



**Western Cape  
Government**

Agriculture



**Annual Report 2017/2018**

**DEPARTMENT OF  
AGRICULTURE**

**PROVINCE OF THE  
WESTERN CAPE**

**VOTE 11**

**ANNUAL REPORT  
2017/2018 FINANCIAL YEAR**

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# **PART A: GENERAL INFORMATION**

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## 1. DEPARTMENT GENERAL INFORMATION

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## 2. LIST OF ABBREVIATIONS/ACRONYMS

<b>4<sup>TH</sup> IR</b>	Fourth Industrial Revolution
<b>ACF</b>	Alternative Crops Fund
<b>ACVV</b>	Afrikaanse Christen Vrouevereniging
<b>AES</b>	Agricultural Economics Services
<b>AFASA</b>	African Farmers Association of South Africa
<b>AFS</b>	Annual Financial Statements
<b>AGOA</b>	African Growth and Opportunity Act
<b>Agri BEE</b>	Agricultural Black Economic Empowerment
<b>AgriSETA</b>	Agricultural Sectoral Training Authority
<b>AGSA</b>	Auditor-General of South Africa
<b>AHS</b>	African Horse Sickness
<b>AI</b>	Avian Influenza
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>AIMS</b>	Agricultural Integrated Management System
<b>AIU</b>	Agri-business Investment Unit
<b>AMI</b>	Advanced Meter Infrastructure
<b>AMR</b>	Automatic Meter Reading
<b>AO</b>	Accounting Officer
<b>APAP</b>	Agricultural Policy Action Plan
<b>APFP</b>	Agricultural Professional Fellows Programme
<b>APFYD</b>	Agricultural Partnership for Youth Development
<b>APP</b>	Annual Performance Plan
<b>ARC</b>	Agricultural Research Council
<b>ASGISA</b>	Accelerated Shared Growth Initiative of South Africa
<b>ATI</b>	Agricultural Training Institute
<b>ATKV</b>	"Afrikaanse Taal en Kultuurvereniging"
<b>AVCASA</b>	Association of Veterinary and Crop Associations of South Africa
<b>BAS</b>	Basic Accounting System
<b>BBBEE</b>	Broad-Based Black Economic Empowerment
<b>BFAP</b>	Bureau for Food and Agricultural Policy Research
<b>BMI</b>	Body Mass Index
<b>BREXIT</b>	Britain's Exit (from the EU)
<b>BRICS</b>	Brasilia Russia India China South Africa
<b>BRIP</b>	Berg River Improvement Project
<b>BSE</b>	Bovine Spongiform Encephalosis
<b>CA</b>	Conservation Agriculture
<b>CA (Brucella)</b>	Contagious Abortion
<b>CAADP</b>	Comprehensive Africa Agricultural Development Programme
<b>CADIS</b>	Cape Animal Disease Information System
<b>CAMIS</b>	Cape Agricultural Mobile Information System
<b>CAPEX</b>	Capital Expenditure
<b>CASIDRA</b>	Cape Agency for Sustainable Integrated Development in Rural Areas
<b>CARA</b>	Conservation of Agricultural Resources Act
<b>CASP</b>	Comprehensive Agricultural Support Programme
<b>CAWC</b>	Conservation Agriculture Western Cape
<b>CCS</b>	Compulsory Community Service
<b>CCTV</b>	Closed Circuit Television
<b>CD</b>	Compact Disc
<b>CDO</b>	Community Development Officer
<b>CeI</b>	Centre for E-innovation
<b>CFPPA</b>	"Centre de Formation Professionnelle et de Promotion Agricole"
<b>CFS</b>	Committee on Food Security

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<b>CHE</b>	Council for Higher Education
<b>CITCOM</b>	Corporate Information Technology Committee
<b>COAG</b>	Committee on Agriculture
<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>	Counsel of Stakeholders
<b>CPAC</b>	Commodity Project Allocation Committee
<b>CPI</b>	Consumer Price Index
<b>CPSI</b>	Centre for Public Service Innovation
<b>CPUT</b>	Cape Peninsula University of Technology
<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>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>DEP</b>	Department Evaluation Plan
<b>DG</b>	Director General
<b>DHET</b>	Department of Higher Education and Training
<b>DITCOM</b>	Departmental Information Technology Committee
<b>DLAC</b>	District Land and Agricultural Committee
<b>DLRC</b>	District Land Reform Committee
<b>DOA</b>	Department of Agriculture
<b>DORA</b>	Division of Revenue Act
<b>DOTP</b>	Department of the Premier
<b>DPAC</b>	Departmental Allocation Committee
<b>DPME</b>	Department of Planning, Monitoring and Evaluation
<b>DPSA</b>	Department of Public Service and Administration
<b>DRDLR</b>	Department of Rural Development and Land Reform
<b>DSG</b>	Departmental Strategic Goal
<b>DST</b>	Department of Science and Technology
<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>	Eisenburg Agricultural Training Institute
<b>ECSA</b>	Engineering Council of South Africa
<b>ECSP</b>	Economic Competitive Support Package
<b>EDP</b>	Economic Development Partnership
<b>EE</b>	Employment Equity
<b>EEP</b>	Employment Equity Plan
<b>EHP</b>	Employee Health and Wellness
<b>EHPW</b>	Employee Health and Wellness Programme
<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



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<b>ERP</b>	Extension Revitalisation Programme
<b>ETDP</b>	Education, Training and Development Practitioner
<b>ETF</b>	Ethical Trade Facilitator
<b>EU</b>	European Union
<b>FAO</b>	Food and Agricultural Organisation of the United Nations
<b>FARR</b>	Foundation for Alcohol Related Research
<b>FAS</b>	Foetal Alcohol Syndrome
<b>FET</b>	Further Education and Training
<b>FOSAD</b>	Forum for South African Director's General
<b>FSD</b>	Farmer Support and Development
<b>FWD</b>	Farm Worker Development
<b>G&amp;S</b>	Goods and Services
<b>GC/MSMS</b>	Gas Chromatograph/ Mass Spectrometer (Triple Quart)
<b>GDP</b>	Gross Domestic Product
<b>GEHS</b>	Government Employee Housing Scheme
<b>GG</b>	Government Garage
<b>GI</b>	Geographic Indicators
<b>GIAMA</b>	Government Immovable Asset Management Act
<b>GIS</b>	Geographic Information System
<b>GM</b>	Genetically Modified
<b>GMT</b>	Government Motor Transport
<b>GPS</b>	Global Positioning System
<b>GPSSBC</b>	General and Public Service Sector Bargaining Council
<b>GSSA</b>	Grassland Society of South Africa
<b>HA</b>	Hectare
<b>HCDS</b>	Human Capital Development Strategy
<b>HCT</b>	HIV & AIDS Counselling and Testing
<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>IDC</b>	Industrial Development Corporation
<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>ISO</b>	International Standards Organisation
<b>IT</b>	Information Technology
<b>ITC</b>	International Trade Centre
<b>JPI</b>	Joint Planning Initiative
<b>JTTT</b>	Joint Technical Task Team
<b>KvA</b>	Kilovolt Ampere
<b>KZN</b>	Kwazulu Natal
<b>LARP</b>	Land and Agrarian Reform Programme
<b>LC/MSMS</b>	Liquid Chromatograph/ Mass Spectrometer (Triple Quart)
<b>LED</b>	Local Economic Development
<b>LIMS</b>	Laboratory Information Management System
<b>LLMS</b>	Learner and Learning Management System
<b>LOGIS</b>	Government Procurement System

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<b>LRA</b>	Labour Relations Act
<b>LRAD</b>	Land Redistribution for Agricultural Development
<b>LREAD</b>	Land Reform Advisory Desk
<b>LSM</b>	Lifestyle Measure
<b>LTAS</b>	Long Term Adaption Scenarios
<b>LTD</b>	Limited
<b>LUMB</b>	Land Use Management Bill
<b>LUPA</b>	Land Use Planning Act
<b>MAFISA</b>	Micro Agricultural Finance Institutions of South Africa
<b>MCEP</b>	Manufacturing Competitive Enhancement Programme
<b>MCS</b>	Modified Cash Standard
<b>MDG</b>	Millennium Development Goals
<b>MEC</b>	Member of the Executive Council
<b>MeerKat</b>	Radio telescope at Sutherland
<b>MINMEC</b>	Minister and Members of the Executive Council Committee
<b>MINTEC</b>	Ministerial Technical Committee
<b>MIP</b>	Management Improvement Plan
<b>MISS</b>	Minimum Information Security Standard
<b>MOA</b>	Memorandum of Agreement
<b>MOU</b>	Memorandum of Understanding
<b>MPAT</b>	Management Performance Assessment Tool
<b>MPO</b>	Milk Producers Organisation
<b>MPSA</b>	Minister of Public Service and Administration
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>NACH</b>	National Anti-Corruption Hotline
<b>NACSAANO</b>	National Agricultural Colleges Soccer and Netball Organisation
<b>NARYSEC</b>	National Rural Youth Service Corps
<b>NARS</b>	National Abattoir Rating Scheme
<b>NDMC</b>	National Disaster Management Committee
<b>NDP</b>	National Development Plan 2030
<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>NSFAS</b>	National Student Financial Aid Scheme
<b>NWGA</b>	National Wood Growers Association
<b>OAG</b>	Office of the Accountant-General
<b>OBP</b>	Onderstepoort Biological Products
<b>OECD</b>	Organisation for Economic Development and Cooperation
<b>OHS</b>	Occupational Health and Safety
<b>OIE</b>	Office International des Epizooties
<b>OQF</b>	Occupations Qualifications Framework
<b>OSD</b>	Occupational Specific Dispensation
<b>OVI</b>	Onderstepoort Veterinary Institute
<b>PAA</b>	Public Audit Act
<b>PAHC</b>	Primary Animal Health Care
<b>PAIA</b>	Promotion to Access of Information Act
<b>PAJA</b>	Promotion of Administrative Justice Act
<b>PALS</b>	Partnership in Agricultural Land Solutions

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<b>PAY</b>	Premier Advancement of Youth Project
<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>PDALPB</b>	Preservation and Development of Agricultural Land Protection Bill
<b>PDI</b>	Previously Disadvantaged Individual
<b>PDP</b>	Provincial Development Plan
<b>PDMC</b>	Provincial Disaster Management Centre
<b>PEO</b>	Provincial Executive Officer
<b>PERSAL</b>	Personnel Salary System
<b>PFMA</b>	Public Finance Management Act (Act 1 of 1999)
<b>PFS</b>	Provincial Forensic Services
<b>PILIR</b>	Policy on Incapacity Leave and Ill-health Retirement
<b>PLACC</b>	Provincial Land Acquisition and Consideration Committee
<b>PLAS</b>	Proactive Land Acquisition Strategy
<b>PPP</b>	Public Private Partnerships
<b>PPFA</b>	Preferential Procurement Policy Framework Act (Act 5 of 2000)
<b>PRF</b>	Protein Research Foundation
<b>PSCBC</b>	Public Services Coordinating Bargaining Council
<b>PSG</b>	Provincial Strategic Goal
<b>PSO</b>	Provincial Strategic Objective
<b>PSP</b>	Provincial Strategic Plan
<b>PSSC</b>	Provincial Shared Services Centre
<b>PSRMF</b>	Public Sector Risk Management Framework
<b>PTI</b>	Provincial Training Institute
<b>PTY</b>	Propriety
<b>PWD</b>	People with Disability
<b>R &amp; D</b>	Research and Development
<b>RAAVC</b>	Revitalisation of Agriculture and Agri Processing Value Chain
<b>RADP</b>	Recapitalisation and Development Programme
<b>RDA</b>	Research Data Alliance
<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>RTF</b>	Research and Technology Fund
<b>RWOPS</b>	Remunerative Work Outside the Public Service
<b>SA</b>	South Africa
<b>SAB</b>	South African Breweries
<b>SACNASP</b>	South African Council for Natural Scientific Professions
<b>SAET</b>	Structured Agricultural Education and Training
<b>SAGEO</b>	South African Group on Earth Observation
<b>SAIGA</b>	South African Institute for Government Auditors
<b>SANAS</b>	South African National Accreditation Scheme
<b>SAPS</b>	South African Police Services
<b>SAQA</b>	South African Qualifications Authority
<b>SARS</b>	South African Revenue Service
<b>SASAS</b>	South African Society for Animal Sciences
<b>SASAT</b>	South African Society for Agricultural Technologists
<b>SAVM</b>	Soil and Veld Management
<b>SAWIS</b>	South African Wine Industry Information and Systems
<b>SCM</b>	Supply Chain Management
<b>SCOA</b>	Standard Chart of Accounts
<b>SCOPA</b>	Standing Committee on Public Accounts

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<b>SDG</b>	Sustainable Development Goals
<b>SETA</b>	Sectoral Training Authority
<b>SG</b>	Superintendent-General
<b>SHERQ</b>	Safety Health Environment Risk and Quality
<b>SIMFINI</b>	Financial Recordkeeping programme designed for Agriculture
<b>SIP</b>	Strategic Infrastructure Projects
<b>SITA</b>	State Information Technology Agency
<b>SIZA</b>	Sustainability Initiative of South Africa
<b>SKA</b>	Square Kilometre Array
<b>SKOG</b>	Swartland Kleingraan Ontwikkelingsgroep
<b>SOC</b>	State Owned Company
<b>SOP</b>	Standard Operating Procedures
<b>SMME</b>	Small Micro and Medium Enterprises
<b>SMS</b>	Senior Management Service
<b>SP</b>	Strategic Plan
<b>SPCA</b>	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>STI</b>	Sexually Transmitted Infections
<b>SU</b>	Stellenbosch University
<b>TB</b>	Tuberculosis
<b>T&amp;S</b>	Travel and Subsistence
<b>THRIP</b>	Technology and Human Resources for Industry Programme
<b>TMR</b>	Total Mixed Ration
<b>TOR</b>	Terms of Reference
<b>TV</b>	Television
<b>TVT</b>	Trans-venereal Tumour
<b>UAMP</b>	User Asset Management Plan
<b>UNAIDS</b>	Joint United Nations Programme on HIV and AIDS
<b>UTA</b>	Unit for Technical Assistance
<b>VAT</b>	Value Added Tax
<b>VECO</b>	Veterinary Export Certification Office
<b>VPH</b>	Veterinary Public Health
<b>VPHO</b>	Veterinary Public Health Officer
<b>VPN</b>	Veterinary Procedural Notice
<b>VS</b>	Veterinary Services
<b>WCARF</b>	Western Cape Agricultural Research Forum
<b>WCDoA</b>	Western Cape Department of Agriculture
<b>WCFFI</b>	Western Cape Fine Food Initiative
<b>WC</b>	Western Cape
<b>WCG</b>	Western Cape Government
<b>WCP</b>	Western Cape Province
<b>WCPVL</b>	Western Cape Provincial Veterinary Laboratory
<b>WCT</b>	Winter Cereal Trust
<b>WESGRO</b>	Western Cape Investment and Trade Promotion Agency
<b>WFD</b>	World Food Day
<b>WFP</b>	World Food Programme
<b>WG</b>	Work Group
<b>WIETA</b>	Wines Initiative for Ethical Trade Association
<b>WOSA</b>	Wines of South Africa
<b>WRC</b>	Water Research Commission
<b>WTO</b>	World Trade Organisation
<b>YPP</b>	Young Professionals Programme

## **GLOSSARY**

### **NO National Outcomes**

- 1 Quality basic education
- 2 A long and healthy life for all South Africans
- 3 All people in South Africa are and feel safe
- 4 Decent employment through inclusive growth
- 5 A skilled and capable workforce to support an inclusive growth environment
- 6 An efficient, competitive and responsive economic infrastructure network
- 7 Vibrant, equitable, sustainable rural communities contributing towards food security for all
- 8 Sustainable human settlements and improved quality of household life
- 9 Responsive, accountable, effective and efficient local government
- 10 Protect and enhance our environmental assets and natural resources
- 11 Create a better South Africa and contribute to a better Africa and world
- 12 An efficient and development-orientated public service
- 13 A comprehensive and sustainable social protection system
- 14 A diverse, socially cohesive society with a common national identity.

### **SIP Strategic Integrated Projects**

- 1 Unlocking the Northern Mineral Belt with Waterberg as the Catalyst
- 2 Durban- Free State–Gauteng Logistics and Industrial Corridor
- 3 South Eastern node and corridor development
- 4 Unlocking the economic opportunities in North West Province
- 5 Saldanha-Northern Cape Development Corridor
- 6 Integrated Municipal Infrastructure Project
- 7 Integrated Urban Space and Public Transport Programme
- 8 Green Energy in support of the South African economy
- 9 Electricity Generation to support socio-economic development
- 10 Electricity Transmission and Distribution for all
- 11 Agri-Logistics and Rural Infrastructure
- 12 Revitalisation of public hospitals and other health facilities
- 13 National school build programme
- 14 Higher Education Infrastructure
- 15 Expanding access to communication technology
- 16 SKA & MeerKat
- 17 Regional Integration for African cooperation and development
- 18 Water and Sanitation Infrastructure Master Plan.

## **PROVINCIAL STRATEGIC GOALS**

### **PSG**

- 1 Create opportunities for growth and jobs
- 2 Improve education outcomes and opportunities for youth development
- 3 Increase wellness, safety and tackle social ills
- 4 Enable a resilient, sustainable, quality and inclusive living environment
- 5 Embed good governance and integrated service delivery through partnerships and spatial alignment.

## **DEPARTMENTAL STRATEGIC GOALS**

### **DSG**

1. Support the Provincial Agricultural Sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013.
2. Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years.
3. Support the sector (farmers and industries) to increase sustainable agricultural production (primary provincial commodities) by at least 10% over the next 10 years.
4. Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural production.
5. Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10-year period and strengthen interface with local authorities.
6. Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019.
7. Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years.

### **PROJECT KHULISA**

At the start of the new term of Government the Western Cape Cabinet approved five Provincial Strategic Goals (PSGs). The objective of the first of these, PSG 1, is to "Create opportunities for growth and jobs". In addition to the range of "normal" interventions, the Provincial Government has decided to identify and implement a series of "game changers" which would change the trajectory of provincial development. In the case of PSG 1, the international consulting firm McKinsey was engaged to support the Department during the development of the growth and employment game changers; a process which subsequently became known as Project Khulisa. During the first phase of Project Khulisa, after an extensive process of data analysis, three priority sectors (agri processing, tourism and oil and gas) and five enablers (energy, water, broadband, skills and ease of doing business) were identified. Following additional in-depth analysis and consultation with the full range of agricultural stakeholders, fourteen priority levers (e.g. establishment of agri parks, international promotion, research infrastructure, etc.) were detected and endorsed during a stakeholder meeting on 20 March 2015. During the next phase priority agri processing industries will be identified and key interventions will be developed to maximise their role in the provincial economy.

### **3. FOREWORD BY THE MINISTER**

In a year which has challenged agriculture in the Western Cape with one of the worst droughts on record, devastating fires on the Garden Route, and an outbreak of Avian Influenza, the Department of Agriculture has still met and even exceed many of its strategic objectives.

Provincial strategic goal number one is to grow the number of opportunities for growth and jobs. Our Project Khulisa goals have outlined specific sectors which will play an important role in ensuring that we achieve this goal. Unfortunately the drought has had an impact on some of the employment gains we initially made in the agri-processing sector, however, we are still reporting a net gain of jobs since the introduction of the Khulisa strategy.

In addition, we have seen positive growth in some of our other Khulisa objectives. Wine exports to China and Angola, which were earmarked as key markets, have grown by 109% and 102% respectively since the introduction of Khulisa in 2014.

The 2018 wine harvest has been considerably smaller as a result of the drought, but all indications are that the wines produced from this year's grapes will be of excellent quality. The global wine shortage which has resulted from the world's top producers, France, Italy, and Spain all being hit by weather events, provides an opportunity for Western Cape wine makers to market their wines internationally, and negotiate on prices.

Drought support in the form of fodder was provided to 2 653 livestock farmers to ensure that they would be able to continue farming, and to save valuable agri-worker jobs and the department has worked closely with other government departments and agencies to ensure that workers and communities impacted by the drought were able to access humanitarian relief.

On the positive side, the drought has stimulated innovation, and our alternative crops research fund is one such project. The diversification of crops to include more water wise crops such as berries, cherries and pomegranates is starting to show in exceptional growth in exports of these products.

Conservation agriculture techniques have also become more important now than ever before. In the past year, the department has provided information to 565 irrigators in order to increase their water efficiency, and 21 project directly linked to climate smart production and technology development were funded.

Our plans to grow the Halal market in the Western Cape are also progressing well, and together with our partners at Wesgro, we sent producers to one of the largest Halal food markets in the World, Gulfood, to market the province and its many products ranging from meats to jams and confectionary. In the coming year, we will be embarking on more international visits in order to promote this sector. Since 2015, our Halal relevant exports have grown by R900 million to R10.2 billion in 2017- growth of around 10%.

Avian influenza was first detected in the province in August 2017. Following its detection, the virus spread rapidly, resulting in over 2 million birds having to be culled. Layer and broiler farms are still currently in the process of cleaning farms to ensure the virus has been fully eradicated, but by March the quarantine had been lifted on three farms.

Issues of land reform are also currently pertinent in the sector. The Western Cape remains the only province to have undertaken a study of successes in this area. The Department of Agriculture has set itself a goal of a 70% success rate in land reform projects over the next five

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years. In 2018/19 financial year, we will be conducting another independent study to rate our successes. I firmly believe that the Western Cape model, which prioritises ownership, and provides support to farmers through the commodity approach, is the path towards success. In the year under review, the department provided 73 land reform farmers with assistance with their financial records, with 34 having complete financial records by the end of the year. A further 43 land reform projects received support under the market access programme- as a result, 57 market access linkages were reconfirmed, and a further 29 new access linkages signed. The department also worked with 34 mentors, who offered support and guidance to land reform beneficiaries.

Training and educational opportunities were also made available to land reform beneficiaries, agri-workers and their families. The number of 3 369 beneficiaries received informal skills training in the past year, and 468 students were enrolled for accredited and certified educational opportunities.

Issues of land reform will continue to be a topic of conversation and the current lack of policy certainty around expropriation will continue to be a challenge looking ahead.

I would like to express my thanks to the HOD Joyene Isaacs, and her dedicated team at the department, who have worked tirelessly and passionately in very difficult circumstances this year to ensure that Agriculture in the Western Cape can continue to positively contribute to the regional economy, and food and job security.



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**AR Winde**  
**Minister of Economic Opportunities**  
**Date: 31 May 2018**



## **4. REPORT OF THE ACCOUNTING OFFICER**

### **4.1 Overview of the operations of the department**

After the current government of the Western Cape Province came to office in 1994, it identified 5 Provincial Strategic Goals (PSGs) of which the first is to "create opportunities for growth and jobs". As part of the implementation plan for this PSG, Agri processing was identified as one of the key sectors of the provincial economy and three strategic intents, with a range of interventions, responsible parties and deadlines, were developed; the so-called Project Khulisa: Agri processing. It is clear that these interventions made a significant contribution to the 81 016 jobs which has been created in the agricultural and agri processing sectors of the Province between quarter 4 of 2014 and quarter 4 of 2017 (data from the Quarterly Labour Force Survey of StatsSA). Indeed, 401 752 people of the Western Cape Province is currently working in the agri processing and related sectors of the provincial economy; 17.3% of the 2.49 million people employed in the Province.

Other significant targets met by Project Khulisa: Agri Processing include the achievement of important growth targets. In the case of China the export of South African wine increased from 8.71 million litres in 2014 to 18.23 million litres in 2017. This is an increase of 9.52 million litres (109%) over the four years; a clear achievement of the target of doubling wine exports of South African wine to China. In the case of Angola the export of South African wine increased from 1.64 million litres in 2016 to 3.31 million litres in 2017; an increase of 102%. This was after an initial decline after the devastating effect of the slump in oil prices on the Angolan economy.

On the Halal front similar positive results were achieved. From 2015 "Halal relevant" exports from the Western Cape increased by R900 million from R9.3 billion in 2015 to R10.2 billion in 2017; an increase of 9,7% over the baseline. At the same time the estimated export value secured during export promotion activities in the 2017/18 financial year amounted to R2.5 billion. R1.49 billion of this amount was secured during Halal missions. It is important to note that partnerships was at the heart of the Project Khulisa: Agri processing approach. Hence without industry partners such as Wines of South Africa (WOSA) and public sector support from the Department of Economic Development and Tourism as well as Wesgro, these targets would not have been met.

The department's focus is on overall resource efficiency i.e. water, energy, and waste management. Given the drought, and the looming Day Zero, achieving greater water efficiency within the department remained a high priority. Various water-saving measures implemented assured a continued water supply. A third borehole at Elsenburg will possibly ensure that this entire research farm may in future be able to function without the use of the costly municipal supply. The statutory Business Continuity Plan was up-dated, and it now includes a general Water Response Plan per programme. Water meters were installed in critical areas. A service provider has been appointed by the Department of Transport and Public Works to conduct leak detection tests to assess for any water wastage. Despite the challenges experienced with Eskom, power-saving measures implemented have resulted in a 7% saving when compared to the same time last year.

All the human capital development programmes continued. The Internship programme provided workplace experience to sixty-nine (69) youth, another 26 entered a learnership, 123 bursaries were awarded and, ten (10) of these bursaries were awarded to students currently on the Young Professionals Programme (YPP). Three will finish their master's degree and two of them are considering continuing to a PhD level. The Agricultural Professional Fellows Partnership Programme, a yearlong leadership course for young agriculturalists in their early to mid-career phase is now in its fifth year. So far, 25 employees and young professional programme beneficiaries have completed this programme.

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The preparation for the first student exchange programme under the provincial agreement with Upper Austria is at an advance stage. The first group to Austria will take place from 22 June to 8 July 2018. The department will then host an Austrian group in September 2018.

Marketing of careers in agriculture at 11 major agricultural events and exhibitions continued reaching 4 710 youth.

The continuation of the worst drought on record in the Western Cape has a severe impact on the availability of water in the agricultural sector, both for irrigation and schedule one household water use. In this regard the Programme: Sustainable Resource Management is in close collaboration with government departments, municipalities, water user associations and affected stakeholders in order to find solutions and to develop alternative water resources.

The key strategic challenge identified in the NDP is the promotion of more efficient use of water by both commercial and smallholder farmers, hence the continuation of the FruitLook project and the water wise and biodiversity awareness campaigns. Through the FruitLook project, near real-time information on actual crop water use and 8 other growth parameters are provided on a weekly basis to farmers on the FruitLook web portal. It is predicted that climate change will further impact on the limited water resources in the Province. Dedicated focus will be required over the next five years to assist farmers to utilise their agricultural water as efficiently as possible. Water quality, and not only the availability of water, requires a refocus as this is linked to the fruit quality standards and market access. During the current drought the Fruitlook technology offered irrigation farmers the opportunity to assess current and historical infield information which, supported irrigators in their strategic and operational decision making.

