0	0.0	112	69.1
Skilled (Levels 3-5)	321	1	0.3	275	85.7
Highly-skilled production (Levels 6-8)	236	3	1.3	134	56.8
Highly-skilled supervision (Levels 9-12)	201	4	2.0	138	68.7
Senior management (Levels 13-16)	21	0	0.0	17	81.0
<b>Total</b>	<b>941</b>	<b>8</b>	<b>0.9</b>	<b>676</b>	<b>71.8</b>

**Table 3.4.8: Promotions by critical occupation, 1 April 2013 to 31 March 2014**

Critical occupation	Employees as at 31 March 2013	Promotions to another salary level	Promotions as a % of employees	Progressions to another notch within a salary level	Notch progressions as a % of employees
Agricultural Advisor	55	0	0.0	52	94.5
Agricultural Economist	17	0	0.0	8	47.1
Agricultural Technician	8	0	0.0	3	37.5
State Veterinarian	76	0	0.0	19	25.0
Agricultural Scientist	49	2	4.1	21	42.9
Lecturer	28	0	0.0	21	75.0
Agricultural Engineer	22	0	0.0	3	13.6
<b>Total</b>	<b>255</b>	<b>2</b>	<b>0.8</b>	<b>127</b>	<b>49.8</b>

### 3.5 EMPLOYMENT EQUITY

The information provided in this section depicts the Department's demographic composition by race, gender and disability, as required by the Employment Equity Act and the Department of Public Service and Administration. Positions in our post establishment require various academic qualifications such as a Senior Certificate, technical qualification or graduate and post-graduate degrees, as well as certain competency levels. The Employment Equity Act states that in determining whether designated groups are equitably represented within an occupational category and level in an employer's workforce a number

of factors must be taken into account. This includes the pool of suitably qualified people from designated groups from which the employer may reasonably be expected to promote or appoint employees. The figures presented in this section do not take these factors into account and do not reflect the fact that the population statistics provided by the 2011 Census reveal that a very small percentage of the Western Cape population have matric and tertiary qualifications, which constitute the pool of 'suitably qualified people' from which the Western Cape Government can employ staff (as specified by the Employment Equity Act and Public Service Regulations). The Department is continuing to invest in measures to broaden the pool of suitably qualified people who can compete for its employment opportunities to broaden its equitable representation in all occupational categories and levels in the workforce.

**Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2014**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	1	0	0	0	0	1
Senior management (Levels 13-14)	2	4	0	8	1	3	0	1	0	0	19
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	17	18	0	105	12	15	2	37	0	0	206
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	24	44	1	36	23	48	0	53	1	0	230
Semi-skilled and discretionary decision making (Levels 3-5)	18	158	0	6	33	96	1	16	0	0	328
Unskilled and defined decision making (Levels 1-2)	15	84	0	0	7	35	0	0	0	0	141
<b>Total</b>	<b>76</b>	<b>308</b>	<b>1</b>	<b>155</b>	<b>76</b>	<b>198</b>	<b>3</b>	<b>107</b>	<b>1</b>	<b>0</b>	<b>925</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>76</b>	<b>308</b>	<b>1</b>	<b>155</b>	<b>76</b>	<b>198</b>	<b>3</b>	<b>107</b>	<b>1</b>	<b>0</b>	<b>925</b>

A = African; C = Coloured; I = Indian; W = White

Note: The figures reflected per occupational level include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level. For the number of employees with disabilities, refer to Table 3.5.2.

**Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2014**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	1	0	4	0	0	0	0	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	1	0	3	0	0	0	1	0	0	5
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	1	1	0	1	0	0	4
Unskilled and defined decision making (Levels 1-2)	0	1	0	0	0	0	0	0	0	0	1
<b>Total</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>15</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>15</b>

A = African; C = Coloured; I = Indian; W = White

Note: The figures reflected per occupational level include all permanent, part-time and contract employees. Furthermore, the information is presented by salary level and not post level.

**Table 3.5.3: Recruitment, 1 April 2013 to 31 March 2014**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	1	0	5	3	6	0	2	0	0	20
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	9	10	0	5	4	9	0	8	1	0	46
Semi-skilled and discretionary decision making (Levels 3-5)	4	8	0	1	6	11	0	1	0	0	31
Unskilled and defined decision making (Levels 1-2)	1	0	0	0	0	1	0	0	0	0	2
<b>Total</b>	<b>17</b>	<b>19</b>	<b>0</b>	<b>11</b>	<b>13</b>	<b>27</b>	<b>0</b>	<b>11</b>	<b>1</b>	<b>0</b>	<b>99</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>17</b>	<b>19</b>	<b>0</b>	<b>11</b>	<b>13</b>	<b>27</b>	<b>0</b>	<b>11</b>	<b>1</b>	<b>0</b>	<b>99</b>

A = African; C = Coloured; I = Indian; W = White

Note: Recruitment refers to new employees, including transfers into the Department as per Table 3.4.1.

**Table 3.5.4: Promotions, 1 April 2013 to 31 March 2014**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	0	1	0	1	0	0	0	2	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	0	0	0	0	3	0	0	0	0	3
Semi-skilled and discretionary decision making (Levels 3-5)	0	1	0	0	0	0	0	0	0	0	1
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>8</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>8</b>

A = African; C = Coloured; I = Indian; W = White

Note: Promotions refer to the total number of employees promoted within the Department, as per Table 3.4.7.

**Table 3.5.5: Terminations, 1 April 2013 to 31 March 2014**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	0	0	0	1	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	5	3	0	6	3	4	0	3	0	0	24
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	11	7	0	8	4	10	0	9	0	0	49
Semi-skilled and discretionary decision making (Levels 3-5)	1	13	0	0	8	9	0	1	0	0	32
Unskilled and defined decision making (Levels 1-2)	1	5	0	0	0	0	0	0	0	0	6

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
<b>Total</b>	<b>18</b>	<b>28</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>23</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>112</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>18</b>	<b>28</b>	<b>0</b>	<b>15</b>	<b>15</b>	<b>23</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>112</b>

A = African; C = Coloured; I = Indian; W = White

Note: Terminations refer to those employees who have left the employ of the Department, including transfers to other departments as per Table 3.4.1.

**Table 3.5.6: Disciplinary actions, 1 April 2013 to 31 March 2014**

Disciplinary actions	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Final written warning	1	0	0	0	0	0	0	0	0	0	1
Suspension without pay	1	1	0	0	0	1	0	0	0	0	3
Dismissal/desertion	2	6	0	1	0	0	0	0	0	0	9
<b>Total</b>	<b>4</b>	<b>7</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>

A = African; C = Coloured; I = Indian; W = White

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and types of misconduct addressed at disciplinary hearings, please refer to Tables 3.12.2 and 3.12.3.

**Table 3.5.7: Skills development, 1 April 2013 to 31 March 2014**

Occupational levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	0	0	0	0	0	0	0	0
Senior management (Levels 13-14)	2	3	0	3	1	3	0	1	13
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	9	4	0	10	0	6	1	6	36
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	10	6	1	3	11	10	0	10	51
Semi-skilled and discretionary decision making (Levels 3-5)	13	15	0	3	20	49	0	8	108
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	1	3	0	0	4
<b>Total</b>	<b>34</b>	<b>28</b>	<b>1</b>	<b>19</b>	<b>33</b>	<b>71</b>	<b>1</b>	<b>25</b>	<b>212</b>
Temporary employees	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>34</b>	<b>28</b>	<b>1</b>	<b>19</b>	<b>33</b>	<b>71</b>	<b>1</b>	<b>25</b>	<b>212</b>



A = African; C = Coloured; I = Indian; W = White

Note: The Table 3.5.7 refers to the total number of personnel who received training, and not the number of training courses attended by individuals. For further information on the actual training provided, please refer to Table 3.13.2.

### 3.6 SIGNING OF PERFORMANCE AGREEMENTS BY SENIOR MANAGEMENT SERVICE (SMS) MEMBERS

**Table 3.6.1: Signing of performance agreements by SMS members, as at 31 May 2013**

SMS level	Number of funded SMS posts per level	Number of SMS members per level	Number of signed performance agreements per level	Signed performance agreements as % of SMS members per level
Director-General/Head of Department	1	1	1	100.0
Salary level 16, but not HOD	0	0	0	0.0
Salary level 15	1	0	0	0.0
Salary level 14	6	6	6	100.0
Salary level 13	15	14	14	100.0
<b>Total</b>	<b>23</b>	<b>21</b>	<b>21</b>	<b>100.0</b>

Note: The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Please refer to Table 3.8.5.

**Table 3.6.2: Reasons for not having concluded performance agreements with all SMS on 31 May 2013**

Reasons for not concluding performance agreements with all SMS
Not required

**Table 3.6.3: Disciplinary steps taken against SMS members for not having concluded performance agreements on 31 May 2013**

Disciplinary steps taken against SMS members for not having concluded performance agreements
Not required

### 3.7 FILLING OF SMS POSTS

**Table 3.7.1: SMS posts information, as at 30 September 2013**

SMS level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.00	0	0.00
Salary level 15	1	0	0.00	1	100.00
Salary level 14	6	5	83.33	1	16.67
Salary level 13	15	10	66.67	5	33.33
<b>Total</b>	<b>23</b>	<b>16</b>	<b>69.57</b>	<b>7</b>	<b>30.43</b>

**Table 3.7.2: SMS posts information, as at 31 March 2014**

SMS level	Number of funded SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	1	100.00	0	0.00
Salary level 15	1	0	0.00	1	100.00
Salary level 14	6	5	83.33	1	16.67
Salary level 13	14	10	71.43	4	28.57
<b>Total</b>	<b>22</b>	<b>16</b>	<b>72.73</b>	<b>6</b>	<b>27.27</b>

**Table 3.7.3: Advertising and filling of SMS posts, as at 31 March 2014**

SMS level	Advertising	Filling of posts	
	Number of vacancies per level advertised in six months of becoming vacant	Number of vacancies per level filled in six months after becoming vacant	Number of vacancies per level not filled in six months but filled in 12 months
Head of Department	0	0	0
Salary level 15	0	0	0
Salary level 14	0	0	0
Salary level 13	1	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>

**Table 3.7.4: Reasons for not having complied with the filling of funded vacant SMS posts advertised within six months and filled within 12 months after becoming vacant**

SMS level	Reasons for non-compliance
Head of Department	
Salary level 15	<b>Agricultural Development and Support Services</b> As per Cabinet approval, the filling of the post is placed on hold until after the 2014 election
Salary level 14	<b>Rural Development Coordination</b> As per Cabinet approval, the filling of the post is placed on hold until after the 2014 election.

Salary level 13	<p><b>Centre for FET</b> The post became vacant in the 2012/13 reporting period. However, the advertising of the post is held in abeyance.</p> <p><b>Animal Sciences</b> The post became vacant in the 2012/13 reporting period. However, the advertising of the post is held in abeyance.</p> <p><b>Plant Sciences</b> The post became vacant in the 2012/13 reporting period. However, the advertising of the post is held in abeyance.</p> <p><b>Food Safety and Export Control</b> Post was advertised within the 2013/14 timeframe. However, the shortlist was approved on 10 April 2014. The Department is embarking on filling the vacant post.</p>
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**Table 3.7.5: Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months**

Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months
None

### 3.8 EMPLOYEE PERFORMANCE

**Table 3.8.1: Notch progressions by salary band, 1 April 2013 to 31 March 2014**

Salary band	Employees as at 31 March 2013	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	162	112	69.1
Skilled (Levels 3-5)	321	275	85.7
Highly-skilled production (Levels 6-8)	236	134	56.8
Highly-skilled supervision (Levels 9-12)	201	138	68.7
Senior management (Levels 13-16)	21	17	81.0
<b>Total</b>	<b>941</b>	<b>676</b>	<b>71.8</b>

**Table 3.8.2: Notch progressions by critical occupation, 1 April 2013 to 31 March 2014**

Critical occupations	Employees as at 31 March 2013	Progressions to another notch within a salary level	Notch progressions as a % of employees by critical occupation
Agricultural Advisor	55	52	94.5
Agricultural Economist	17	8	47.1

Agricultural Technician	8	3	37.5
State Veterinarian	76	19	25.0
Agricultural Scientist	49	21	42.9
Lecturer	28	21	75.0
Agricultural Engineer	22	3	13.6
<b>Total</b>	<b>255</b>	<b>127</b>	<b>49.8</b>

To encourage good performance, the Department has granted the following performance rewards allocated to personnel for the performance period 2011/12, but paid in the financial year 2013/14. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Tables 3.8.4 and 3.8.5) and critical occupations (Table 3.8.6).

**Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2013 to 31 March 2014**

Race and gender	Beneficiary profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within group	Cost	Average cost per beneficiary (R)
				(R'000)	
<b>African</b>	<b>33</b>	<b>156</b>	<b>21.2</b>	<b>383</b>	<b>11 602</b>
Male	18	80	22.5	203	11 299
Female	15	76	19.7	180	11 967
<b>Coloured</b>	<b>167</b>	<b>508</b>	<b>32.9</b>	<b>1 630</b>	<b>9 761</b>
Male	100	314	31.8	846	8 464
Female	67	194	34.5	784	11 698
<b>Indian</b>	<b>2</b>	<b>4</b>	<b>50.0</b>	<b>31</b>	<b>15 254</b>
Male	1	1	100.0	10	9 642
Female	1	3	33.3	21	20 865
<b>White</b>	<b>98</b>	<b>257</b>	<b>38.1</b>	<b>1 660</b>	<b>16 932</b>
Male	55	148	37.2	1 048	19 049
Female	43	109	39.4	612	14 224
<b>Employees with a disability</b>	<b>5</b>	<b>16</b>	<b>31.3</b>	<b>66</b>	<b>13 224</b>
<b>Total</b>	<b>305</b>	<b>941</b>	<b>32.4</b>	<b>3 770</b>	<b>12 357</b>

Note: The above table relates to performance rewards for the performance year 2012/13 and payment effected in the 2013/14 reporting period.

**Table 3.8.4: Performance rewards by salary bands for personnel below SMS level, 1 April 2013 to 31 March 2014**

Salary bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within salary bands	Cost	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
				(R'000)		
Lower skilled (Levels 1-2)	37	162	22.8	215	5 809	0.1
Skilled (Levels 3-5)	104	321	32.4	866	8 325	0.4
Highly-skilled production (Levels 6-8)	80	236	33.9	1 004	12 549	0.4
Highly-skilled supervision (Levels 9-12)	80	201	39.8	1 435	17 939	0.6
<b>Total</b>	<b>301</b>	<b>920</b>	<b>32.7</b>	<b>3 520</b>	<b>11 694</b>	<b>1.4</b>

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12, reflected in Table 3.1.2.

**Table 3.8.5: Performance rewards (cash bonus) by salary band for SMS level, 1 April 2013 to 31 March 2014**

Salary bands	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within salary bands	Cost	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
				(R'000)		
Senior management service band A (Level 13)	1	14	7.1	30	29 655	0.1
Senior management service band B (Level 14)	2	6	33.3	148	74 059	0.7
Senior management service band C (Level 15)	1	1	100.0	71	71 395	0.3
Senior management service band D (Level 16)	0	0	0.0	0	0	0.0
<b>Total</b>	<b>4</b>	<b>21</b>	<b>19.0</b>	<b>249</b>	<b>62 292</b>	<b>1.2</b>

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 13-16, reflected in Table 3.1.2.

**Table 3.8.6: Performance rewards by critical occupations, 1 April 2013 to 31 March 2014**

Critical occupation	Beneficiary profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2013	% of total within salary bands	Cost	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
				(R'000)		
Agricultural Advisor	5	55	9.1	73	14 516	0.0
Agricultural Economist	3	17	17.6	57	19 159	0.0
Agricultural Technician	7	8	87.5	97	13 855	0.0
State Veterinarian	24	76	31.6	406	16 897	0.2
Agricultural Scientist	16	49	32.7	270	16 896	0.1
Lecturer	16	28	57.1	218	13 603	0.1
Agricultural Engineer	9	22	40.9	151	16 794	0.1
<b>Total</b>	<b>80</b>	<b>255</b>	<b>31.4</b>	<b>1272</b>	<b>15 896</b>	<b>0.5</b>

### 3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands and by major occupation. The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

**Table 3.9.1: Foreign workers by salary band, 1 April 2013 to 31 March 2014**

Salary band	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0.0
Highly-skilled production (Levels 6-8)	0	0.0	1	100.0	1	100.0
Highly-skilled supervision (Levels 9-12)	0	0.0	0	0.0	0	0.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0.0
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>

*Note: The table above excludes non-citizens with permanent residence in the Republic of South Africa.*

**Table 3.9.2: Foreign workers by major occupation, 1 April 2013 to 31 March 2014**

Major occupation	1 April 2013		31 March 2014		Change	
	Number	% of total	Number	% of total	Number	% change
Lecturer	0	0.0	1	100.0	1	100.0
<b>Total</b>	<b>0</b>	<b>0.0</b>	<b>1</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>

Note: The table above excludes non-citizens with permanent residence in the Republic of South Africa.