For the 2017/18 irrigation season, from 1 August 2017 to 30 April 2018, the near real-time web application project (FruitLook) provided information which was available to all irrigation farmers and also other interested parties. The area covered during the 2017/18 financial year was expanded to cover all the major irrigation areas in the Western Cape. Information on nine growth parameters, such as actual evapotranspiration (ET), ET deficit, crop factors, biomass production, leaf area index, nitrogen content, etc. were provided on the website which was updated on a weekly basis. Due to the drought and an increased focus on training and information dissemination, the number of registered users has increased substantially. There are 553 active users and 2 324 subscribers to the newsletter. In the past year more people were reached than before, leading to extended usage and benefits from the FruitLook technology. There was a marked increase in the total number of orders made (23 201) and the total number hectares ordered (123 100ha) by users.

Water use efficiency of commercial and emerging farmers contributed significantly to the sustainable and optimal utilisation of the limited water resources available. Moreover, the technology application assisted to increase the area irrigated, while using the same volume of water. The effective and efficient use of water resulted in maintaining and increasing production levels respectively, which had a direct impact on jobs created and the financial viability of the farming enterprises. The advisory services on planning and design of animal husbandry has contributed to prevented pollution of water resources by animal waste.

The sub-programme: Disaster Risk Management is responsible for managing proactive and reactive agricultural disaster projects. For the 2017/18 financial year, the programme implemented seven river stabilisation projects to the value of R65 million under the flood relief projects, which involved 231 farmers. Drought support was provided to 2653 drought stricken livestock farmers in the Western Cape in the form of fodder.

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The LandCare sub-programme implemented 57 projects in collaboration with government and non-government partners. These projects were funded by LandCare, EPWP, BGCMA, CASP, DEADPL and the Green Economy, in order to promote sustainable resource management objectives. In total more than 8000 ha of agricultural land was protected and rehabilitated, and 34 000 days of employment was created.

The sub-programme Land Use Management commented on 774 change of land use applications including subdivision, environmental impact assessments, rezoning's, spatial development frameworks and by-laws. Intergovernmental consultations were held to with the different spheres of government to improve co-operative governance and streamline land-use management process.

Disaster Risk Management was under immense pressure due to the severe drought in the Province. Available budget to support fodder is limited, which resulted in the Department only supporting farmers every second month.

The proposed raising of the Clanwilliam Dam by the DWS will significantly increase the yield of the Dam by 70 million m<sup>3</sup>/a. Seventy percent of this additional water is earmarked for resource poor farmer development and to improve the water supply of existing water allocations. The Programme is providing valuable input to the Bridging Study to determine where the water should be used and the infrastructure required to deliver water to the farm boundaries.

The most significant projects of Programme 2 for the 2017/18 financial year were:

- Implementation of the Area Wide planning initiative in the Koup area of the Central Karoo which illustrated community-based and led natural resource management.
- The implementing of Area Wide Planning projects in both the Berg and Breede rivers in accordance with NEMA regulations. These projects focused on the removal of alien biomass infestations along watercourses to rehabilitate natural infrastructure and were in collaboration with adjacent landowners. These projects contributed significantly to water availability.
- Construction of complex river protection works in several rivers, protecting agricultural and road infrastructure from destruction during the next flood.
- Reaching 11 000 youth with innovative initiatives to make them aware of the sensitive natural resources and the protection thereof.
- Collaborating on the development of the Berg River Agri-Tourism strategy and action plan as part of the Green Economy.

The development of candidate engineers to gain suitable engineering experience, enabling them to register as ECSA registered engineers. One engineer and two engineering technicians successfully acquired professional registration with ECSA. Subsequently, two were successfully recruited in permanent positions in the programme. Despite the successful recruitment of these two engineering technicians, development and recruitment of experienced and professionally registered applicants remains a challenge.

The Department is a key role-player in the implementation of the BRIP, which aims to improve the water quality of the Berg River and improve the livelihood of all the people living along the 260 km length of the river. The successful BRIP methodology is being replicated in the Breede River catchment area.

The sub-programme Land Use Management influenced the drafting of various legislation and policies that govern land-use management on national, provincial and municipal level, e.g. the Land Use Planning Act and regulations, Preservation of Agricultural Land Act and regulations (replacement of the Subdivision of Agricultural Land Act 70 of 1970), Rural Land Use and Planning Guidelines, Municipal Spatial Development Frameworks and Municipal by-

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laws.

Land-use management represented the Western Cape Department of Agriculture (WCDoA) various steering committees, i.e. Spatial Development Frameworks for all Western Cape Municipalities, Regional Mining Development and Environmental Committee, and Philippi Horticultural Area. The WCDoA was also represented in a high court case and numerous appeals pertaining to land use management.

The sub-programme Disaster Risk Management represents the Western Cape Department of Agriculture (WCDoA) on steering committees, such as the Joint operations committee at the Provincial Management Centre, National Agro-meteorological Committee (NAC).

The most significant Disaster Risk management projects for the year included the implementation of river protection works in several rivers and protecting the agricultural and road infrastructure and preventing destruction during the next flood.

Preventing agricultural job losses by providing drought relief and support to farmers in the Western Cape was the key area of focus.

The Programme: Farmer Support and Development continued with the commodity approach towards farmer support and development along the value chains as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisations aimed at strengthening support to smallholder farmers through the provision of mentorship and access to markets. The commodity approach is simply an institutional arrangement that draws in multiple spheres of government and the private sector, each understanding their unique roles and working from the same plan towards achieving the same outcomes. Accordingly, a total of 80 projects had been supported during the year reported on as follows: 8 Wine grapes, 12 Fruit, 1 Citrus, 6 Table grapes, 18 Grain, 13 Vegetables, 1 Vegetable seed, 17 Red meat (beef and sheep), 2 white meat (piggery and poultry) and 2 Aquaculture. Furthermore, a total of 34 mentors were linked with smallholder farmers to help facilitate access to markets which is critical for sustainability of businesses.

The Programme championed the delivery of the eighth annual Departmental Extension and Advisory Symposium, held on 19 – 21 July 2017 in the West Coast. The session provided a platform for information sharing and integrated service delivery amongst all extension officials across Programmes of the Department. In addition, smallholder farmers were invited to participate at the Symposium to provide feedback on how they experienced service delivery from the Department.

The Programme continued with the block sessions for agricultural advisors during the period reported on aimed at strengthening extension capacity of staff given the systemic challenges relating to training received from institutions of higher learning. In addition, several training opportunities were provided to extension and administrative staff to capacitate them for improved service delivery.

The drought conditions had persisted for the most part of the reporting period and therefore a number of smallholder farmers had to be supported with fodder to support their core herd in the affected districts. In addition, the outbreak of a Highly Pathogenic Avian Influenza led to postponement of poultry related projects in the Province until the outbreak is contained. The silver lining in the process had been the increased uptake of climate smart agriculture by the agriculture sector as they embraced the new normal.

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As a contribution towards the achievement of the SDG 2, the Programme championed the World Food Day (WFD) event held on 12 October 2017 in Villiersdorp, Theewaterskloof Municipality. As a contribution towards food and nutrition security, The Department supported a total of 9 community food gardens and 101 households with the means to produce own food for food security. The WFD event was delivered in collaboration with The Department of Water and Sanitation, South African Breweries (SAB) and civil society structures involved in the food space.

The Programme hosted the Provincial Female Entrepreneur Awards (FEA) on 10 August 2017 at Kronenberg Estate in Paarl. The FEA is a joint venture initiative between DAFF, the Western Cape Department of Agriculture and sector partners. The objective of this competition is to elevate women from subsistence and smallholder producers to commercial entrepreneurs and gradually creating opportunities for them to enter into export markets. The category winners of the provincial competitions then competed at national level and were awarded for their contribution at a Gala Dinner, which was hosted by the DAFF at the Emnotweni Southern Sun Hotel in Nelspruit on 27 August 2017. Accordingly, Ms. Carmen Stevens in the Category: Top Entrepreneur Export Market and Ms. Berene Damons in two Categories: Top Entrepreneur: Processing and Ministerial Award for youth were announced as national winners. An award was also presented to the Provincial Coordinator of the Western Cape Province for the best performing province that exceptionally fulfilled the criteria as per guidance from the DAFF.

Given the continued and competing land use demands around the Philippi Horticultural Area (PHA), The Department had commissioned an evidence-based study, which sought to preserve and protect the PHA as a highly productive horticultural area for future food and nutrition security. The study was concluded during the fourth quarter of the year reported on. Accordingly, the study argued for the protection of this critical resource and brought evidence to light in terms of the PHA's strategic contribution to land reform, food security and job creation within the Metro. A task team was established to implement the recommendations, based on the principles of the whole of society approach (WOSA).

During a recent SANAS assessment for the AHS (African Horse Sickness) test method, the WCPVL is proud to announce that it has been approved for the test method and thus is the only provincial veterinary laboratory in the country to be ISO 17025 accredited for this method.

Our Virology section managed to isolate some of the Avian Influenza virus isolates, which have been sent away for sequencing. It is currently attempting to isolate some of the Newcastle disease viruses of pigeons (PPMV) as well. Identifying the virus will assist in understanding how and where the recent outbreak emanate from thus making it easier to control and combat similar occurrences.

The research and technology development mandate of the department, as executed by the programme Research and Technology Development Services, was delivered against a stable service delivery environment ((although it was carrying the burden of drought and water scarcity). The prevailing drought conditions had a serious impact on our research trials, research flocks and herds, on-farm fodder production and water availability. In some cases our small grain trials were at risk due to the drought conditions and some trials could not be planted. The drought resulted in a lower than normal on-farm production of fodder for our animal resources, which resulted in severe budget pressure as fodder had to be procured from external sources at exacerbated prices due to the scarcity thereof as other parts of the Province and South Africa were also under a drought burden and fodder production was low.

The strategic objectives of the programme included cutting-edge research, development and adaptation of appropriate technologies to ensure sustainable production, the dissemination of

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research information in user-friendly format and the maintenance and expansion of our seven research farms, ensuring an enabling research environment within the specific districts of the Western Cape.

Comprehensive and client-focussed research programmes and projects in animal and plant sciences were executed with due consideration of the needs and challenges of our commodities and other stakeholders. Our technical advice and rendering of online web-based, diagnostic and analytical services to a range of internal and external clients were expanded in our drive 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 75 research projects. Fourteen new projects were approved by the research project committee, whilst 16 projects were completed. New projects were judiciously approved against a limited budget and capacity limitations.

The interaction between researchers, industry organisations and farmers was once again extremely active during 2017/2018, 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, but also conveyed the research needs and challenges of our clients to our researchers and the subsequent alignment of our research portfolio. Our advice was even more pivotal under the prevailing drought, and the challenges of crop and livestock farmers, both commercial and small holder.

The technology transfer portfolio, both on scientific and popular level, was again comprehensive and exceeded all targets. Forty one scientific papers were published, whilst 85 presentations were made at scientific events. On the popular side, 169 presentations were made at technology transfer events, 116 articles were published in popular media and 18 radio talks were broadcasted. Our research team organised 11 technology transfer events, whilst 19 information packs were developed and distributed at these events. Furthermore, the use of our online technology tools has exceeded our expectations and the power of our website as information tool has been elevated with the launch of the Drought Portal and Gooi-Agri application. The use of drones in our small grain research trials has gained momentum and excellent data has been obtained which were not possible using our conventional methods of data recording. The interest in drone technology has grown rapidly and our advice was much sought after as this technology is embraced by the new generation of farmers, and other provincial departments, alike.

On local government level, our research and technical staff supported land reform, agri-processing and alternative crop industries with information and spatial decision making tools. Collaboration with industry partners expanded and requests received to act as study leaders or co-study leaders for post-graduate studies underlined the importance of our research networks, the partnerships between our department and various tertiary institutions, and our role in human capacity building as part of our strive to build the new generation of farmers, researchers and technical support staff.

The research farms furthermore increased in importance as hubs for research trials of external research partners and post-graduate students.

The Programme: Structured Agricultural Education and Training (SAET) provided accredited training programmes and skills training to participants in the agricultural sector at the Elsenburg Agricultural Training Institute (EATI) and its decentralised centres.

In Further Education and Training (FET), four (4) Learnership programmes and more than 40 different short skills courses were presented. In December 2017, a total of 80 Learnership students graduated, of which 22 were articulated to Higher Education and Training (HET).

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The Learnership programme provided an opportunity to 62 learners to register in January 2018 for Learnership training in the National Certificate Animal Production and the National Certificate Plant Production.

The approach of exposing the Learnership students to workplace integrated learning on farms is maintained and all of the 62 students enrolled for the 2018 academic year had been successfully placed on farms for their practical exposure.

Short skills courses were presented to a total of 3 369 beneficiaries in the Province. A large percentage of these beneficiaries are linked to the CASP and Ilima/Letsema programmes, supporting participants in the land reform programme as well as the cooperation with Farmer Support and Development (FSD), and the Local Economic Development (LED) office in the George and Oudtshoorn municipalities, w.r.t. household gardens.

With regard to Higher Education and Training, SAET provided the B. Agriculture degree programme, Certificate in Horse Mastership and Preliminary Riding Instruction, Diploma in Agriculture and Higher Certificate in Agriculture. A total of 468 HET students registered at the start of the 2018 academic year, of which 46% were equity candidates. In total, 132 students graduated from HET programmes in December 2017. Eight (8) short courses (NQF 5 and above) were presented to 147 participants. Financial assistance was awarded to 53 students which is an indication of the increased demand for bursaries.

During the 2017/2018 financial year, the Programme: Structured Agricultural Education and Training emphasised governance and quality assurance issues. As part of a drive to strengthen the middle management level, an acting position in the post of Deputy Director: Quality and Transformation Management and a Deputy Director: Agricultural Management and Social Sciences was implemented.

During the 2017/18 financial year the Department needed to keep a number of developments, which may had an influence on its activities, in mind. These challenges include:

- a) The biggest challenge faced by the Agricultural Sector of the Province, and hence of the Department, is the drought described by some as the worst in recorded history. Other describe it as a manifestation of Climate Change.
- b) The so-called 4<sup>th</sup> Industrial Revolution (4<sup>th</sup> IR) may have an impact on employment and international competitiveness of the Sector.
- c) A shrinking fiscal envelope may put the Department's financial resources under pressure.
- d) Threatening "junk status" of South Africa's bonds and associated weakening of the exchange rate may had an impact on the cost of inputs; particularly those with a significant imported component.
- e) The exit of the United Kingdom (UK) from the European Union (EU) – so-called Brexit – may have an impact on market access for, and demand of, the export of South African fruit and wine.
- f) The President of the United States of America (USA) has increasingly been taking an anti-trade and protectionist stance. This may eventually lead to the discontinuation of South Africa's benefits under the African Growth Opportunities Act (AGOA).
- g) Extreme weather conditions which may have led to new pests and diseases. Over the past few months the southward migration of Fall Armyworm (FAW) has been monitored and it is fortunate that it has not reached the Western Cape yet.

It is unfortunate that the drought had a significant impact on the achievement of the targets set for Project Khulisa: Agri processing. By the 4<sup>th</sup> quarter of 2016 a total of 448 233 jobs existed in the agricultural and agri processing sectors of the economy; an increase of 127 497 jobs (40%) over

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the baseline of the 4<sup>th</sup> quarter of 2014. It follows that the target of adding 100 000 jobs by 2019 has already been surpassed during 2016, but that some of the gains were eroded by the drought (the net gain is currently calculated to be 81 016). Nevertheless, if it was not for the jobs created by Project Khulisa: agri processing, the impact of the drought would have been much more severe.

The Department is struggling to fill some critical positions. After the provincial Cabinet approved the creation of the position of Director: Agri processing in the Department on 4 August 2015, the full process of investigation by Organisational Development was followed by to the eventual approval of the position by the Minister of Public Service and Administration towards the end of 2017. However, this position still need to be consulted with labour before it can be advertised. In the meantime the Department's Head of Communication has also resigned as of 31 December 2017 and it is expected that due process will take some time before the position can be filled.

Both the water and electricity tariffs have increased considerably, and continue to escalate. Close monitoring is maintained to save these scarce resources and contain the escalating costs. In spite of direct engagement with ESKOM, the requirement of a R2 million upfront deposit is fixed before any tariff changes can be made. This negates the potential savings to the department.

Export of animal products, particularly poultry and ostrich meat, was negatively influenced by the outbreak of Highly Pathogenic Avian Influenza in South Africa during June 2017.

The failure of fact that the National Department of Agriculture, Fisheries and Forestry (DAFF) can no longer. Challenges faced our country in maintaining acceptable control systems / standards severely influenced the ostrich industry in the Western Cape Province. Thus the European Commission as from 28 February 2018 suspended the export of ostrich meat and ostrich meat products. The suspension came about because of failure to comply with the required EU standards for laboratory services regarding the analysis of chemical residues in meat and meat products exported to the EU.

The hope to resume export of meat from cloven hooved game that was prohibited by the EU since the Foot and Mouth Disease (FMD) outbreak in February 2011, also received a further set back with the publication of an EU Mission report that investigated reopening of the market to Europe. The Mission to South Africa, that included a visit to the Western Cape Province, took place from 4 to 15 September 2017. The EU concluded that the veterinary controls put in place to safe guard the FMD free area of the country do not offer acceptable guarantees to ensure that the game meat exported from South Africa is safe.

The extensive water crisis continued to challenge the sustainability of meat production in the Province. Severe water shortages not only raised questions around the quality of water used but also on the use and application of existing water capacities. Role players were compelled to investigate new and innovative ways of alleviating the challenges of water shortages to the local industry.

Abattoirs were continuously faced with challenges regarding the handling and treatment of different waste streams. Many facilities assessed the feasibility of establishing composting sites as an alternative to the current disposal method.

Over the past year, four facilities underwent major structural upgrades, which will significantly increase the meat production capacity within the Province.

The prevailing drought and adverse climatic conditions will put more pressure on our human capacity and technology development to ensure sustainable and climate smart farming operations, albeit on our seven research farms and in support of our farmers. Our fodder



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production on our research farms dwindled due to the drought and resulted in pressure on our operational budget as fodder prices soared during the last few months of 2017/2018, a scenario which is expected to continue into the foreseeable future. The number of animals in our research herds and flocks have been decreased without compromising the number needed for scientifically sound research. We furthermore had to ensure that our animal resources are well maintained and business continuity plans were implemented on all research farms. Upgrading of our water infrastructure on our farms was done to ensure that our animal resources are supported from boreholes and reservoirs and not using municipal water. This, however, had budget implications, but relief was received with the adjustment budget re-allocations to drought pressure points. The implementation of the actions of the SmartAgri plan within the department and the sector to build a climate change resilient agricultural sector continued in 2017/18 and will be high on the agenda for the next few years.

An issue receiving continuous attention is the integration of our research activities and outputs into the service delivery and training agenda of our extension officers and lecturers, respectively. Our research and technical team was also involved in the block sessions of the programme Farmer Support and Development, whilst they were also lecturing and moderating at the programme Structured Agricultural Education and Training. Availing our research infrastructure and herds and flocks for student practical sessions ensured a more practical approach to the SAET students.

Support in terms of GIS services and web-based tools were expanded to service the needs of our internal and external clients. Furthermore, our new approach to technology transfer and exploring the application of new technologies like drones has brought a new dimension to our research programmes and service delivery agenda.

Building human capacity in research and technical fields of the programme Research and Technology Development Services, especially with the decline in students in agriculture, ageing of our current researchers and technicians and the SACNASP requirements as set out in the OSD for scientists and technicians, remained a challenge. The programme mitigated this challenge by being actively involved in various internal and external student programmes and initiatives. Furthermore, a comprehensive human resource plan for the programme serves as a blueprint for appointments, EE targets, succession planning and capacity development initiatives over the next 5 years. The MOA's with NMU and SU will undoubtedly bring a new dimension to capacity building and skills development. Our senior researchers furthermore acted as study-leaders for various post-graduate students with the aim of recruiting these students for careers in the sector.

The ceiling on CoE resulted in serious service delivery challenges, especially in servicing industry funded projects. This could in future result in the decline in externally funded projects and support from industry. Industry funding is pivotal for our research efforts and the sustainability and competitiveness of our sector.

Maintenance and/or replacement of research equipment is constantly receiving more attention as our research effort is dependent on reliable equipment and infrastructure. Negotiations with manufacturers of said equipment were pursued to establish win-win partnerships. Several pieces of equipment have already been donated or offered for use on a temporary basis after negotiations with a various agri-businesses.

The opportunities for practical training and development remain one of the competitive advantages of training at an agricultural college. However, with the increased demand for training, the increase in student numbers, the changing work environment on farms and the steep cost to maintain and expand practical training facilities, this competitive advantage is coming under increased threat. To maintain and expand on practical training, most of the

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conditional grants from the Comprehensive Agricultural Support Programme (CASP) and Economic Competitive Support Packages (ECSP) received from the DAFF were invested in maintenance and improvement of practical training facilities. In addition, workplace integrated learning continued to be implemented by placing Learnership students on farms for almost half of their training period in order to gain real-life practical farming experience. Due to budgetary constraints, the Institute was unable to fill lecturing posts, which is critical to further advance Learnership and skills training.

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 and preferences of trainees, remains priority challenges. Also, the lack of financial assistance available to students studying at the Elsenburg Agricultural Training Institute - compared to students studying at universities and universities of technology who have access to the National Student Financial Aid Scheme – also hampers the transformation of the diversity profile at Elsenburg.

At the beginning of the 2016 the Department took the decision to embark on a structured process to strengthen its footprint in rural areas. In addition to exposing clients to the Department's service offering, this programme also exposes young people to a whole range of careers in agriculture, agri workers gets trained on relevant issues such as their rights and previously disadvantaged farmers are invited to participate in the event. This initiative became known as the "Connect Agri" Campaign of the Department and it is linked to existing events in the various municipalities. In the 2017/18 year the focus was placed on Cederberg Municipality (20 - 22 April 2017), Mosselbay Municipality (24 – 26 August 2017 at the George Show), Theewaterskloof Municipality (13 – 14 October 2017) and the Beaufort West Municipality (21 – 24 March 2018). Very positive feedback was received from all events where participation took place.

The Department had in this financial year allocated an amount of R650 000 to Welfare NGO's in support of their Mass Animal Sterilisation Project (MASP) to sterilise dogs and cats at no costs to the animal owners. This type of project has a long-term effect on both the well-being of animals and humans in a community.

The mandate and strategic objectives of the programme Research and Technology Development Services was carried out as planned and was aligned with the National Outcomes, Provincial Strategic Goals and Departmental Strategic Goals. With regard to PSG 1 and specifically Project Khulisa, inputs were given to the focus area of agri-processing and several actions activated. Inputs were also given to PSG 4 with regard to climate change and resource use and planning, whilst input was provided to the green economy working group and the energy game changer initiatives. On local government level, our research and technical staff supported land reform, agri-processing and alternative industries with research support, spatial decision making tools and information.

Comprehensive, client centred and problem focussed research programmes and projects were continuously critically evaluated against the Departmental Strategic Goals, the objectives of the research directorates, as well as industry and client priorities. The year commenced with 75 research projects. Fourteen new projects were approved by the research project committee, whilst sixteen projects were completed.

Departmental experts attended various internal and external meetings on strategic and technical level, gave input and commented on various issues. The need for agricultural resource information and judicial management of these resources has led to a more in-depth focus on conservation agriculture and soil health, whilst the need for information on animal nutrition, breeding and management, continued to be much sought after. Advice to

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farmers in relation to animal feeding under drought conditions and challenges in terms of crop production was critical and much needed.

During 2017/18, the drought and accompanying shortage of fodder and water challenges on our research farms intensified even further and water contingency plans for our research livestock and other operations was implemented. Due to conservation agriculture practises, crops were harvested on both Tygerhoek and Langgewens research farms. The drought resulted in a lower than normal on-farm production of fodder for our research animals, which has resulted in severe budget pressure as fodder had to be externally procured at very high prices due to the scarcity thereof as other parts of the Province and South Africa were also under a drought burden and fodder production was low. The number of animals in our research herds and flocks was decreased without compromising the number needed for scientifically sound research.

The SmartAgri plan and its implementation, at various levels in the Department and the sector, and with the Department as lead agent has gained further momentum and the current adverse climatic conditions has put a new focus on the need to plan and address climate change challenges which are envisaged to change the agricultural production and sustainability landscape drastically. In this regard focus was placed on the 6 priority projects of the SmartAgri plan, including the expansion of our conservation agriculture (CA) programme (Priority Project 1) on small grains, dairy pastures and potatoes. The focus on climate smart extension services (Priority Project 6) was expanded with the assistance of GreenCape. Our specialist advisor assisting with the implementation of the SmartAgri plan, presented several presentations to our stakeholders at their meetings/workshops and working sessions on climate change and agricultural production. She also had several engagements internally with departmental programmes to fast track some actions of the plan. A Drought Fact sheet was also compiled and disseminated to all stakeholders. A new project of GreenCape on climate change, titled "Climate resilience: future proofing Western Cape agriculture through greater resource efficiency and improved resilience to climate change" was approved and commenced. Four quarterly climate change e-newsletters titled "SmartAgri Barometer" was produced and disseminated to keep our stakeholders abreast of the SmartAgri actions. Positive responses were received after the launch of the newsletter in the first quarter. Regular radio talks were also broadcasted to keep listeners abreast of the progress of implementation. A new 52 programme series on climate change awareness and agricultural related topics, coordinated and produced by the Department, was accepted for broadcasting on RSG and the first programme will commence on the 6<sup>th</sup> of April 2018. Several keynote addresses at conferences and other key events were also done on the implementation of SmartAgri.

Within the climate smart agricultural toolset of the Department, a new drought portal was launched to serve as the key entry point for stakeholders seeking drought information. Furthermore, a "Gooi-Agri" initiative was also launched to invite our farmers, other agricultural stakeholders and the public to upload their water- and climate smart short videos on our website for other users to view and possibly implement the ideas and practises.

The Conservation Agriculture (CA) Conference, as one of the climate smart actions of the Department and the Conservation Agriculture Western Cape (CAWC) Association, featured a day of lectures and a practical day, including local and international speakers. The lecture day was attended by 185 participants, whilst 125 persons attended the practical day held at Langgewens research farm. The two international visitors were invited as keynote speakers and experts. Our CA champion received the Agriculturist of the Year Award from the Western Cape Agricultural Writers' Association for his sterling work in the field of CA in small grains. Furthermore, his article on CA was also awarded as the best article of October 2017 in the SA Graan/SA Grain magazine and competed in the category "article of the year".