### 3.10 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY TO 31 DECEMBER 2013

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both cases, the estimated cost of the leave is also provided.

**Table 3.10.1: Sick leave, 1 January to 31 December 2013**

Salary band	Total days	% days with medical certification	Number of employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated cost
							(R'000)
Lower skilled (Levels 1-2)	1 156	86.7	129	151	85.4	9	327
Skilled (Levels 3-5)	2 354	87.6	269	342	78.7	9	960
Highly-skilled production (Levels 6-8)	1 345	82.9	179	256	69.9	8	1 061
Highly-skilled supervision (Levels 9-12)	906	88.0	124	214	57.9	7	1 116
Senior management (Levels 13-16)	38	76.3	12	21	57.1	3	90
<b>Total</b>	<b>5 799</b>	<b>86.3</b>	<b>713</b>	<b>984</b>	<b>72.5</b>	<b>8</b>	<b>3 554</b>

Note: The three-year sick leave cycle started in January 2010. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, please refer to Table 3.10.2.

**Table 3.10.2: Incapacity leave, 1 January to 31 December 2013**

Salary band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost
							(R'000)
Lower skilled (Levels 1-2)	0	0.0	0	151	0.0	0	0
Skilled (Levels 3-5)	32	6.3	2	342	0.6	16	15

Salary band	Total days	% days with medical certification	Number of employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated cost
							(R'000)
Highly-skilled production (Levels 6-8)	0	0.0	0	256	0.0	0	0
Highly-skilled supervision (Levels 9-12)	5	20.0	1	214	0.5	5	5
Senior management (Levels 13-16)	0	0.0	0	21	0.0	0	0
<b>Total</b>	<b>37</b>	<b>8.1</b>	<b>3</b>	<b>984</b>	<b>0.3</b>	<b>12</b>	<b>20</b>

Note: The leave dispensation as determined in the 'Leave Determination', read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick-leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA).

Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Commission Bargaining Chamber (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

**Table 3.10.3: Annual leave, 1 January to 31 December 2013**

Salary band	Total days taken	Total number employees using annual leave	Average days per employee
Lower skilled (Levels 1-2)	3 744	161	23
Skilled (Levels 3-5)	7 463	328	23
Highly-skilled production (Levels 6-8)	5 497	249	22
Highly-skilled supervision (Levels 9-12)	5 172	204	25
Senior management (Levels 13-16)	532	21	25
<b>Total</b>	<b>22 408</b>	<b>963</b>	<b>23</b>

**Table 3.10.4: Capped leave, 1 January to 31 December 2013**

Salary band	Total capped leave available as at 31 Dec 2012	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2013	Total capped leave available as at 31 Dec 2013
Lower skilled (Levels 1-2)	523	2	2	1	32	477



Salary band	Total capped leave available as at 31 Dec 2012	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2013	Total capped leave available as at 31 Dec 2013
Skilled (Levels 3-5)	3 767	7	3	2	122	3 616
Highly-skilled production (Levels 6-8)	2 608	5	3	2	64	2 235
Highly-skilled supervision (Levels 9-12)	4 397	37	6	6	93	4 285
Senior management (Levels 13-16)	990	1	1	1	11	825
<b>Total</b>	<b>12 285</b>	<b>52</b>	<b>15</b>	<b>3</b>	<b>322</b>	<b>11 437</b>

Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department retain their capped leave credits that form part of that specific salary band and ultimately the departmental total.

Table 3.10.5 summarises payments made to employees as a result of leave that was not taken.

**Table 3.10.5: Leave payouts, 1 April to 31 March 2014**

Reason	Total amount (R'000)	Number of incidents	Average payment per employee (R)
Leave payouts for 2013/14 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2013/14	963	9	106 945
Current leave payouts on termination of service 2013/14	77	8	9 617
<b>Total</b>	<b>1 040</b>	<b>17</b>	<b>61 143</b>
<b>Total number of employees who received payments</b>		<b>10</b>	

### 3.11 HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2013 to 31 March 2014**

Units/categories of employees identified to be at high risk of contracting HIV-related diseases (if any)	Key steps taken to reduce the risk
<p>The nature of the Department's work does not expose employees to increased risk of contracting HIV/Aids. Despite the very low occupational risk, all employees have been targeted at all levels within the Department</p>	<p>HIV/Aids counselling and testing (HCT) and wellness screening sessions were conducted in general. The outsourced health and wellness contract, namely the Employee Health and Wellness Programme (EHWP) provides employees and their immediate family members (i.e. the spouse or partner of an employee or children living with an employee) with a range of services. These services include the following:</p> <ul style="list-style-type: none"> <li>• 24/7/365 telephone counselling</li> <li>• face to face counselling (6 + 2 session model)</li> <li>• trauma and critical incident counselling</li> <li>• advocacy on HIV/Aids awareness, including online e-Care services</li> <li>• training, coaching and targeted interventions where these were required</li> </ul>

**Table 3.11.2: Details of health promotion and HIV/Aids programmes, 1 April 2013 to 31 March 2014**

Question	Yes	No	Details, if yes
<p>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.</p>	√		<p>Ms Reygana Shade is the Director: Organisational Behaviour, (Department of the Premier). She fulfilled this role due to the corporatisation of the employee health and wellness function,</p>
<p>2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of its employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.</p>	√		<p>The CSC within the Department of the Premier provides a transversal service to 11 participating departments, including the Department of the Premier.</p> <p>A designated Employee Health and Wellness Unit within the Directorate Organisational Behaviour and the Chief Directorate Organisational Development serve to promote the health and well-being of employees in the 11 departments.</p> <p>The unit consists of a Deputy Director, three Assistant Directors and four wellness practitioners.</p> <p>Budget : R2 million</p>

Question	Yes	No	Details, if yes
<p>3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/ services of this programme.</p>	√		<p>The Department has entered into a service-level agreement with Independent Counselling and Advisory Services (ICAS) to render an employee health and wellness service to the eleven client departments of the CSC.</p> <p>The Department conducted interventions namely, management consultancy, employee induction, stress management, abuse and sexual health awareness, work life balance, employee advocacy awareness, personal finance, managerial referral, substance abuse, financial well-being, juicy parenting, re-strung and coaching for employees. These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme (EHWP) reports provided by the service provider, ICAS, for the period 2013/14. The reports were based on the utilisation of the EHW services and management information in order to target appropriate interventions to address these trends.</p> <p>The targeted interventions were aimed at improving employee engagement through awareness and educational interventions that promote healthy lifestyles and coping skills. This involves presentations to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. The above-mentioned interventions were conducted for the targeted departments, managers and supervisors as well as executive coaching for SMS members.</p> <p>The Department also provided information sessions, as requested by various departments in the WCG to inform employees of the EHW service and how to access the EHWP. Promotional material such as pamphlets, posters and brochures were distributed.</p>

Question	Yes	No	Details, if yes
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.	√		<p>A new Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>Committee members are:</p> <ul style="list-style-type: none"> <li>• Agriculture: M Ferreira and H Jordaan (DJ)</li> <li>• Community Safety: A Brink; Simon Sekwadi and C Coetzee</li> <li>• Cultural Affairs: S Julies and D Flandorp</li> <li>• Economic Development &amp; Tourism: C Julies and P Martin</li> <li>• Environmental Affairs and Development Planning: M Kroese and P Cloete</li> <li>• Health: S Newman and C Van Willing</li> <li>• Human Settlements: J Roberts and LL Groenewald</li> <li>• Local Government: F Matthee and K Adams</li> <li>• Department of the Premier: R Shade and N Norushe</li> <li>• Provincial Treasury: D Sass and S Sixubane</li> <li>• Social Development: T Mtheke and M Robinson</li> <li>• Transport &amp; Public Works: C Marx and Zinnia De Monk</li> <li>• Western Cape Education: M Cronje and C Le Roux</li> </ul>
5. Has the Department reviewed its employment policies and practices to ensure that they do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		<p>The transversal management framework for the Employee Health and Wellness Programme in the WCG is in effect and was adopted by the Coordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005.</p> <p>DPSA has developed several national policy documents in 2007/8 that govern Employee Health and Wellness (EHW) in the Public Service and that coordinate the programmes and services in a uniform manner.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants.</p> <p>During the period under review, the Department of the Premier has developed a Transversal Employee Health and Wellness Policy. The draft document is being consulted for ratification.</p> <p>Further to this, the Department of Health has currently approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that will be applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the EHW Strategic Framework 2008.</p>

Question	Yes	No	Details, if yes
<p>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.</p>	√		<p>The Department implemented the Provincial Strategic Plan on HIV/Aids, STIs and TB 2012 - 2016 to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating the implementation of the three zeros in line with the Joint United Nations Programme on HIV/Aids (UNAIDS). These are educational programmes and information sessions developed to eradicate stigma and discrimination and to raise awareness through:</p> <ul style="list-style-type: none"> <li>• zero new HIV, STI and TB infections</li> <li>• zero deaths associated with HIV and TB</li> <li>• zero discrimination</li> </ul> <p>The Department is also conducting HCT and wellness screening sessions to ensure that every employee in the CSC departments of the Western Cape Government is tested for HIV and screened for TB, at least annually,</p> <p>The aim was to:</p> <ul style="list-style-type: none"> <li>• Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees.</li> <li>• Reduce unfair discrimination in access to services. This included ensuring that the Employee Relations Directorate addresses complaints or grievances and provides training to employees.</li> </ul> <p>Other key elements that addressed anti HIV/Aids discrimination issues were: wellness screenings and TB testing sessions with specific requests from departments, the distribution of posters and pamphlets, HIV/Aids counselling and TB testing, condom programmes and spot talks, including an HIV/Aids speak-out programme.</p>
<p>7. Does the Department encourage its employees to undergo voluntary counselling and testing (VCT)? If so, list the results that were achieved.</p>	√		<p><b>HCT SESSIONS</b></p> <p>The following screening sessions were conducted:</p> <ul style="list-style-type: none"> <li>• blood pressure, glucose, cholesterol, TB, body mass index (BMI) and spot talks.</li> </ul> <p>The Department of Agriculture participated in 18 HCT and wellness screening sessions while 278 employees were tested and counselled for HIV, TBs and STI's.</p> <p>There were no clinical referrals for TB, HIV or any other STIs.</p>

Question	Yes	No	Details, if yes
8. Has the Department developed measures/ indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		<p>The impact of health promotion programmes is indicated through information provided by the Employee Health and Wellness contract (external EAP service provider).</p> <p>The EHWP is monitored through quarterly and annual reporting. This reporting is provided by the external service provider. The most recent annual health review period was 1 April 2013 – 2014.</p> <p>The quarterly and annual review provides a breakdown of the EHWP human capital demographic, i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation and number of cases.</p> <p>The review further provides, among others, service utilisation, problem profiling and trending, assessment of employee and organisational risk and the impact thereof on the individual functioning in the workplace.</p>

### 3.12 LABOUR RELATIONS

The following collective agreements were entered into with trade unions within the Department.

**Table 3.12.1: Collective agreements, 1 April 2013 to 31 March 2014**

Total collective agreements	None

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the year under review.

**Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2013 to 31 March 2014**

Outcomes of disciplinary hearings	Number	% of total
Final written warning	4	25.0
Suspension without pay	3	18.8
Dismissal/desertion	9	56.3
<b>Total</b>	<b>16</b>	<b>100</b>
<b>Percentage of total employment</b>		<b>1.3</b>

*Note: Outcomes of disciplinary hearings refer to formal cases only.*

*One employee absconded during the period under review and this was automatically classified as a case of desertion. A formal disciplinary hearing was not required.*

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2013 to 31 March 2014**

Type of misconduct	Number	% of total
Inappropriate/unprofessional behaviour	1	7.7
Unauthorised absence	5	38.5
Theft	3	23.1
Failure to carry out lawful/reasonable instruction	2	15.4
Gross dishonesty	1	7.7
Misuse of GG vehicle	1	7.7
Abscondment	0	0
<b>Total</b>	<b>13</b>	<b>100</b>

**Table 3.12.4: Grievances lodged, 1 April 2013 to 31 March 2014**

Grievances lodged	Number	% of total
Number of grievances resolved	10	55.6
Number of grievances not resolved	8	44.4
<b>Total number of grievances lodged</b>	<b>18</b>	<b>100</b>

Note: Grievances lodged refer to cases that were finalised within the reporting period. Grievances not resolved refers to cases finalised, but where the outcome was not in favour of the aggrieved and found to be unsubstantiated.

**Table 3.12.5: Disputes lodged with Councils, 1 April 2013 to 31 March 2014**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	0	0
Number of disputes dismissed	1	100
<b>Total number of disputes lodged</b>	<b>1</b>	<b>100</b>

Note: Councils refer to the Public Service Coordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC).

**Table 3.12.6: Strike actions, 1 April 2013 to 31 March 2014**

Strike actions	Number
Total number of person working days lost	0
Total cost (R'000) of working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

**Table 3.12.7: Precautionary suspensions, 1 April 2013 to 31 March 2014**

Precautionary suspensions	Number
Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost (R'000) of suspensions	0

Note: Precautionary suspensions refer to staff being suspended with pay while the case is being investigated.

### 3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflects the training needs as at the beginning of the period under review, and Table 3.13.2 reflects the actual training provided.

**Table 3.13.1: Training needs identified, 1 April 2013 to 31 March 2014**

Occupational categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of reporting period			
			Learner-ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	14	0	14
	Male	12	0	16	0	16
Professionals	Female	82	0	90	0	90
	Male	114	0	113	0	113
Technicians and associate professionals	Female	82	0	129	0	129
	Male	146	0	112	0	112
Clerks	Female	143	0	115	0	115
	Male	40	0	73	0	73
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	12	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	36	0	0	0	0
Elementary occupations	Female	66	0	20	0	20
	Male	180	0	29	0	29
<b>Subtotal</b>	<b>Female</b>	<b>383</b>	<b>0</b>	<b>368</b>	<b>0</b>	<b>368</b>
	<b>Male</b>	<b>551</b>	<b>0</b>	<b>343</b>	<b>0</b>	<b>343</b>



Occupational categories	Gender	Number of employees as at 1 April 2013	Training needs identified at start of reporting period			
			Learner-ships	Skills programmes and other short courses	Other forms of training	Total
<b>Total</b>		<b>934</b>	<b>0</b>	<b>711</b>	<b>0</b>	<b>711</b>
<b>Employees with disabilities</b>	Female	4	0	0	0	0
	Male	11	0	0	0	0

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Work Place Skills Plan.

**Table 3.13.2: Training provided, 1 April 2013 to 31 March 2014**

Occupational categories	Gender	Number of employees as at 31 March 2014	Training provided within the reporting period			
			Learner-ships	Skills programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	6	0	5	0	5
	Male	11	0	8	0	8
Professionals	Female	84	0	13	0	13
	Male	112	0	23	0	23
Technicians and associate professionals	Female	84	0	31	0	31
	Male	151	0	20	0	20
Clerks	Female	156	0	77	0	77
	Male	56	0	31	0	31
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	12	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	35	0	0	0	0
Elementary occupations	Female	68	0	4	0	4
	Male	169	0	0	0	0
<b>Subtotal</b>	<b>Female</b>	<b>402</b>	<b>0</b>	<b>130</b>	<b>0</b>	<b>130</b>
	<b>Male</b>	<b>557</b>	<b>0</b>	<b>82</b>	<b>0</b>	<b>82</b>
<b>Total</b>		<b>959</b>	<b>0</b>	<b>212</b>	<b>0</b>	<b>212</b>
<b>Employees with disabilities</b>	Female	4	0	0	0	0
	Male	11	0	0	0	0

Note: The above table identifies the number of training courses attended by individuals during the period under review.