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The Alternative Crops Fund (ACF), launched in 2014 continued to be one of the financial support mechanisms of the Department and supported climate smart agricultural production of alternative crops as one of the proposed activities of the SmartAgri plan. **Since the launch of the fund, a total amount of R6 915 731** has been spent to support the alternative crop industries in their research efforts. As part of the drive to promote these industries, the Cape Made Pavilion and the accompanying Cape Made Kitchen will once again be presented at the SA Cheese Festival 2018 to be held in April 2018, after a very successful event in 2017. The goal of this event is to bring alternative crops closer to the consumer in an innovative kitchen- and culinary set up. Furthermore, it also exposes the chefs of the future to alternative crops and its use in the culinary world. A comprehensive recipe book was also produced by the department for dissemination to the attendees at the Cape Made Kitchen.

The WCARF (Western Cape Agricultural Research Forum) continued its activities in 2017/2018 and ensured a greater coherence between research institutions and further explored areas of mutual interest and resource sharing.

The interest in technology and tools to strengthen decision making and management for farmers has increased tremendously and for this reason a Drone Day was organised for members of the local press on request of Minister Winde. A TV insert on our drone technology and usage in agriculture was also done for a Chinese TV station. The interest in this has grown rapidly and our advice was much sought after as this technology is embraced by the new generation of farmers. The use of drone technology within our own Department has also resulted in various other programmes exploring opportunities to expand their services in this regard and change their way of doing surveys and analyses. Our expertise in this regard was also requested by other provincial departments.

The spatial intelligence project (also called the flyover project) proceeded well, requiring continued inputs and guidance, particularly in terms of our third party requirements, such as rural communities, Photovoltaic (PV) and biodiversity pockets. The project will be concluded with the launch in June 2018 after winter and summer data on agricultural infrastructure and production was recorded. Seventeen new weather stations of the Department was installed during 2017/2018. Applications of the new Sentinel imagery and plan to implement tools for agricultural monitoring in collaboration with a consortium, have commenced. Some exciting Sentinel tools are currently implemented on trial in our online tool, CapeFarm Mapper (CFM). Our GIS unit contributed to section 3.3 "Biophysical Impact" of the Drought Policy Brief compiled by our Department and BFAP. This involved significant satellite data sourcing, analysis and intensive processing. Exciting developments are furthermore being made to leverage free satellite resources online (Sentinel 2).

The appointment of the new scientific manager for the Directorate Animal Sciences will undoubtedly bring a new dimension to our animal sciences research portfolio and it is envisaged that the focus on beef cattle, and also small holder research in animal sciences, will increase under his leadership. Our resource flocks excelled in performance, and at the George Show, our jersey herd took part in 8 classes with 14 animals. Three first prizes and the Reserve Young Heifer Champion award were received. This annual entry to this show is to showcase the value and quality of our jersey research herd.

One of the Programmes' young black technicians excelled at the SA Society for Agricultural Technologists conference when his poster presentation was awarded second prize. Furthermore, one of our post-graduate students and our potato CA researcher were awarded the prize for best CA paper and poster respectively, at the Combined Congress held in January 2018. Our senior plant pathologist also completed his PhD and graduated in March 2018.

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The updated and translated (to English) version of The Dairy Farmers Handbook was launched at the Agri-Expo Livestock event. Due to its popularity, a second print of the handbook was also commissioned. The Programme RTDS also took part in the compilation of an inventory on R & D in the Red Meat Industry, and also commented on the Land Chapter of the Draft Western Cape State of the Environment Outlook Report (SOER) 2014 – 2017.

Planning of the new research building progressed well and plans were signed off at the end of June 2017. The new building will be built according to green building standards, focussing on energy and resource efficiency and environmentally sound principles. One floor of the L-shaped building will be dedicated to all the laboratory functions of the Programme and will ensure enhanced process flow and service delivery. The new facility will also include a state of the art auditorium for 120 persons (co-funded by DOA and DTPW), and a new studio for Radio Elsenburg. Due to budget constraints at DTPW and water challenges, building will only commence towards the beginning of 2019.

The 14<sup>th</sup> annual ostrich auction was held at Oudtshoorn research farm where researchers from the Directorate Animal Sciences carefully selected birds on breed values and functional aspects. Seventy-seven birds were offered for sale of which 15 were older breeding birds (average sale price R2 367) and the remainder were young breeding birds (average sale price R2 989). Under the current climatic and agricultural conditions (avian flu and export embargo) the prices were fair and the department significantly contributed to the genetic foundation of the ostrich industry. Some buyers came from as far as the Eastern Cape, whilst one of the producers commented that this years' offer was most probably the best in terms of genetic quality.

The annual Outeniqua information day again attracted more than 200 persons. At this event the newly launched "The Dairy Farming Handbook" was also handed out to all the attendees. One of our senior pasture scientists was elected as President of the GSSA (Grassland Society of SA).

As part of the bilateral agreement between the Western Cape and Upper-Austria, the planning of the student exchange programme was been finalised and the students will depart in June 2018 to Upper Austria on a two week study tour. The first bakery school in the Western Cape where artisanal bakers will be trained, was established during the latter part of 2017. A partnership between the Private Hotel School, a baking company from Upper Austria and a training institution was signed after the Departments' intervention and support. The first thirteen students completed their theoretical studies in March 2018 and will continue with their practical studies after their graduation in May 2018.

A cooperation agreement between the Department and Anathi Oils to grow the canola sector with accompanying job creation in the Eastern Cape with our technical assistance and support, was also concluded. Growing the canola industry is of benefit to the entire South Africa as we need to increase our own protein sources and production and reduce the import of these sources.

Lobbying for external funding of research projects continued and funding was received from Sasol Agritrust, Cape Wools, Winter Cereal Trust (WCT), Potatoes SA, Protein Research Foundation (PRF), THRIP, Research and Technology Fund (RTF) and CASP.

Even though agricultural exports have been under strain as a result of the drought as well as other influential factors, the market development and other support services to various industries is perceived to have made a positive contribution to increase exports from the Western Cape. During the reporting year, the marketing platforms facilitated led to exports of goods worth more than R20 million. However, a lot more gets concluded after a few follow

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up events. Trade analysis conducted within Programme: Agricultural Economic Services (AES) depicts significant losses in Western Cape exports to key export markets such as the UK, Germany, USA, Namibia and Botswana. However, export trend has not been the same for all destinations as significant increases to other countries such as the Netherlands, UAE, and Kenya were observed. It is also important to note positive trends that have also been picked up in markets where the department is investing into. These include countries like China where exports increased by 31% between 2016 and 2017, a sign of the increasing importance of this market for the province's exports. This growth was driven in particular by non-agricultural exports. However, the 13% increase in agricultural exports is still significant in a time where exports have been declining. The impact of drought to wine exports to China is also evident in 2017 even though if exports are observed over a period of time, they present an increase of up to 109% since inception of Project Khulisa Strategy in 2015.

Besides wine exports to China, other alcoholic beverages, e.g. beers, ciders and spirits have increased between 2016 and 2017. Angola, another key market under Project Khulisa was up by 101.6% since 2016. This was after an initial sharp decline to the global oil crisis hitting the Angolan economy. In these key targeted markets under Project Khulisa, special attention has been given to Black Owned Brands who wish to enter or grow their brands in the market. Another export trend to note is the dominance of the African countries in the top 20 export destinations for Western Cape exports which again emphasises the importance of the African market. In support of this, continuous trade analysis with focus in the African continent is conducted with Programme: AES. The research also forms part of the annual Bureau for Food and Agricultural Policy (BFAP) baseline book and the launch that takes place every year. To maintain access to markets especially in Europe and other developed markets the department is investing R2 million a year to the wine and fruit industries for increased implementation of ethical trade programmes. As a result of this support, 943 participants were trained on ethical trade across all levels while ethical trade membership grew from 2397 in 2016 to 2490 in 2017. The Agribusiness Investment Unit has made a considerable achievement in facilitating investment into the sector as R756 million worth of investment was commitment on projects. The unit closed the 2017/18 year with a healthy investment pipeline of about 23 projects while jobs created from the committed projects were at 1412.

The Financial Record Keeping Programme which is a land reform intervention has 73 projects under this programme. From this, 43 are on the electronic system while 30 are assisted manually. From the 43 projects on the electronic system, 34 of them had complete financial statements at the end the year. This is an achievement which at times does not reach by some of established farmers. The businesses are in varying degrees of compliance but the majority also comply with Income Tax, Pay As You Earn, Unemployment Insurance Fund, Workman's Compensation etc. The support given to 43 land reform projects under the Market Access Programme have made a considerable contribution to the success of land reform projects in the Western Cape. From this, 57 market access linkages were reconfirmed while 29 were newly signed. These linkages resulted to R12 423 321 million value of sales from Black businesses. The technical support provided to businesses through the programme resulted into R6 465 271 million value of approved finance.

From the research conducted especially from the Macro and resource economics division, 30 reports were produced. Highlights from this are the reports on the economic impact of drought which proved to be useful in informing especially policy decision makers. Some of the research outputs usually undergo a peer review process and that is indicative of the quality of research that is conducted under Programme: AES. The annual BFAP Baseline launch which is one of the prominent events in the agricultural sector's calendar was held during August 2017. Complementary to all the research done is 148 databases that have been populated during the reporting year. This is an outstanding achievement given that no

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other comparable Programme in other provinces has that number of databases. The Green Agri Portal which is a web-based portal and a one-stop tool targeted at clients and stakeholders interested in getting involved in the green economy is proving its worth since its launch and is monitored for usage on a monthly basis. The tool is regularly maintained through a partnership with GreenCape. As a result of this partnership, the sector also benefits from an annual Market Intelligence report which is a collection of research conducted to stimulate the uptake of smart agri production.

Following an evaluation of the impact of the HET offerings and how these answer to the needs of the sector and contribute to employment of youth, some significant changes were implemented as part of the management implementation plan. These changes will aim to better balance the theoretical, practical and work integrated learning components of the Higher Certificate and Diploma programmes. The Institute also rolled out formal academic support to students such as tutorial classes and extra classes to ensure successful throughput of graduates. Filling of crucial posts have been prioritised, especially academic and middle management posts in order to provide the organisational and support functions needed to get the Institute running efficiently.

The Institute focused on strengthening governance and quality management processes and policies, including the preparation of accreditation of all relevant training programmes in line with the Council for Higher Education (CHE) and the Quality Council for Trades and Occupations (QCTO).

The Transformation Policy, Strategy and Action Plan was completed and formally signed-off and for implementation in the 2018/19 financial year.

The Elsenburg Agricultural Training Institute's Student Representative Council (SRC) for 2017/18 was elected in October 2017. A strategy of "*Managing Student Behaviour and Student Culture Change through Value Driven Management*" was implemented in the various Hostels and this strategy links with the Institute's Transformation Plan.

Students at the Elsenburg Agricultural Training Institute participated in the different sporting codes where they primarily competed with teams from the University of Stellenbosch and Agricultural Training Institutes nationally. The soccer and netball teams participated in the NACSANO national tournament for agricultural colleges and the students were again true ambassadors for the institution. Elsenburg teams participated both in the Maties hostel leagues for soccer and rugby and at the Pannar rugby tournament for agricultural colleges. The rugby team defended their title successfully at the Pannar rugby tournament.

The Department continued to implement the second cycle of the Agri Worker Household Census, in order to develop an informed understanding of the service delivery needs in rural communities. Following the completion of the census across all Districts in 2017, the second cycle started in the Cape Winelands and the Cape Metropole districts in the 2017/18 financial year. The humanitarian implications along the West Coast, due to the drought, has however called for prioritisation of this area for Census rollout, to ensure that credible data on agri workers affected by job losses and other pressures, is steering relief efforts by public and private sector stakeholders. The findings of the Census has been shared with departments and municipalities leading up to the budget planning process for the 2018/19 financial year, with the aim of influencing resource allocation to programmes that are responsive to the needs identified.

Furthermore, social facilitation and development coordination has been an ongoing focus to improve the interface between civil society, local, provincial and national government within rural communities. In addition, consultation to assess the efficacy of existing rural

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development engagement structures, towards streamlining efforts has been required during the 2017/18 financial year, with the backdrop of the findings of the evaluation (2017) on the Rural Development Model/Approach to rural development, adopted by the Provincial Cabinet in 2009.

The Department, together with the national Department of Rural Development and Land Reform (DRDLR), shared the rural development coordination role, in the sixteen (16) prioritised rural nodes, in the Province. As part of the resolutions of the National Outcome 7 Provincial Service Delivery Workshop, hosted in the Province in 2017, a Rural Development Think Tank (RDTT) was established in 2017/18, with officials nominated by the workshop delegates. The RDTT convened as an interim structure to identify gaps in rural development coordination and its primary purpose has been to formulate recommendations to be escalated to the WC government and the national DRDLR to improve and streamline rural development coordination. This process will be concluded in the first quarter of the 2018/19 year.

Collaboration with industry, especially in the wine industry and with government departments, such as the Department of Labour, has been pivotal to addressing and stabilising potential volatility around labour matters and has also promoted ethical practice on farms, ultimately contributing to market accessibility.

## 4.2 Overview of the financial results of the department

### Departmental receipts

Departmental receipts	2017/2018			2016/2017		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts		-	-	-	-	-
Casino taxes		-	-	-	-	-
Horse racing taxes		-	-	-	-	-
Liquor licences		-	-	-	-	-
Motor vehicle licences		-	-	-	-	-
Sale of goods and services other than capital assets	27 302	36 634	(9 332)	27 487	31 175	(3 688)
Transfers received	24	-	24	24	22	2
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	1 900	10 564	(8 664)	1 300	8 268	(6 968)
Sale of capital assets	-	241	(241)	42	229	(187)
Financial transactions in assets and liabilities	-	1 041	(1 041)	-	368	(368)
<b>Total</b>	<b>29 226</b>	<b>48 480</b>	<b>(19 254)</b>	<b>28 853</b>	<b>40 062</b>	<b>(11 209)</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 spin-offs from either research, training or industry support (inspections and laboratory work). The department does have an implemented revenue policy.

The tariffs in the tariff register are done on 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. On the tariff register this is indicated at every individual tariff. The latest tariff register is available on the department's website.



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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.

The Programme: Veterinary Services extended its support to the smallholder livestock farmer's through training and primary animal health care services. This free service for the farmers is crucial for their survival in rural communities with no or limited access to private veterinary clinics and services. With the value added services provided by veterinarians in the Compulsory Community Service (CCS) programme, smallholder farmers received a high quality service at no cost. With the deployment of additional CCS vets in the State Veterinary Offices of Worcester, Oudtshoorn, George and Beaufort West, indigent farmers now had access on a regular basis to professional veterinary facilities that was not available in the past.

**Free services included vaccination of production animals against the following diseases:**

Disease	Number of animals vaccinated	Species	Amount of free service R
Anthrax	3315	Cattle	10 574
New Castle Disease	1381	Chickens	1 727
Brucellosis RB51	767	Cattle	65 839
African Horse Sickness	560	Horses	132 148
<b>Total</b>			<b>210 288</b>

**Other free services provided:**

Type of service	Species	Number of animals	Amount of free services R
Tuberculosis tests	Cattle	8525	75 957
Animals dipped -external parasites	Multiple species	5070	32 955
De-Wormer	Horses	349	31 033
Clinical examination	Cattle , sheep, goats	44	3 920
Faecal egg count-internal parasites	Multiple species	15	210
Ram- tests for fertility	Sheep , goats	97	1 028
Euthanasia	Multiple species	422	16 800
Clinical services animals treated	Multiple species	429	372 736
Companion animals treated BFW clinic	Multiple species	2502	330 420
<b>Total</b>			<b>865 059</b>

It had been observed that the wellbeing of companion animals is related to the psychosocial well-being of a community. Pet ownership play a vital role in development of children's social skills and this have an overall impact of the general societies' being. It has been shown it has an impact on aggressive behaviour. Access to veterinary services provided by Animal Welfare organisations in the province is vital in supporting these communities. The Department had in this financial year allocated an amount of R650 000 in support of their Mass Animal Sterilisation Project (MASP) to sterilise dogs and cats at no costs to the animal owners. This type of project has a long-term effect on both the well-being of animals and humans in a community.

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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 need be. The total debt written off amount to R80 000 and consist of 30 cases of non-materiality.

The better than budgeted performance for sales of goods and services is due to tuition and boarding for the 2016 academic year received earlier than budgeted for and soil laboratory analysis revenue, as well as veterinary services (increase in export certification) was higher than expected. The better than budgeted performance for interest received is due to interest on unspent disaster funds which is paid into the provincial revenue fund and does not form part of the budget.

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

### 4.3 Programme Expenditure

Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	141 581	140 746	835	138 197	135 939	2 258
Sustainable Resource Management	154 561	151 033	3 528	122 329	116 508	5 821
Farmer Support and Development	267 544	267 544	-	254 876	254 876	-
Veterinary Services	89 382	86 972	2 410	89 420	89 420	-
Research and Technology Development Services	121 704	120 980	724	112 444	112 444	-
Agricultural Economics Services	22 575	22 264	311	22 502	22 502	-
Structured Agricultural Education and Training	60 131	57 793	2 338	56 678	56 678	-
Rural Development	20 170	19 537	633	19 425	19 425	-
<b>Total</b>	<b>877 648</b>	<b>866 869</b>	<b>10 779</b>	<b>815 871</b>	<b>807 792</b>	<b>8 079</b>

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

The amount of under spending, R10.779 million or 1.23% of the adjusted budget is well within the national benchmark of 2%.

The split of unspent funds between equitable share and grants (CASP) are R9.154 million and R1.625 million, respectively. The CASP funding will be requested for rollover and forms part of civil works at Elsenburg Agricultural College that was not completed at yearend. The amount of equitable share relates to savings on compensation of employees of R3.709, goods and services of R4.132 million and transfers and subsidies of R1.313 million. The last two amounts were requested for rollover to 2018/19.

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 accommodate for electricity and especially water cost increases were the biggest virements carried by Programme 1 for all other programmes.

Virements were made from programme 2 (R166 000), programme 3 (R4.485 million), programme 4 (R111 000), programme 5 (R1.111 million) and programme 6 (R490 000)

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programme 7 (R215 000) and programme 8 (R872 000) to programme 1 (R7.45 million). In all cases the virements were approved by the Accounting Officer in terms of section 43 (1) of the PFMA and were kept within the eight percent limitation in terms of section 43 (2) of the PFMA.

No unauthorised expenditure was incurred.

A total of 43 different cases of irregular expenditure to an amount of R527 000 were reported. These cases related to conflict of interest (R1 000), incorrect HR delegations used for acting appointments and tax clearance challenges (R401 000) and non-compliance with departmental financial policies for catering and air ticket bookings (125 000). After thorough investigation, the conflict of interest case, HR delegation cases and catering were condoned. The exceeding of accommodation to value of R10 000 was also condoned by the Accounting Officer.

As at 31 March 2018, 37 cases amounting to R119 000 were still awaiting condonation by the Accounting Officer. Also refer to note 25 to the financial statements in Part E of this report.

Five cases of fruitless and wasteful expenditure to the amount of R12 000 were reported during this period. Of these all cases were resolved, inclusive of the recovery of R5 000. Of the remaining 6 cases to the value of R49 000 from the previous year, three to the amount of R44 000 were resolved. All cases were thoroughly investigated to ascertain whether these expenses could have been avoided through diligent circumspection and better planning.

As at 31 March 2018, 3 cases amounting to R5 000 were still under investigation. Also refer to note 26 to the financial statements in Part E of this report.

#### **4.4 Future plans of the department**

A solid case can be made that the Agricultural Sector may be one of the sectors of the economy which will be most disrupted by the 4<sup>th</sup> IR (also known by a number of other names). The unique convergence of drivers such as autonomous vehicles, 3D printing, advance robotics, new materials, digital as well as biological developments will have impacts with economic, employment, workplace, business, crime, government and conflict dimensions. Of particular concern is the fact that the unique characteristics of the Agricultural Sector (biological production, spatial dispersion, geo-climatic variability) which gave shape to the unique structure of modern day farming, will be influenced by the 4<sup>th</sup> IR. The implication is that the Western Cape Agricultural Sector may improve its competitiveness and create jobs as a result or, if the necessary steps are not taken, it may actually lose competitiveness and jobs. For this reason the Department commissioned a diagnostic and design evaluation of the impact of the 4<sup>th</sup> IR on the Agricultural Sector of the Province and the subsequent recommendations include actions for the public and private sectors as well as for academic and other institutions. The recommendations from this evaluation will be implemented in the next financial year.

Achieving complete independence from the municipal water supply. Reduction of energy usage through the installation of a photovoltaic system (solar) is also being installed to reduce cost of electricity use.

The FruitLook project will continue for the next three years. The project aim is to reach the stage where a sufficient number of farmers find value in the data and are willing to contribute towards the cost of the service. It is anticipated that eventually the subscriptions paid by farmers will fund the project. Funding has been secured to provide the service to an expanded area to cover all fruit producing areas in the Province and the irrigated grazing areas of the Southern Cape. It is proposed that Fruitlook data be generated continuously for

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the twelve month annual cycle, expanding on the current data that is only generated and available for nine months of the year.

The BRIP and replication to the Breede River will also continue as a collaborative project between different government departments in the Western Cape, the Working for Water programme of the DEADP and local organisations and role-players.

The Department has supported preventative maintenance of the Lower Olifants River canal system as part of sustainable resource management. To limit the canal break episodes, the resultant water losses and impact on job opportunities, the department will continue the support of the LORWA canal preventative maintenance.

The Compulsory Community Service (CCS) of newly qualified veterinarians is the responsibility of DAFF and had been proven to be of great benefit to smallholder livestock farmers, animal owners in rural and informal communities in the metropole. The benefit of this service to the Western Cape Department of Agriculture (WCDoA) is that DAFF is responsible for the cost of employment of these professionals and the Department can at a relative low cost of operational expenses; improve its veterinary services capacity to all clients in the province. The number of CCS vets will increase in future as more students will qualify annually from the Onderstepoort faculty. For an example the 2020 preliminary allocation of CCS vets for the WCDoA is 25 officials, this is 8 more than the 2017/18 allocation. In order for WCDoA to capitalise the full benefit of potential services offered by these professionals without any Compensation of Employees (CoE), the Department should take care to provide an environment with adequate facilities to utilise these officials to their full capacity. It would therefore be crucial that additional operational funding be allocated to future Veterinary budget to support the CCS programme sustainability. By accommodating a larger number of CCS vet's in the WC, the capacity shortfall in Animal Health with regard to the PAPA licensing could also be addressed.

The occurrence of the Highly Pathogenic Avian influenza outbreak in the province (and entire country), exposed a lot of weaknesses in the WCPVL's infrastructural related biosecurity issues and thus flagged an urgent need for the upgrading/ revamping of our post mortem hall (and the rest of the laboratory, as it was built in 1973) to BSL 3 status/ level. The implications/ impact of the bird flu outbreak could have been even most catastrophic/ disastrous to the lives of the communities in the province had the virus been Zoonotic i.e. able to spread to humans.

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. Changes in disease and pest complexes, and even new species, due to climate change will exacerbate the challenges of the sector. The department will have to align its service delivery agenda to "the new normal" under climate change conditions and intensify its implementation of the SmartAgri plan, and also act as lead and catalyst in the sector. Advice to farmers, decisions to be made, training to be given and projects to be planned and executed will have to be climate-smart and done against the backdrop of this plan and the ultimate goal of working towards a climate resilient agricultural sector in the Western Cape. This will also include the expansion of climate-smart agricultural practises on our own research farms.

Budget constraints and the limitation on the filling of vacancies will necessitate RTDS to maintain its research portfolio and resources in a judicious way and new models of collaboration with partners will be explored to seek efficiency gains.

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New technology development and technology transfer advancement will be high on the agenda to serve our clients with more real time information and online applications and tools. This will be executed as part of the drive of the 4<sup>th</sup> Industrial Revolution and its future role in our sector. Our growing expertise in drone technology will furthermore advance our own research efforts and provide data and visuals which was not possible in the past.

The commencement of the planning of the new research building will bring new challenges and opportunities with regard to the redesign of the total laboratory and research landscape of the programme RTDS. It is envisaged that the building will be completed in 2020 which will be followed by a redesign of the main building of the department.

Mega trends like shift of economic power and growth in various countries, uncertainties posed by Brexit, AGOA, the Non-Tariff Barriers to name a few force various countries to have dynamic strategies 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, Middle East and Asia) and existing markets (e.g. in the European Union) will always be imperative to grow and maintain trade. Hence the department will continue to support market development initiatives that are aimed at these 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. The Cape Made: Taste the Alternatives platform is one of the prominent events aimed at brand awareness and locally produced products. However, continuous research efforts are investigating what products and needs to be done to promote agricultural products from the Western Cape. Internationally, even though for a longer period the focus on compliance has been on food safety, but that has grown to include social and environmental responsibility. Hence, the department will continue to support the expansion of the Sustainability Initiative for South Africa (SIZA), and the Wine Ethical Trade Association standard. Part of future plans is to escalate the targeted programme on social and environmental compliance for smallholder farmers as it is an area of concern revealed by the land reform evaluation that was conducted by the department. Agri-processing as a new area, will bring its own complexities with regards to standards. This will require attention as producers have to be assisted given complexity, food scares encountered across the globe and massive costs of compliance. The latter is viewed as one of the major barriers to entry by small and medium enterprises.

Support on Geographical Indications (GIs) will be provided to various industries to be able to uptake opportunities under the Economic Participation Agreement (EPA). Capacity building in this area is ongoing as meaningful support to the sector is required. Furthermore, based on demand and a need for better records at farm level, the Financial Record Keeping Programme will be expanded. More attention will also be given to production records as these are also important for compliance for completeness of records. Services like these are also critical for agri-processing businesses.

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

Efforts will intensify to strengthen industry involvement in human capital development and training provision by means of engagements and participation in subject- and curriculum committee meetings. This will contribute to continuous adjustment and re-alignment of training offerings that are best suited to industry needs.

The Programme: SAET will continue to present the Learnership Programme and non-accredited short skills courses. The short skills courses will be repackaged to address the holistic training needs of different categories of farmers and workers (i.e. middle managers and supervisors) in farming and agri-businesses.

Infrastructure improvements in training facilities will continue in the forthcoming year. A significant investment will be made in further improving safety and security and access control at the main campus.

The roll-out and implementation of a comprehensive Learner and Learning Management System is in process and will be concluded during the 2018/2019 financial year.

During the 2018/19 financial year, emphasis will be placed on the governance- and quality assurance issues at the Institute. The accreditation of the College with the two specific quality assurance bodies, the Council on Higher Education (CHE) and the Quality Council for Trades and Occupations (QCTO) will be prioritised to ensure compliance and training and training material of quality and in line with training needs. Furthermore, emphasis will be placed on compliance with all relevant financial and academic legislation hence the drive to strengthen the middle management level at the Institute.

As a result of the drought experienced in the Province, the future focus of the Rural Development programme and the Farm Worker Development sub-programme, will be collaboration with other public and private stakeholders on delivery of humanitarian relief to agri-workers and rural communities. The geographical focus of Census rollout will largely be dictated by the areas most affected by the drought to enable the development of an agri worker database and farm register that could assist in disaster management efforts and further farmer support and development services.

Key pressure points identified by the first cycle of the Census clearly include rural youth unemployment, poor education levels, early childhood development, substance abuse, etc., as areas that require attention. Hence, the Rural Development programme will be focusing efforts, using the coordination forums, to address these issues as priority.

The Rural Development Think Tank (RDTT) has identified the need for a provincial Rural Development Coordination Forum to influence improved rural spatial targeting amongst the departments, operating in the Province, to secure relevant resource allocation and output in rural areas, as this is currently lacking. The RDTT's recommendations are varied, but will be escalated to the Provincial Top Management and the national Department of Rural Development and Land Reform (DRDLR) for support as this will also contribute to the achievement of National Outcome 7 (NO7) imperatives.

#### **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 discontinued.

#### **4.7 New or proposed activities**

As from 1 April 2018 a new human capital development programme, the Graduate Placement Programme in conjunction with the Department of Forestry and Fisheries (DAFF),

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will be added to the basket of human capital interventions. The aim of the programme is to increase the employability of graduates specifically from agricultural colleges through a two-year placement programme on host farms or, agricultural entities. Entrepreneurship development will be a strong focus area. The stipend will be funded through CASP funding, however, the additional responsibilities will have to be serviced within the existing human resources capacity.

*FruitLook Support service:*

This service will be expanded as a pro-active warning system for users for when the internal variation in a block is too high, potentially indicating problems. Specifically, to indicate a more than acceptable deviation from the normal biomass, evapotranspiration and evapotranspiration deficit for a specific irrigation block. Poor Internet connectivity in the rural areas limit the access to the FruitLook web portal, and thus 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 is compromised. A healthy block shows a homogeneous spatial distribution in growth throughout the season. A sudden increase in heterogeneity can be due to water deficit, disease, pest or other crop development issues.

The department plans to support the phase two of the Lower Olifants Water Users association (LORWUA) borehole drilling and construction of boreholes project. The boreholes will be used as an emergency water supply intervention to augment the shortage of water available from the Clanwilliam and Bulshoek Dams. The second phase of the project will cost R8.7 million.

Flood prevention project would be implemented to prevent erosion of the riparian land in the event of a flooding. The project will restore river stretches in the most important river system in the Cape Town Metro pole area, Berg River, to a healthy river system that will promote human wellbeing. The normal river channel will be cleared from any debris or alien vegetation to allow normal flow conditions to remain in the river. This project will be critical to ensure that there is no riverbank break that could cause damage to infrastructure and agricultural land. The implementation of this project will cost R150 000 over the next three years.

The building of farming infrastructure, fences of extensive farming areas in the Central Karoo and West Coast is proposed to support farmers to practice sustainably farming once the drought breaks. The project would create an opportunity for unemployed farm workers in the area. The total cost of the project would cost R100 000 over the next three financial years.

A major challenge in our catchment areas are high levels of alien plant infestation. These alien plants are a high water consumers – consuming high volumes of water that could have potential been available for productive agriculture. It is proposed that the clearing of alien biomass and planting indigenous biomass project could make available a significant volume of water. Furthermore, this project could create jobs for unemployed farm workers and raise awareness on the implementation of sustainable resource management best practices. The process will cost R122 000 over the next three years.

Proactive disaster workshops to create awareness and provide essential information to all stakeholders. The department strives to proactively provide all the necessary information to the public and provide assistance and support to the public; so that in the event of a disaster the correct response systems are put in place and the public has knowledge on who the point of contact is and what procedures to follow. This initiative will be funded from our operational budget.

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Due to the prevailing drought conditions; farmers throughout the province and especially in the West Coast and Central Karoo are struggling to feed their livestock. In February 2018 a drought assessment expedition that the natural veld is in a devastating condition and would take three years with good rainfall for the natural veld to recover. To support farmers with drought support every second month over the next year would require R136 million.

Farmers throughout the province especially in the West Coast and Central Karoo are left without clean drinking water for themselves and their animals as a result of the persistent drought. It is proposed that support is provided to farm workers and rural communities with boreholes for drinking water. The department has an obligation to assist these farmers with much needed support. An amount of R10 million was requested to Provincial government. The department has made R5 million of its own reprioritised funds available in the previous financial year to provide assistance to these farmers.

The sub-programme receives consent use applications (on farms) from the municipalities to comment upon. The consent uses on agricultural zoned land is contained in the planning and zoning by-laws of the municipalities as well as the rural land use and planning guidelines developed by DEA&DP on which the WCDoA already gave inputs as per IDP and SDF amendments. The plan is to get a memorandum of agreement/understanding in place, that if consent uses applications falls within the development parameters of the said policies, then it should not be referred to the WCDoA. This initiative will reduce the workload and save time also on the side of municipalities for a more streamlined process. It will have some financial implications in terms of consultation with municipalities to refresh and coordinate the policies and MOU on a yearly basis but will save time and reduce personnel capacity. This initiative will be funded from our operation budget.

Added to the decision made by Cabinet on agri-processing, through a national coordination process, a third sub-programme i.e. Agro-processing has been added onto the reporting structure of Programme Agricultural Economics Services. This emanates from national plans like the National Development Plan and strategies such as Revitalisation of Agriculture and Agro-processing, Agricultural Policy Action plan, DAFF National Agro-processing Strategy, Project Khulisa etc. These have highlighted the importance of value chain approach with specific focus on agri-processing for job creation. This is also a priority and will become a long term commitment for the Department. Agri-processing has put a lot of pressure to Programme: AES since establishment of a directorate at DAFF a few years ago. This pressure was also put forth by the Project Khulisa Strategy. Regardless of the capacity not being in place due to the long process followed in creating and approving new positions in departments or programme structures, during 2018/19 it will be expected of the Programme to report on agri-processing activities. Funds to an amount of R3.004 million have been made available to fill two positions i.e. the Director and the assistant, and for operations.

The programme: Structured Education and Training the following new/ proposed activities:

- Implementation of the new Student Administration System.
- Revision of prioritised Policies, Standard Operating Procedures and Business processes in line with the newly implemented Student Administration System.
- Renewal of accreditation at CHE and QCTO.

Due to the completion of the first cycle of the provincial-wide Agri worker Household Census, the Department was able to develop a rich understanding of the status of agri worker and their households in the Western Cape and started sharing this insight with other departments and municipalities to assist and influence the rural content of their 2018/19 Annual Performance Plans and Integrated Development Plans. However, the real impact on



planning will only be enabled for the 2018/19 financial year, once each department has had sufficient time to engage with the data relevant to their specific functionality. More detailed engagement with individual departments, municipalities and stakeholders on the findings of the census will take place during the 2018/19 financial year.

The second cycle of the Agri Worker Household Census for the province started in the third quarter of 2017/18. In an effort to improve the value added by this initiative and contribute to senior officials' understanding of the complexity and depth of the agri worker profile, the Department exploring the development of a mobile phone application that will enable accessibility down to ward level data, on the go. Making the data available even through offering statistical support to stakeholders in order to drill down into the data will enable more pointed and appropriate service delivery.

A key outcome of the short-term Rural Development 'Think Tank' is its recommendation for the need of a provincial rural development coordination forum, which will feed into the Provincial Strategic Goal structures to enhance integrated planning and spatial targeting. This work will lead to the establishment of this forum in the first quarter of the 2018/19 financial year. This initiative should improve efficiency gains from the collaborative approach to resource allocation planning, implementation and monitoring.

#### **4.8 Supply chain management**

No unsolicited bid proposals were received for the financial year 2017/18.

Supply Chain Management processes are documented in the Accounting Officer System and its approved delegations that was last reviewed on 27 March 2018. These processes set out in these prescripts in in place to prevent irregular expenditure.

Various challenges are experienced with new Supply Chain Management reforms and the implementation thereof. The department resolves the challenges as a collective with the Provincial Treasury and other provincial departments. The means on resolving these challenges is documenting the position of the province and presenting it to cabinet for a policy decision. The department then executes the policy decision and operates within these confines.

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

Gifts, donations and sponsorships to the amount of R1.855 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 National Treasury.

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

**The Auditor-General of South Africa has submitted this department's Audit Report for the 2016/17 financial year on 31 May 2018. This was despite the department's disagreement on their assessment of the department's accounting treatment of transfer payments and their view on the principal-agent principle. The Auditor-General has decided to qualify their opinion of the department's Annual Financial Statements for 2016/17 on these two principles. After various failed attempts to solve this dispute, the department has decided to seek the intervention of a competent court of law for relief regarding this impasse. The Auditor-**

**General has repeated his opinion for the 2017/18 Annual Financial Statements that are attached. The department will be bringing an application in the Cape High Court imminently seeking an order that the findings in the audit report be reviewed and set aside and reverted to the Auditor-General for reconsideration. National Treasury will be joined as co-respondent as further relief sought will include declaring the MCS invalid for failure to comply with statutory prescripts in respect of the manner in which it was issued.**

#### **4.12 Other**

With regards to the CASP R136.197 million was received in schedule 5 of the Division of Revenue Act. The amount of R115.199million was spent on black subsistence, smallholder and commercial farmers for empowerment projects, mostly on infrastructure needs. All funds were spent. On training R3.791 million was received of which R1.625 million was unspent and asked to be rolled over, and R17.207 million on disasters, also through CASP. All objectives of black subsistence, smallholder and commercial farmers, as well as training were met or close to being met. The unspent amount was for unfinished civil works which is expected to be finished by 31 May 2018. With regard to the disaster (flood relief) funds, eleven projects were completed already, but as this is a multi-year project, all objectives were not met as yet.

In terms of schedule 5 of the Act R4.380 million was received in terms of the LandCare Grant Programme. The total amount was spent at 31 March 2018. All objectives were met.

In terms of schedule 5 of the Act R55.349 million was received in terms of the Ilima\ Letsema grant. The total amount was spent at 31 March 2018. All objectives were met.

In terms of schedule 5 of the Act R2.062 million was received in terms of EPWP. The total amount was spent at 31 March 2018. All objectives were met.

An amount of R40 million was received through the DORA (Act 3 of 2017), G from the disaster funds from the Department of Cooperative Governance and Traditional Affairs.

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 DORA.

All cost containment measures were taken up in departmental policies and vigorously pursued.

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 in the previous financial year. This sets the framework for implementation of indicators and service delivery (implementation plans across the Programmes) to an array of clients. So I would like to express my sincere appreciation and gratitude to all the officials of the Department for delivering on the plan of 2017/18, as without them, the plan would have remained obsolete, and just a good plan. With them progress had been made in an extremely difficult year.

My appreciation goes again to the Minister, Mr Winde for the support provided in the reporting year and to thank him for allowing innovation and encouraging the Department to move to a higher level of engagement with our stakeholders, in the Province, across spheres of governments and internationally.

To the Standing Committee on Economic Opportunities, Tourism and Agriculture the debates, engagements, good conversations of challenges happening or to come as well the oversight are appreciated as these interactions allow the senior management team to rethink, reflect and hopefully re-imagine agriculture for the benefit of all.

Last but not least, to the clients of the Department and the stakeholders, your constant support and commitment to work with us, are appreciated. There are still many challenges ahead, but together we can make the development path go faster and better, 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 Annual Performance Plan. It also highlights the targets achieved, but in essence also 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 231 to 298 have been approved by the Accounting Officer.



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**(Ms) JS Isaacs**  
**Accounting Officer**  
**Department of Agriculture**  
**Date: 18 September 2018**

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

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

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

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

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

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

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

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

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

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

Yours faithfully



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**(Ms) JS Isaacs**  
**Accounting Officer**  
**Date: 31 May 2018**

## **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, and
- Ensuring transparent and effective governance.

### **6.3 Values**

Caring:	We care for those we serve and work with.
Competence:	We will ensure that we have the ability and capability to do the job we were employed to do.
Accountability:	We take responsibility.
Integrity:	We will be honest and do the right thing.
Innovation:	We will be open to new ideas and develop creative solutions to problems in a resourceful way.
Responsiveness:	We will serve the needs of our citizens and employees.

## **7 LEGISLATIVE AND OTHER MANDATES**

### **7.1 Constitutional mandates**

The WCDOA derives its Constitutional mandate largely from Section 104 (1) (b) of the South African Constitution (Act 108 of 1996) which conveys the power to provinces to pass legislation on any functionality listed in schedules 4A (concurrent) and 5A (exclusive provincial). Concurrent functions include agriculture, animal and disease control, disaster management, environment, regional planning, soil conservation, trade, tourism as well as urban and rural development. Exclusive provincial mandates include provincial planning, abattoirs and veterinary services.

The Constitution also provides the framework within which this concurrency must be executed. Section 40 of the Constitution constitutes government at national, provincial and local spheres. It also indicates that government at these spheres should be distinctive, interdependent and interrelated. Section 41 (2) of the Constitution rules that an Act of Parliament must regulate the relationship between the three spheres of Government, which resulted in the Intergovernmental Relations Framework Act (Act 13 of 2005). This Act makes

provision for a number of platforms where functional and coordination issues can be discussed between the various spheres of Government.

No overview of the Constitutional mandate of the Department can be complete without referring to the Bill of Rights (Chapter 2) and the responsibility it conveys onto officials. Of most relevance to the Department is rights such as fair labour relations (employers and employees) (Article 23), protected environment (Article 24), property ownership (Article 25), food and water (Article 27) and just administrative action (Article 33).

Finally, the Constitution of the Western Cape, Act 1 of 1998, also guides the policies strategies and activities of the Department.

## **7.2 Legislative mandates**

- Adult Basic Education and Training Act (Act 52 of 2000)
- Agri-BEE Transformation Charter (Under Act 53 of 2003)
- Agricultural Products Standards Act (Act 119 of 1990)
- Agricultural Produce Agents Act (Act 12 of 1992)
- Animal Diseases Act (Act 35 of 1984)
- Animal Identification Act (Act 6 of 2002)
- Aquatic Animal Health Code of the World Organisation for Animal Health (OIE – Office International des Epizooties)
- Basic Conditions of Employment Act (Act 75 of 1997)
- Broad Based Black Economic Empowerment Act (Act 53 of 2003) (as amended by Act 46 of 2013)
- Codex Alimentarius of the World Health Organisation (International Code of Food Safety)
- Companies Act (Act 71 of 2008)
- Compensation for Occupational Injuries and Diseases Act (Act 130 of 1993)
- Conservation of Agricultural Resources Act (Act 43 of 1983)
- Consumer Protection Act (Act 68 of 2008)
- Cooperatives Act (Act 14 of 2005)
- Division of Revenue Act (Annually)
- Employment Equity Act (Act 55 of 1998)
- Employment of Education and Training Act (Act 76 of 1998)
- Extension of Security of Tenure Act (Act 62 of 1997)
- Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act 36 of 1947)
- Further Education and Training Act (Act 98 of 1998)
- General and Further Education and Training Quality Assurance Act (Act 58 of 2001)
- Government Employees Pension Law (1996)
- Government Immovable Asset Management Act (Act 19 of 2007)
- Higher Education Act (Act 101 of 1997)
- Income Tax Act (1962 – 4<sup>th</sup> standard)
- International Code for Laboratory Diagnostic Procedures for Animal Diseases of the World Organisation for Animal Health
- International Sanitary and Phytosanitary Code of the World Trade Organisation
- Labour Relations Act (Act 66 of 1995)
- Land Reform Act (Act 3 of 1997)
- Land Use Planning Act (Act 3 of 2014)
- Liquor Products Act (Act 60 of 1989)
- Marketing of Agricultural Products Act (Act 47 of 1996)
- Meat Safety Act (Act 40 of 2000)
- Medicines Control Act (Act 101 of 1965)
- Merchandise Marks Act (Act, 17 of 1941)

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- National Archives Act (Act 43 of 1996)
- National Disaster Management Act (Act 57 of 2002)
- National Education Policy Act (Act 27 of 1996)
- National Environment Management Act (NEMA) (Act 107 of 1998)
- National Qualifications Framework Act (Act 67 of 2008)
- Natural Scientific Professions Act (Act 20(3) of 2003)
- National Water Act (Act 36 of 1998)
- Occupational Health and Safety Act (Act 85 of 1993)
- Preferential Procurement Policy Framework Act (Act 5 of 2000)
- Prevention of Illegal Evictions from and Unlawful Occupation of Land Act, (Act 19 of 1998)
- Promotion of Access to Information Act (Act 2 of 2000)
- Promotion of Administrative Justice Act (Act 3 of 2000)
- Protection of Personal Information Act (Act 4 of 2013)
- Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999)
- Public Holidays Act (Act 6 of 1994)
- Public Service Act (Act 103 of 1994)
- Public Service Commission Act (Act 46 of 1977)
- Rules relating to the practising of veterinary professions (GNR.2086 of 1 October 1982).
- Rules relating to the practising of the para-veterinary profession of veterinary technologist (GNR.1065 of 17 May 1991).
- Rules relating to the practising of the para-veterinary profession of animal health technician (GNR.770 of 24 August 2007).
- Sanitary and Phyto-Sanitary Agreement of the World Trade Organization
- Skills Development Act (Act 97 of 1998)
- Skills Development Levies Act (Act 9 of 1999)
- South African Qualifications Act (Act 58 of 1995)
- Spatial Planning and Land Use Management Act (Act 16 of 2013)
- Subdivision of Agricultural Land Act (Act 70 of 1970)
- Terrestrial Animal Health Code of the World Organisation for Animal Health (OIE – Office International des Epizooties)
- Trade Mark Act (Act 194 of 1993)
- Trade Practises Act (Act 76 of 1976)
- Veterinary and Para-Veterinary Professions Act (Act 19 of 1982)
- Veterinary and Para-Veterinary Amendment Act, 2015 (Act 16 of 2012)
- Waste Act (Act 59 of 2008)
- Water Services Act (Act 108 of 1997)
- Western Cape Appropriation Act (Annually)
- Western Cape Direct Charges Act (Act 6 of 2000)
- Western Cape Land Use Planning Act (Act 3 of 2014).

### **7.3 Policy mandates**

#### **International**

- The Comprehensive Africa Agricultural Development Programme (CAADP)
- Africa Union Agenda 2063
- SADC Industrialization Strategy and Roadmap: 2015 - 2063
- Sustainable Development Goals (SDG)

#### **National**

- Agricultural Policy Action Plan (APAP)
- Animal Welfare Strategy of DAFF (2014)
- Comprehensive Agricultural Support Programme (CASP)
- Comprehensive Rural Development Programme (CRDP)

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- Comprehensive Producer Development Support policy
- Compulsory Community Service for veterinarians
- DRDLR: Rural Development Framework (2013)
- Extension Revitalisation Programme (ERP)
- Extension and Advisory Services Policy
- Extended Public Works Programme (EPWP)
- The National Policy on Food and Nutrition Security for the Republic of South Africa
- Fetsa Tlala Programme
- Further Education and Training Framework
- Game Regulations
- Governance and Financing Framework for ATIs of South Africa
- Higher Education Policy Framework
- The Higher Education Qualifications Framework
- Ilima/Letsema Programme
- Independent Meat Inspection
- Industrial Policy Action Plan (IPAP)
- Integrated Food Security and Nutrition Programme
- Integrated Food Security Strategy of South Africa
- Integrated Growth and Development Plan (IGDP)
- Medium Term Strategic Framework
- National Abattoir Rating Scheme
- National Agricultural Research and Development Strategy
- National Articulation Framework for Agricultural training programmes
- National Development Plan 2030 (NDP)
- National Education and Training Strategy for Agriculture, Forestry and Fisheries (2015)
- National Infrastructure Plan (NIP)
- National Mentorship Framework for the Agricultural Sector
- National Programme of Action with its 14 National Objectives (NO)
- National Qualifications Framework (NQF)
- National Strategic Plan for HIV and AIDS
- Norms and Standards for Agricultural Extension
- Norms and Standards for Agricultural Training Institutes of South Africa
- Norms and Standards for Educators
- Occupations Qualifications Framework (OQF)
- Primary Animal Health Care Policy of DAFF
- Proactive Land Acquisition Strategy (PLAS)
- Revitalisation of the Agriculture and Agri-processing Value Chain (RAAVC)
- Settlement Implementation Strategy
- South African Qualifications Authority (SAQA)
- Strategic Infrastructure Projects (SIP) flowing from the NDP.

**Provincial**

- OneCape 2040 Provincial Spatial Development Strategy
- Provincial Delivery Plan (PDP)
- Provincial Strategic Plan (PSP)
- Integrated Development Plans of Local Government
- Priorities identified during the annual Joint Planning Initiative (JPI) with municipalities
- Provincial Spatial Development Strategy
- Western Cape Agricultural Sector Climate Change Framework and Implementation Plan (SmartAgri) (2016)
- Western Cape Green Economy Strategy Framework
- Western Cape Climate Change Response Strategy (2014)
- Western Cape Response to the Agricultural Policy Action Plan (WCAPAP).



#### **7.4 Relevant court rulings**

Subdivision of Agricultural Land Act (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 Sub-division of Agricultural Land Act (Act 70 of 1970) was applicable and the contract was not binding. The Appeal Court thereafter set that ruling aside, which raised the question on whether the Sub-division of Agricultural Land Act (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.

The latest court decisions *Lagoon Bay Lifestyle Estates vs The Minister of Environmental Affairs and Development Planning and others* as well as the *Habitat Council vs the Minister of Environmental Affairs and Development Planning and others* have particular implications. These rulings, combined with the implementation of SPLUMA, means that decision making powers are transferred from the DEADP (as custodian of spatial planning) to the Local Authorities (Municipalities).

This has a huge impact on the way that the WCDOA assess applications. DEADP is custodian of spatial planning whilst the Municipal Systems Act guides the way local governments view an application. The implication is that good working relations must be built and processes aligned to apply spatial planning and decision-making uniformly in the Province

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# Organisational Organogram



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**9 ENTITIES REPORTING TO THE MINISTER/MEC**

<b>Name of Entity</b>	<b>Legislative Mandate</b>	<b>Financial Relationship</b>	<b>Nature of Operations</b>
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; and Effective business management.

The total shareholding in Casidra SOC Ltd is with the Provincial Government of the Western Cape under the oversight of the Provincial Minister of Economic Opportunities.

Casidra SOC Ltd is structured as a state owned 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 (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**

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

Refer to paragraph 224 page 229 of the Report of the Auditor-General, published as Part E: Financial Information.

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

### **2.1 Service Delivery Environment**

The 2017/18 financial year was the third implementation year of the Department's 2015/16 – 2020/21 Strategic Plan (SP). As Agriculture has been designated as a Schedule 4 or "concurrent function" in the Constitution of the Republic of South Africa (Act 108 of 1996), both the national and provincial spheres of government have legislative powers regarding agriculture. It follows that the policy priorities at both spheres had to be taken into account by the Department. Hence, in the SP a detailed analysis was provided of the mechanism through which the challenges identified in the Diagnostic Report of the National Planning Commission (NPC) cascaded into the National Development Plan (NDP), National Outcomes (NOs) and finally into the Departmental Strategic Goals (DSGs). At the same time it was shown that the challenges identified by the Provincial Cabinet was translated into Provincial Strategic Goals (PSGs) as well as PSG priority sectors (i.e. agri processing, tourism as well as oil and gas), provincial enablers and that these were also written into the DSGs. Finally, it was shown that local government priorities, as expressed during the Joint Planning Initiative (JPI) between the Province and all local governments in the Province, were also addressed in the DSGs. A more detailed analysis of the DSGs as well as their linkages to national and provincial goals and objectives will be provided in Section 3.

In addition to the environment created by policy and strategies in all three spheres of government, it is also important to highlight a number of other developments which influenced the activities of the Department during the 2017/18 financial year. These include:

- a) Given its importance at household and national level, it is worth noting that the most significant agricultural industries (labour intensive, export focussed irrigation agriculture prioritised by the NDP) are also the most vulnerable to disruption. This reality is harshly illustrated by the three consecutive dry winters the Western Cape has been experiencing. It was calculated that the current drought has shaved R4.8 billion off the provincial Gross Value Add. Similarly, the net gain of 127 497 jobs in the agricultural and agri processing sectors of the Western Cape since the introduction of Project Khulisa (and reported on last year), has been eroded to a net gain of 81 016 jobs. Although a lot of ground has been lost, the Khulisa intervention is still showing a positive net effect; something which would not have been possible if it was not for the targeted approach followed by the Province.
- b) Although consensus is still to be reached on its name, it is commonly accepted that economic, social and political systems will be disrupted by the so-called "4<sup>th</sup> Industrial Revolution" (4<sup>th</sup> IR). Furthermore, it is expected that farming may carry the brunt of this disruption (particularly the labour intensive, export focussed irrigation-based industries). It can be argued that autonomous vehicles, 3D printing, advanced robotics, new materials and digital as well as biological developments are some of the key drivers which will lead to this disruption. The potential impacts of these drivers will be found in the economic, employment, workplace, business, crime, government and conflict spheres of society. Indeed, the question companies and industries need to face is no longer "will I be disrupted", but rather "when will my business be disrupted, how will the disruption take place and how will it affect me and my business?" However, it does not mean that we are powerless. Global society still has the opportunity to drive the 4<sup>th</sup> IR

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- in a desired direction by establishing a common set of values to drive policy choices. For this reason the WCDOA has commissioned a study to investigate the trends underpinning the 4<sup>th</sup> IR, its impacts and, even more importantly, what can be done to ensure the best possible outcome for the people of the Province.
- c) South Africa's economy remains under pressure with the result that the fiscal envelope is becoming smaller. The result is that the Department's resources are under pressure.
  - d) During this financial year the threat of South Africa's bonds receiving "junk status" became a reality with some rating agencies downgrading the bonds below investment status. Over the longer term the implication is not only that the fiscal envelope will become even smaller, but also that some of the Department's inputs will become more expensive. This is especially true for inputs with a significant imported content.
  - e) As the United Kingdom (UK) remains South Africa's biggest destination for agricultural exports, the decision by the British electorate to exit the European Union (EU) (so-called "Brexit") already had a number of negative impacts on the Western Cape Agricultural Sector. The weakening pound not only dampened the British demand for South African fruit and wine, but also resulted in less British tourists visiting the wine routes of the Western Cape.
  - f) Since taking office at the beginning of 2017, the President of the United States of America took a number of actions which can only be considered to be anti-globalisation and anti-trade. It follows that these actions will eventually influence South Africa's continued benefits under the African Growth Opportunities Act (AGOA).
  - g) At a global level the real (i.e. deflated) prices of agricultural commodities have fallen below the levels of the 1960's. However, the weakening exchange rate and adverse agricultural conditions have ensured that these benefits could not reach the average South African consumer.
  - h) Extreme weather conditions are not the only potential impact of CC; it is expected that the spread of pest and disease will follow in its wake. Over the past few months the southward migration of Fall Armyworm (FAW) has been reported. Although it has not reached the Western Cape as yet, the Agricultural Sector of the Western Cape has been kept informed and is on high alert as a pro-active measure. A number of extension officers of the Department have also recently undergone training by DAFF in the identification of FAW and traps will be put out in areas in collaboration with the DAFF office in Stellenbosch.