### 3.14 INJURY ON DUTY

Table 4.14.1 provides basic information on injury on duty.

**Table 3.14.1: Injury on duty, 1 April 2013 to 31 March 2014**

Nature of injury on duty	Number	% of total
Required basic medical attention only	7	9.6
Temporary disablement	66	90.4
Permanent disablement	0	0.0
Fatal	0	0.0
<b>Total</b>	<b>73</b>	<b>100.0</b>
Percentage of total employment		6.2

### 3.15 UTILISATION OF CONSULTANTS

**Table 3.15.1: Utilisation of consultants**

REPORT OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS 2013/14										
PROGRAMME	CONSULTING FIRM	PROJECT TITLE	TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT	DURATION: WORK DAYS/HOURS	CONTRACT VALUE IN RAND	TOTAL NUMBER OF PROJECTS	% OWNERSHIPS BY HDI GROUP	% MANAGEMENT BY HDI GROUPS	NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT	HDI VALUE IN RAND
Programme 1	SEAD (Pty) Ltd	Performance evaluation in the Department (Resource person)	1	14	155 610	1	25%	25%	0	0
Programme 2	Aurecon SA (Pty) Ltd	Utilisation of additional water Clanwilliam Dam	6	23	177 676	1	66%	61%	0	0

<b>REPORT OF CONSULTANT APPOINTMENTS USING APPROPRIATED FUNDS 2013/14</b>										
<b>PROGRAMME</b>	<b>CONSULTING FIRM</b>	<b>PROJECT TITLE</b>	<b>TOTAL NUMBER OF CONSULTANTS THAT WORKED ON THE PROJECT</b>	<b>DURATION: WORK DAYS/HOURS</b>	<b>CONTRACT VALUE IN RAND</b>	<b>TOTAL NUMBER OF PROJECTS</b>	<b>% OWNERSHIPS BY HDI GROUP</b>	<b>% MANAGEMENT BY HDI GROUPS</b>	<b>NUMBER OF CONSULTANTS FROM HDI GROUP THAT WORK ON THE PROJECT</b>	<b>HDI VALUE IN RAND</b>
<b>Programme 6</b>	Business enterprises at University of Pretoria (Pty) Ltd	An outlook of agricultural production, consumption, price and trade	9	130	159 600	1	N/A	16%	3	64 560
<b>Programme 7</b>	Emerging Architecture	Future development of the Elsenburg Agricultural Training Institute	1	35	55 950	1	0%	0%	0	0
<b>Grand total</b>			<b>17</b>	<b>202</b>	<b>548 836</b>	<b>4</b>	<b>91</b>	<b>102</b>	<b>3</b>	<b>64 560</b>

# Part E:

## Financial Information

Report of the Auditor-general	204
Annual Financial Statements	
Appropriation Statement	207
Notes to the Appropriation Statement	217
Statement of Financial Performance	219
Statement of Financial Position	220
Statement of Change in Net Assets	221
Cash Flow Statement	222
Accounting Policies	223
Notes to the Annual Financial Statements	230
Annexures to the Annual Financial Statements	251

## **REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT ON VOTE NO. 11: WESTERN CAPE DEPARTMENT OF AGRICULTURE**

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Introduction**

1. I have audited the financial statements of the Western Cape Department of Agriculture set out on pages 207-250, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes comprising a summary of significant accounting policies and other explanatory information.

#### **Accounting officer's responsibility for the financial statements**

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard (MSC) prescribed by the National Treasury and in the manner required by the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act, 2013 (Act No. 2 of 2013) (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.

#### **Auditor-general's responsibility**

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Opinion**

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Agriculture as at 31 March 2014 and its financial performance and cash flows for the year then ended in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and DoRA.

#### **Emphasis of matter**

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

#### **Restatement of corresponding figures**

8. As disclosed in note 33 and 34 to the financial statements, the corresponding figures for 31 March 2013 have been restated as a result of a change in accounting estimates as well as errors discovered

during the 2013-14 financial year in the financial statements of the Western Cape Department of Agriculture at, and for the year ended, 31 March 2013.

#### **Additional matter**

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

#### **Unaudited supplementary schedules**

10. The supplementary information set out on pages 251 to 257 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.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

11. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

#### **Predetermined objectives**

12. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:
- Programme 3: Farmer support and development on pages 83 to 87
  - Programme 4: Veterinary services on pages 91 to 97
13. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
14. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.
15. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

#### **Additional matters**

17. Although I raised no material findings on the usefulness and reliability of the reported performance information for the selected programmes, we draw attention to the following matters:

#### **Achievement of planned targets**

18. Refer to the annual performance report on pages 83 to 87 and 91 to 97 for information on the achievement of planned targets for the year.

#### **Adjustment of material misstatements**

19. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for Programme 4: Veterinary services. As management

subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

### **Compliance with legislation**

20. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

### **Internal control**

21. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

### **OTHER REPORTS**

#### **Investigations**

22. Five (5) open cases relevant to the Western Cape Department of Agriculture appeared in the forensic investigating unit's register at the end of the financial year under review. Details relating to the cases investigated during the year under review are as follows:
- Four (4) cases relating to alleged corruption and other matters reported via departmental referral and the national anti-corruption hotline were still in progress at year-end.
  - For one (1) case relating to procurement fraud the investigation had not yet commenced at year-end.
  - Seven (7) new cases relating to alleged human resource irregularities, corruption and procurement fraud that were reported to the forensic investigating unit during the year under review. One case relating to alleged corruption was reallocated to this department from another department.
  - Five (5) cases were closed during the year under review. In three of the cases no investigation was required and in two cases the outcome related to fraud and/or corruption and/or non-compliance.

*Auditor-General*

Cape Town  
30 July 2014



**A U D I T O R - G E N E R A L**  
**S O U T H A F R I C A**

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**APPROPRIATION STATEMENT**  
for the year ended 31 March 2014

Appropriation per programme									
APPROPRIATION STATEMENT	2013/14							2012/13	
	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>1. ADMINISTRATION</b>									
Current payment	91,125	(1,705)	-	89,420	83,713	5,707	93,6%	78,114	77,372
Transfers and subsidies	1,807	141	832	2,780	2,781	(1)	100,0%	1,377	1,377
Payment for capital assets	3,384	1,534	-	4,918	4,918	-	100,0%	2,565	2,565
Payment for financial assets	24	30	-	54	54	-	100,0%	32	32
	96,340	-	832	97,172	91,466	5,706		82,088	81,346
<b>2. SUSTAINABLE RESOURCE MANAGEMENT</b>									
Current payment	33,661	(304)	-	33,357	33,357	-	100,0%	48,600	47,600
Transfers and subsidies	11,909	43	346	12,298	12,298	-	100,0%	459	459
Payment for capital assets	1,095	233	-	1,328	1,328	-	100,0%	1,081	1,081
Payment for financial assets	60	28	-	88	88	-	100,0%	109	109
	46,725	-	346	47,071	47,071	-		50,249	49,249
<b>3. FARMER SUPPORT AND DEVELOPMENT</b>									
Current payment	69,433	(7,170)	(891)	61,372	61,372	-	100,0%	58,478	58,478
Transfers and subsidies	161,748	3,817	-	165,565	165,565	-	100,0%	145,310	145,310
Payment for capital assets	3,466	3,339	-	6,805	6,805	-	100,0%	2,967	2,967
Payment for financial assets	35	14	-	49	49	-	100,0%	39	39
	234,682	-	(891)	233,791	233,791	-		206,794	206,794
<b>4. VETERINARY SERVICES</b>									
Current payment	58,186	(1,216)	(10)	56,960	56,960	-	100,0%	52,100	51,095
Transfers and subsidies	650	169	(500)	319	319	-	100,0%	855	855
Payment for capital assets	2,652	1,017	-	3,669	3,669	-	100,0%	1,522	1,522
Payment for financial assets	-	30	-	30	30	-	100,0%	25	25
	61,488	-	(510)	60,978	60,978	-		54,502	53,497
<b>5. RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES</b>									
Current payment	91,273	(4,046)	(145)	87,082	86,332	750	99,1%	81,627	80,116
Transfers and subsidies	536	341	-	877	877	-	100,0%	518	518
Payment for capital assets	4,586	3,668	-	8,254	8,254	-	100,0%	6,713	6,713
Payment for financial assets	30	37	-	67	67	-	100,0%	9	9
	96,425	-	(145)	96,280	95,530	750		88,867	87,356
<b>6. AGRICULTURAL ECONOMICS SERVICES</b>									
Current payment	13,367	(619)	-	12,748	12,748	-	100,0%	11,202	11,068
Transfers and subsidies	3,102	590	288	3,980	3,980	-	100,0%	3,583	3,583
Payment for capital assets	190	24	-	214	214	-	100,0%	249	249
Payment for financial assets	-	5	-	5	5	-	100,0%	1	1
	16,659	-	288	16,947	16,947	-		15,035	14,901



**APPROPRIATION STATEMENT**  
for the year ended 31 March 2014

Appropriation per programme									
APPROPRIATION STATEMENT	2013/14							2012/13	
	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>7. STRUCTURED AGRICULTURAL EDUCATION AND TRAINING</b>									
Current payment	40,126	988	-	41,114	41,114	-	100,0%	41,292	41,097
Transfers and subsidies	1,306	(260)	(154)	892	892	-	100,0%	3,320	3,320
Payment for capital assets	2,585	(731)	-	1,854	1,854	-	100,0%	2,099	2,099
Payment for financial assets	10	3	-	13	13	-	100,0%	14	14
	44,027	-	(154)	43,873	43,873	-		46,725	46,530
<b>8. RURAL DEVELOPMENT COORDINATION</b>									
Current payment	10,525	(511)	-	10,014	10,014	-	100,0%	11,596	11,442
Transfers and subsidies	8,259	483	234	8,976	8,976	-	100,0%	4,312	4,312
Payment for capital assets	188	28	-	216	216	-	100,0%	206	206
	18,972	-	234	19,206	19,206	-		16,114	15,960
<b>TOTAL</b>	<b>615,318</b>	<b>-</b>	<b>-</b>	<b>615,318</b>	<b>608,862</b>	<b>6,456</b>	<b>99,0%</b>	<b>560,374</b>	<b>555,633</b>
<b>Reconciliation with statement of financial performance</b>									
<b>Add: Departmental receipts</b>				823				1,840	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>616,141</b>				<b>562,214</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>608,862</b>				<b>555,633</b>

Appropriation per economic classification									
APPROPRIATION PER ECONOMIC CLASSIFICATION	2013/14							2012/13	
	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>									
Compensation of employees	265,793	(6,584)	(1,036)	258,173	258,173	-	100,0%	243,081	243,081
Goods and services	141,899	(7,996)	(10)	133,893	127,437	6,456	95,2%	139,921	135,180
Interest and rent on land	4	(4)	-	-	-	-	-	6	6
<b>Transfers and subsidies</b>									
Provinces and municipalities	130	5	-	135	135	-	100,0%	53	53
Departmental agencies and accounts	849	1,435	-	2,284	2,284	-	100,0%	4,415	4,415
Higher education institutions	580	(448)	-	132	132	-	100,0%	130	130
Public corporations and private enterprises	146,260	1,155	580	147,995	147,995	-	100,0%	149,354	149,354
Non-profit institutions	36,798	2,592	(413)	38,977	38,977	-	100,0%	1,387	1,387
Households	3,164	254	679	4,097	4,097	-	100,0%	2,969	2,969
Gifts and donations	1,536	333	200	2,069	2,069	-	100,0%	1,428	1,428
<b>Payments for capital assets</b>									
Buildings and other fixed structures	392	(21)	-	371	371	-	100,0%	1,306	1,306
Machinery and equipment	17,539	9,349	-	26,888	26,888	-	100,0%	15,909	15,909
Biological assets	-	-	-	-	-	-	-	24	24
Intangible assets	215	(215)	-	-	-	-	-	162	162
<b>Payments for financial assets</b>	159	145	-	304	304	-	100,0%	229	229
<b>Total</b>	<b>615,318</b>	<b>-</b>	<b>-</b>	<b>615,318</b>	<b>608,862</b>	<b>6,456</b>	<b>99,0%</b>	<b>560,374</b>	<b>555,633</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per Programme 1 - ADMINISTRATION**

Detail per sub-programme	2013/14							2012/13	
	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>1.1 OFFICE OF THE MEC</b>									
Current payment	6,400	(472)	-	5,928	5,928	-	100,0%	5,668	5,668
Payment for capital assets	270	(64)	-	206	206	-	100,0%	248	248
Payment for financial assets	-	-	-	-	-	-	-	1	1
<b>1.2 SENIOR MANAGEMENT</b>									
Current payment	6,603	(1,316)	-	5,287	5,287	-	100,0%	4,935	4,935
Transfers and subsidies	493	(294)	-	199	199	-	100,0%	314	314
Payment for capital assets	510	(250)	-	260	260	-	100,0%	112	112
Payment for financial assets	-	1	-	1	1	-	100,0%	-	-
<b>1.3 CORPORATE SERVICES</b>									
Current payment	42,032	2,844	-	44,876	39,461	5,415	87,9%	37,279	37,279
Transfers and subsidies	854	412	832	2,098	2,099	(1)	100,0%	950	950
Payment for capital assets	601	1,626	-	2,227	2,227	-	100,0%	390	390
Payment for financial assets	10	5	-	15	15	-	100,0%	27	27
<b>1.4 FINANCIAL MANAGEMENT</b>									
Current payment	30,414	(3,223)	-	27,191	27,179	12	100,0%	26,000	25,258
Transfers and subsidies	36	23	-	59	59	-	100,0%	15	15
Payment for capital assets	1,749	227	-	1,976	1,976	-	100,0%	1,718	1,718
Payment for financial assets	14	24	-	38	38	-	100,0%	1	1
<b>1.5 COMMUNICATION SERVICES</b>									
Current payment	5,676	462	-	6,138	5,858	280	95,4%	4,232	4,232
Transfers and subsidies	424	-	-	424	424	-	100,0%	98	98
Payment for capital assets	254	(5)	-	249	249	-	100,0%	97	97
Payment for financial assets	-	-	-	-	-	-	-	3	3
<b>Total</b>	<b>96,340</b>	<b>-</b>	<b>832</b>	<b>97,172</b>	<b>91,466</b>	<b>5,706</b>	<b>94,1%</b>	<b>82,088</b>	<b>81,346</b>

Programme 1: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	44,533	(592)	-	43,941	43,941	-	100,0%	40,589	40,589
Goods and services	46,592	(1,114)	-	45,478	39,772	5,706	87,5%	37,517	36,775
Interest and rent on land	-	-	-	-	-	-	-	6	6
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	-	7	-	7	7	-	100,0%	1	1
Households	880	435	832	2,147	2,147	-	100,0%	947	947
Gifts and donations	927	(300)	-	627	627	-	100,0%	431	431
<b>Payment for capital assets</b>									
Machinery and equipment	3,384	1,534	-	4,918	4,918	-	100,0%	2,565	2,565
<b>Payments for financial assets</b>									
	24	30	-	54	54	-	100,0%	32	32
<b>Total</b>	<b>96,340</b>	<b>-</b>	<b>832</b>	<b>97,172</b>	<b>91,466</b>	<b>5,706</b>	<b>94,1%</b>	<b>82,088</b>	<b>81,346</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 2: SUSTAINABLE RESOURCE MANAGEMENT**

Detail per sub-programme	2013/14							2012/13	
	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>2.1 ENGINEERING SERVICES</b>									
Current payment	13,686	536	-	14,222	14,222	-	100,0%	16,458	16,265
Transfers and subsidies	1,077	143	-	1,220	1,220	-	100,0%	1	1
Payment for capital assets	390	190	-	580	580	-	100,0%	363	363
Payment for financial assets	60	1	-	61	61	-	100,0%	-	-
<b>2.2 LANDCARE</b>									
Current payment	18,132	(754)	-	17,378	17,378	-	100,0%	31,369	30,562
Transfers and subsidies	9,315	(100)	346	9,561	9,561	-	100,0%	458	458
Payment for capital assets	675	53	-	728	728	-	100,0%	711	711
Payment for financial assets	-	27	-	27	27	-	100,0%	109	109
<b>2.3 LAND USE MANAGEMENT</b>									
Current payment	881	(28)	-	853	853	-	100,0%	753	753
Payment for capital assets	15	(15)	-	-	-	-	100,0%	7	7
<b>2.4 DISASTER RISK MANAGEMENT</b>									
Current payment	962	(58)	-	904	904	-	100,0%	20	20
Transfers and subsidies	1,517	-	-	1,517	1,517	-	100,0%	-	-
Payment for capital assets	15	5	-	20	20	-	100,0%	-	-
<b>Total</b>	<b>46,725</b>	<b>-</b>	<b>346</b>	<b>47,071</b>	<b>47,071</b>	<b>-</b>	<b>100,0%</b>	<b>50,249</b>	<b>49,249</b>

Programme 2: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	23,642	(225)	-	23,417	23,417	-	100,0%	21,728	21,728
Goods and services	10,019	(79)	-	9,940	9,940	-	100,0%	26,872	25,872
<b>Transfers and subsidies</b>									
Provinces and municipalities	77	2	-	79	79	-	100,0%	1	1
Departmental agencies and accounts	-	11	-	11	11	-	100,0%	-	-
Public corporations and private enterprises	11,273	431	346	12,050	12,050	-	100,0%	450	450
Households	559	(402)	-	157	157	-	100,0%	-	-
Gifts and donations	-	1	-	1	1	-	100,0%	8	8
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	-	-	-	-	-	-	919	919
Machinery and equipment	1,015	313	-	1,328	1,328	-	100,0%	-	-
Intangible assets	80	(80)	-	-	-	-	-	162	162
<b>Payments for financial assets</b>	<b>60</b>	<b>28</b>	<b>-</b>	<b>88</b>	<b>88</b>	<b>-</b>	<b>100,0%</b>	<b>109</b>	<b>109</b>
<b>Total</b>	<b>46,725</b>	<b>-</b>	<b>346</b>	<b>47,071</b>	<b>47,071</b>	<b>-</b>	<b>100,0%</b>	<b>50,249</b>	<b>49,249</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 3: FARMER SUPPORT AND DEVELOPMENT**

Detail per sub-programme	2013/14							2012/13	
	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>3.1 FARMER SETTLEMENT AND DEVELOPMENT</b>									
Current payment	31,471	(1,980)	(891)	28,600	28,600	-	100,0%	17,459	17,459
Transfers and subsidies	141,826	3,689	-	145,515	145,515	-	100,0%	126,358	126,358
Payment for capital assets	600	2,156	-	2,756	2,756	-	100,0%	210	210
Payment for financial assets	35	(1)	-	34	34	-	100,0%	18	18
<b>3.2 EXTENSION AND ADVISORY SERVICES</b>									
Current payment	27,851	(3,062)	-	24,789	24,789	-	100,0%	29,498	29,498
Transfers and subsidies	1,654	119	-	1,773	1,773	-	100,0%	1,012	1,012
Payment for capital assets	2,866	1,172	-	4,038	4,038	-	100,0%	2,733	2,733
Payment for financial assets	-	6	-	6	6	-	100,0%	17	17
<b>3.3 FOOD SECURITY</b>									
Current payment	10,111	(2,128)	-	7,983	7,983	-	100,0%	11,521	11,521
Transfers and subsidies	-	9	-	9	9	-	100,0%	-	-
Payment for capital assets	-	11	-	11	11	-	100,0%	24	24
Payment for financial assets	-	9	-	9	9	-	100,0%	4	4
<b>3.4 CASIDRA SOC LTD</b>									
Transfers and subsidies	18,268	-	-	18,268	18,268	-	100,0%	17,940	17,940
<b>Total</b>	<b>234,682</b>	<b>-</b>	<b>(891)</b>	<b>233,791</b>	<b>233,791</b>	<b>-</b>	<b>100,0%</b>	<b>206,794</b>	<b>206,794</b>

Programme 3: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	42,529	(1,738)	(891)	39,900	39,900	-	100,0%	39,465	39,465
Goods and services	26,904	(5,432)	-	21,472	21,472	-	100,0%	19,013	19,013
<b>Transfers and subsidies</b>									
Provinces and municipalities	6	2	-	8	8	-	100,0%	8	8
Departmental agencies and accounts	14	500	-	514	514	-	100,0%	327	327
Public corporations and private enterprises	131,335	(102)	-	131,233	131,233	-	100,0%	144,965	144,965
Non-profit institutions	30,096	3,120	-	33,216	33,216	-	100,0%	-	-
Households	297	94	-	391	391	-	100,0%	-	-
Gifts and donations	-	203	-	203	203	-	100,0%	10	10
<b>Payment for capital assets</b>									
Buildings and other fixed structures	250	(60)	-	190	190	-	100,0%	-	-
Machinery and equipment	3,216	3,399	-	6,615	6,615	-	100,0%	2,943	2,943
Biological Assets	-	-	-	-	-	-	-	24	24
<b>Payments for financial assets</b>									
	35	14	-	49	49	-	100,0%	39	39
<b>Total</b>	<b>234,682</b>	<b>-</b>	<b>(891)</b>	<b>233,791</b>	<b>233,791</b>	<b>-</b>	<b>100,0%</b>	<b>206,794</b>	<b>206,794</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 4: VETERINARY SERVICES**

Detail per sub-programme	2013/14							2012/13	
	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>4.1 ANIMAL HEALTH</b>									
Current payment	33,174	694	(10)	33,858	33,858	-	100,0%	32,472	31,467
Transfers and subsidies	528	155	(500)	183	183	-	100,0%	828	828
Payment for capital assets	1,287	116	-	1,403	1,403	-	100,0%	1,252	1,252
Payment for financial assets	-	26	-	26	26	-	100,0%	25	25
<b>4.2 EXPORT CONTROL</b>									
Current payment	7,349	(1,618)	-	5,731	5,731	-	100,0%	3,610	3,610
Transfers and subsidies	12	-	-	12	12	-	100,0%	-	-
Payment for capital assets	255	51	-	306	306	-	100,0%	37	37
<b>4.3 VETERINARY PUBLIC HEALTH</b>									
Current payment	5,641	(806)	-	4,835	4,835	-	100,0%	4,536	4,536
Transfers and subsidies	108	1	-	109	109	-	100,0%	-	-
Payment for capital assets	144	192	-	336	336	-	100,0%	47	47
Payment for financial assets	-	4	-	4	4	-	100,0%	-	-
<b>4.4 VETERINARY LABORATORY SERVICES</b>									
Current payment	12,022	514	-	12,536	12,536	-	100,0%	11,482	11,482
Transfers and subsidies	2	13	-	15	15	-	100,0%	27	27
Payment for capital assets	966	658	-	1,624	1,624	-	100,0%	186	186
<b>Total</b>	<b>61,488</b>	<b>-</b>	<b>(510)</b>	<b>60,978</b>	<b>60,978</b>	<b>-</b>	<b>100,0%</b>	<b>54,502</b>	<b>53,497</b>

Programme 4: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	46,652	(2,400)	-	44,252	44,252	-	100,0%	40,427	40,427
Goods and services	11,530	1,188	(10)	12,708	12,708	-	100,0%	11,673	10,668
Interest and rent on land	4	(4)	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>									
Provinces and municipalities	2	(1)	-	1	1	-	100,0%	2	2
Departmental agencies and accounts	26	56	-	82	82	-	100,0%	22	22
Public corporations and private enterprises	-	100	-	100	100	-	100,0%	-	-
Non-profit institutions	500	-	(500)	-	-	-	-	500	500
Households	122	14	-	136	136	-	100,0%	331	331
<b>Payment for capital assets</b>									
Machinery and equipment	2,542	1,128	-	3,670	3,670	-	100,0%	1,522	1,522
Intangible assets	110	(110)	-	-	-	-	100,0%	-	-
<b>Payments for financial assets</b>									
	-	29	-	29	29	-	100,0%	25	25
<b>Total</b>	<b>61,488</b>	<b>-</b>	<b>(510)</b>	<b>60,978</b>	<b>60,978</b>	<b>-</b>	<b>100,0%</b>	<b>54,502</b>	<b>53,497</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 5: RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES**

Detail per sub-programme	2013/14							2012/13	
	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>5.1 RESEARCH</b>									
Current payment	61,273	(6,212)	(145)	54,916	54,166	750	98,6%	53,058	51,547
Transfers and subsidies	507	182	-	689	689	-	100,0%	35	35
Payment for capital assets	2,811	2,650	-	5,461	5,461	-	100,0%	3,064	3,064
Payment for financial assets	-	25	-	25	25	-	100,0%	-	-
<b>5.2 TECHNOLOGY TRANSFER SERVICES</b>									
Current payment	393	(106)	-	287	287	-	100,0%	-	-
Payment for capital assets	15	(15)	-	-	-	-	-	-	-
<b>5.3 INFRASTRUCTURE SUPPORT SERVICES</b>									
Current payment	29,607	2,272	-	31,879	31,879	-	100,0%	28,569	28,569
Transfers and subsidies	29	159	-	188	188	-	100,0%	483	483
Payment for capital assets	1,760	1,033	-	2,793	2,793	-	100,0%	3,649	3,649
Payment for financial assets	30	12	-	42	42	-	100,0%	9	9
<b>Total</b>	<b>96,425</b>	<b>-</b>	<b>(145)</b>	<b>96,280</b>	<b>95,530</b>	<b>750</b>	<b>99,2%</b>	<b>88,867</b>	<b>87,356</b>

Programme 5: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	61,560	(267)	(145)	61,148	61,148	-	100,0%	57,923	57,923
Goods and services	29,713	(3,779)	-	25,934	25,184	750	97,1%	23,704	22,193
<b>Transfers and subsidies</b>									
Provinces and municipalities	32	11	-	43	43	-	100,0%	39	39
Departmental agencies and accounts	1	126	-	127	127	-	100,0%	2	2
Households	503	3	-	506	506	-	100,0%	477	477
Gifts and donations	-	202	-	202	202	-	100,0%	-	-
<b>Payment for capital assets</b>									
Buildings and other fixed structures	-	181	-	181	181	-	100,0%	387	387
Machinery and equipment	4,566	3,507	-	8,073	8,073	-	100,0%	6,326	6,326
Intangible assets	20	(20)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	30	36	-	66	66	-	100,0%	9	9
<b>Total</b>	<b>96,425</b>	<b>-</b>	<b>(145)</b>	<b>96,280</b>	<b>95,530</b>	<b>750</b>	<b>99,2%</b>	<b>88,867</b>	<b>87,356</b>

**APPROPRIATION STATEMENT**  
for the year ended 31 March 2014  
**Detail per programme 6: AGRICULTURAL ECONOMICS SERVICES**

Detail per sub-programme	2013/14							2012/13	
	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>6.1 AGRIBUSINESS SUPPORT AND DEVELOPMENT</b>									
Current payment	8,917	232	-	9,149	9,149	-	100,0%	8,458	8,324
Transfers and subsidies	2,802	715	101	3,618	3,618	-	100,0%	1,727	1,727
Payment for capital assets	150	38	-	188	188	-	100,0%	225	225
Payment for financial assets	-	3	-	3	3	-	100,0%	-	-
<b>6.2 MACROECONOMICS AND SUPPORT</b>									
Current payment	4,450	(851)	-	3,599	3,599	-	100,0%	2,744	2,744
Transfers and subsidies	300	(125)	187	362	362	-	100,0%	1,856	1,856
Payment for capital assets	40	(14)	-	26	26	-	100,0%	24	24
Payment for financial assets	-	2	-	2	2	-	100,0%	1	1
<b>Total</b>	<b>16,659</b>	<b>-</b>	<b>288</b>	<b>16,947</b>	<b>16,947</b>	<b>-</b>	<b>100,0%</b>	<b>15,035</b>	<b>14,901</b>

Programme 6: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	10,299	(162)	-	10,137	10,137	-	100,0%	8,786	8,786
Goods and services	3,068	(457)	-	2,611	2,611	-	100,0%	2,417	2,283
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	690	690	-	1,380	1,380	-	100,0%	2,220	2,220
Higher education institutions	330	(198)	-	132	132	-	100,0%	130	130
Public corporations and private enterprises	1,000	-	-	1,000	1,000	-	100,0%	1,056	1,056
Non-profit institutions	1,076	98	87	1,261	1,261	-	100,0%	-	-
Households	6	-	1	7	7	-	100,0%	16	16
Gifts and donations	-	-	200	200	200	-	100,0%	160	160
<b>Payment for capital assets</b>									
Machinery and equipment	190	24	-	214	214	-	100,0%	249	249
<b>Payments for financial assets</b>									
	-	5	-	5	5	-	100,0%	1	1
<b>Total</b>	<b>16,659</b>	<b>-</b>	<b>288</b>	<b>16,947</b>	<b>16,947</b>	<b>-</b>	<b>100,0%</b>	<b>15,035</b>	<b>14,901</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 7: STRUCTURED AGRICULTURAL EDUCATION AND TRAINING**

Detail per sub-programme	2013/14							2012/13	
	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>7.1 HIGHER EDUCATION AND TRAINING (HET)</b>									
Current payment	29,637	2,382	-	32,019	32,019	-	100,0%	32,337	32,142
Transfers and subsidies	1,294	(260)	(154)	880	880	-	100,0%	3,303	3,303
Payment for capital assets	2,107	(815)	-	1,292	1,292	-	100,0%	1,420	1,420
Payment for financial assets	-	3	-	3	3	-	100,0%	14	14
<b>7.2 FURTHER EDUCATION AND TRAINING (FET)</b>									
Current payment	10,489	(1,394)	-	9,095	9,095	-	100,0%	8,955	8,955
Transfers and subsidies	12	-	-	12	12	-	100,0%	17	17
Payment for capital assets	478	84	-	562	562	-	100,0%	679	679
Payment for financial assets	10	-	-	10	10	-	100,0%	-	-
<b>Total</b>	<b>44,027</b>	<b>-</b>	<b>(154)</b>	<b>43,873</b>	<b>43,873</b>	<b>-</b>	<b>100,0%</b>	<b>46,725</b>	<b>46,530</b>

Programme 7: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	27,988	(937)	-	27,051	27,051	-	100,0%	25,846	25,846
Goods and services	12,138	1,925	-	14,063	14,063	-	100,0%	15,446	15,251
<b>Transfers and subsidies</b>									
Provinces and municipalities	13	(9)	-	4	4	-	100,0%	3	3
Departmental agencies and accounts	118	45	-	163	163	-	100,0%	1,839	1,839
Higher education institutions	250	(250)	-	-	-	-	-	-	-
Non-profit institutions	34	(34)	-	-	-	-	-	169	169
Households	797	(24)	(154)	619	619	-	100,0%	1,166	1,166
Gifts and donations	94	12	-	106	106	-	100,0%	143	143
<b>Payment for capital assets</b>									
Buildings and other fixed structures	142	(142)	-	-	-	-	-	-	-
Machinery and equipment	2,438	(584)	-	1,854	1,854	-	-	2,099	2,099
Intangible assets	5	(5)	-	-	-	-	100,0%	-	-
<b>Payments for financial assets</b>	10	3	-	13	13	-	100,0%	14	14
<b>Total</b>	<b>44,027</b>	<b>-</b>	<b>(154)</b>	<b>43,873</b>	<b>43,873</b>	<b>-</b>	<b>100,0%</b>	<b>46,725</b>	<b>46,530</b>



**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2014**  
**Detail per programme 8: RURAL DEVELOPMENT COORDINATION**

Detail per sub-programme	2013/14							2012/13	
	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>8.1 DEVELOPMENT PLANNING</b>									
Current payment	2,266	(429)	-	1,837	1,837	-	100,0%	2,791	2,637
Transfers and subsidies	1,180	-	-	1,180	1,180	-	100,0%	2,537	2,537
Payment for capital assets	20	2	-	22	22	-	100,0%	26	26
<b>8.2 FARM WORKER DEVELOPMENT</b>									
Current payment	8,259	(82)	-	8,177	8,177	-	100,0%	8,805	8,805
Transfers and subsidies	7,079	483	234	7,796	7,796	-	100,0%	1,775	1,775
Payment for capital assets	168	26	-	194	194	-	100,0%	180	180
<b>Total</b>	<b>18,972</b>	<b>-</b>	<b>234</b>	<b>19,206</b>	<b>19,206</b>	<b>-</b>	<b>100,0%</b>	<b>16,114</b>	<b>15,960</b>

Programme 8: Per economic classification	2013/14							2012/13	
	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>									
Compensation of employees	8,590	(263)	-	8,327	8,327	-	100,0%	8,317	8,317
Goods and services	1,935	(248)	-	1,687	1,687	-	100,0%	3,279	3,125
<b>Transfers and subsidies</b>									
Departmental agencies and accounts	-	-	-	-	-	-	-	4	4
Public corporations and private enterprises	2,652	726	234	3,612	3,612	-	100,0%	2,883	2,883
Non-profit institutions	5,092	(592)	-	4,500	4,500	-	100,0%	718	718
Households	-	134	-	134	134	-	100,0%	32	32
Gifts and donations	515	215	-	730	730	-	100,0%	676	676
<b>Payment for capital assets</b>									
Machinery and equipment	188	28	-	216	216	-	100,0%	205	205
<b>Total</b>	<b>18,972</b>	<b>-</b>	<b>234</b>	<b>19,206</b>	<b>19,206</b>	<b>-</b>	<b>100,0%</b>	<b>16,114</b>	<b>15,960</b>

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

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

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

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

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

**3. DETAILS OF PAYMENTS FOR FINANCIAL ASSETS**

Details of these transactions per programme can be viewed in the note to 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	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%

<b>Programme 1: Administration</b>	97,172	91,466	5,706	5,9%
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An underspending of R5.706 million can mainly be attributed to R3.617 million for a project which aimed to facilitate the human capital and skills development in order to deliver on the economic and human resources development needs of the agricultural sector in the Western Cape. The focus is on the rural youth in disadvantaged communities. The remaining R2.089 million relate to other provisions for asset and liability accounts influencing cash available against available budget. All the above were requested for roll-over in 2014/15.