While much emphasis has been on water conservation, the general approach in the department remains overall resource efficiency which is inclusive of energy and waste management.

Given the drought, and the challenge of Day Zero, achieving greater water use efficiency was, and remains a high priority. Several water-saving measures have been implemented which included the installation of forty-four (44) 10 000 litre water tanks for rain water harvesting, technical water-saving devices were installed, boreholes have been cleaned and tested, continuous staff awareness done, and water metres installed to monitor daily usage. The statutory business continuity plan was up-dated with a general water response plan included per programme. Current boreholes provide sufficient water to the Elsenburg research farm. The drilling of a third one could possibly see this farm functioning independently of the municipal supply in future. A test run was conducted, and it confirmed that the Water Business Continuity Plan would indeed be effective should Day Zero become a reality.

A year has passed since adopting the holistic approach to security management. Security posed a major challenge to the Department at several remote service points but particularly more intense and frequent at Head Office. It was critical for the department to engage with

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service providers to develop a sustainable security solution. The implementation of more stringent security measures and installation of technology in conjunction with Department of Community Safety resulted in a considerable reduction of breaches.

Through the various human capital development programmes, one-hundred-and twenty-three (123) bursaries were awarded for studies in agriculture, which include six (6) for scholarships and ten (10) for Young Professional Programme (YPP) students.

Sixty-nine (69) interns completed the twelve-month workplace experience, and twenty-six (26) previous PAY and Agricultural Partnership for Youth Programme (APFYD) interns have progressed to the learnership programme at the Elsenburg Agricultural Training Institute.

The ten (10) Young Professional Persons (YPP) programme, students are on the masters with three (3) in the final stage of completing their degree. One of the students will complete a master's degree in agricultural engineering, a very scarce occupational category after having first been accepted on the scholarship programme for a period of two years as a grade 11 student. He was then placed on the bursary programme for 4 years with short internships periods during vacation, and finally placed on the YPP programme for two years. Once graduated this YPP will have to work for three more years, and meet various professional requirements before an application for ECSA registration can be made. This illustrates the lengthy and in-depth support required to eventually "produce" a qualified agricultural professional.

The demand for access to the human capital programmes is still high but is unfortunately limited to the available budget. Partnership and using farmers as external hosts for placement assists in this regards.

A support service was provided by Sustainable Resource Management (SRM) to enhance the sustainable utilisation of natural agricultural resources and to conserve the environment within the context of climate change. The FruitLook real-time web application, through which irrigators were provided with weekly updated information on the actual water use of their crops and 8 other growth parameters, continued and provided the data to all fruit crop orchards/vineyards in the area covered by the satellite image. The FruitLook project runs annually from 1<sup>st</sup> August to the end of the irrigation season on 30<sup>th</sup> April.

SRM, through its Engineering Services, provided engineering support services to enhance environmentally and economic sustainable farming practices (such as conservation agriculture) in order to prevent pollution through agricultural activities and to increase water use efficiency of all irrigation farmers. In total, 335 engineering support initiatives were rendered (investigation reports, designs & completion certificates) to our clients, of which 253 initiatives were in the area of water and irrigation. Additionally, a total of 505 clients were provided with *ad hoc* engineering advice or training to increase their production.

Dry land grain and rooibos tea farmers and emerging farmers were provided with a mechanisation support service through 142 initiatives.

The programme facilitated financial support to the value of R5 million to the Lower Olifants Water User Association (LORWUA) for the development of groundwater boreholes for emergency bulk water supply. In total, 16 boreholes were drilled of which 6 were developed as production boreholes. This project will be expanded once additional funding will becomes available.

The Leeu River Weir, which was completely silted up is the responsibility of the Department of Water and Sanitation. The weir is one of the main water resources in the mountainous

catchment of the Voëlvlei Dam, which forms part of the larger Western Cape Water Supply System. The Programme played a pivotal role in securing R3.4 million for the implementation of the project to remove the sediment. The intervention by Provincial Government ensured that natural water supply to the Voëlvlei Dam was secured and diverted to the dam, instead of being lost.

A young candidate engineer from the historically disadvantaged group was head-hunted and appointed on contract to allow him to obtain the necessary experience to register with ECSA as professional engineer, which he obtained in August 2017. Subsequently, he was successfully recruited in a permanent position as an OSD Production Engineer in the programme.

Six candidate engineering technicians were appointed on contract. The candidate engineering technicians have been deployed in the field to gain the required experience to register with the Engineering Council of SA (ECSA).

The Programme continued with the commodity approach towards farmer support and development along the value chains, as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisations aimed at strengthening support to smallholder farmers through the provisioning of mentorships and facilitating access to markets. The commodity approach is an institutional arrangement that draws in multiple spheres of government and the private sector, each understanding their unique roles and working from the same plan towards achieving the same outcomes. In addition, the Programme had identified 50 black commercial farmers to receive dedicated support in line with DAFF's Black Producers Commercialisation Programme (BPCP).

The sub-programme: Farmer Settlement and Development delivered the following outputs for the reporting period 2017/2018: forty five (45) smallholder producers supported; one-hundred and ten (110) farm plans completed; thirty-five (35) commercial farmers supported and 110 farm assessments completed. The sub-programme exceeded most targets due to support received from the commercial sector organised through the commodity approach. However, the target relating to the number of smallholder farmers supported could not be met due to postponement of poultry projects following the outbreak of the Highly Pathogenic Avian Influenza (HPAI) in the Province.

The sub-programme: Extension and Advisory Services delivered the following outputs for the reporting period 2017/18: eighty four (84) agricultural demonstrations, forty nine (49) farmers' days facilitated, eighty (80) skills audits completed, thirty four (34) projects supported with mentorship and 4 180 farmers were supported with advice. The sub-programme exceeded most of its target due to support received from the commodity partners. In addition, the site visits were linked to drought relief activities and extension messaging regarding the climate smart agriculture practices.

The sub-programme: Food Security delivered the following outputs for the reporting period 2017/18: seventy one (71) community food security projects, sixteen (16) school food garden projects and 1 059 households were supported through the *suitcase* programme. The sub-programme did not meet most of its target owing to persisting drought conditions coupled with municipal water restrictions. In addition, a number of well points and boreholes had run dry thereby making it difficult for subsistence farming.

As a contribution towards the realisation of the SDG 2, the Programme championed the World Food Day (WFD) event, held on 12 October 2017 in Villiersdorp, Theewaterskloof Municipality. Accordingly, the Programme supported a total of 9 community food gardens



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and 101 households with the means to produce own food for food security. The WFD event was delivered in collaboration with the Department of Water and Sanitation, South African Breweries (SAB) and civil society structures involved in the food space.

In compliance with National legislation the Programme: Veterinary Services received almost 200 applications for Performing Animal Protection Act licenses, since implementation of the Act in late 2017. In the past these licenses were issued by the local Magistrate on application but the amended PAPA Act now requires an extensive list of items to comply with. In the meantime all State Veterinarians in Animal Health sub programme received some training by DAFF to be used as guideline in the process of issuing a PAPA license. Early in the implementation phase it was realised that this is in fact a very intensive and complicated task, not only for official vets but the amended legislation was also new to customers who had no experience in applying for the amended PAPA licenses. Therefore, in the application process the vet's must now also inform and train clients on the new legislation. The service delivery record of the department is here at stake and with the capacity of only 9 official state veterinarians; the current demand for renewal and new PAPA licenses can't be met. To provide this service sustainably at the level that is prescribed by the Act, the services of a full time veterinarian (dedicated to PAPA only) with administrative support is required. This is because applications are so time consuming and each one needs to be followed up through correspondence and site visits until all non-compliances have been fixed before the license can be issued. The security dog industry is the largest and most challenging applicant for PAPA licenses and it is illegal for any such company to operate without a valid PAPA license.

Incidents of role-players that ignore their legal responsibility and fail to apply for PAPA licencing are increasingly reported to the Licensing Officer (LO). To ensure that the system is not eroded by these elements that get away with it, another increasingly important aspect is the law enforcement. This will probably include the training of peace officers for PAPA, as envisaged by DAFF, who would be able to assist the police with the issuing of spot fines for various offences in terms of the PAPA. A fines list was drafted in cooperation with the stock theft unit and magisterial adoption has to be sought throughout the province for implementation thereof. Successful convictions to ensure the welfare of all working animals are dependent on consistent industry information and liaison, which required further capacity that is not currently available.

The Western Cape was the South African province worst affected by Highly Pathogenic Avian Influenza (HPAI), H5N8 subtype in 2017/18, as can be seen in Table 1.

The first HPAI infected ostrich farm was detected in the Heidelberg area in the first week of August, during routine surveillance, and later the Calitzdorp/Oudtshoorn and Albertinia areas. A total of 45 farms of the approximately 300 ostrich farms were found to be infected by the end of January 2018. This resulted in over 200 farms being placed under quarantine, owing to export certification requirements of the European Union. Once South Africa was classified as infected with HPAI, fresh ostrich meat could not be exported from any ostrich farm and no meat could be exported from within 10km of an infected ostrich farm. This resulted in a drastic decrease in income for the industry. Farms under quarantine also require permits to be issued by the state veterinarian for any ostriches or products moving on or off the farm, and only state animal health technicians can take samples for disease testing on quarantined ostrich farms. This significantly increased the workload of state veterinary officials, especially in the Oudtshoorn and George state vet areas. The number of samples taken by AHTs between June 2017 and April 2018, in the Oudtshoorn state vet area alone, increased to 53 000, compared to 19 000, the annual average for the years 2013 to 2017.

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The first commercial poultry farm was confirmed to be infected with HPAI on 25 August 2017. By the end of October, 17 commercial poultry farms were infected. Twelve were layer farms, resulting in the death of 2.76 million egg-laying chickens, equating to 69% of the estimated population of layers in the Western Cape. Three broiler breeders farms were infected (134 000 birds died) and two commercial duck farms (32 600 ducks). The majority of affected commercial poultry farms were in the Boland and Malmesbury state vet areas. The state veterinary officials in these areas were kept extremely busy supervising the maintenance of quarantine on the affected poultry farms, the culling of infected birds (the only option available to control the spread of virus) and the disposal of the carcasses. Most carcasses were disposed via composting, which requires careful management and temperature monitoring, to ensure that the HPAI virus is destroyed by the composting process. After compost is removed and the poultry houses are cleaned, officials are required to perform inspections and sampling to ensure that the houses are safe to have poultry re-introduced. The adequate cleaning of the poultry houses has proved a considerable challenge.

Poultry kept for subsistence or for a hobby were also affected, as well as wild birds and a bird park. Twenty "backyard" properties were affected, including the bird park. Sixty-four wild birds tested positive, and the nature conservation authorities required advice on management of the disease in colonies of endangered sea birds.

Considerable time was spent by the epidemiology section of Animal Health, handling queries from the media about the outbreak, and ensuring that accurate and useful information was distributed to the public.

By end of March, quarantine had been lifted on three poultry farms- two broiler breeders and one layer, the first to be affected in August. At least three farms will not be re-stocked with poultry and the rest are still in the process of disinfecting adequately. Seventeen ostrich farm outbreaks have been resolved and seven are in the process of resolution. The remaining HPAI-infected farms will remain under quarantine until all AI tests are negative or until all birds have been slaughtered. The farms within 10km of these farms must also stay under quarantine.

**Table 1: HPAI H5N8 outbreaks in South Africa, June 2017 to March 2018**

Province	Commercial poultry	Ostrich	Backyard	Hobby/ zoo	Wild	Total
<b>Western Cape</b>	17	42	5	12	43	<b>119</b>
<b>Gauteng</b>	3	0	0	5	6	<b>14</b>
<b>Mpumalanga</b>	5	0	4	0	2	<b>11</b>
<b>Eastern Cape</b>	1	1	0	1	2	<b>5</b>
<b>North West</b>	1	0	0	1	0	<b>2</b>
<b>Free State</b>	2	0	0	0	0	<b>2</b>
<b>Limpopo</b>	0	0	1	0	0	<b>1</b>
<b>Kwazulu-Natal</b>	1	0	0	0	0	<b>1</b>
<b>Northern Cape</b>	0	0	0	0	0	<b>0</b>
<b>Total</b>	<b>30</b>	<b>43</b>	<b>10</b>	<b>19</b>	<b>53</b>	<b>155</b>

Despite the unduly pressure which also impacted on our technical staff especially in the PCR, Serology and Virology sections during the HPAI outbreak, somehow the laboratory managed to pull through this period with even something to boast about and that being that, after recent SANAS assessment to the laboratory, the WCPVL is officially the only provincial laboratory in the country that is ISO 17025 accredited for the AHS (African Horse Sickness) test method.

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The ongoing personnel shortages had impacted negatively on the Programme: Veterinary Services in which consequently led the delay in the commissioning of the chemical residue testing laboratory as well as suspension of test methods in some sections at sub programme: Veterinary Laboratory Services. Other test methods that needed to be suspended, e.g. Dourine test, were due to circumstances out of the control of the WCPVL, (there was no antigen from OBP available for this test). Personnel shortages also had a negative influence the standards of veterinary export certification from the province, particularly from the Veterinary Export Certification Office (VECO) in Milnerton,

The extensive water crisis continued to challenge the sustainability of meat production in the Province. Severe water shortages not only raised questions around the quality of water being used but also on the use and application of existing water capacities. Role players were compelled to investigate new and innovative ways of alleviating the challenges of water shortages to the local industry.

In addition abattoirs were continuously faced with challenges regarding the handling and treatment of different waste streams. Many facilities assessed the feasibility of establishing composting sites as an alternative to the current disposal method.

Over the past year, four facilities underwent major structural upgrades which will significantly increase the meat production capacity within the Province.

The research and technology development mandate of the department, as executed by the programme Research and Technology Development Services, was carried out as planned against a stable service delivery environment with the support of a client-centric, dedicated and well-trained team of specialist and senior researchers, scientific technicians, and a research infrastructure support team from seven research farms.

The service delivery demands, however, is continuously changing as our stakeholders seek business and technical advice and support across the value chain and not on production level only. This has been ever so evident with the unexpected demand for and use of on-line spatial decision making tools, and need for information on climate smart agriculture and judicial resource use. The prevailing drought exacerbated the difficult production conditions and resulted in our experts on small grain and small stock research being extremely busy in giving advice on the best practises to follow and drought survival strategies for livestock farming and small grain production.

The main services of the programme RTDS focussed on the following:

- 1) Providing cutting-edge research and technology to commercial and small holder farmers and other stakeholders through a client-focused and problem-driven research and technology development portfolio executed by the Directorates for Animal Sciences, Plant Sciences and Research Support Services. The research agenda had been consulted with the respective commodities at various forums and contact sessions and was aligned to the research needs of the said commodity. Twenty seven meetings with industry organisations were held to discuss research needs. The year started with 75 projects, 14 new projects were approved and 16 projects were completed, bringing the total number of projects at the end of 2017/2018 to 73. Our services also included a spatial analysis (GIS) and risk and potential management service and an analytical service for soil, water, plant samples and plant disease diagnostics to assist stakeholders in decision making in terms of available resources and applications of fertiliser and agro-chemicals. The challenge of climate change has brought a renewed focus on resource and climate-smart agricultural production and our strategic leadership and research outputs remain pivotal to build climate change resilient farmers and agri-workers. In order for agricultural producers (commercial and small holder) to increase their production, lower input cost and higher

output (production) technology is of pivotal importance. In this regard, our resource scientists excelled in new decision support tools for farmers, whilst our animal and plant scientists were working in close collaboration with our commodity organisations to develop new technologies with higher production and lower input possibilities.

- 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 our clients in a comprehensive technology transfer portfolio, which ranged from one-to-one sessions, walk and talks, radio talks (18), presentations at farmers’ and other information sessions (169), organising of technology transfer events (11), popular publications (116), information packs (19), to the very scientific forms of technology transfer, including papers and posters at conferences (85) and scientific papers (41). Eleven agricultural condition and 12 climate reports were also designed and disseminated. The need for online tools, web applications and updated website information has increased substantially and will take our technology transfer drive to another level of innovation and client satisfaction.
- 3) Providing research and infrastructure support services to the two research directorates, other 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 technical committee meetings were held on the farms and coordinated the research effort and infrastructure needed. The sustainability of the farms also received renewed attention and several measures were implemented in this regard. Furthermore, the prevailing drought in the Western Cape had a significant effect on pastures and water availability for crop and livestock trials. The increase in theft on our research farms is also of concern and a substantial amount had to be spent on replacement of items, repair of equipment and security measures.

Globally, the economic conditions have proven to be tougher. The challenge is added by political developments like the Brexit, the fragile AGOA etc. This is envisaged to complicate especially the trade arena. The sluggish growth effects were also felt in South Africa despite own challenges which led to credit downgrade and therefore reduced appetite from foreign investors. Although there have been signs of positive economic growth towards the end of the reporting period, however, the effects of this will take time. Regardless, the Agribusiness Investment Unit facilitated about R756 million value of committed investment into the agriculture and agribusiness sector. This is mainly ascribed to local investors and expansion projects. The poor economic conditions also had severe implications on government budgets. As a result, some of the vacant positions that became unfunded in the recent years put a lot of strain on Programmes like: AES with fewer personnel. Unstable fuel prices, exchange rate, increasing electricity prices etc. will always put more pressure on some of the outputs of Programme: AES as revision has to take place to accommodate fluctuations in the tools used for analysis.

Even though the AgriBEE fund was uplifted during the 3<sup>rd</sup> quarter of 2017, no projects have been approved until the end of the year. A lot of resources went on assisting the projects that were previously approved but never received funding as the suspension was just after their approval. This had major implications for transformation especially for the Western Cape given that the four projects that were approved at the time were all from the province and more others that were still in DAFF application processes. Furthermore, the information sources used to compile various economic reports are on a user-pay basis and require considerable budgets to get the most relevant information. This is also worsened by outdated information from Statistics South Africa and at times unable to update certain reports with latest information because the data is not available on time. The drought

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situation in the Western Cape had an impact not only to farmers but to the services of the department as it resulted into increased demand for certain services of the department and therefore put a lot of strain on other service offerings, but with better management of resources this could be contained to a certain degree.

The Programme Structured Agricultural Education and Training provided accredited and non-accredited training programmes and skills training on both HET and FET bands to participants in the agricultural sector in the Province.

The Programme offered four curricular offerings on Higher Education and Training level namely, B.Agric, Certificate in Horse Mastership and Preliminary Riding Instruction, Diploma in Agriculture and Cellar Technology and a Higher Certificate in Agriculture to 468 students. A total of 132 students graduated from HET-programmes in 2017.

Non-formal skills training programmes were presented and a total of 3369 beneficiaries benefitted from this training.

A total of 62 learners registered at the beginning of the 2018 academic year and 80 students successfully completed the Learnership programme at the end of 2017. Furthermore, twenty-two (22) students were articulated to Higher Education and Training, based on their performance.

As practical facilities and sufficient practical exposure stay a challenge for various reasons, the placement of Learnership students on farms to ensure workplace integrated learning is still maintained and FET continues the strengthening of partnerships with the industry and host employers.

The revitalisation plan for the colleges of agriculture has been gradually implemented. Earmarked CASP and ECSP (Economic Competitive Support Package) funding were used to fund the implementation of the different pillars of the revitalisation plan. Improvement of practical facilities and security at the campus in general and at the hostels specifically, received priority.

The Transformation Policy, Strategy and Action Plan was completed and formally signed-off and for implementation in the 2018/19 financial year.

Rural development is complex and the scope spans across the functionality of the three spheres of government, private sector and civil society. The Department has been mandated to coordinate rural development in the Province, however, this presents a number of challenges mainly centred on the lack of integrated planning and rural spatial targeting within government and accountability is key. The capacity of grassroots communities, politics and the readiness to engage the private sector for meaningful investment are also among the challenges.

The Department, through its Rural Development programme, provides coordination support in the sixteen (16) prioritised rural areas in the Province (CRDP nodes) through liaison with twenty eight (28) Councils of Stakeholders (CoSs) in these communities and coordinates thirteen (13) Intergovernmental Steering Committees (ISCs). Fifty-one (51) ISC engagements were facilitated across the Province with the relevant government departments towards achieving a more integrated, transdisciplinary approach to development. Sixty-three (63) projects in the rural development nodes, led by various stakeholders, have been captured, implemented and monitored. Six (6) groups of Western Cape District representatives, from civil society and government, from the prioritised rural areas, convened in six (6) district focused capacity building and strategic planning sessions, in Arniston, on the 8-10<sup>th</sup>

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September 2017. This enabled the development of six (6) district rural development action plans. Rural youth from the sixteen (16) prioritised rural areas participated in five (5) themed interventions focussed on capacity building and strategic planning. The most pressing challenge has been disjuncture and duplication amongst various rural development structures being established at district level stifling effective coordination. In addition, the Programme is designated to participate in the Integrated Planning and Spatial Targeting work group under the Provincial Strategic Goal 4 (PSG4). However, this PSG 4, the Workgroup 4 has only convened once during the 2017/18 financial year.

Streamlining coordination structures has therefore been a major focus in this financial year. The key challenge in ensuring that departments deliver on priority needs in the rural areas is the fact that no institutional arrangements or agreements are in place amongst departments to bring effect to the priority delivery in the 'priority rural areas'. The Department's analysis of the rural focus in various departments' annual performance plans to identify key areas of focus for integration and efficiency gains should enable support from the Department of the Premier and Provincial Treasury to pursue more explicit planning and commitment to the province's rural footprint.

In an effort to facilitate a growing and developing workforce in the sector towards successful land reform and transformation the Department's sub-programme: Farm Worker Development funded four (4) strategic training and development projects interventions for agri workers and their family members. A total of seven hundred and eight (708) agri workers and family members were assisted through the referral system. Sixteen (16) regional competitions and two (2) provincial engagements were hosted in the roll-out of the final adjudication in October 2017 and the Annual Western Cape Prestige Agri Awards gala event, with a total number of one thousand three and forty seven (1347) agri workers participating. Fifteen (15) municipal engagements were held with various municipalities to share the findings of the Agri Worker Household Census.

The Western Cape Prestige Agri Awards' final adjudication was held on 05 October 2017, at Kromme Rhee Training Centre. The Western Cape Prestige Agri Awards gala ceremony was hosted on the 4<sup>th</sup> November 2017, at the Nederburg Wine Estate, in Paarl, where Mr. Hermanus Bienas, from the Kys Kwekery in Vredendal, was announced as the overall winner for 2017. A total of six hundred and forty seven (647) guests attended the function which included agri workers, representatives from our major sponsor: Shoprite, the MEC for Local Government, Environmental Affairs and Development Planning: Mr. Anton Bredell who stood in for MEC Alan Winde, the MEC of Social Development: Adv. Albert Fritz, Members of the Standing Committee, various provincial heads of departments, senior management officials, farmers, agri worker organisations, regional agri award coordinators as well as the competition adjudicators and various industry experts. In addition, an excellent partnership with Hortgro and Vinpro has been established to present the annual 'Agri Got Talent' event for agri workers on 04 August 2017.

## **2.2 Service Delivery Improvement Plan**

### *Main services and standards*

<b>Main services</b>	<b>Beneficiaries</b>	<b>Current/actual standard of service</b>	<b>Desired standard of service</b>	<b>Actual achievement</b>
<b>Provide scientific and technical information on agricultural production practises to farmers and clients</b>	<ul style="list-style-type: none"> <li>• Commercial farmers</li> <li>• Tertiary Institutions</li> <li>• Research Institutions</li> <li>• Interns/students</li> </ul>	a) 470 Scientific and Technical Information packages provided to clients  The higher output is due to the higher number of invited	a) 353 Scientific and technical information packages provided to clients	a) 482 Scientific and Technical Information packages provided to clients  The higher output is number of invited presentations at

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Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>presentations at information days, more radio talks delivered on topical issues, and the higher number of technology transfer events organised due to client demands/needs</p> <p>b) Informal desktop study and consultations done to determine the latest practices applied regarding information dissemination interventions</p> <p>c) Information dissemination process audited by Internal Auditors</p>	<p>b) Implement approved information dissemination interventions</p> <p>c) Monitor and evaluate implementation of approved information dissemination interventions</p> <p>d) Develop detailed futuristic and state of the art process to provide scientific and technical information on agricultural production practices to farmers and clients</p>	<p>information days, more radio talks delivered on topical issues, and the higher number of technology transfer events organised due to client demands/needs</p> <p>b) Informal desktop study and consultations done to determine the latest practices applied regarding information dissemination interventions</p> <p>c) Information dissemination process audited by Internal Auditors</p> <p>d) Website re-designed. More functionalities, draught portal, and "gooi agri" website developed. Drone technology explored</p>
<b>Promote the Conservation and Management of the Natural Agricultural Resources</b>	<ul style="list-style-type: none"> <li>• Famers</li> <li>• Youth Groups</li> <li>• Land Users</li> </ul>	<p>a) 6 Capacity building sessions and Awareness Campaigns on conservation and management of the natural agricultural resources, undertaken in the Districts</p> <p>b) In process of finalising draft contingency plans to manage man-made and natural disasters</p> <p>c) Bursaries allocated</p>	<p>a) 6 Capacity building sessions and Awareness Campaigns in each District (on conservation and management of the natural agricultural resources)</p> <p>b) Plan for Capacity building sessions and Awareness Campaigns Organise Conservation Committees to maximise on the number of land users / farmers / youth groups targeted</p> <p>c) Capacitate</p>	<p>a) 6 Capacity building sessions and Awareness Campaigns on conservation and management of the natural agricultural resources, undertaken in the Districts</p> <p>b) Conservation committees appointed in each district. Reached 11 500 youth with awareness training in natural resource management. 2 Drought support workshops held</p> <p>c) 1 student supported</p>

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Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
		<p>to 2 candidate Engineering Technician students; Support 1 student via the Young Professional Programme to complete his master's degree in Engineering. Ongoing technology transfer provided to farmers in order to empower / develop/ capacitate people to deal with skills shortage</p> <p>d) The Human Resource planning policy and the succession planning strategy for the Programme and Unit is reviewed on an annual basis</p> <p>e) Implementation of Capacity building sessions and Awareness campaigns assessed</p> <p>f) Feedback to District, Provincial and National Level provided</p> <p>g) The To-Be Process to be developed in the 2017/18 financial year</p>	<p>Conservation Committees on conservation and management of the natural agricultural resources</p> <p>d) Implement Capacity building and Awareness campaigns on conservation and management of the natural agricultural resources</p> <p>e) Assess implementation of Capacity building sessions and Awareness campaigns</p> <p>f) Provide feedback to District, Provincial and National Level</p> <p>g) Develop detailed To-Be Process to promote the conservation and management of natural agricultural resources</p>	<p>via the Young Professional Programme to complete his master degree in Engineering; Ongoing technology transfer provided to farmers in order to empower / develop/ capacitate people to deal with skills shortage</p> <p>d) The Human Resource planning policy and the succession planning strategy for the Programme and the Unit was reviewed.</p> <p>e) Implementation of Capacity building sessions and Awareness campaigns assessed</p> <p>f) Timely feedback to District, Provincial and National Level provided</p> <p>g) Risk management register maintained for 2017/18 to promote the conservation of natural agricultural resources.</p>

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

Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>Provide scientific and technical information on agricultural production practises to farmers and clients</b></p> <p><b>Consultation:</b></p> <p>a) The 2015/16 Departmental Annual Citizens' Report published and distributed provincial wide</p>	<p><b>Consultation:</b></p> <p>a) Citizens Report (1 per year)</p>	<p><b>Consultation:</b></p> <p>a) The 2016/17 Departmental Annual Citizens' Report not published. AR 2016/17 not yet released for publication.</p>



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Current/actual arrangements	Desired arrangements	Actual achievements
<p>b) 2 Sessions held with Organised agriculture, farmer associations; members of Agri-WesKaap and African Farmers Association of South Africa (AFASA)</p> <p>c) Participated in 30 Radio talks</p> <p>d) 3 Forum meetings held between Department and Stakeholders, e.g. Western Cape Agricultural Research Forum (WCARF)</p> <p>e) Written correspondence utilised when necessary to address specific issues raised and to exchange information</p> <p>f) Organised 15 Farmer's and information days (technology transfer events)</p> <p>g) Telephonic engagements utilised when required to address specific issues raised and to exchange information</p> <p>h) E-mails utilised when required to address specific issues raised and to exchange information</p> <p><b>Additional Information:</b></p> <p>i) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and Portfolio Committees</p> <p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) Offices at research farms located at:</p> <ul style="list-style-type: none"> <li>o George (Outeniqua)</li> <li>o Oudtshoorn</li> <li>o Stellenbosch (Elsenburg: farm and head office)</li> <li>o Moorreesburg (Langgewens)</li> <li>o Riviersonderend (Tygerhoek)</li> <li>o Lamberts Bay (Nortier)</li> <li>o Worcester Veld Reserve</li> </ul> <p>c) Services were provided at the research farms of the Programme Research, Technology and Development</p>	<p>b) Organised agriculture farmer associations with members Agri-WesKaap, AgriForum (2 per year)</p> <p>c) Radio shows (20 per year)</p> <p>d) Forum meetings of Department and stakeholders (3 per year)</p> <p>e) Written correspondence (when necessary)</p> <p>f) Farmer's days (7 per year)</p> <p>g) Telephonic engagements (when required)</p> <p>h) E-mails (when required)</p> <p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) Offices at research farms located at:</p> <ul style="list-style-type: none"> <li>o George (Outeniqua)</li> <li>o Oudtshoorn</li> <li>o Stellenbosch (Elsenburg: farm and head office)</li> <li>o Moorreesburg (Langgewens)</li> <li>o Riviersonderend (Tygerhoek)</li> <li>o Lamberts Bay (Nortier)</li> <li>o Worcester Veld Reserve</li> </ul> <p>c) Services were provided at the research farms of the Programme Research, Technology and Development</p>	<p>b) 2 Sessions held with Organised agriculture, farmer associations; members of Agri-WesKaap and African Farmers Association of South Africa (AFASA)</p> <p>c) Participated in 30 Radio talks</p> <p>d) 3 Forum meetings held between Department and Stakeholders, e.g. Western Cape Agricultural Research Forum (WCARF)</p> <p>e) Written correspondence utilised when necessary to address specific issues raised and to exchange information</p> <p>f) Organised 15 Farmer's and information days (technology transfer events)</p> <p>g) Telephonic engagements utilised when required to address specific issues raised and to exchange information</p> <p>h) E-mails utilised when required to address specific issues raised and to exchange information</p> <p><b>Additional Information:</b></p> <p>i) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary Standing and Portfolio Committees</p> <p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) Offices at research farms located at:</p> <ul style="list-style-type: none"> <li>o George (Outeniqua)</li> <li>o Oudtshoorn</li> <li>o Stellenbosch (Elsenburg: farm and head office)</li> <li>o Moorreesburg (Langgewens)</li> <li>o Riviersonderend (Tygerhoek)</li> <li>o Lamberts Bay (Nortier)</li> <li>o Worcester Veld Reserve</li> </ul> <p>c) Services were provided on a daily basis at or via the research farms of the Programme Research, Technology and Development Services</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p>Services</p> <p>d) Access also provided through daily visits to farmers by officials attached to the Programme Research, Technology and Development Services</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and web-site facilities. Also through scheduled open- and Farmer's days</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department in the form of special parking and toilet facilities, ramps, lifts and wide entry gates</p> <p><b><u>Additional information:</u></b></p> <p>g) Proper signage boards were placed at strategic points to indicate the location of offices/facilities of the Department</p> <p>h) GPS coordinates also available for all offices and facilities province wide</p> <p><b>Courtesy:</b> (when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Organised and participated in the 15 scheduled open-/ Farmer's days and attended site visits by way of the "walk and</p>	<p>Services</p> <p>d) Access also provided through daily visits to farmers by officials attached to the Programme Research, Technology and Development Services</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and web-site facilities. Also through scheduled open- and Farmer's days</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department</p> <p><b>Courtesy:</b> (when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Scheduled open-/ Farmer's days and site visits attended (7 per year)</p>	<p>d) Access also provided through daily visits to farmers by officials attached to the Programme Research, Technology and Development Services</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and website facilities. Also through scheduled open- and Farmer's days</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department in the form of special parking and toilet facilities, ramps, lifts and wide entry gates</p> <p><b><u>Additional information:</u></b></p> <p>g) Proper signage boards were placed at strategic points to indicate the location of offices/facilities of the Department</p> <p>h) GPS coordinates also available for all offices and facilities province wide</p> <p><b>Courtesy:</b> (when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Organised and participated in the 15 scheduled open-/ Farmer's days and attended site visits by way of the "walk and</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p>talks" methodology</p> <p>i) 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. All standards consulted annually with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b> (when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions) (when required)</p> <p>c) Written correspondence (when required)</p> <p>d) E-mail (when required)</p> <p>e) One-on-one meetings</p> <p>f) Organised and participated in the scheduled 15 Open / Farmer's days</p> <p>g) 2015/16 Annual Citizens Report published and distributed province wide</p> <p>h) Site visits also known as "brown or green tours/trials or walk and talks" on farms</p> <p>i) 2015/16 Annual Report published and distributed province wide</p> <p>j) Participated in the scheduled 30 Radio talks held</p> <p><b>Additional information:</b></p> <p>k) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry,</p>	<p>i) 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 annually consulted with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b> (when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions)</p> <p>c) Written correspondence</p> <p>d) E-mail</p> <p>e) One-on-one meetings</p> <p>f) Open / Farmer's days (7 per year)</p> <p>g) Annual Citizens Report (1 per year)</p> <p>h) Site visits</p> <p>i) Annual Report (1 per year)</p> <p>j) Radio talks (20 per year)</p>	<p>talks" methodology</p> <p>i) 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 annually consulted with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b> (when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions) (when required)</p> <p>c) Written correspondence (when required)</p> <p>d) E-mail (when required)</p> <p>e) One-on-one meetings</p> <p>f) Organised and participated in the scheduled 15 Open / Farmer's days</p> <p>g) The 2016/17 Departmental Annual Citizens' Report not published. AR 2016/17 not yet released for publication</p> <p>h) Site visits also known as "brown or green tours/trials or walk and talks" on farms</p> <p>i) 2016/17 Annual Report not yet released for publication and distribution</p> <p>j) Participated in the scheduled 30 Radio talks held</p> <p><b>Additional information:</b></p> <p>k) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p>Parliamentary, Standing and Portfolio Committees</p> <p><b>Value for money:</b></p> <p>a) Province wide education and information sharing at no cost</p> <p>b) Clients get useful and useable information at no cost</p>	<p><b>Value for money:</b></p> <p>a) Province wide education and information sharing at no cost</p> <p>b) Clients get useful and useable information at no cost</p>	<p>Portfolio Committees</p> <p><b>Value for money:</b></p> <p>a) Province wide education and information sharing provided to clients at no cost</p> <p>b) Clients provided with useful and useable information at no cost</p>
<p><b>Promote the Conservation and Management of the Natural Agricultural Resources</b></p> <p><b>Consultation:</b></p> <p>a) The 2015/16 Departmental Annual Citizens' Report published and distributed provincial wide</p> <p>b) 2 Sessions held with Organised agriculture, farmer associations; members of Agri-WesKaap</p> <p>c) Participated in 2 Radio talks</p> <p>d) 3 Forum meetings held between Department and stakeholders</p> <p>e) Written correspondence utilised when necessary to address specific issues raised and to exchange information</p> <p>f) Attended the 6 scheduled Farmers and information days</p> <p>g) Telephonic engagements utilised when required to address specific issues raised and to exchange information</p> <p>h) E-mails utilised when required to address specific issues raised and to exchange information</p>	<p><b>Consultation:</b></p> <p>a) Citizens Report (1 per year)</p> <p>b) Organised agriculture farmer associations; members with Agri-WesKaap, AgriForum (2 per year)</p> <p>c) Radio talks (2 per year)</p> <p>d) Forum meetings of Department and stakeholders (3 per year)</p> <p>e) Written correspondence (when necessary)</p> <p>f) Farmer's days (6 per year)</p> <p>g) Telephonic engagements (when required)</p> <p>h) E-mails (when required)</p>	<p><b>Consultation:</b></p> <p>a) The 2016/17 Departmental Annual Citizens' Report not published. AR 2016/17 not yet released for publication</p> <p>b) 18 Sessions held with Organised agriculture, farmer associations; members of Agri-WesKaap</p> <p>c) Participated in two Radio talks. Written 10 media articles, created 4 You Tube videos</p> <p>d) 25 Forum meetings held between Department and stakeholders. 4 Forum meetings held with Verlorenvlei Estuary; Cape West Coast Biosphere; Greater Cederberg Biodiversity Corridor</p> <p>e) Written comment on Agri development applications, change of Land Use appeals to stop sand mining applications and minimise agricultural land fragmentation</p> <p>f) Attended the 4 scheduled Farmers and information days. Organise &amp; fund 2 x Farmer days focused on sustainable resource management: Augsburg &amp; Wupperthal. ± 180 attendees</p> <p>g) Telephonic engagements utilised when required to address specific issues raised and to exchange info</p> <p>h) E-mails utilised when required to inform agricultural development options in relation to Biodiversity Spatial Plan and Sandveld EMF</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p><b><u>Additional information:</u></b></p> <p>i) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and Portfolio Committees</p> <p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) District Offices at:</p> <ul style="list-style-type: none"> <li>o Beaufort West</li> <li>o George</li> <li>o Bredasdorp</li> <li>o Stellenbosch (head office)</li> <li>o Moorreesburg</li> <li>o Oudtshoorn</li> <li>o Vredendal</li> </ul> <p>c) Services were provided on a daily basis at or via the district offices of the Programme Sustainable Resource Management</p> <p>d) Access also provided through daily visits to farmers by LandCare officials attached to Sustainable Resource Management</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and website facilities. Also through scheduled open- and Farmer's days and the monthly Thusong Outreach Intervention Programme</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department in the form of special parking and toilet facilities, ramps, lifts and wide entry gates</p> <p><b><u>Additional information:</u></b></p> <p>g) Proper signage boards were placed at strategic points to indicate the location of offices/facilities of the Department</p> <p>h) GPS coordinates also available for all offices and facilities province wide</p>	<p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) District Offices at:</p> <ul style="list-style-type: none"> <li>o Beaufort West</li> <li>o George</li> <li>o Bredasdorp</li> <li>o Stellenbosch (head office)</li> <li>o Moorreesburg</li> <li>o Oudtshoorn</li> <li>o Vredendal</li> </ul> <p>c) Services were provided on a daily basis at or via the district offices of the Programme Sustainable Resource Management</p> <p>d) Access also provided through daily visits to farmers by LandCare officials attached to Sustainable Resource Management</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and website facilities. Also through scheduled open- and Farmer's days and the monthly Thusong Outreach Intervention Programme</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department</p>	<p><b><u>Additional information:</u></b></p> <p>i) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and Portfolio Committees</p> <p><b>Access:</b></p> <p>a) Department of Agriculture, Private Bag X1, Ellensburg, 7607</p> <p>b) District Offices at:</p> <ul style="list-style-type: none"> <li>o Beaufort West</li> <li>o George</li> <li>o Bredasdorp</li> <li>o Stellenbosch (head office)</li> <li>o Moorreesburg</li> <li>o Oudtshoorn</li> <li>o Vredendal</li> </ul> <p>c) Services were provided on a daily basis at or via the district offices of the Programme Sustainable Resource Management</p> <p>d) Access also provided through daily visits to farmers by LandCare officials attached to Sustainable Resource Management</p> <p>e) Daily access available through walk-in, phone-in, e-mailing and website facilities. Also through scheduled open- and Farmer's days and the monthly Thusong Outreach Intervention Programme</p> <p>f) Reasonable accommodation made and considered to provide proper access for people with disabilities at all offices and facilities of the Department in the form of special parking and toilet facilities, ramps, lifts and wide entry gates</p> <p><b><u>Additional information:</u></b></p> <p>g) Proper signage boards were placed at strategic points to indicate the location of offices/facilities of the Department</p> <p>h) GPS coordinates also available for all offices and facilities</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p><b>Courtesy:</b></p> <p>(when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Attended and participated in the 6 scheduled open-/ Farmer's days and site visits</p> <p>i) 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 annually consulted with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b></p> <p>(when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions) (when required)</p> <p>c) Written correspondence (when required)</p> <p>d) E-mail (when required)</p> <p>e) One-on-one meetings</p> <p>f) Attended and participated in the scheduled Open / Farmer's</p>	<p><b>Courtesy:</b></p> <p>(when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Scheduled open-/ Farmer's days and site visits attended (6 per year)</p> <p>i) 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 annually consulted with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b></p> <p>(when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions)</p> <p>c) Written correspondence</p> <p>d) E-mail</p>	<p>province wide</p> <p><b>Courtesy:</b></p> <p>(when required / necessary) Through official channels i.e.:</p> <p>a) Management</p> <p>b) Head: Communication</p> <p>c) E-mail</p> <p>d) Telephonic engagements</p> <p>e) Written correspondence</p> <p>f) Face-to-face</p> <p>g) All complaints recorded and responded to immediately. Minimal complaints received were dealt with as a matter of urgency</p> <p>h) Attended and participated in the 6 scheduled open-/ Farmer's days and site visits</p> <p>i) The rights of clients / citizens, including the right to be treated in a humane, respectful and dignified manner by staff who is captured in the Departmental Service Delivery Charter. These standards is annually consulted with all stakeholders including staff members. 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 (always)</p> <p><b>Openness and Transparency:</b></p> <p>(when required / necessary):</p> <p>a) Telephonic engagements</p> <p>b) Verbal (site sessions) (when required)</p> <p>c) Written correspondence (when required)</p> <p>d) E-mail (when required)</p> <p>e) One-on-one meetings</p>

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Current/actual arrangements	Desired arrangements	Actual achievements
<p>days (6 per year)</p> <p>g) 2015/16 Annual Citizens Report (1 per year) published and distributed province wide</p> <p>h) Site visits (when required)</p> <p>i) 2015/16 Annual Report (1 per year) published and distributed</p> <p>j) Participated in some of the 20 Radio talks held per year</p> <p><b><u>Additional information:</u></b></p> <p>k) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and Portfolio Committees</p> <p><b>Value for money:</b></p> <p>a) Province wide education and information sharing at no cost</p> <p>b) Clients get useful and useable information at no cost (always)</p>	<p>e) One-on-one meetings</p> <p>f) Open / Farmer's days (6 per year)</p> <p>g) Annual Citizens Report (1 per year)</p> <p>h) Site visits</p> <p>i) Annual Report (1 per year)</p> <p>j) Radio talks (5 per year)</p> <p><b>Value for money:</b></p> <p>a) Province wide education and information sharing at no cost</p> <p>b) Clients get useful and useable information at no cost (always)</p>	<p>f) Attended and participated in the scheduled Open / Farmer's days (6 per year)</p> <p>g) The 2016/17 Departmental Annual Citizens' Report not published. AR 2016/17 not yet released for publication</p> <p>h) Site visits (when required)</p> <p>i) 2016/17 Annual Report not yet released for publication and distribution</p> <p>j) Participated in some of the 20 Radio talks held per year</p> <p><b><u>Additional information:</u></b></p> <p>k) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing and Portfolio Committees</p> <p><b>Value for money:</b></p> <p>a) Province wide education and information sharing provided to clients at no cost</p> <p>b) Clients provided with useful and useable information at no cost (always)</p>

*Service delivery information tool*

Current/actual information tools	Desired information tools	Actual achievements
<p><b>Provide scientific and technical information on agricultural production practises to farmers and clients</b></p> <p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) 2015/16 Annual Report published and distributed to all stakeholders</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) 2015/16 Annual Citizens'</p>	<p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) Annual Report was published and distributed to all stakeholders</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) Annual Citizens' Report was</p>	<p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) 2016/17 Annual Report not yet released for publication and distribution</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) The 2016/17 Departmental</p>

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<p>Report published and distributed to all stakeholders and the agricultural community at large in the Province</p> <p>g) Utilised site visits (brown/green tours/walk and talks) as an information tool</p> <p>h) Written and electronic media platforms were utilised as an information tool</p> <p><b>Additional information:</b></p> <p>i) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing, Portfolio Committees and SCOPA</p> <p>j) Agri Connect events were held with 2 municipalities to showcase the:</p> <ul style="list-style-type: none"> <li>o services the Department renders;</li> <li>o career - opportunities in agriculture.</li> </ul> <p>k) New website developed for RTDS as part of the Departmental website</p>	<p>published and distributed to all stakeholders and the agricultural community at large in the Province</p> <p>g) Utilised site visits as an information tool</p> <p>h) Written and electronic media platforms were utilised as an information tool</p>	<p>Annual Citizens' Report not published. AR 2016/17 not yet released for publication</p> <p>g) Utilised site visits (brown/green tours/walk and talks) as an information tool</p> <p>h) Written and electronic media platforms were utilised as an information tool</p>
<p><b>Promote the Conservation and Management of the Natural Agricultural Resources</b></p> <p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) 2015/16 Annual Report published and distributed to all stakeholders</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) 2015/16 Annual Citizens' Report was published and distributed to all stakeholders and the agricultural community at large in the Province</p> <p>g) Utilised site visits as an information tool</p>	<p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) Annual Report was published and distributed to all stakeholders</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) Annual Citizens' Report was published and distributed to all stakeholders and the agricultural community at large in the Province</p> <p>g) Utilised site visits as an information tool</p>	<p>a) Departmental web-site was maintained and updated on a regular basis</p> <p>b) 2016/17 Annual Report not yet released for publication and distribution</p> <p>c) Radio talks were utilised when opportunity afforded itself or when necessary</p> <p>d) Utilised scheduled meetings as an information tool</p> <p>e) Utilised farmers' /open days as an information tool</p> <p>f) The 2016/17 Departmental Annual Citizens' Report not published. AR 2016/17 not yet released for publication</p> <p>g) Utilised site visits as an information tool</p>



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<p>h) Monthly Thusong Outreach Interventions utilised as an information tool</p> <p>i) Written and electronic media platforms were utilised as an information tool</p> <p><b>Additional information:</b></p> <p>j) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing, Portfolio Committees and SCOPA</p> <p>k) Agri Connect events were held with 2 municipalities to showcase the:</p> <ul style="list-style-type: none"> <li>o services the Department renders;</li> <li>o career opportunities in agriculture</li> </ul>	<p>h) Monthly Thusong Outreach Interventions utilised as an information tool</p> <p>i) Written and electronic media platforms were utilised as an information tool</p>	<p>h) Monthly Thusong Outreach Interventions utilised as an information tool</p> <p>i) Written and electronic media platforms were utilised as an information tool</p> <p><b>Additional information:</b></p> <p>j) Although not listed as beneficiaries. The Department responded to numerous enquiries from Ministry, Parliamentary, Standing, Portfolio Committees and SCOPA</p> <p>k) Agri Connect events were held with 2 municipalities to showcase the:</p> <ul style="list-style-type: none"> <li>o services the Department renders;</li> <li>o career opportunities in agriculture</li> </ul>
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*Complaints mechanism*

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
<p><b>Provide scientific and technical information on agricultural production practises to farmers and clients</b></p> <p>Complaints can be lodged as follows (when required / necessary):</p> <p>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</p> <p>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</p> <p>c) Also opportunities provided at scheduled open- and Farmer's days</p> <p>d) Via the Head of Communications regarding complaints / suggestions and compliments</p> <p>e) Ministerial Red Numbers</p> <p>f) Presidential hotline</p> <p>g) The redress mechanism (Service Delivery Charter "If you have a complaint, please tell us. We will apologise and</p>	<p>Complaints can be lodged as follows (when required / necessary):</p> <p>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</p> <p>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</p> <p>c) Also opportunities provided at scheduled open- and Farmer's days</p> <p>d) Via the Head of Communications regarding complaints / suggestions and compliments</p> <p>e) Ministerial Red Numbers</p> <p>f) Presidential hotline</p> <p>g) The redress mechanism (Service Delivery Charter) "If you have a complaint, please tell us. We will apologise and put</p>	<p>Complaints can be lodged as follows (when required / necessary):</p> <p>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</p> <p>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</p> <p>c) Also opportunities provided at scheduled open- and Farmer's days</p> <p>d) Via the Head of Communications regarding complaints / suggestions and compliments</p> <p>e) Via the Ministerial Red Numbers</p> <p>f) Via the Presidential hotline</p> <p>g) The redress mechanism (Service Delivery Charter "If you have a complaint, please tell us. We will</p>

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put things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"	things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"	apologise and put things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"
<p><b>Promote the Conservation and Management of the Natural Agricultural Resources</b></p> <p>Complaints can be lodged as follows (when required / necessary):</p> <ul style="list-style-type: none"> <li>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</li> <li>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</li> <li>c) Also opportunities provided at scheduled open- and Farmer's days as well as the monthly Thusong outreach interventions</li> <li>d) Via the Head of Communications regarding complaints / suggestions and compliments</li> <li>e) Via the Ministerial Red Numbers</li> <li>f) Via the Presidential hotline</li> <li>g) The redress mechanism (Service Delivery Charter) "If you have a complaint, please tell us. We will apologise and put things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"</li> </ul>	<p>Complaints can be lodged as follows (when required / necessary):</p> <ul style="list-style-type: none"> <li>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</li> <li>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</li> <li>c) Also opportunities provided at scheduled open- and Farmer's days</li> <li>d) Via the Head of Communications regarding complaints / suggestions and compliments</li> <li>e) Ministerial Red Numbers</li> <li>f) Presidential hotline</li> <li>g) The redress mechanism (Service Delivery Charter) "If you have a complaint, please tell us. We will apologise and put things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"</li> </ul>	<p>Complaints can be lodged as follows (when required / necessary):</p> <ul style="list-style-type: none"> <li>a) Direct contact, e-mail, telephonically with management or supervisors at the Head Office, Muldersvlei Road, Elsenburg</li> <li>b) Also through walk-in, phone-in, write-in to district / head office management or staff at the various offices and facilities</li> <li>c) Also opportunities provided at scheduled open- and Farmer's days as well as the monthly Thusong outreach interventions</li> <li>d) Via the Head of Communications regarding complaints / suggestions and compliments</li> <li>e) Via the Ministerial Red Numbers</li> <li>f) Via the Presidential hotline</li> <li>g) The redress mechanism (Service Delivery Charter) "If you have a complaint, please tell us. We will apologise and put things right immediately. If you are not satisfied, we will investigate what went wrong and reply within 15 working days"</li> </ul>

### 2.3 Organisational environment

On 4 August 2015 the Provincial Cabinet approved the implementation plan for the Project Khulisa agri processing priority sector. Part of this plan was the creation of the appropriate organisational infrastructure to drive and coordinate its implementation. To this end an investigation by Organisational Development was requested, completed and the position of Director: Agri processing, with an Administration Officer in support, was approved. Approval from the Minister of Public Service and Administration has subsequently been obtained and the final step is consultation with labour in the Province. In the meantime, a service provider was appointed to provide certain support functions to the Director: Business Planning and Strategy whom was driving the coordination of agri processing as a Project Khulisa priority sector until the end of the 2017/18 financial year.

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It is unfortunate that the Department's Head of Communication (HOC) resigned as of 31 December 2017. The process has been started to find a replacement and in the meantime, some of the responsibilities of this post has been outsourced.

The current organisational structure of the Sub programme: Operational Support Services has been in effect since 2010 and no longer addresses all its needs. Two years ago, the structure was reviewed, updated and, submitted to DPSA as required. It is still awaiting consultation with Organised Labour in the province. In the interim current employees assist by taking on the extra responsibilities and functions.

As previously mentioned the drought situation and high municipal costs have made it necessary to implement various measures to ensure the availability of water and energy through sources other than that of the municipality.

Due to the commitment to appoint candidates in the targeted groups of engineers and engineering technicians on contract, one engineer and two engineering technicians were successful in their professional registrations with ECSA.

Due to the drought, the increased demand for engineering services placed a huge load on the very limited available number of suitable qualified and experienced officials in the field of irrigation systems management and water resource management.

A young and upcoming Graduate had been placed on a three-year contract to fulfil her bursary obligation within the Disaster Risk Management programme. She was initially part of the Premier's Advancement of Youth (PAY) programme and completed her National Diploma in Agricultural Management within three years.

A District Manager for the Overberg District was appointed in the last quarter. He was the second Candidate Engineering technician to be appointed as a Manager during this financial year.

Five candidate engineering technicians were appointed for a 3-year term. The engineering technicians have been deployed in the field to allow them to obtain the necessary experience to register with ECSA as professional engineer. Two mentors have been appointed to assist the candidates to obtain their registration with the Engineering Council of SA (ECSA).

The DAFF requirement for agricultural economists to register with SACNASP remained an issue during the reported year. The Programme had raised the matter with DAFF with a view to revise this requirement as agricultural economists cannot be accommodated within biological science body.