<b>Programme 5: Research and Technology Development Services</b>	96,280	95,530	750	0,8%
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An underspending of R0.750 million can be attributed to the Western Cape Agricultural Sector Climate Change Framework and Implementation Plan. The plan will be completed in three phases. Phase one will be the status quo assessment informing the framework design, phase two will entail the population of the framework and the final phase will focus on the development of the implementation plan and the roll-out of the communication plan. This amount was requested for roll-over in 2014/15.

4.2 Per economic classification	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
<b>Current expenditure</b>				
Compensation of employees	258,173	258,173	-	-
Goods and services	133,893	127,437	6,456	4,8%
<b>Transfers and subsidies</b>				
Provinces and municipalities	135	135	-	-
Departmental agencies and accounts	2,284	2,284	-	-
Higher education institutions	132	132	-	-
Public corporations and private enterprises	147,995	147,995	-	-
Non-profit institutions	38,977	38,977	-	-
Households	4,100	4,100	-	-
Gifts and donations	2,066	2,066	-	-
<b>Payments for capital assets</b>				
Buildings and other fixed structures	371	371	-	-
Machinery and equipment	26,888	26,888	-	-
<b>Payments for financial assets</b>	304	304	-	-

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2014**

An underspending of R6.456 million can mainly be attributed to R3.618 million for the Skills Development Youth Project, R2.089 million which relates to resources that were committed for asset and liability accounts and R0.750 million earmarked for the Western Cape Agricultural Sector Climate Change Framework. All the above were requested for roll-over in 2014/15.

4.3 Per conditional grant	Final appropriation	Actual expenditure	Variance	Variance as a % of final appropriation
	R'000	R'000	R'000	%
<b>Agriculture, Forestry and Fisheries</b>				
Ilima/Letsema Projects	51,737	51,737	-	-
LandCare	7,233	7,233	-	-
Comprehensive Agricultural Support Programme (CASP)	106,376	106,376	-	-
<b>Public Works</b>				
Expanded Public Works Programme (EPWP)	550	550	-	-

## STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>REVENUE</b>			
Annual appropriation	1	615,318	560,374
Departmental revenue	2	823	1,840
<b>TOTAL REVENUE</b>		<b>616,141</b>	<b>562,214</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	258,173	243,081
Goods and services	4	127,437	135,181
Interest and rent on land	5	-	6
<b>Total current expenditure</b>		<b>385,610</b>	<b>378,268</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	195,689	159,736
<b>Total transfers and subsidies</b>		<b>195,689</b>	<b>159,736</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	27,259	17,238
Intangible assets	8	-	162
<b>Total expenditure for capital assets</b>		<b>27,259</b>	<b>17,400</b>
<b>Payments for financial assets</b>	6	304	229
<b>TOTAL EXPENDITURE</b>		<b>608,862</b>	<b>555,633</b>
<b>SURPLUS FOR THE YEAR</b>		<b>7,279</b>	<b>6,581</b>
<b>Reconciliation of net surplus for the year</b>			
Voted funds		6,456	4,741
Annual appropriation		6,456	4,655
Conditional grants		-	86
Departmental revenue	14	823	1,840
<b>SURPLUS FOR THE YEAR</b>		<b>7,279</b>	<b>6,581</b>

**STATEMENT OF FINANCIAL POSITION**  
**as at 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	8,559	8,825
Prepayments and advances	10	247	278
Receivables	11	2,150	2,425
		<b>10,956</b>	<b>11,528</b>
<b>Non-current assets</b>			
Investments	12	25,000	25,000
		<b>25,000</b>	<b>25,000</b>
<b>TOTAL ASSETS</b>		<b>35,956</b>	<b>36,528</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Voted funds to be surrendered to the Revenue Fund	13	6,456	4,741
Departmental revenue to be surrendered to the Revenue Fund	14	377	991
Payables	15	1,155	5,175
		<b>7,988</b>	<b>10,907</b>
<b>Non-current liabilities</b>			
Payables	16	2,163	-
		<b>2,163</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>10,151</b>	<b>10,907</b>
<b>NET ASSETS</b>		<b>25,805</b>	<b>25,621</b>
<b>Represented by:</b>			
Capitalisation reserve		25,000	25,000
Recoverable revenue		805	621
<b>TOTAL</b>		<b>25,805</b>	<b>25,621</b>

**STATEMENT OF CHANGE IN NET ASSETS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>NET ASSETS</b>			
<b>Capitalisation reserves</b>			
Opening balance		25,000	25,000
<b>Closing balance</b>		<b>25,000</b>	<b>25,000</b>
<b>Recoverable revenue</b>			
Opening balance		621	416
<b>Transfers:</b>		<b>184</b>	<b>205</b>
Irrecoverable amounts written off		-	(24)
Debts revised		(14)	(56)
Debts recovered (included in departmental receipts)		(236)	(293)
Debts raised		434	578
<b>Closing balance</b>		<b>805</b>	<b>621</b>
<b>TOTAL</b>		<b>25,805</b>	<b>25,621</b>

**CASH FLOW STATEMENT**  
for the year ended 31 March 2014

	Note	2013/14 R'000	2012/13 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
		<b>644,183</b>	<b>588,481</b>
Annual appropriated funds received	1.1	615,318	560,374
Departmental revenue received	2	28,434	27,020
Interest received	2.3	431	1,087
Net increase (decrease) in working capital		(3,714)	1,002
Surrendered to Revenue Fund		(34,269)	(30,423)
Current payments		(385,610)	(378,262)
Interest paid	5	-	6
Payments for financial assets		(304)	(229)
Transfers and subsidies paid		(195,689)	(159,736)
<b>Net cash flow available from operating activities</b>	17	<b>24,597</b>	<b>20,827</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(27,259)	(17,400)
Proceeds from sale of capital assets	2.4	33	70
<b>Net cash flows from investing activities</b>		<b>(27,226)</b>	<b>(17,330)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend received	2.3	16	7
Increase in net assets		184	205
Increase in non-current payables		2,163	-
<b>Net cash flows from financing activities</b>		<b>2,363</b>	<b>212</b>
Net increase/(decrease) in cash and cash equivalents		(266)	3,709
Cash and cash equivalents at beginning of period		8,825	5,116
<b>Cash and cash equivalents at end of period</b>	18	<b>8,559</b>	<b>8,825</b>

## **ACCOUNTING POLICIES** **for the year ended 31 March 2014**

### **Summary of significant accounting policies**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated.

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.

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.

### **1. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the modified cash standard.

### **2. GOING CONCERN**

The financial statements have been prepared on a going concern basis.

### **3. PRESENTATION CURRENCY**

Amounts have been presented in the currency of the South African rand (R) which is also the functional currency of the Department.

### **4. ROUNDING**

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

### **5. FOREIGN CURRENCY TRANSLATION**

Cash flows arising from foreign currency transactions are translated into South African rand using the exchange rates prevailing at the date of payment/receipt.

### **6. CURRENT YEAR COMPARISON WITH BUDGET**

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.



## **ACCOUNTING POLICIES** **for the year ended 31 March 2014**

### **7. REVENUE**

#### **7.1 APPROPRIATED FUNDS**

Appropriated funds comprise departmental allocations as well as direct charges against the revenue fund.

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.

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.

#### **7.2 DEPARTMENTAL REVENUE**

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

#### **7.3 ACCRUED DEPARTMENTAL REVENUE**

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

### **8. EXPENDITURE**

#### **8.1 COMPENSATION OF EMPLOYEES**

##### **8.1.1 Salaries and wages**

Salaries and wages are recognised in the statement of financial performance on the date of payment.

##### **8.1.2 Social contributions**

Social contributions made by the Department in respect of current employees are recognised in the statement of financial performance on the date of payment.

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.

## ACCOUNTING POLICIES for the year ended 31 March 2014

### 8.2 OTHER EXPENDITURE

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.

### 8.3 ACCRUED EXPENDITURE PAYABLE

Accrued expenditure payable is 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.

Accrued expenditure payable is measured at cost.

### 8.4 LEASES

#### 8.4.1 Operating leases

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.

#### 8.4.2 Finance leases

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:

- cost, being the fair value of the asset
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

## 9. CASH AND CASH EQUIVALENTS

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.

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.

## 10. PREPAYMENTS AND ADVANCES

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 subsequently measured at cost.

## **ACCOUNTING POLICIES** **for the year ended 31 March 2014**

### **11. RECEIVABLES**

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.

### **12. INVESTMENTS**

Investments are recognised in the statement of financial position at cost.

### **13. IMPAIRMENT OF FINANCIAL ASSETS**

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.

### **14. PAYABLES**

Loans and payables are recognised in the statement of financial position at cost.

### **15. CAPITAL ASSETS**

#### **15.1 IMMOVABLE CAPITAL ASSETS**

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the Office of the Auditor-General (OAG)) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

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 immovable asset is recorded by another department, in which case the completed project costs are transferred to that department.

#### **15.2 MOVABLE CAPITAL ASSETS**

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.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined the movable assets are measured at R1.

## **ACCOUNTING POLICIES for the year ended 31 March 2014**

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

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.

Subsequent expenditure for biological assets was added to the policy.

### **15.3 INTANGIBLE ASSETS**

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.

Internally generated intangible assets are recorded in the notes to the financial statements when the Department commences the development phase of the project.

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

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.

## **16. PROVISIONS AND CONTINGENTS**

### **16.1 PROVISIONS**

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 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.

### **16.2 CONTINGENT LIABILITIES**

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.

## ACCOUNTING POLICIES for the year ended 31 March 2014

### 16.3 CONTINGENT ASSETS

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.

### 16.4 COMMITMENTS

Commitments 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.

### 17. FRUITLESS AND WASTEFUL EXPENDITURE

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.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.

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.

### 18. IRREGULAR EXPENDITURE

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.

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 not recoverable.

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.

### 19. CHANGES IN ACCOUNTING ESTIMATES

Estimates for possible irrecoverable debts were previously based on the Department's Standard Operating Procedure (SOP) for provisions. During 2013/14 the Department developed a new SOP for impairments that include the method of identifying possible irrecoverable debts and a change in the method on which the Department based its estimates occurred for 2013/14 and future periods.

### 20. PRIOR PERIOD ERRORS

The operating lease disclosure for 2012/13 has increased with R143 000 to provide for one GG vehicle now classified as an operating lease by GMT and was not previously disclosed.

## **ACCOUNTING POLICIES for the year ended 31 March 2014**

The additions for other fixed structures has been decreased with R355 000 as the transaction relates to capital work in progress in 2012/13 that should have been deducted from the additions and not been disclosed as a disposal.

These details are disclosed in note 34.

### **21. AGENT-PRINCIPAL ARRANGEMENTS**

During the 2013/14 financial year four entities acted as agents for the Department as disclosed in note 33. Details pertaining to the entities are as follows;

Casidra SOC Ltd.: Supporting the Department with project implementation and state farm management in terms of a signed shareholder's compact and other memoranda of agreement between the two parties.

Stellenbosch University: Managing the Agrifutura project for the Department to ensure bursaries to students conducting research relating to the Agrifutura project in terms of a memorandum of agreement.

Deciduous Fruit Producers Trust: Establishing fruit orchards for the fruit industry and other new farmers in terms of memoranda of agreement.

Agri Mega: Establishing a collaborative relationship between the sheep and wool, dairy and grain industries and the Department, as well as enhancing household food security in the Western Cape in terms of memoranda of agreement.

### **22. NET ASSETS**

#### **22.1 CAPITALISATION RESERVE**

The capitalisation reserve comprises financial assets 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 Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

#### **22.2 RECOVERABLE REVENUE**

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written off.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**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:

Programmes	2013/14			2012/13
	Final appropriation	Actual funds received	Funds not requested/ not received	Appropriation received
	R'000	R'000	R'000	R'000
Administration	97,172	97,172	-	82,088
Sustainable Resource Management	47,071	47,071	-	50,249
Farmer Support and Development	233,791	233,791	-	206,794
Veterinary Services	60,978	60,978	-	54,502
Research and Technology Development Services	96,280	96,280	-	88,867
Agricultural Economics Services	16,947	16,947	-	15,035
Structured Agricultural Education and Training	43,873	43,873	-	46,725
Rural Development Coordination	19,206	19,206	-	16,114
<b>Total</b>	<b>615,318</b>	<b>615,318</b>		<b>560,374</b>

Note                      2013/14  
R'000                      2012/13  
R'000

**1.2 CONDITIONAL GRANTS**

**TOTAL GRANTS RECEIVED**                      35                      165,896                      154,003

*It should be noted that the conditional grants are included in the amount per the final appropriation in note 1.1.*