With the prevailing cost of employment ceiling applied in the Department, the CCS veterinarians deployed in the WCDoA over the past 2 years had contributed tremendously to increased veterinary service delivery. This service was to the benefit of a broad spectrum of customers such as smallholder livestock farmers, indigent communities exporters etc. DAFF who is responsible for the administration of the CCS programme has failed to appoint a provincial coordinator on a permanent basis to support the CCS the local veterinarians. Urgent negotiations with DAFF are necessary to address the negative impact of the administrative burden on local officials in Veterinary Services.

The key concern is that the Programme is currently losing personnel (due to resignations and transfers), at a rate faster than we are able to replace them, with the key concern being that officials felt the repercussions of personnel shortage challenges, as this put extra work volume and pressure on them.

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An organizational development study is planned for Veterinary Services during the coming financial year. The outcome of this project will hopefully add impetus to request for filling posts that are crucial to maintain veterinary services demands from the province.

The ceiling on CoE as well as budget limitations resulted in serious service delivery challenges for the programme RTDS, especially on the support staff level. This could result in the programme not being able to service the industry funded projects to its fullest and could have serious implications for future funding and continuation of said projects. The 30% overtime regulation has also resulted in challenges, especially in the case of our milking staff at the two research dairies and our planting/harvesting staff who needs to work extra hours during the said seasons.

Challenges to recruit suitably qualified and SACNASP registered research technicians and researchers, especially black candidates, are still being experienced and for technical posts headhunting after several rounds of advertising had to be done. Despite the challenges, several vacancies were filled after retirement or resignations.

In order to build new research and technical capacity by utilising the current external development initiatives of the Department, three bursary holders were interviewed for a vacant laboratory assistant post, whilst the other two candidates were offered internships of a year each.

An ongoing concern is lack of career opportunities for agricultural economists in the public sector as the field among others was not included on the OSD's. Some fields within the agricultural economics have become scarce over time e.g. production economists in addition to quantitative analysts including statisticians, econometricians. New mandates like agri-processing require new skills altogether and is not an area that has been considered for very long by tertiary institutions for the skills set required by Programme: AES. Another biggest challenge for Programme: AES is to provide the experienced senior economists with proper reasons to stay to further their career within the Department given lack of career progression. The other is the development of relatively young agricultural economists and then to retain them for a few years. The programme experienced increased demand for certain services. Adding to these are few funded positions in Programme: AES to be able to respond to this demand.

The programme: Structured Agricultural Education and Training remains challenged to recruit and retain well-skilled and experienced lecturing staff at the current salary levels. Although the post of Lecturer was job evaluated by DAFF, the recommended post level remains unchanged. This was referred back to DAFF by MINTEC for further investigation. This poses further challenges to the Programme, as lecturing staff become more demotivated and are exploring other options within the Department, to the detriment of the College.

The shortage of lecturing staff was augmented by appointing external training facilitators. These vacant posts place pressure on the existing staff and the Programme as a whole. Engagement with sector bodies to address some of these challenges continues, for example, the wine industry has agreed to assist with longer term solutions with regard to training in Viticulture and Oenology at the EATI.

Staff structure is inadequate especially in the area of student administration, with no middle management capacity. This is further exacerbated by the absence of a senior manager for HET. All critical posts have been identified and funded, both academic and middle management level. This will ensure that the amount of external facilitators can be decreased.

The Elsenburg Cellar entered their wines into the 2017 Veritas Awards competition. The Veritas Awards is regarded by the South African Wine Industry as the most prestigious awards in the country – showcasing the best wines South Africa has to offer. The Elsenburg Cellar entered seven

(7) wines into the competition and received three (3) gold medal awards, two (2) silver medals and two (2) bronze medals.

The programme: Rural Development remains under increasing pressure with a growing awareness amongst stakeholders of the need for coordination and the 'Whole of Society Approach' to development. Due to this increasing demand, the programme's limited capacity is showing. The extent of collaboration and coordination by far outweighs the capacity of the programme and hence, it is only able to achieve limited reach. While fiscal pressures are unavoidable, the aim is to fill all funded vacancies in the 2018/19 financial year.

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

At the beginning of its current term of office, the Cabinet of the Western Cape Province has accepted five strategic goals. As a mechanism to fast-track delivery on these goals, Cabinet has approved a range of "game changers", three priority sectors of the provincial economy and five enablers. The integrated plan to deliver on these priority sectors has become known as "Project Khulisa" and the WCDOA is playing a key role in one of these sectors; agri processing. As more details will be provided in Section 3, it is at this stage sufficient to say that three strategic intents were developed for Khulisa: Agri processing. For each of these strategic intents a range of projects with targets, deadlines, responsible persons and allocated budgets were designed.

The Public Service Regulations implemented in 2016 require strict enforcement of the prescripts e.g. the limit on overtime. The ethics officer functions as outlined by DPSA were executed at departmental level by simply adding it to the existing responsibilities of an official.

The Department of Water and Sanitation embarked on studies covering the Berg River and the Breede-Gouritz River catchments in the Western Cape to determine Water Resource Quality Objectives (RQOs), which will be gazetted. Proposals to improve the environmental classification of natural resource often have significant cost implications - agricultural sector in particular. The Programme contributed to the RQO development process and emphasised the implications for the agriculture sector.

The LandCare sub-programme is assisting DAFF with the development of an extensive farm plan project that will reflect the condition of the resources namely, soil, water and vegetation. The Sub-programme assisted DAFF with a strategy to implement Conservation Committees as referred to in the Conservation of Agricultural Resources Act 43/1983. LandCare is also developing the policy on Conservation agriculture with the DAFF team and the policy has been workshopped with all provinces and will be tabled for final review next quarter.

The Land Use sub-programme is assisting DAFF with technical aspects Preservation of Agricultural Land Act and regulations in order to preserve valuable agricultural land and promote the sustainable development of agricultural land for the production of food and other agricultural products. Faced with escalating development pressures in the Western Cape's rural areas, specifically on valuable agricultural land, DEA&DP is developing Rural Land Use and Planning Guidelines to provide guidance to its social partners on land use planning and management outside the urban edge. This sub-programme is a key contributor to this initiative in being proactive in developing this guide to assist decision makers.

The DAFF embarked on a process of developing a Comprehensive Producer Development Support policy aimed at providing a framework to harmonise, guide and regulate the development and provision of support to various categories of producers to ensure a sustainable and competitive agricultural sector. It is expected that amongst others, this

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policy will address areas relating to short-term insurance for smallholder farmers and provide guidance on 'graduation' of farmers based on economic indicators.

The Performing Animal Protection Act, 2016 (Act No 4 of 2016) (PAPA) had been signed off and DAFF has started with the implementation of the Act through training and authorisation of all state veterinarians throughout the country. The implications for the WCDoA is once again a serious matter of concern as it placed a another heavy workload on all State Veterinarians who are now responsible to assess and evaluate all applications for PAPA licenses, perform a thorough inspection and advice clients on no-compliance issues until all requirements is met in order to issue a license. Since implementation of this DAFF delegation the Department had received almost 200 applications for PAPA licences. On average it takes up to six days and longer for a licence to be issued.

The importation of livestock as part of the [Botswana, Lesotho, Namibia and Swaziland] BLNS policy framework contributed significantly to local meat production in the Province.

The implementation of the IMI Scheme was promulgated during the last quarter of this financial year and the Sub-programme expects a shift in the approaches and practices around the independence of meat inspection in the Province.

The abattoir industry still faces significant challenges around the financial burdens of the "cost of compliance" associated with such a highly regulated sector.

The South African agricultural sector has been surrounded by heating discussions on land reform while there is also no clear policy. This is also a challenge for attracting investors into the sector as is seen as a risk. The country faced a major outbreak of avian influenza. This had devastating effects across the spectrum and was severely felt at consumer level as well. The after effects of this are still felt as prices take time to normalise and in any case never go back to where they were before. This also had a potential for other complication given that poultry products are the most consumed than other animal protein sources. This was a major outbreak as countries like the United States, Hong Kong, China, parts of Europe, and other African counties were also affected. During this recent outbreak in South Africa an important development was the protocol that could be put in place for importation of eggs. The outbreak had huge implications for processing as well. Added to this, was a major outbreak of listeria monopysythogenes that also led to a ban to exports of certain processed products including fruit and vegetables in some markets.

During the year the moratorium on AgriBEE fund was uplifted even though no projects have been approved since this development. Also, a first atlas to offer a better understanding of complex rural migration patterns in sub-Saharan Africa has been published. Of importance to note from this among others is the pressure that migration has on key resources like land and impact on production as most people will be leaving in cities in the near future. During the year, South Africa experienced an improved business confidence which is associated with change of leadership in in the political space. However, the current debate and policy position on land expropriation without compensation continues to create much uncertainty for land owners and stifles especially new investment at farm level.

In the 3<sup>rd</sup> quarter of the year, the new AgriBEE codes were released and perhaps offer an opportunity to the sector to identify areas where contribution can be made in absence of a clear policy on land. These uncertainties have again highlighted the need for Agricultural Economics Services to strengthen its capacity to support the sector and policy decision makers with information and services that are required at implementation e.g. AgriBEE support. Other two pronouncements made during the budget speech by the Minister of Finance include the increase of the Value Added Tax (VAT) by 1% making it 15%. The second

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was the increase of the fuel levy by 52c a litre. These pronouncements have a direct negative effect to the agricultural sector. This means that farmers will pay more for agricultural inputs. Even the increase of 52 cents per litre of fuel is huge if one would look at the challenges facing the agricultural sector including those mentioned above.

The possible transfer of agricultural colleges from provincial Department of Agriculture to the Department of Higher Education impact on the governance of agricultural colleges and the resource requirements of the EATI.

Furthermore all policies and standard operating procedures of the EATI will be revised in order to accommodate the new student administration system.

### 3 STRATEGIC OUTCOME ORIENTED GOALS

As the priorities and outcomes at national level as well as the goals and objectives in the provincial sphere form part of the service delivery environment of the Department, a brief overview on how NOs and PSGs informed the SP of the Department was provided in Section 2.1. As a result of its underlying analysis and in order to guide its activities, the seven DSGs listed in Table 2 have been identified in the SP.

**Table 2: The seven Strategic Goals of the Western Cape Department of Agriculture**

DSG	TITLE
1	Support the provincial agricultural sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013.
2	Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years.
3	Support the sector (farmers and industries) to increase sustainable agricultural production (primary provincial commodities) by at least 10% over the next 10 years.
4	Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural production.
5	Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities.
6	Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019.
7	Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years.

In achieving these DSGs, the Department has embarked on a number of specific actions and these actions are measured by a range of strategic, sector and provincial indicators. In Table 3 a summary of these indicators are provided and during the latter part of this section, more detail will be provided on specific actions undertaken during the 2017/18 financial year for each of these DSGs.

**Table 3: Summary of the indicators supporting the achievement of the DSGs**

DSG	NUMBER OF INDICATORS			
	STRATEGIC	SECTOR	PROVINCIAL	TOTAL
1	3	4	6	13
2	2	3	8	13
3	4	8	13	25
4	3	5	12	20
5	3	0	10	13
6	0	0	12	12
7	4	2	23	29
<b>Total</b>	<b>19</b>	<b>22</b>	<b>84</b>	<b>125</b>

In Section 2.1 it was argued that the Department has to respond to actions at all three spheres of government. The NDP still remains the overarching policy document at the national level and of particular relevance to the WCDOA is Chapter 6: An integrated and

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inclusive rural economy. The NDP has been translated into fourteen NOs which must be implemented by the various organs of state. As the NDP creates a vision up to 2030, the Cabinet has approved particular indicators and targets to be reached over the period 2014/15 to 2018/19. This forms the MTSF towards which the national, provincial and local spheres of government have to react. Of particular relevance to the WCDoA is NO4 (Decent employment through inclusive growth), NO7 (Vibrant, equitable, sustainable rural communities contributing towards food security for all) and NO10 (Protect and enhance our environmental assets and natural resources). In certain instances collaboration across all spheres are of the utmost importance. This is particularly true in the case of NO7 which is underpinned by the principle of integrated planning in rural areas. A summary of the link between the Department's indicators and NOs is provided in Table 4.

**Table 4: Summary of the indicators supporting the achievement of NOs**

NO	NUMBER OF INDICATORS			
	STRATEGIC	SECTOR	PROVINCIAL	TOTAL
4	9	4	25	38
7	3	6	24	33
10	0	2	9	11
Other	0	0	6	6
<b>Total</b>	<b>12</b>	<b>12</b>	<b>64</b>	<b>88</b>

In an effort to fast-track delivery on the commitments made in the NDP, the Operation Phakisa: Agriculture, Land Reform and Rural Development was launched in 2017. Operation Phakisa is based on the "Big Fast Results" methodology developed by Malaysia and is a results-driven approach through which clear plans on targets are set after which progress are continuously monitored. This approach has been applied to a number of focus areas in South Africa and agriculture was fortunate to receive the attention of this intervention. The outcome of the process is that there are 27 Operation Phakisa Initiatives which can be clustered into 6 focus areas: The latter are:

- a) Optimising the Management of Natural Resources
- b) Developing Skills and Capacity
- c) Funding and Finance
- d) Value Chain Development and Market Access
- e) Coordination and Knowledge Management
- f) Reconfiguring Space and Promoting Functional Rural Settlement.

The Department does not only focus on the achievement of national priorities, but it also has the responsibility towards the achievement of the goals and game changers of the Province. In the PSP a range of PSGs and Game Changers (GC) were identified and discussed in more detail. A summary of the five PSGs and seven GCs are provided in Table 5 and Table 6. The link between the Department's indicators and the various PSGs and GCs can be found in Table 7. Based on the role of farming, it is no surprise that 107 indicators can be linked to PSG 1 and 58 to PSG 4.

**Table 5: The five Provincial Strategic Goals in the Provincial Strategic Plan**

PSG	TITLE
1	Create opportunities for growth and jobs.
2	Improve education outcomes and opportunities.
3	Increase wellness, safety and tackle social ills.
4	Enable a resilient, sustainable, quality and inclusive living environment.
5	Embed good governance and integrated service delivery through partnerships and spatial alignment.



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In addition to being the theme of one of the DSGs, the agri processing sector is also one of the key economic sectors to be supported in PSG1. For this reason the WCDoA has placed specific focus on this sector of the provincial economy.

**Table 6: The seven Game Changers mentioned in the Provincial Strategic Plan**

NR	GAME CHANGER	DESCRIPTION
1	Energy Security	Achieving energy security to support economic growth
2	Vocational Skills	Vocational skills development with a specific focus on occupations that are critical to our priority economic sectors
3	E-Learning	Establishing e-learning in schools to improve academic results and prepare our youth for the 21st Century
4	After School	Significantly expanding attractive after-school opportunities for young people to participate in sport, cultural and academic activities
5	Alcohol Harms Reduction	Reducing the greatest harm caused by alcohol abuse, notably intentional and unintentional injuries
6	Better Living Model (Conradie)	Pioneering, through a major development in Cape Town, an integrated Better Living model that can pave the way for restructuring the apartheid legacy of our cities and towns
7	Broadband	Delivering high-speed broadband across the province

**Table 7: Summary of the link between indicators and PSGs as well as Game Changers**

PROG.	LINK TO PSG					LINK TO GAME CHANGER							TOTAL	
	1	2	3	4	5	1	2	3	4	5	6	7	PG	GC
1	11	6	0	4	9	3	7	0	0	0	0	0	30	10
2	2	1	0	26	0	0	1	0	0	0	0	0	29	1
3	23	0	8	0	0	0	7	0	0	0	0	0	31	7
4	19	0	0	0	0	0	0	0	0	0	0	0	19	0
5	17	0	0	17	0	0	0	0	0	0	0	0	34	0
6	20	0	0	2	0	0	0	0	0	0	0	0	22	0
7	12	12	0	0	0	0	12	0	0	0	0	0	24	12
8	3	2	7	9	7	0	1	0	0	1	0	0	28	2
<b>Total</b>	<b>107</b>	<b>21</b>	<b>15</b>	<b>58</b>	<b>16</b>	<b>3</b>	<b>28</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>217</b>	<b>32</b>

Whilst the Constitution of South Africa designates Agriculture as a concurrent function (see Section 2.1) between the national and provincial spheres of government, it is often the most important economic activity in most rural areas. Indeed, agriculture and agri processing (in other words, farming and its value chains) is the sector with the highest revealed comparative advantage in each of the five rural districts of the Western Cape. Tourism, often with very strong agricultural linkages, is in the second place in all districts meaning that agriculture and its linkages are irreplaceably linked to the economic wellbeing of rural areas. During October 2014 the Provincial Government had half-day strategic sessions with each of the 29 non-metro local governments of the Province. During this Joint Planning Initiative (JPI) the WCDOA was mentioned as an implementing agent in 64 strategic interventions of which it is to take the lead 18 times, provide support in 27 instances and was included in the "all" category a further 19 times. The 18 interventions where the Department is to take the lead can be clustered into the following six themes:

- a) Land reform;
- b) Agri processing;
- c) Support alternative industries;
- d) Share specific information;
- e) Existing support programmes, and
- f) Skills development.

### **3.1 Support the Provincial Agricultural Sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

Engineering services were provided to our agricultural clients by the programme Sustainable Resource Management, 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 our clients through 353 support initiatives, such as investigation reports, designs and completion certificates and additionally 505 clients were provided with ad hoc engineering advice or training.

The Programme continued with the commodity approach towards farmer support and development along the value chains, as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisation aimed at strengthening support to smallholder farmers through the provision of mentorship and access to markets. The commodity approach is simply an institutional arrangement that draws in multiple spheres of government and the private sector, each understanding their unique roles, working from the same plan, towards achieving the same outcomes. Through the commodity approach a total of 34 mentors were linked with smallholder farmers across commodities to facilitate access to markets and hence, contribute to their graduation into commercial farming, thereby, contributing to National Outcome 4, namely: Decent employment through inclusive economic growth.

In the support of exporters of animal products in the Western Cape Province, Veterinary Services, in particular Sub-programme: Export Control, issued 15 999 Veterinary Export Certificates to accompany export consignments out of the country and 2386 Veterinary Movement Permits to prepare export consignments for export from other provinces. State Veterinarians and Veterinary Public Health Officials performed 1405 export consignment inspections. Ninety-nine commercial exporters and 151 export-registered establishments in the province were supported to export products and to maintain approved export status in order to market in international markets. Unfortunately, it is not yet possible to report quantities and values of product exported. Due to personnel and resource constraints it was not yet possible to create and operate a formal data base for recording of export data and values using HS codes.

Research on market access opportunities and challenges is key to the successes of our small holder and commercial farmers. Market access not only includes focus areas like 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 our industries. The programme RTDS has contributed to the industry standards of various commodities, with special focus on the livestock industry, and has also continued with refinement of biosecurity measures of the ostrich industry as a prerequisite for entering the EU market. Research to improve ostrich leather quality with better production practises, has also contributed to higher quality skins and better prices obtained. Furthermore, our small stock breeding programme is also supporting better fine wool quality for the export market. Our Alternative Crops Fund (call four concluded in 2017/2018) is also supporting the smaller and niche alternative crop industries to do pivotal research towards production and market access, both local and international. A total amount of R6 915 731 has been spent in support of these industries.

Market access for all farmers is one of the key priorities to achieve PSG1 and departmental objectives. As a result, 140 agri-businesses were supported with agricultural economic services to access markets. These include local events like the Cape Made: Taste the Alternatives pavilion that has been held at the Cheese Festival. Targeted interventions for small holder farmers like the Market Access Programme are also part of this. Increased access to markets by small holder farmers is also one of the expected sub outputs of NO7. Complementary, 30 market information

reports have been produced and disseminated during this year. Supporting new and growing markets within BRICS and Africa are on top of the agenda of the Western Cape Department of Agriculture especially China and Angola are prioritised markets for wine and brandy under Project Khulisa. Hence the department has supported 12 international marketing platforms of which it was directly involved in five of these. The financial support (R1 million each) given to the wine and fruit industries to drive their ethical trade initiatives is also a response to one of the priorities of the Market Access Work Group i.e. to maintain market access in the existing established markets like the EU. The outcomes of this are the 943 participants that were trained on different modules of the ethical trade code. Also, the support helped to increase ethical trade membership within the province and was reported at 2 490 for both the fruit and wine industries at the end of the year.

The Programme: Structured Agricultural Education and Training contributed in a very significant way to human capital and skills development in the agricultural sector and continued to provide formal and non-formal training, on NQF levels 1-7, with a focus on youth, all farming groups, i.e. small-holder, subsistence and commercial farmers and agri-workers, in the agricultural sector in order to promote and support a knowledgeable, prosperous and competitive sector. A total of 3369 participants were trained in agricultural skills development programmes. On FET level, 62 learners registered for the National Qualification in Plant and Animal Production NQF 4. A Total of 80 learners graduated from these programmes in December 2017.

The Programme: Structured Agricultural Training offered 4 formal training programmes on HET level, namely, B.Agric, Diploma and Higher Certificate in Agriculture and the Certificate in Horse Mastership and Preliminary Riding Instruction to 468 students. A total of 132 students graduated from these programmes in December 2017, adding to the number of well-qualified agriculturalists to grow the sector.

### **3.2 Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

Appropriate engineering services were provided by SRM to land reform beneficiaries to increase the feasibility and sustainability of their farming enterprises. This was implemented through 142 mechanisation support initiatives, such as investigation reports, designs and completion certificates.

A total of 80 projects had been supported during the year reported on as follows: 8 Wine grapes, 12 Fruit, 1 Citrus, 6 Table grapes, 18 Grain, 13 Vegetables, 1 Vegetable seed, 17 Red meat (beef and sheep), 2 white meat (piggery and poultry) and 2 Aquaculture. Furthermore, a total of 34 mentors were linked with smallholder farmers to help facilitate access to markets which is critical for sustainability of businesses.

In order to enhance the visibility and accountability of the extension service, the Department continued with the use of Smart Pen technology as a tool to enable the capturing of advice rendered to farmers. In order to augment the limited extension resources, the Programme negotiated provision of extension services to farmers by the commodity partners involved in the commodity approach. In addition, eighty four (84) agricultural demonstrations and forty nine (49) farmers' days were delivered in an effort to strengthen the skills level of land reform farmers.

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 our research efforts and spatial intelligence tools have assisted in identifying resource limitations or opportunities, whilst our spatial analysis support (maps and other tools, like Cape Farm Mapper and CAMIS) were invaluable to our extension officers and farmers, to name but a few. Furthermore, the sustainability of land reform projects is also

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based on production technologies, and in this regard our research efforts have focussed on yield-increasing and/or cost-decreasing climate-smart technologies in plant and animal production. Our analytical services have furthermore provided pivotal information on water, soil and plant analyses that assisted in fertiliser recommendations and optimising production methods. Our information dissemination portfolio has expanded to also include smallholder farmers and their specific research and information needs. Our Animal Sciences Directorate has excelled in providing high quality genetic material to our smallholder farmers in a number of projects.

Targeted interventions for black small holder and commercial farmers within Programme: AES include the SimFini financial programme where 73 businesses were assisted with comprehensive support farm financial records including business compliance. The programme is also a custodian to a Black Farmer and Food Garden databases which have proven to be useful managerial tools to assist decision making and does provide baseline for certain land reform questions even though serious updates are required on these tools. The Programme also provides support to other funding mechanisms beyond CASP e.g. AgriBEE fund and awareness on other public and private sector products through farmer days and workshops. An information portal on this was established through the Elsenburg website. There is also a booklet that was compiled and updated on a regular basis to share at various events. The Market Access Programme is also a targeted intervention to improve the ability of black smallholder and commercial farmers to uptake market and related opportunities across the value chain. During the 2017/18 year there were 43 projects that received support through this programme. There are also targeted interventions within broader programmes like SIZA to address social and environmental compliance of 19 fruit farms that are part of the Jobs Fund. In addition, food safety is also prioritised in collaboration with Perishable Products Export Control Board (PPECB). Furthermore, Black producers are also targeted for international events such as the Market Access Study Tour that links with Fruit Logistica in Germany and also for Prowine China etc.

The Programme: Structured Agricultural Training in collaboration with the Farmer Support and Development unit presented a variety of skills programmes across the province to beneficiaries of CASP/ILIMA during this reporting period. This contributed to approximately 3369 beneficiaries trained in total, including training of agri-workers, smallholder farmers, subsistence farmers, commercial farmers and all other interested parties. In addition to this, emphasis on governance and quality assurance issues ensures quality training offered to all project beneficiaries in collaboration with the Programme: Farmer Support and Development.

Close collaboration by the department's Rural Development Programme with the Department of Labour and the Department of Social Development has enabled improved collective responses to the humanitarian pressures experienced on farms affected by both the prevailing drought and Avian Influenza outbreak, in order to sustain basic needs of affected families and maintain critical agri worker employment with farming enterprises.

Ongoing exposure of agri workers to social upliftment and development opportunities remains a high priority for the department as this contributes to their capability to participate in the sector and make a contribution to land reform initiatives and maintain farm productivity. To this end, four (4) agri worker projects were funded, which focussed mainly on: Substance Abuse Prevention focussing on Foetal Alcohol Syndrome (FAS) awareness and prevention campaigns, CareerWize, Technical Skills Development, and Rural Female Youth Mentoring programme. A total of seven hundred and eight (708) agri workers and family members were assisted through the referral system providing access to much needed services, which indirectly or directly impact on the agricultural enterprises that employ these agri workers.

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

A total of 565 irrigation farmers were provided with relevant water and irrigation information by the programme: Sustainable Resource Management 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 275 initiatives in mechanisation and conservation farming, on-farm value adding, farm structures and animal handling and riverbank erosion protection.

The implementing of Area Wide Planning projects in both the Berg and Breede rivers in accordance of NEMA regulations. These projects focused on the removal of alien biomass infestations along watercourses to rehabilitate natural infrastructure in collaboration with adjacent the landowners. These projects contributed significantly to water availability.

The Programme continued with the commodity approach towards farmer support and development along the value chains, as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisation aimed at strengthening support to smallholder farmers through the provision of mentorship and access to markets. Accordingly, a total of 80 projects had been supported during the year reported on as follows: 8 Wine grapes, 12 Fruit, 1 Citrus, 6 Table grapes, 18 Grain, 13 Vegetables, 1 Vegetable seed, 17 Red meat (beef and sheep), 2 white meat (piggery and poultry) and 2 Aquaculture. Through the commodity approach, 34 mentors were linked with smallholder farmers across commodities to facilitate access to markets and hence, contribute to their graduation into commercial farming, thereby, contributing to National Outcome 4, namely: Decent employment through inclusive economic growth.

Furthermore, a total of seventy one (71) community food security projects, sixteen (16) school food garden projects and 1 059 households were supported through the suitcase programme as a contribution to National Outcome 7, namely; Vibrant, equitable and sustainable rural communities with food security for all. Accordingly, a total of 1 478 beneficiaries had been reached and supported with means to produce own food.