**2. DEPARTMENTAL REVENUE**

Sales of goods and services other than capital assets	2.1	28,276	26,230
Fines, penalties and forfeits	2.2	2	-
Interest, dividends and rent on land	2.3	467	1,150
Sales of capital assets	2.4	33	70
Transactions in financial assets and liabilities	2.5	116	458
Transfers received	2.6	20	276
<b>Total revenue collected</b>		<b>28,914</b>	<b>28,184</b>
Less: Own revenue included in appropriation	14	28,091	26,344
<b>Departmental revenue collected</b>		<b>823</b>	<b>1,840</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>2.1 SALES OF GOODS AND SERVICES OTHER THAN CAPITAL ASSETS</b>	2		
Sales of goods and services produced by the Department		28,226	26,162
Sales by market establishment		1,915	2,038
Administrative fees		19	18
Other sales*		26,292	24,106
Sales of scrap, waste and other used current goods		50	68
<b>Total</b>		<b>28,276</b>	<b>26,230</b>
<i>*Other sales include boarding and tuition fees, lab services, veterinary services and sale of farm produce.</i>			
<b>2.2 FINES, PENALTIES AND FORFEITS</b>	2		
Forfeits		2	-
<b>Total</b>		<b>2</b>	<b>-</b>
<b>2.3 INTEREST, DIVIDENDS AND RENT ON LAND</b>	2		
Interest		431	1,087
Dividends		16	7
Rent on land		20	56
<b>Total</b>		<b>467</b>	<b>1,150</b>
<b>2.4 SALES OF CAPITAL ASSETS</b>	2		
<b>Tangible assets</b>		33	70
Machinery and equipment	29.2	33	41
Biological assets	29.2	-	29
<b>Total</b>		<b>33</b>	<b>70</b>
<b>2.5 TRANSACTIONS IN FINANCIAL ASSETS AND LIABILITIES</b>	2		
Receivables		212	284
Other receipts including recoverable revenue		(96)	174
<b>Total</b>		<b>116</b>	<b>458</b>
<b>2.6 TRANSFERS RECEIVED</b>	2		
Public corporations and private enterprises		20	276
<b>Total</b>		<b>20</b>	<b>276</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>3. COMPENSATION OF EMPLOYEES</b>			
<b>3.1 SALARIES AND WAGES</b>			
Basic salary		179,349	167,246
Performance awards		3,789	3,300
Service based		307	435
Compensative/circumstantial		4,905	4,427
Periodic payments		548	1,124
Other non-pensionable allowances (capital remuneration, housing allowance and service bonuses)		35,834	35,709
<b>Total</b>		<b>224,732</b>	<b>212,241</b>
<b>3.2 SOCIAL CONTRIBUTIONS</b>			
<b>Employer contributions Pension</b>		<b>21,195</b>	<b>19,039</b>
Medical		12,185	11,748
Bargaining Council		58	53
Insurance		3	-
<b>Total</b>		<b>33,441</b>	<b>30,840</b>
<b>Total compensation of employees</b>		<b>258,173</b>	<b>243,081</b>
Average number of employees		947	944
<b>4. GOODS AND SERVICES</b>			
Administrative fees		672	921
Advertising		1,346	1,233
Minor assets	4.1	2,590	1,776
Bursaries (employees)		475	504
Catering		765	940
Communication		11,688	8,577
Computer services	4.2	2,974	2,896
Consultants, contractors and agency/outsourced services	4.3	18,351	18,877
Entertainment		72	79
Audit cost – external	4.4	3,287	3,525
Fleet services		1	-
Inventory	4.5	23,336	27,997
Operating leases		2,975	2,897
Property payments	4.6	21,661	22,863
Rental and hiring		150	307
Transport provided as part of the departmental activities		61	90
Travel and subsistence	4.7	29,561	28,051
Venues and facilities		2,387	2,379
Training and staff development		1,943	1,998
Other operating expenditure	4.8	3,131	9,271
<b>Total</b>		<b>127,437</b>	<b>135,181</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>4.1 MINOR ASSETS</b>	4		
<b>Tangible assets</b>		<b>2,590</b>	<b>1,774</b>
Biological assets		18	11
Machinery and equipment		2,567	1,763
Transport assets		5	-
<b>Intangible assets</b>		<b>-</b>	<b>2</b>
<b>Total</b>		<b>2,590</b>	<b>1,776</b>
<b>4.2 COMPUTER SERVICES</b>	4		
SITA computer services		900	815
External computer service providers		2,074	2,081
<b>Total</b>		<b>2,974</b>	<b>2,896</b>
<b>4.3 CONSULTANTS, CONTRACTORS AND OUTSOURCED SERVICES</b>	4		
Business and advisory services		424	2,007
Infrastructure and planning		579	2,549
Laboratory services		680	1,053
Legal costs		1	2
Contractors		11,878	9,361
Agency and support/outsourced services		4,789	3,905
<b>Total</b>		<b>18,351</b>	<b>18,877</b>
<b>4.4 AUDIT COST – EXTERNAL</b>	4		
Regularity audits		3,287	3,525
<b>Total</b>		<b>3,287</b>	<b>3,525</b>
<b>4.5 INVENTORY</b>	4		
Learning and teaching support material		-	43
Food and food supplies		2,510	2,206
Fuel, oil and gas		2,312	2,275
Other consumables*		12,583	17,804
Materials and supplies		2,082	1,946
Stationery and printing		2,426	2,727
Medical supplies		22	39
Medicine		1,401	957
<b>Total</b>		<b>23,336</b>	<b>27,997</b>

\*The decrease in "Other consumables" from R17,804 million in 2012/13 to R12,583 million in 2013/14 is due to the purchasing of less fencing materials and gabion materials during 2013/14 resulting from the decreased EPWP budget.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>4.6 PROPERTY PAYMENTS</b>	4		
Municipal services*		14,061	15,895
Property maintenance and repairs		4,615	3,955
Other**		2,985	3,013
<b>Total</b>		<u><u>21,661</u></u>	<u><u>22,863</u></u>

\*The decrease in Municipal services from R15,895 million in 2012/13 to R14,061 million in 2013/14 is due to a refund received from the Stellenbosch Municipality to the amount of R1,7 million for incorrect meter-reading charges.

\*\*Other includes laundry services, pest control and security services.

<b>4.7 TRAVEL AND SUBSISTENCE</b>	4		
Local		25,290	25,306
Foreign		4,271	2,745
<b>Total</b>		<u><u>29,561</u></u>	<u><u>28,051</u></u>

<b>4.8 OTHER OPERATING EXPENDITURE</b>	4		
Membership and subscription fees		57	60
Resettlement costs		292	154
Gifts		7	28
Other*		2,775	9,029
<b>Total</b>		<u><u>3,131</u></u>	<u><u>9,271</u></u>

\* The decrease in "Other" from R9,029 million in 2012/13 to R2,775 million in 2013/14 is due to honoraria paid for labour for the eradication of alien plants during the 2012/13 financial year. During the 2013/14 financial year a transfer payment was made to Casidra to conduct the Alien Clearing Project for the Department.

\* Included in "Other" are printing and publication services as well as courier and delivery services.

**5. INTEREST AND RENT ON LAND**

Interest paid		-	6
<b>Total</b>		<u><u>-</u></u>	<u><u>6</u></u>

**6. PAYMENT FOR FINANCIAL ASSETS**

Other material losses written off	6.1	67	91
Debts written off	6.2	162	41
Theft	6.3	75	97
<b>Total</b>		<u><u>304</u></u>	<u><u>229</u></u>

All amounts written off are in accordance with the departmental Financial Instruction 8/2008.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>6.1 OTHER MATERIAL LOSSES WRITTEN OFF</b>	6		
Damages to Government Garage (GG) motor vehicles (20 cases)		66	31
Damages to private vehicles (two cases)		1	53
Damages to structures (two cases)		-	7
<b>Total</b>		<b>67</b>	<b>91</b>
<b>6.2 DEBTS WRITTEN OFF</b>	6		
Recoverable revenue written off		-	6
Staff and bursary debts written off (42 cases)		162	35
<b>Total debt written off</b>		<b>162</b>	<b>41</b>
<b>6.3 DETAILS OF THEFT</b>	6		
Theft of equipment (four cases)		75	94
Petty cash theft		-	3
<b>Total</b>		<b>75</b>	<b>97</b>

**7. TRANSFERS AND SUBSIDIES**

Provinces and municipalities	Annex 1A	135	53
Departmental agencies and accounts	Annex 1B	2,284	4,415
Higher education institutions	Annex 1C	132	130
Public corporations and private enterprises*	Annex 1D	147,995	119,282
Non-profit institutions	Annex 1E	38,977	31,459
Households	Annex 1F	4,100	2,969
Gifts, donations and sponsorships made	Annex 1H	2,069	1,428
<b>Total</b>		<b>195,689</b>	<b>159,736</b>

\* The comparative figure for Public corporations and private enterprises (previously R149.354 million) has decreased and Non-profit institutions (previously R1.387 million) increased with R30.072 million respectively due to the incorrect disclosure of Agri Mega as a private enterprise.

**8. EXPENDITURE FOR CAPITAL ASSETS – VOTED FUNDS**

<b>Tangible assets</b>		<b>27,259</b>	<b>17,238</b>
Buildings and other fixed structures	31.1	371	387
Machinery and equipment	29.1	26,888	16,827
Biological assets	29.1	-	24
<b>Intangible assets</b>		<b>-</b>	<b>162</b>
Computer software	30.1	-	162
<b>Total</b>		<b>27,259</b>	<b>17,400</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>8.1 FINANCE LEASE EXPENDITURE INCLUDED IN EXPENDITURE FOR CAPITAL ASSETS</b>			

**Tangible assets**

Machinery and equipment		11,312	8,898
<b>Total</b>		<b>11,312</b>	<b>8,898</b>

**9. CASH AND CASH EQUIVALENTS**

Consolidated Paymaster General Account		5,274	3,692
Investments (domestic)		3,285	5,133
<b>Total</b>		<b>8,559</b>	<b>8,825</b>

**10. PREPAYMENTS AND ADVANCES**

Travel and subsistence		247	278
<b>Total</b>		<b>247</b>	<b>278</b>

**11. RECEIVABLES**

	Note	2013/14				2012/13
		R'000	R'000	R'000	R'000	R'000
		Less than one year	One to three years	Older than three years	Total	Total
Claims recoverable	11.1	34	-	-	34	482
Recoverable expenditure	11.2	122	732	-	854	901
Staff debt	11.3	375	656	231	1,262	1,042
<b>Total</b>		<b>531</b>	<b>1,388</b>	<b>231</b>	<b>2,150</b>	<b>2,425</b>

**11.1 CLAIMS RECOVERABLE**

11

National departments		34	350
Public entities		-	132
<b>Total</b>		<b>34</b>	<b>482</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>11.2 RECOVERABLE EXPENDITURE (DISALLOWANCE ACCOUNTS)</b>	11		
Supplier debt		740	763
Salary deductions instituted against institutions		11	2
Theft and losses awaiting approval (six cases)		103	136
<b>Total</b>		<b>854</b>	<b>901</b>
<b>11.3 STAFF DEBT</b>	11		
Bursary debt		454	471
Other staff debt		808	571
<b>Total</b>		<b>1,262</b>	<b>1,042</b>
<b>11.4 FRUITLESS AND WASTEFUL EXPENDITURE</b>	11		
Less amounts recovered		-	(1)
Transfers from note 26 fruitless and wasteful expenditure		-	1
<b>Total</b>		<b>-</b>	<b>-</b>
<b>11.5 IMPAIRMENT OF RECEIVABLES</b>			
Estimate of impairment of receivables		367	476
<b>Total</b>		<b>367</b>	<b>476</b>
<b>12. INVESTMENTS (NON-CURRENT)</b>			
<b>Shares and other equity at cost</b>			
Casidra SOC Ltd		25,000	25,000
<b>Total</b>		<b>25,000</b>	<b>25,000</b>
<b>13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND</b>			
Opening balance		4,741	2,633
Transfer from Statement of Financial Performance		6,456	4,741
Paid during the year		(4,741)	(2,633)
<b>Closing balance</b>		<b>6,456</b>	<b>4,741</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>14. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND</b>			
Opening balance		991	597
Transfer from Statement of Financial Performance		823	1,840
Own revenue included in appropriation		28,091	26,344
Paid during the year		(29,528)	(27,790)
<b>Closing balance</b>		<b>377</b>	<b>991</b>
<b>15. PAYABLES – CURRENT</b>			
Advances received	15.1	-	950
Clearing accounts	15.2	33	42
Other payables	15.3	1,122	4,183
<b>Total</b>		<b>1,155</b>	<b>5,175</b>
<b>15.1 ADVANCES RECEIVED</b>			
Public entities		-	950
<b>Total</b>		<b>-</b>	<b>950</b>
<b>15.2 CLEARING ACCOUNTS</b>			
Credit amounts payable to debtors		33	42
<b>Total</b>		<b>33</b>	<b>42</b>
<b>15.3 OTHER PAYABLES</b>			
Water Affairs		-	750
Provide Project		300	1,895
BELG TECH		122	1
SANBI		-	257
Combud		700	1,280
<b>Total</b>		<b>1,122</b>	<b>4,183</b>
<b>16. PAYABLES – NON CURRENT</b>			

	2013/14				2012/13
	One to two years	Two to three years	More than three years	Total	Total
	R'000	R'000	R'000	R'000	R'000
Other payables*	-	2,163	-	2,163	-
<b>Total</b>	<b>-</b>	<b>2,163</b>	<b>-</b>	<b>2,163</b>	<b>-</b>

\*Initially the funds would have been spent within one year, however, the project's terms are now realised in more than one year.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>16.1 OTHER PAYABLES</b>			
Provide project		1,583	-
Combud		580	-
<b>Total</b>		<b>2,163</b>	<b>-</b>
<b>17. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES</b>			
Net surplus as per Statement of Financial Performance		7,279	6,581
<b>Add back non-cash/cash movements not deemed operating activities</b>		<b>17,318</b>	<b>14,246</b>
Decrease in receivables – current		275	497
(Increase)/decrease in prepayments and advances		31	(95)
Increase/(decrease) in payables – current		(4,020)	600
Proceeds from sale of capital assets		(33)	(70)
Proceeds from dividends received		(16)	(7)
Expenditure on capital assets		27,259	17,400
Surrenders to Revenue Fund		(34,269)	(30,423)
Own revenue included in appropriation		28,091	26,344
<b>Net cash flow generated by operating activities</b>		<b>24,597</b>	<b>20,827</b>
<b>18. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES</b>			
Consolidated Paymaster General Account		5,274	3,692
Cash with commercial banks (local)		3,285	5,133
<b>Total</b>		<b>8,559</b>	<b>8,825</b>
<b>19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
<b>19.1 CONTINGENT LIABILITIES</b>			
Intergovernmental payables (unconfirmed balances)	Annex 4	1	-
<b>Total</b>		<b>1</b>	<b>-</b>
<b>19.2 CONTINGENT ASSETS</b>			
Overpayment to an employee*		-	134
<b>Total</b>		<b>-</b>	<b>134</b>

\*Amount transferred to receivables for recovery during 2013/14.



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>20. COMMITMENTS</b>			
<b>Commitments approved and contracted</b>			
Current expenditure*		13,087	19,191
Capital expenditure		280	384
<b>Total</b>		<b>13,367</b>	<b>19,575</b>

\*Included in the above is an amount of R884 199.70 for two contracts for cleaning services exceeding a period of more than one year. Also included in the total current amount is a contract amounting to R2 168 456.04 that was cancelled on 22 May 2014.

**21. ACCRUALS**

Listed by economic classification	30 days	30+ days		
Goods and services	2,158	1,124	3,282	2,457
Transfers and subsidies	1	16	17	42
Capital assets	-	-	-	408
<b>Total</b>	<b>2,159</b>	<b>1,140</b>	<b>3,299</b>	<b>2,907</b>

**Listed by programme level**

Programme 1: Administration			1,800	1,051
Programme 2: Sustainable Resource Management			98	118
Programme 3: Farmer Support and Development			297	353
Programme 4: Veterinary Services			196	426
Programme 5: Research and Technology Development Services			390	343
Programme 6: Agricultural Economics Services			256	104
Programme 7: Structured Agricultural Education and Training			236	437
Programme 8: Rural Development Coordination			26	75
<b>Total</b>			<b>3,299</b>	<b>2,907</b>

Confirmed balances with other departments		Annex 4	1,775	1,521
<b>Total</b>			<b>1,775</b>	<b>1,521</b>

**22. EMPLOYEE BENEFITS**

Leave entitlement*		8,200	7,013
Service bonus (thirteenth cheque)		6,849	6,004
Performance awards**		4,613	4,366
Capped leave commitments		11,532	11,221
Other***		951	306
<b>Total</b>		<b>32,145</b>	<b>28,910</b>

\*Included in the 2013/14 disclosure for "Leave entitlement" is a negative amount of R617 342.89 for leave owed to the Department, because of leave taken in advance.

\*\*Performance awards are calculated at 1.5% of the 2014/15 budget for 'total compensation of employees'.

\*\*\*"Other" refers to employee benefits paid after March 2014 pertaining to the 2013/14 financial year.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>23. LEASE COMMITMENTS</b>			
<b>23.1 OPERATING LEASES EXPENDITURE: MACHINERY AND EQUIPMENT</b>			
Not later than one year		1,176	1,834
Later than one year and not later than five years		676	1,083
<b>Total lease commitments*</b>		<b>1,852</b>	<b>2,917</b>

These leases relate to all 78 photocopiers in the Department as well as the vehicle as stated below.

*\*The comparative figure has been adjusted from R2,774 million to R2,917 million to include one GG vehicle classified as an operating lease by GMT not previously disclosed.*

**23.2 FINANCE LEASES EXPENDITURE**

**Cellular phones**

Not later than one year	24	8
Later than one year and not later than five years	6	-
<b>Lease commitments for cellular phones</b>	<b>30</b>	<b>8</b>

*These finance leases relate to the eight active official cellular phones in the Department's name.*

**GG Vehicles**

Not later than one year	13,667	10,365
Later than one year and not later than five years	53,582	42,080
Later than five years	8,766	15,888
<b>Lease commitments for GG Vehicles</b>	<b>76,015</b>	<b>68,333</b>

*The Department leased 244 vehicles from GMT as at 31 March 2014 (31 March 2013: 238). Daily tariffs are payable on a monthly basis covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs for this type of arrangement.*

**24. ACCRUED DEPARTMENTAL REVENUE**

Sales of goods and services other than capital assets	10,468	8,069
Interest, dividends and rent on land	25	42
<b>Total</b>	<b>10,493</b>	<b>8,111</b>

**24.1 ANALYSIS OF ACCRUED DEPARTMENTAL REVENUE**

Opening balance	8,111	6,924
Less: amounts received	15,405	16,047
Add: amounts recognised	17,879	17,705
Less: amounts written off/reversed as irrecoverable	92	471
<b>Closing balance</b>	<b>10,493</b>	<b>8,111</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>24.2 ACCRUED DEPARTMENT REVENUE WRITTEN OFF</b>			
Receivables from services rendered written off (745 cases)		92	120
<b>Total</b>		<u>92</u>	<u>120</u>

**24.3 IMPAIRMENT OF ACCRUED DEPARTMENTAL REVENUE**

Estimate of impairment of accrued departmental revenue*		4,296	2,647
<b>Total</b>		<u>4,296</u>	<u>2,647</u>

\*Estimates for possible irrecoverable debts were previously based on the Department's standard operating procedures (SOP) for provisions. During 2013/14 the Department developed a new SOP for impairments that include the method of identifying possible irrecoverable debts and a change in the method on which the Department based its estimates occurred for 2013/14 and future periods.

**25. IRREGULAR EXPENDITURE**

**25.1 RECONCILIATION OF IRREGULAR EXPENDITURE**

Opening balance		1,120	27,581
Add: Irregular expenditure – relating to prior year		411	4
Add: Irregular expenditure – relating to current year		25	1,573
Less: Prior year amounts condoned		(381)	(26,944)
Less: Current year amounts condoned		(25)	(1,094)
Less: Amounts not recoverable (not condoned)		(496)	-
<b>Irregular expenditure awaiting condonation</b>		<u>654</u>	<u>1,120</u>
<b>Analysis awaiting condonation per age classification</b>			
Current year		-	240
Prior year		654	880
<b>Total</b>		<u>654</u>	<u>1,120</u>

**25.2 DETAILS OF IRREGULAR EXPENDITURE – CURRENT YEAR**

Finance leases for cellular phone contracts (19 cases)	25
<b>Total</b>	<u>25</u>

**25.3 DETAILS OF IRREGULAR EXPENDITURE CONDONED**

No tax clearance certificate obtained (six cases)	381
Lease payment for official cellular phone contracts (19 cases)	25
<b>Total</b>	<u>406</u>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

	Note	2013/14 R'000	2012/13 R'000
<b>25.4 DETAILS OF IRREGULAR EXPENDITURE NOT RECOVERABLE (NOT CONDONED)</b>			
No tax clearance certificate obtained (six cases)		488	
Declaration of interest not submitted (one case)		8	
<b>Total</b>		<u><u>496</u></u>	
<b>25.5 DETAILS OF IRREGULAR EXPENDITURE UNDER INVESTIGATION</b>			
No tax clearance certificate obtained (one case)		600	
Not in terms of BBBEE prescripts, but incorrectly in terms of HDI prescripts (seven cases)		54	
<b>Total</b>		<u><u>654</u></u>	
<b>26. FRUITLESS AND WASTEFUL EXPENDITURE</b>			
<b>26.1 RECONCILIATION OF FRUITLESS AND WASTEFUL EXPENDITURE</b>			
Opening balance		-	-
Fruitless and wasteful expenditure – relating to prior year		3	19
Fruitless and wasteful expenditure – relating to current year		153	59
Less: Amounts resolved		(146)	(77)
Less: Amounts transferred to receivables for recovery (four cases)	11.4	-	(1)
<b>Fruitless and wasteful expenditure awaiting resolution</b>		<u><u>10</u></u>	<u><u>-</u></u>
<b>26.2 ANALYSIS OF AWAITING RESOLUTION PER ECONOMIC CLASSIFICATION</b>			
Current		10	-
<b>Total</b>		<u><u>10</u></u>	<u><u>-</u></u>
<b>26.3 ANALYSIS OF FRUITLESS AND WASTEFUL EXPENDITURE FOR THE CURRENT YEAR</b>			
Cancellation fees and related costs (23 cases)		27	
Costs relating to non-attendances (61 cases) of which four cases were transferred to receivables.		38	
Interest and fines paid (five cases) of which one case was transferred to receivables.		88	
<b>Total</b>		<u><u>153</u></u>	

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**27. RELATED PARTY TRANSACTIONS**

The total shareholding in Casidra SOC Ltd. is with the Western Cape Government of the under the oversight of the Provincial Minister of Agriculture and Rural Development.

The Western Cape Department of Agriculture occupies various building and research farms in the Province provided by the Department of Transport and Public Works free of charge. Parking space is also provided for government officials at an approved fee that is not market-related.

The Department received corporate services from the CSC of the Department of the Premier in the Western Cape Province with effect from 1 November 2010 in respect of the following service areas:

- Information and Communication Technology
- Organisation Development
- Provincial Training (transversal)
- Human Resource Management
- Enterprise Risk Management
- Internal Audit
- Forensic Investigation
- Audit Committee performing oversight functions
- Legal Services
- Corporate Communication

A related party relationship exists between the Department and Government Motor Transport (GMT) with regard to the management of government motor vehicles of the Department. This relationship is based on an arm's length transaction in terms of approved tariffs.

The Department received security advisory services and security operations from the Department of Community Safety in the Western Cape.

The Western Cape Department of Agriculture (WCDoA) paid an amount of R334 000 during the year to a supplier for animal vaccines. This was reimbursed by the Department of Agriculture, Forestry and Fisheries (DAFF) during the 2013/14 financial year.

A related party relationship exists between the Department and the Western Cape Agriculture Research Trust as a result of the office space (two offices) the trust occupies at the Department free of charge. The only financial transactions between the Department and the trust during the financial year are payments made by the trust amounting to R25,425.60 for other services rendered by the Department. The Department currently accommodates 2 837 animals free of charge at various research farms of the Department belonging to the trust for research purposes as stipulated by a mutual agreement between the two parties. The trust was established with the aim to facilitate, support and fund animal, plant and related research in the Province according to the needs of the various animal, plant, and related industries in the Western Cape.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**28. KEY MANAGEMENT PERSONNEL**

	Number of Individuals	2013/14 R'000	2012/13 R'000
Political office-bearer (Minister)	1	1,661	1,652
Officials:			
Level 15 to 16	2	2,999	1,695
Level 14*	10	10,059	10,106
<b>Total</b>		<b>14,719</b>	<b>13,453</b>

\*Programme managers on level 13 are also included in this amount as they are regarded as key management personnel of the Department.

**29. MOVABLE TANGIBLE CAPITAL ASSETS**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>156,583</b>	<b>(79)</b>	<b>28,568</b>	<b>49,844</b>	<b>135,228</b>
Transport assets	39,285	27	15,279	9,485	45,106
Computer equipment	15,762	1,343	3,899	1,086	19,918
Furniture and office equipment	6,213	(1,442)	503	16	5,258
Other machinery and equipment	95,323	(7)	8,887	39,257	64,946
<b>BIOLOGICAL ASSETS</b>	<b>7,847</b>	<b>-</b>	<b>95</b>	<b>395</b>	<b>7,547</b>
Biological assets	7,847	-	95	395	7,547
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>164,430</b>	<b>(79)</b>	<b>28,663</b>	<b>50,239</b>	<b>142,775</b>

Note: Included in the total value for movable capital assets are assets amounting to R119 292 that could not be found during the last asset verification exercise of the Department and these cases are still under investigation.

**29.1 ADDITIONS**

**ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Cash	Non-cash	Capital work in progress, current costs and finance lease payments	Paid current year, received prior year	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>26,888</b>	<b>13,207</b>	<b>(11,311)</b>	<b>(216)</b>	<b>28,568</b>
Transport assets	11,619	14,946	(11,286)	-	15,279
Computer equipment	3,528	543	-	(172)	3,899
Furniture and office equipment	546	(43)	-	-	503
Other machinery and equipment	11,195	(2,239)	(25)	(44)	8,887
<b>BIOLOGICAL ASSETS</b>	<b>-</b>	<b>95</b>	<b>-</b>	<b>-</b>	<b>95</b>
Biological assets	-	95	-	-	95
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>26,888</b>	<b>13,302</b>	<b>(11,311)</b>	<b>(216)</b>	<b>28,663</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**29.2 DISPOSALS**

**DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>1,720</b>	<b>48,124</b>	<b>49,844</b>	<b>32</b>
Transport assets	-	9,485	9,485	-
Computer equipment	981	105	1,086	16
Furniture and office equipment	8	8	16	-
Other machinery and equipment	731	38,526	39,257	16
<b>BIOLOGICAL ASSETS</b>	<b>-</b>	<b>395</b>	<b>395</b>	<b>-</b>
Biological assets	-	395	395	-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1,720</b>	<b>48,519</b>	<b>50,239</b>	<b>32</b>

**29.3 MOVEMENT FOR 2012/13**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>117,105</b>	<b>(551)</b>	<b>58,913</b>	<b>18,884</b>	<b>156,583</b>
Transport assets	30,456	481	13,128	4,780	39,285
Computer equipment	22,216	34	1,398	7,886	15,762
Furniture and office equipment	6,942	(69)	668	1,328	6,213
Other machinery and equipment	57,491	(997)	43,719	4,890	95,323
<b>BIOLOGICAL ASSETS</b>	<b>7,771</b>	<b>-</b>	<b>145</b>	<b>69</b>	<b>7,847</b>
Biological assets	7,771	-	145	69	7,847
<b>TOTAL MOVABLE TANGIBLE ASSETS</b>	<b>124,876</b>	<b>(551)</b>	<b>59,058</b>	<b>18,953</b>	<b>164,430</b>

**29.4 MINOR ASSETS**

**MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Opening balance	25,751	4,316	30,067
Current year adjustments to prior year balances	(20)	-	(20)
Additions	2,046	2,140	4,186
Disposals	878	2,434	3,312
<b>TOTAL MINOR ASSETS</b>	<b>26,899</b>	<b>4,022</b>	<b>30,921</b>

	Intangible assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	22	-	-	22
Number of minor assets at cost	-	29,781	111	29,892
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>22</b>	<b>29,781</b>	<b>111</b>	<b>29,914</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2014

Note: Included in the total value for minor assets are assets amounting to R6 756.50 that could not be found during the last asset verification exercise of the Department and these cases are still under investigation.

### MOVEMENT IN MINOR ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Intangible assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000
Opening balance	-	27,349	4,361	31,710
Current year adjustments to prior year balances	-	146	-	146
Additions	2	1,992	2,411	4,405
Disposals	2	3,736	2,456	6,194
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>25,751</b>	<b>4,316</b>	<b>30,067</b>

	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	9	-	9
Number of minor assets at cost	29,191	2,802	31,993
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>29,200</b>	<b>2,802</b>	<b>32,002</b>

### 29.5 MOVABLE ASSETS WRITTEN OFF

#### MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2014

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	122	3	125
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>122</b>	<b>3</b>	<b>125</b>

#### MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2013

	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000
Assets written off	885	4	889
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>885</b>	<b>4</b>	<b>889</b>

### 30. INTANGIBLE CAPITAL ASSETS

#### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
Computer software	500	-	-	-	500
Services and operating rights	912	-	-	-	912
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,412</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,412</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**30.1 MOVEMENT FOR 2012/13**

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
Computer software	500	162	162	500
Services and operating rights	912	-	-	912
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,412</b>	<b>162</b>	<b>162</b>	<b>1,412</b>

**31. IMMOVABLE TANGIBLE CAPITAL ASSETS**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Opening balance	Current year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>					
Non-residential buildings	22	-	38	-	60
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>22</b>	<b>-</b>	<b>38</b>	<b>-</b>	<b>60</b>

**31.1 ADDITIONS**

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2014**

	Cash	Non-cash	Capital work in progress	Total
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Non-residential buildings	371	38	(371)	38
<b>TOTAL ADDITIONS TO IMMOVABLE CAPITAL ASSETS</b>	<b>371</b>	<b>38</b>	<b>(371)</b>	<b>38</b>

**31.2 MOVEMENT FOR 2012/13**

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013**

	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>				
Non-residential buildings	25	32	35	22
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>25</b>	<b>32</b>	<b>35</b>	<b>22</b>

Note: The comparative figures for Additions and Disposals have been decreased with R0.355 million respectively, due to the incorrect disclosure of Capital work in progress amounting to R0.355 million as a disposal. It should have been deducted from Additions.

**31.3 S42 IMMOVABLE ASSETS**

Assets subjected to transfer in terms of S42 of the PFMA – 2013/14	No. of assets	Value of assets
		R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		
Non-residential buildings	3	371
<b>TOTAL</b>	<b>3</b>	<b>371</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

Assets subjected to transfer in terms of S42 of the PFMA – 2012/13	No. of assets	Value of assets
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		<b>R'000</b>
Non-residential buildings	1	355
<b>TOTAL</b>	<u>1</u>	<u>355</u>

### 32. AGENT-PRINCIPAL ARRANGEMENTS

Department acting as the principal	2013/14
	R'000
Casidra SOC Ltd.	127,608
University of Stellenbosch	132
Deciduous Fruit Producers Trust	20,387
Agri Mega	31,556
<b>Total</b>	<u>179,683</u>

Casidra SOC Ltd.: Supporting the Department with project implementation and state farm management in terms of a signed shareholder's compact and other memoranda of agreement between the two parties.

University of Stellenbosch: Managing the Agrifutura project for the Department to ensure bursaries to students conducting research relating to the Agrifutura project in terms of a memorandum of agreement.

Deciduous Fruit Producers Trust: Establishing fruit orchards for the fruit industry and other new farmers in terms of memoranda of agreement.

Agri Mega: Establishing a collaborative relationship between the sheep and wool, dairy and grain industries and the Department, as well as enhancing household food security in the Western Cape in terms of memoranda of agreement.

### 33. CHANGE IN ACCOUNTING ESTIMATE

Estimates for possible irrecoverable debts were previously based on the Department's SOP for provisions. During 2013/14 the Department developed a new SOP for impairments that include a method of identifying possible irrecoverable debts and a change in the method on which the Department based its estimates for irrecoverable debts occurred for 2013/14 and future periods. Receivables, note 11, and Accrued revenue, note 24, are affected by the new departmental policy for impairments.

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**34. PRIOR PERIOD ERRORS**

Correction of prior period error for secondary information

2012/13  
R'000

The comparative amounts in note 23.1, operating leases were restated as follows:

Not later than one year	48
Later than one year and not later than five years	95
<b>Net effect on the note</b>	<b>143</b>

The comparative figure has been adjusted to provide for one GG vehicle classified as an operating lease by GMT not previously disclosed.

The comparative amounts in note 31.2, additions for capital assets were restated as follows:

Other fixed structures: Additions	(355)
Other fixed structures: Disposals	355
<b>Net effect on the note</b>	<b>-</b>

The comparative figures for Additions and Disposals have been decreased with R0.355 million respectively due to the incorrect disclosure of Capital work in progress as a disposal amounting to R0.355 million. It should have been subtracted from Additions.

**35. STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION			SPENT			2012/13	
	Division of Revenue Act	Adjustments	Total available	Amount received by department	Amount spent by department	% 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
LandCare	7,233	-	7,233	7,233	7,233	100%	7,740	7,740
Comprehensive Agricultural Support Programme (CASPP)	104,859	1,517	106,376	106,376	106,376	100%	91,863	91,777
Illima/Letsema projects	51,737	-	51,737	51,737	51,737	100%	50,400	50,400
Extended Public Works Programme (EPWP)	550	-	550	550	550	100%	4,000	4,000
	<b>164,379</b>	<b>1,517</b>	<b>165,896</b>	<b>165,896</b>	<b>165,896</b>	<b>100%</b>	<b>154,003</b>	<b>153,917</b>

Note: All funds received in terms of DORA were deposited into the Province's primary bank account.

**36. STATEMENT OF UNCONDITIONAL GRANTS PAID TO THE PROVINCES**

NAME OF PROVINCE/ GRANT	GRANT ALLOCATION			TRANSFER		SPENT			2012/13
	Amount	Other adjustments	Total available	Actual transfer	% of available funds transferred	Amount received by department	Amount spent by department	% of available funds spent by dept	Division of Revenue Act
	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Western Cape Department of Environmental Affairs*	77	1	78	78	100%	78	78	100%	-
	<b>77</b>	<b>1</b>	<b>78</b>	<b>78</b>		<b>78</b>	<b>78</b>		<b>-</b>

\*Penalties paid for resource conservation projects performed by the Department.

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1A**

**STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO PROVINCES AND MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER		SPENT			2012/13
	Amount	Adjustments	Total available	Actual transfer	% of available funds transferred	Amount received by municipality	Amount spent by municipality	% of available funds spent by municipality	Total available
	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
Municipality of Stellenbosch: Vehicle Licences	25	32	57	57	100%	57	57	100%	53
<b>Total</b>	<b>25</b>	<b>32</b>	<b>57</b>	<b>57</b>		<b>57</b>	<b>57</b>		<b>53</b>

**ANNEXURE 1B**

**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENT/ AGENCY/ ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2012/13
	Adjusted appropriation	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	%	R'000
Government Motor Transport ( GMT)	38	197	235	235	100%	24
Department of the Premier: TV Licenses	4	5	9	9	100%	10
The National Agricultural Marketing Council	-	500	500	500	100%	326
Claims against the State	-	-	-	-	-	1,835
Wesgro	690	690	1,380	1,380	100%	2,220
SARS: Excise duties	117	43	160	160	100%	-
<b>Total</b>	<b>849</b>	<b>1,435</b>	<b>2,284</b>	<b>2,284</b>		<b>4,415</b>

**ANNEXURE 1C**

**STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION			TRANSFER			2012/13
	Adjusted appropriation	Adjustments	Total available	Actual transfer	Amount not transferred	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Stellenbosch	380	(248)	132	132	-	100%	130
University of Pretoria	200	(200)	-	-	-	-	-
<b>Total</b>	<b>580</b>	<b>(448)</b>	<b>132</b>	<b>132</b>	<b>-</b>		<b>130</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1D**

**STATEMENT OF TRANSFERS TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE				2012/13
	Adjusted appropriation Act	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
<b>Public Corporations</b>								
Casidra SOC Ltd	132,084	(4,476)	127,608	127,608	100%	-	127,608	103,722
<b>Total</b>	<b>132,084</b>	<b>(4,476)</b>	<b>127,608</b>	<b>127,608</b>		<b>-</b>	<b>127,608</b>	<b>103,722</b>
<b>Private Enterprises</b>								
Deciduous Fruit Producers Trust	21,186	(799)	20,387	20,387	100%	-	20,387	15,560
<b>Total</b>	<b>21,186</b>	<b>(799)</b>	<b>20,387</b>	<b>20,387</b>		<b>-</b>	<b>20,387</b>	<b>15,560</b>
<b>TOTAL</b>	<b>153,270</b>	<b>(5,275)</b>	<b>147,995</b>	<b>147,995</b>		<b>-</b>	<b>147,995</b>	<b>119,282</b>

**ANNEXURE 1E**

**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2012/13
	Adjusted appropriation Act	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	%	R'000
Agri Mega	24,288	8,928	33,216	33,216	100%	30,072
AgriReap (KOUP)	-	-	-	-	-	135
Association for Responsible Use of Alcohol (ARA)	-	-	-	-	-	135
Cape of Good Hope Agricultural Society	-	-	-	-	-	170
Colors Academy	-	-	-	-	-	147
Goedgedacht Trust	-	-	-	-	-	100
Sing for Africa	-	-	-	-	-	200
SPCA	-	-	-	-	-	500
Vinpro	1,000	-	1,000	1,000	100%	-
Western Cape Economic Development Partnership	4,500	-	4,500	4,500	100%	-
Wines of South Africa	-	261	261	261	100%	-
<b>TOTAL</b>	<b>29,788</b>	<b>9,189</b>	<b>38,977</b>	<b>38,977</b>		<b>31,459</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1F  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE		2012/13
	Adjusted Appropriation Act	Adjustments	Total available	Actual transfer	% of available funds transferred	Appropriation Act
	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>						
Bursaries to non-employees	1,581	848	2,429	2,429	100%	2,259
Leave gratuity to employees	974	573	1,547	1,547	100%	643
Severance package to employees	-	121	121	121	100%	-
<b>Total</b>	<b>2,555</b>	<b>1,542</b>	<b>4,097</b>	<b>4,097</b>		<b>2,902</b>
<b>Subsidies</b>						
Farmer support	-	-	-	-		67
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>67</b>
<b>TOTAL</b>	<b>2,555</b>	<b>1,542</b>	<b>4,097</b>	<b>4,097</b>		<b>2,969</b>

**ANNEXURE 1G  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14 R'000	2012/13 R'000
<b>Received in cash</b>			
Community Education through National Collaboration and Enablement	Cash donation for the Department's learnership and internship programme.	-	276
AgriSETA	Received the AgriSETA 2013 Excellence Award.	20	-
<b>Subtotal</b>		<b>20</b>	<b>276</b>
<b>Received in kind</b>			
Department of Agriculture, Forestry and Fisheries	Software, computer assets, farm/agricultural equipment and security equipment received in terms of section 42(3) of the PFMA.	1,811	-
FELCO	Trophies donated for the annual pruning competition for viticulture students.	-	1
Group Editors Co (Pty) Ltd	Donations in the form of media coverage for the annual Outeniqua Information Day.	116	99
MCT Distributors	Caps donated for distribution to workers clearing alien vegetation.	-	5
Shoprite Checkers	Sponsorships for the annual Farm Worker of the Year competition.	770	-
Various organisations	Sponsorships for travelling and accommodation costs of officials to attend and participate in courses, meetings and symposiums abroad during the financial year.	584	318
Various organisations	Yeast, enzymes and other wine additions donated for experimental winemaking by cellar technology students at Elsenburg.	8	78
Various organisations	Groceries and beverages donated for the annual Outeniqua Information Day.	-	7
Various organisations	Library material donated to the Elsenburg library.	45	23
<b>Subtotal</b>		<b>3,334</b>	<b>531</b>
<b>TOTAL</b>		<b>3,354</b>	<b>807</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 1H**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14 R'000	2012/13 R'000
<b>Paid in cash</b>		
Agri Expo: South African Cheese Festival.	95	-
Agri Western Cape: Donation for their Annual Congress.	25	25
American Association of Wine Economics (AAWE): Sponsorship for the 7th Annual Conference.	-	100
Bethany's Rural Families Life Skills and Development Project: Equipment for a crèche for farm workers' children.	11	-
Boland Agricultural High School: Sponsorship for disadvantaged learners.	69	63
Caleb Development and Training Association: Women's Day celebrations and awareness programmes for alcohol abuse.	-	20
Calitzdorp Port and Wine Festival.	-	40
Cape Agri's Employers Organisation: Survey on farm worker wages.	-	5
Cederberg Conservancy: Printing of T-shirts for farm workers attending the open day at Matjiesfontein.	-	11
Centeq Events: Contribution for the Conference of the African Farm Management Association.	100	-
Christian Literature Fund: Donation for the development of literature on moral values and social issues of farm workers.	-	45
Deciduous Fruit Producers Trust: Donation for their International Symposium on Orchard Systems.	-	35
Deciduous Fruit Producers Trust: Sponsorship for a golf day for the fruit industry.	-	5
Diakonale Dienste Nuwerus: For the hosting of workshops for farm workers to empower them with knowledge to manage their finances and to develop an understanding of the social impact of substance abuse.	50	-
Farm Workers: Prize money for the annual farm worker competition.	412	408
Fellowship Bible Church SA: Building of a jungle gym to develop the gross muscles of children.	20	-
Fresh Produce Export Forum (FPEF): Donation for the marketing material for Fruit Logistical Asia 2012.	100	60
Groenie Die Drakie Crèche: Donation for early childhood development training for 75 pre-school learners.	-	10
Guder E: Donation for the World Martial Arts Champions in Italy.	10	-
JF Hillebrand SA: For the transportation of wine that will be showcased at the Dijon international and Gastronomic Fair.	86	-
Karoo Centre for Human Rights, Education, Research and Development: The roll-out of various life skills workshops for farm workers and their families residing in the Beaufort West region.	50	-
Kibbuz El-shammah: The roll-out of Fetal Alcohol Syndrome awareness and prevention workshops.	35	-
Koue Bokkeveld Training Centre: Workshop presented to farm workers to work through the various aspects related to the farm workers' strikes.	20	-
Layton Primary School: To assist them with the development of the school's educational apparatus.	-	10
Lutzville High School: For school expenses for farm children from the Doring Bay, Ebenezer and Lutzville areas.	50	-
Merino 2014 Foundation Trust: To host the Cape Wool 9th World Merino Conference.	100	-
Mickey Mouse Crèche: Donation for early childhood development training for pre-school learners.	-	10
National Agricultural Marketing Council: Women in management entrepreneurship programme.	17	-
National Agricultural Youth Show: Donation for their championships.	-	30
National Farm Worker's Forum: For the sponsoring of their farm worker sports day in the Drakenstein region.	50	-
Nematological Society of South Africa: For the hosting of the 6th International Congress of Nematology in Cape Town.	100	70
Oakdale Agricultural High School: Sponsorship for the development of disadvantaged learners.	62	56
Official: Sponsorship to participate in the World Outdoor Championship in Switzerland.	-	12
Pentecost Protestant Church: Contribute towards the Youth Day celebration at Riviersonderend.	10	-
Potato South Africa: Contribution for the Potato Conference.	40	-
Samaritan helps the poor and the needy: Farm workers and communities that live in abject poverty.	20	-

## ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2014

### ANNEXURE 1H continue

NATURE OF GIFT, DONATION OR SPONSORSHIP	2013/14 R'000	2012/13 R'000
Simondium Rural Development Forum: For the roll-out of workshops for an adult support group as well as pregnant teenagers or teenage mothers.	20	-
South African Society for Agricultural Extension: Agricultural Extension's Annual Conference	98	-
South African Society for Animal Science (SASAS): Sponsored meals for voluntary workers during a pet sterilisation campaign.	-	5
South African Veterinary Public Health Association: Sponsorship for their Annual Congress.	-	80
South African Tug of War Federation: World Outdoor Tug-of-War championship in Netherlands.	20	-
South and Eastern African Association for Farming Systems Research Extension: Donation for the annual conference.	-	50
Students: Prize money for two students for Higher Education.	-	2
Uniondale Integrated Empowerment Project.	-	70
United South African Agricultural Association (USAAA): Prize money for the Farmer of the Year competition.	-	10
Various individuals: Prize money for the Female Entrepreneur competition.	324	98
VINPRO: Donation for the development of training material for vineyard workers.	-	97
Water Institute of Southern Africa: Contribution for the Young Water Professionals Conference.	60	-
Waterval Bedienings Trust: Contribution to their annual Gospel Festival Project for farm workers.	-	44
Willem Buchholz Primary School: For the procurement of a concrete slab for the school.	12	-
<b>Subtotal</b>	<b>2,066</b>	<b>1,401</b>
<b>Made in kind</b>		
Department of Education: Mount View High School, Hanover Park: Olive trees.	-	8
Elim Farm: Redundant calf pens.	1	-
Farmers: Elim Food Garden Project: Irrigation material.	-	16
Farmers: Donation of lucerne seed to smallholder farmers.	-	9
Farmers: Donation of ostriches.	-	145
Farmers: Donation of cows and heifers to improve the production and sustainability of Amalienstein.	-	450
Farmers: Donation of five water tanks to the Matjiesriver Farm.	-	39
Farmers: Rietfontein Project: Fertiliser.	-	29
Farmers: Outeniqua Project: Animal feed.	-	26
Farmers: Eden district farmers: Boer goat rams.	-	24
Farmers: Small Farmers George/Uniondale: Gardening equipment.	-	4
Fruit Tree Project: Donation of fruit trees.	-	7
Jukanie: Donation of new-born bull calves to the Cheetah farm.	1	1
Khayamandi residents: Donation of goods to residents who lost their belongings in a fire disaster.	-	1
Khayamandi Pilot Project: Protective clothing.	-	8
Officials: Photographic competition.	4	-
Officials: Graduation ceremony.	3	-
Sixtyonethree: Donation of three Percheron horses.	30	-
Spruitdrift Primary School in Vredendal: Waterproof lining for dam.	-	561
Tulbagh Farmworkers Foundation: Donation of old and outdated office furniture.	-	1
University of Stellenbosch: 60 kg Tilapia.	1	-
Various individuals: Gifts for foreign visitors.	2	3
<b>Subtotal</b>	<b>42</b>	<b>1,332</b>
<b>Remissions, refunds, and payments made as an act of grace</b>		
Officials: Reimbursement of medical costs during a visit abroad.	-	11
Officials: Reimbursement of maintenance costs on motor vehicle.	1	16
Households: Mr and Mrs Nteyi (transport and accommodation to attend the budget speech of the Minister of Agriculture and Rural Development)	2	-
<b>Subtotal</b>	<b>3</b>	<b>27</b>
<b>TOTAL</b>	<b>2,111</b>	<b>2,760</b>



**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 2A**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO PROVINCIAL PUBLIC ENTITIES**

NAME OF PUBLIC ENTITY	%Held 13/14	%Held 12/13	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
			2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	Yes/No
Casidra SOC Ltd	100%	100%	25,000,000	25,000,000	-	-	25,000	25,000	-	-	No
<b>TOTAL</b>			<b>25,000,000</b>	<b>25,000,000</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	

**ANNEXURE 2B**

**STATEMENT OF INVESTMENTS IN AND AMOUNTS OWED BY/TO OTHER NON-CONTROLLED ENTITIES**

NAME OF PUBLIC ENTITY	Nature of business	Cost of investment R'000		Net asset value of investment R'000		Amounts owed to entities R'000		Amounts owed by entities R'000	
		2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13
KWV Group		-	-	627	495	-	-	-	-
Koelenhof Wine Cellar		-	-	44	36	-	-	-	-
Samelko		-	-	7	7	-	-	-	-
Klein Karoo International		-	-	28	28	-	-	-	-
<b>TOTAL</b>		<b>-</b>	<b>-</b>	<b>706</b>	<b>566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE 3**

**CLAIMS RECOVERABLE**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Departments</b>						
National Department of Agriculture, Forestry and Fisheries	-	350	34	-	34	350
<b>TOTAL</b>	<b>-</b>	<b>350</b>	<b>34</b>	<b>-</b>	<b>34</b>	<b>350</b>

**ANNEXURE 4**

**INTER-GOVERNMENT PAYABLES – CURRENT**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Departments</b>						
Department of Transport and Public Works (GMT)	1,770	1,521	-	-	1,770	1,521
Department of Justice	4	-	-	-	4	-
Government Printing	1	-	1	-	2	-
<b>TOTAL</b>	<b>1,775</b>	<b>1,521</b>	<b>1</b>	<b>-</b>	<b>1,776</b>	<b>1,521</b>

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2014**

**ANNEXURE 5  
INVENTORY**

INVENTORY	2013/14		2012/13	
	Quantity	Value	Quantity	Value
		R'000		R'000
Opening balance	462,271	4,791	390,549	4,226
Add/(Less) Adjustments to prior year balance	-	-	(42,167)	-
Add: Additions/Purchases – cash	69,918,813	24,495	251,707,853	28,224
Add: Additions – non-cash	(1,255)	3	65	-
(Less): Disposals	(72,696)	(383)	(190,187)	(1,006)
(Less): Issued	(70,018,649)	(23,786)	(251,527,929)	(27,137)
Add/(Less): Adjustments	(5,135)	30	81,920	484
<b>Closing balance</b>	<b>283,349</b>	<b>5,150</b>	<b>462,271</b>	<b>4,791</b>

**ANNEXURE 6  
MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2014**

Opening Balance	Current year capital WIP	Completed as-sets	Closing Balance
R'000	R'000	R'000	R'000
355	371	726	-
<b>355</b>	<b>371</b>	<b>726</b>	<b>-</b>

**BUILDINGS AND OTHER FIXED STRUCTURES**

Non-residential buildings

**TOTAL**

**ANNEXURE 7  
INTER-ENTITY ADVANCES RECEIVED**

PUBLIC ENTITIES	Confirmed balance		Unconfirmed balance		TOTAL	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	R'000	R'000	R'000	R'000	R'000	R'000
AgriSETA	-	-	-	950	-	950
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>950</b>	<b>-</b>	<b>950</b>



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This Annual Report is also available on the websites  
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**Western Cape  
Government**

Agriculture

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