Veterinary diagnostic services, include activities involved in the testing and confirmatory diagnosis of controlled/notifiable diseases such as Avian influenza, Newcastle disease, Brucellosis, etc., and other animal diseases. Data collected is used for epidemiological studies and mapping for provincial, national and international statistic purposes, and thus supports the maintenance of agricultural production.

Comprehensive, client-centred and problem-focussed research programmes and projects were executed by the Directorates of Animal and Plant Sciences, and supported by the Directorate Research Support Services. In order for agricultural producers (commercial and small holder) to sustain or increase their production, two critical factors, i.e. lower input technology (lower input cost) and higher output technology (production) have to be researched. This is furthermore of utmost importance against the challenges of climate change and the adoption and implementation of climate smart practises. New and adapted technology generated from cutting-edge research efforts has and will ensure that our producers are sustainable and competitive with limited natural resources (especially water and soil quality) and the changing environment and will secure the base to increase agricultural production by 10% over the next ten years. The *SmartAgri* project (Developing a Climate Change Framework and Implementation Plan for the agricultural sector) and its implementation plan will furthermore be of utmost importance in all climate smart agricultural operations across the entire value chain. In this regard, the partnership with

GreenCape and our green agri-portal was pivotal in providing our farmers with green solutions. Agriculture is one of the most important and one of the largest knowledge based sectors in South Africa, and science and technology with research as key cornerstone are important to underpin agrarian economic growth and to ultimately address food security and rural development. Our Western Cape Agricultural Research Forum (WCARF) is striving to coordinate all research efforts and optimise available research resources to increase the research support to our agricultural sector in the Western Cape and three meetings were held in 2017/18.

Through collaboration with 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 wine, table grapes, apples, pears, winter grains, dairy, meat, and potatoes. Some of these industries are among those with identified potential under the National Development Plan. This research is disseminated through a book and an annual event known as BFAP baseline launch. Included in the BFAP tools is the agribenchmark that generate sustainable, comparable, quantified information about farming systems in particular comparisons of typical farms (production systems, production costs, competitiveness, future development). Other complementary activities within the Programme include production economics research and services e.g. development of enterprise budgets which resulted into 26 new budgets that were developed while 47 of the existing budgets were updated during the year. Furthermore, 985 clients benefitted from agricultural economic advice which is based on other services provided by the programme. The Programme is also a contributor to the Alternative Crops Fund that assists niche industries with research funding that will ultimately lead to increased production, eliminate market access for increased exports and other expected outcomes.

The Programme: SAET partnered with various stakeholders in promoting and supporting skills development and capacity building in agriculture. Skills-based training was provided to 3369 farmers and farm-aids, while 468 students enrolled for full-time study in higher and further education training programmes. A total of 133 students graduated from these programmes and will enter the sector primarily as farmers, farm managers, assistant farm managers, supervisors, agriculturalists and agricultural advisors.

As part of the governance and quality assurance issues addressed, the intensified drive to establish and maintain subject- and curriculum committees ensures the active involvement of the agricultural industry, ensuring training offerings are in line with the training demand, latest technologies and development and all challenges faced, including relevant information included in the curriculum to ensure sustainable agricultural production.

Agricultural production should reap the results of agri worker development and agricultural skill development programmes. As contribution to this, four (4) agri worker projects were funded, which focussed mainly on: Substance abuse and Foetal Alcohol Syndrome (FAS) awareness and prevention campaigns, CareerWize, Technical Skills Development, and Rural Female Youth mentoring programme. A total of seven hundred and eight (708) agri workers and family members were assisted through the referral system providing access to much needed services, which indirectly or directly impact on the agricultural enterprises that employ these agri workers.

### **3.4 Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural production**

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The programme: SRM provided relevant information to 565 irrigators to assist them to increase their water use efficiency in order to produce more crops with less water. Relevant information on dry land grain and rooibos tea farmers was also provided to change from conventional farming to conservation farming practices in order to increase soil fertility and retain moisture in the soil.

The LandCare sub-programme implemented 57 projects in collaboration with both government and non-government partners. These projects were funded by LandCare, EPWP, BGCMA, CASP, DEADPL and the Green Economy in order to promote sustainable resource management objectives. In total more than 8 000 ha of agricultural land was protected and rehabilitated, and 34 000 days of employment created.

The Department's Unit for Technical Assistance (UTA) remains a critical platform for improved project planning by the Commodity Project Allocation Committee (CPAC) and provides a full suite of planning and assessment services that include environmental assessment and natural resources planning expertise. Accordingly, the UTA delivered the following outputs during the year reported on, namely; 1 Business Plan developed, 4 Viability studies and 24 legal inputs provided for the establishment of legal entities for smallholder farmers.

Given the persisting drought condition and municipal water restrictions, the Programme designed a household garden system (smart garden) that uses recycled water for irrigation to enhance household food production. In addition grain farmers had been exposed to climate smart agriculture messaging to help them embrace the new normal whilst improving soil quality.

The challenges of climate change have already dramatically impacted on the Western Cape, believed to be the province which will be affected most by this phenomenon. The current drought conditions are testimony of the challenges our sector and our research effort will have to mitigate in future. For this reason we have experienced a high demand for our research and technology development services to assist farmers in sustaining their production against a set of climate challenges. We have also increased our focus on climate smart research, 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 practises and possible new and alternative crops for the Western Cape. The SmartAgri plan and its implementation will ensure that our sector has a climate resilient and sustainable future. Several actions has been executed since the launch of the plan. Conservation agriculture (one of the priority projects identified in the SmartAgri plan) in the small grain and potato industry has received more attention and promotion in focussed technology transfer efforts. During 2017/18, 21 projects directly linked to climate smart production and technology development, was executed.

The programme is linked to research that is conducted through GreenCape e.g. on renewable energies, water, waste etc. The programme has been conducting a study on carbon footprint on departmental research farms which was updated regularly. To complement this, a recycling project was established as one of the mitigating measures. The carbon footprint space also led to a carbon calculator tool targeted at mixed farming with emphasis on small holder farmers that was completed as part of Masters Research. Further work on this is done in collaboration with Confronting Climate Change to take the tool to the next level. This will contribute immensely to the smart agri space as the existing calculators mainly favour mono cropping and large commercial farmers. There are also plans to take the carbon footprint studies to the next level e.g. target other industries that are not active at this space. The Department also developed a GreenAgri Portal in collaboration with GreenCape and the database is maintained on a regular basis. 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. A considerable effort is also placed on drought impact studies.

The promotion of sustainable farming practices forms a central theme in the teaching of students on both FET and HET levels. The Programme: Structured Agricultural Training (Sub-programme: Further Education and Training) promotes sustainable agricultural practices, i.e. present a module on sustainable farming practices, and 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 curriculum of all HET training programmes covers a substantial amount of course content on natural resource management. It is a module that is offered in each year of study. It forms a third of all course content, especially the Diploma in Agriculture.

### **3.5 Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities**

At the beginning of the 2016 the Department took the decision to embark on a structured process to strengthen its footprint in rural areas. In other words, to engage with clients, stakeholders and the youth in each of the 24 municipalities of the Province during the next couple of years. In addition to exposing clients to the Department's service offering, this programme also exposes young people to a whole range of careers in agriculture, agri workers gets trained on relevant issues such as their rights and previously disadvantaged farmers are invited to participate in the event. This initiative became known as the "Connect Agri" Campaign of the Department. It was soon realised that it makes sense to link Connect Agri to existing events in the various municipalities and In the 2016/17 financial year this campaign took place in George (25 – 27 August 2016) and Prince Albert (21 – 22 October 2016). In the 2017/18 year the focus moved to Cederberg Municipality (20 - 22 April 2017), Mosselbay Municipality (24 – 26 August 2017 at the George Show), Theewaterskloof Municipality (13 – 14 October 2017) and the Beaufort West Municipality (21 – 24 March 2018). Very positive feedback was received from all events where participation took place.

The Department also ensures that coordination takes place between its own activities and the contents of the IDPs of municipalities. As all municipalities had to develop new IDPs after the 2016 local government election, interactive workshops with the management of each programme was held to determine the appropriate elements to be included in the IDP of each municipality. The resulting recommended agricultural content, with relevant data held by the Department, was communicated to all municipalities in the Department. Regular feedback on progress with the Department's commitments to municipalities (either from the IDP consultation or JPI processes), is provided at the designated deadline. Finally, each link between municipal priorities and each indicator in the APP of the Department have also been mapped.

As a contribution towards the realisation of the SDG 2 in particular, the Programme championed the World Food Day (WFD) event held on 12 October 2017 in Villiersdorp, Theewaterskloof Municipality. As a contribution towards food and nutrition security, the Department supported a total of 9 community food gardens and 101 households with the means to produce own food for food security. The WFD event was delivered in collaboration with the Department of Water and Sanitation, South African Breweries (SAB) and civil society structures involved in the food space.

The establishment of new agricultural enterprises in rural areas was supported by the research and development portfolio of the department. This included the development and supplying of decision making tools (for example Cape Farm Mapper and CAMIS) and technical support in the judicious use of natural resources to optimise agricultural production with limited input. The programme has also availed livestock of superior genetic quality to small holder farmers to provide a quality livestock source for their farming operations. The *SmartAgri* project and its



implementation plan also include vulnerable rural communities and the envisaged outcomes will also be beneficial to these communities, and building a resilient workforce on farms.

All activities of Sub-programme 6.1 are targeted at farm level and therefore to rural areas. These therefore have direct or indirect socio economic impact in rural areas. One of the highlights is cooperative development support that is aimed at mobilising groups within communities to uptake opportunities in the agriculture and agribusiness sector. The Agribusiness Investment Unit has made a considerable contribution to achieve the above objective as the Unit has committed R756 million worth of investment in a number of projects during the 2017/18 financial year that a majority of these projects are in rural areas.

The Programme: 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 Councils of Stakeholders.

The Department holds joint responsibility with the national Department of Rural Development and Land Reform's (DRDLR) provincial Shared Services Centre and hence are in close collaboration with various stakeholders across the three spheres of government, private sector and civil society in working towards the achievement of the National Outcome 7. The NDP, Chapter 6 and the Provincial Strategic Plan (PSG 4), emphasises development imperatives in rural areas which are aligned to NO7. In order to secure rural communities' basic needs and social protection, the agricultural activities, services and industrial activities to stimulate economic diversification; investment and integrated approaches are needed. This will require the physical, social and financial infrastructure as support.

The provincial-wide Agri Worker Household Census has provided an improved understanding of the challenges currently faced in rural communities, which enabled the Department to share data with all departments in the province to steer resource allocation to programmes that could be responsive to the needs identified. The Census scope covered over one thousand (1000) variables across a spectrum of socio- economic themes providing a cross section of pressure points requiring attention. The findings have been shared with municipalities and departments. The establishment of a Provincial Rural Development Coordination Forum is one of the key recommendations, which has flowed from the Rural Development Think Tank's work this year. This should strengthen integration of rural development efforts across departments towards more efficient and sustainable approaches to 'development', social, economic, infrastructural and environmental, in specific rural landscapes.

The job losses experienced as a result of natural disasters calls for a rethink of human capital development and entrepreneurial opportunities, also considering the implications of the 4<sup>th</sup> industrial revolution on the agricultural sector. The high prevalence of social ills plaguing rural communities will also require innovative responses perhaps through support programmes geared at rural youths to pursue social entrepreneurship in the rural and agricultural space. This has already been initiated through rural youth capacity building strategic projects identified as a result of the census findings during the 2017/18 financial year.

### **3.6 Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019**

After the five PSGs of the Province was adopted by Provincial Cabinet, a further analytical and consultative phase followed during which interventions towards the achievement of each were developed. In the case of PSG 1 (Create opportunities for growth and jobs) three strategic sectors of the Western Cape economy was identified and one of these was agri processing (with

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its forward and backward linkages). The action plan to grow these three sectors became known as Project Khulisa and in the case of agri processing additional in-depth analysis and consultation resulted in fourteen priority levers (e.g. infrastructure development, international promotion, research infrastructure, etc.) and ten priority industries (e.g. brandy, wine, olive oil, beef, etc.) being identified. In each of these industries prominent business people and industry associations were extensively consulted with specific emphasis being placed on strengthening industry initiatives. Following this process, during which more than 180 organisations or individuals participated in the consultation alone, three strategic intents emerged. For each of these strategic intents, a list of initiatives, broken down into detailed activities, responsible institutions, responsible persons, deadlines, budget requirements and available financial resources was developed. Each of these activities received attention during the 2017/18 financial year. For the purpose of the Annual Report a summary of the initiatives is provided in Table 7.

**Table 7: Key initiatives to drive the various strategic intents of agri processing as priority sector**

STRATEGIC INTENT	INITIATIVE
Capture a larger share of the global Halal market	Establish appropriate governance structures in the Halal industry
	Establish a Halal certification standard
	Establish a Halal processing hub
	Promote SA Halal products in key markets
	Provide SMME and PDI access to the value chain
	Ensure skills supply meets demand
	Improve Halal data
Increase exports of wine and brandy to China and Angola	Develop and implement a campaign to promote SA wine and brandy in China
	Develop and implement a campaign to promote SA wine and brandy in Angola
	Domestic promotion of high-end brandy
	Develop appropriate irrigation infrastructure to grow production for future export (e.g. Brandvlei)
	Facilitate transformation in the wine and brandy industries
Improve local production capacity for domestic and key strategic markets	Develop a database of products which can be produced in the Western Cape
	Build residue and quality testing facilities
	Innovate and gain efficiency in agri processing
	Construct sterilisation / product consolidation facility
	Build skills required by agri processing sector
	Provide access for emerging farmers

It is apt to ask the question how effective these interventions were. If the information provided by the 2017 4th Quarter Labour Force Survey of Statistics South Africa is analysed, it is found that there are 192 744 jobs in the primary Agricultural Sector of the Western Cape (22,4% of South Africa's agri workers) and a further 131 057 agri processing workers in the Province. If the 107 424 support workers (e.g. security guards, cleaners, cooks, lawyers, etc.) backing these workers is to be added and double counting is corrected, it is found that 401 752 people of the Western Cape Province is currently working in the agri processing and related sectors of the provincial economy. Indeed, this is 17,3% of the 2,49 million people employed in the Province.

At the 4th quarter of 2014 (when Project Khulisa was started), there were 132 147 primary agriculture, 108 921 agri processing and 92 184 support workers in the Province; a total of 320 736 jobs. This means that 81 016 jobs has been created since Project Khulisa started. However, it must be remembered that, during the 2017/18 financial year, the Western Cape was experiencing one of the most devastating droughts in recorded memory and it can be expected that its impact should have made its presence felt in job creation. Indeed, by the 4<sup>th</sup> quarter of 2016 a total of 448 233 jobs existed in the agricultural and agri processing sectors of the economy; an increase of 127 497 jobs (40%) over the baseline of the 4<sup>th</sup> quarter of 2014. It follows that the target of adding 100 000 jobs by 2019 has already been surpassed during 2016, but the gains were eroded by the drought. Nevertheless, if it was not for the jobs created by Project Khulisa: agri processing, the impact of the drought would have been much more severe.

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The Project Khulisa Agri Processing intervention has also contributed to the achievement of other important growth targets. In the case of China the export of South African wine increased from 8,71 million litres in 2014 to 18,23 million litres in 2017. This is an increase of 9,52 million litres (109%) over the four years; a clear achievement of the target of doubling wine exports of South African wine to China. In the case of Angola the results proved to be somewhat more ambiguous. Over the first three years of Project Khulisa the oil-price crisis had a devastating effect on wine consumption in Angola. The result was that a number of suppliers from other countries decided to withdraw from the Angola market, but the Khulisa team decided to continue with the focus on Angola. At long last this decision started to show dividends with the export of South African wine to Angola increasing from 1,64 million litres in 2016 to 3,31 million litres in 2017; an increase of 102%.

On the Halal front similar positive results were achieved. From 2015 "Halal relevant" exports from the Western Cape increased by R900 million from R9,3 billion in 2015 to R10,2 billion in 2017; an increase of 9,7% over the baseline. At the same time the estimated export value secured during export promotion activities in the 2017/18 financial year amounted to R2,5 billion. R1,49 billion of this amount was secured during Halal missions.

It is important to note that partnerships were at the heart of the Project Khulisa: Agri processing approach. Hence without industry partners such as Wines of South Africa (WOSA) and public sector support from the Department of Economic Development and Tourism as well as Wesgro, these targets would not have been met.

Engineering services were provided to 5 farmers to assist them with on-farm value adding/agri-processing activities.

The sub-programme land use management provided comments and assistance to decision makers and policy makers to ensure that provisions were provided for agricultural industries on farms in line with spatial planning and environmental principles.

The Programme: Farmer Support and Development continued to support agri-processing initiatives in rural areas aimed at facilitating smallholder farmers' access into the value chain.

The research portfolio of programme RTDS included projects and actions to support the agri-processing part of the Project Khulisa game changer and its eminent role in the future of agriculture in the Western Cape. During 2017/18, 17 projects with a direct impact on agri-processing were executed. This included for example new production practises to improve leather quality in the ostrich industry and higher milk production and quality. Several projects are also indirectly in support of production and ways to increase job creation, economic development and also new and innovative products for the local and export market. An agri-processing research and development forum is operating as a working group of the Western Cape Agricultural Research Forum (WCARF), which also includes members of the tertiary institutions in the Western Cape with strong agri-processing capacity building initiatives and well-equipped laboratories and processing facilities.

Agri processing, the subsector has been receiving support from Programme: AES through market development initiatives like product promotions at local and international levels. For example, 11 of the 12 promotional events enabled by the department were targeted at processed products. Other support services include training, food safety compliance for processors, and AgriBEE fund facilitation. The subsector also benefited from the services of the Agribusiness Investment Unit that promotes and facilitates investment into the agriculture and agribusiness sector through Wesgro. Furthermore, a database on agri-processing business has been developed and is maintained on a regular basis. Through the Agrifutura project with the University of Stellenbosch the Programme: AES gave partial funding to six (6) students studying the agricultural economics and food science stream in an attempt to increase the pool of skills required capacity to support agri-processors.

Now that this is an official mandate for Programme AES: a lot of other service offering will be provided to the sector. The Programme also takes part in the National Agri-processing Forum where all role players involved in this space, especially in government discuss issues of common interest. An outcome of this is the Draft National Framework for Agro-processing given that it is a priority sector flowing from the National Development Plan. The Programme also plays a key role in the implementation and coordination of Project Khulisa initiatives in collaboration with the Department of Economic Development and Tourism and Wesgro.

The focus on agri- processing short skills courses will continue in the current financial year in order to enhance the agri processing capacity at both primary and secondary levels.

### **3.7 Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

Through the various human capital development programmes, one-hundred-and twenty-three (123,) beneficiaries were awarded bursaries for studies in agriculture, which include six (6) for scholarships and ten (10) for Young Professional Programme (YPP) students.

Sixty-nine (69) interns completed the twelve-month workplace experience, and twenty-six (26) previous PAY and APFYD interns have progressed to the learnership programme at the Elsenburg Agricultural Training Institute.

The ten (10) Young Professional Programme (YPP) students are on the masters programme with three (3) in the final stage of completing their degree. One of the students will complete a master's degree in agricultural engineering, a very scarce occupational category, after accepting the scholarship programme for a period of two years from grade eleven (11 to twelve (12), then on to the bursary programme for 4 years with short internships periods during vacation, and finally placed on the YPP for two years. After graduation, this YPP will have to work for three more years, and meet various professional requirements before submitting an application for ECSA registration. This clearly illustrates the lengthy and in-depth support required to eventually "produce" a qualified professional in the scarce occupational categories.

All the human capital programmes were marketed at the various events such as ConnectAgri and 11 career exhibitions organised by external stakeholders etc. A total of 4710 students were reached,

The external evaluation of all the external human capital development programmes will commence shortly to measure benefit and impact.

One candidate engineer and six candidate engineering technicians were part of the in-house training exercise to equip them for ECSA registration. One bursary student completed his B Eng. degree and has now been registered at the University of Stellenbosch for his M Eng. degree as part of our YPP programme.

Reaching 11 000 youth were reached through innovative initiatives that created awareness of the sensitive natural resources and the protection thereof.

The Programme: Farmer Support and Development had embarked on a skills audit process to ensure alignment between training interventions delivered and skills gaps identified within projects. Accordingly, a total of 2 462 farmers received training based on the results of the skills audit

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process across all the APAP value chains. In addition, 128 farmers received accredited training through the partnership arrangement with Kaap Agri academy.

The programme RTDS expanded on its partnerships with leading tertiary institutions in the Western Cape to firstly maintain, and secondly address the lack of critical and scarce skills in the sector. The MOAs with the University of Stellenbosch (SU) and Nelson Mandela University (NMU) will undoubtedly bring new opportunities of capacity building to the department, especially with regard to post-graduate studies, research collaboration at all levels and sharing of resources including equipment, infrastructure and facilities. The Western Cape Agricultural Research forum (WCARF) served as a pivotal conduit in this regard to optimise research resources and in identifying training needs and opportunities for the youth in agriculture, especially also in the agri-processing context. RTDS also participated in departmental human capital development initiatives which will furthermore strengthen the human resource base. This forms part of a comprehensive human development plan for the next five years, which focusses on the current skills base, succession planning, transformation of the researcher and technician levels and capacity building at all levels to ensure a sustained research and development human resource base with career and development opportunities for all. The plan also focuses on the appointment of women and people with disabilities.

A concern that remained was the inadequately prepared students for agricultural higher education from the education system with regard to the subjects of mathematics and science. At the same time it was extremely difficult for the department to recruit, attract and retain skilled and experienced staff. New models of collaboration with our commodity partners included opportunities for vocational experience for the young professionals in agriculture. The array of smart web-based and other technological tools developed at a rapid rate in RTDS and the department will undoubtedly also attract young people to agriculture, which has not been a popular sector for youth over many years. Due to the prevailing water challenges at Elsenburg, programme RTDS could not present its annual school days to expose primary school learners to the array of careers in agriculture.

One of the cornerstones of the Programme: AES to ensure a capable workforce is training of its staff. Officials were trained through attendance of courses, workshops, and conferences local and abroad. For conferences, a number of papers were written and presented as part of development and quality assurance by peers. In addition, the programme participated in departmental human capital development initiatives especially internally bursaries targeting critical and scarce skills of the programme and the department at large. The programme also embarked on external initiatives e.g. Agrifutura with the University of Stellenbosch. The aim of the project is to give strategic information and insights to agricultural decision makers in the Public, Private and Non-Governmental Organisations. The project gives the opportunity to reach this objective at relatively low costs. The reason for this is that focussed and relevant research is being done by post graduate students. The target is post graduate students from previously disadvantaged communities which are then given opportunity to get involved in the research process. Furthermore, knowledge transfer to existing staff was also done through collaboration with the Bureau for Food and Agricultural Policy (BFAP).

The Programme: Structured Agricultural Education and Training is in the process to renew all relevant accreditation to ensure that quality skills development courses are available and offered to the agricultural sector. Accreditation with the QCTO is in process with the focus on vocational training to contribute to the increase of skills development within the agricultural sector.

## **4 PERFORMANCE INFORMATION BY PROGRAMME**

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

The purpose of Programme 1: Administration is to manage and formulate policy directives as well as priorities and to ensure there is appropriate support service to all other Programmes with regard to finance, personnel, information, communication and procurement.

The Programme consists of the following sub-programmes:

- a) Office of the MEC
- b) Senior Management
- c) Corporate Services
- d) Financial Management
- e) Communication Services

To this end the Programme is pursuing the following strategic objectives:

- a) Strengthen the alignment between the three spheres of government.
- b) Provide well-maintained infrastructure and accommodation to support effective service delivery.
- c) Effecting the human capital development strategy to address the skills needs in the Department and sector.
- d) Ensure business continuity in the event of disasters or major interruptions.
- e) Good governance confirmed through efficient financial management and administration and governance embedded processes and systems according to the service delivery needs of the Department.
- f) Departmental activities effectively communicated.

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

As Programme 1: Administration provides the environment within which the rest of the Department operates, its objectives is focussed on creating this environment (please see above). It follows that the Programme's performance indicators and the various targets are structured to create this environment. The achievement of targets is discussed below.

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**Strategic objectives**

<b>Programme 1: Administration</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Senior Management</b> <b>S.1.2.1</b> National, provincial and local government objectives mapped	Yes	Yes	Yes	-	
<b>Senior Management</b> <b>S.1.2.2</b> Departmental Evaluation Plan developed and signed off by the HOD	Yes	Yes	Yes	-	
<b>Corporate Services:</b> <b>S.1.3.1</b> User Asset Management plan (UAMP) to ensure well-maintained Infrastructure and accommodation to support effective service delivery submitted annually	Yes	Yes	Yes	-	
<b>Corporate Services:</b> <b>S.1.3.2</b> Implementation of human capital development initiatives towards addressing the skills needs of the Department and sector	273	196	250	54	More bursaries could be awarded within the existing budget
<b>Corporate Services:</b> <b>S.1.3.3</b> Business continuity Plan developed and annually revised as necessary	Yes	Yes	Yes	-	
<b>Corporate Services:</b>	1	Yes	Yes	-	

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<b>Programme 1: Administration</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>S.1.3.4</b> Energy efficiency audits conducted on the remaining 5 research farms, awareness behavioural sessions and lighting blitzes conducted to obtain maximum energy efficiency					
<b>Financial Management:</b> <b>S.1.4.1</b> Good Governance confirmed through clean external audit opinion without other matters for the sub-programme: Financial Management and an annually updated Strategic Risk Register	Yes	Yes	No (outstanding)	Audit report 2016/17 outstanding	The department is in a dispute with the AGSA regarding the technical application of transfer payments vis a vis goods and services and capital items. This dispute is still unresolved.
<b>Communication Services:</b> <b>S.1.5.1</b> Number of communication interventions	23	23	23	-	

**Performance indicators**

<b>Sub-programme 1.2: Senior Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.1.2.1</b> Number of local government indabas in which the	Not reported on during this period	2	2	2	2	-	



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<b>Sub-programme 1.2: Senior Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
Department participated							
<b>P.1.2.2</b> Number of evaluations completed	Not reported on during this period	7	4	2	1	(1)	Due to a delay in finding appropriate service providers to do the LandCare evaluation and the industry request to assist with the WIETA evaluation, the second of the evaluations could not be completed before the end of the financial year.

<b>Sub-programme 1.3: Corporate Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.1.3.1</b> Coordination, consolidation and submission of the User Asset Management Plan (UAMP)	Yes	Yes	Yes	Yes	Yes	-	
<b>P.1.3.2</b> Number of interns given workplace experience:							
Premiers Advancement of Youth (PAY) interns	Not reported on during this period	46	41	30	30	-	
Graduate/ Student Interns	Not reported on during this period	48	27	20	20	-	Funding was used to accommodate more interns below into a learnership to ensure their continued development
Agricultural Partnership For Rural Youth Development (APFYD) interns	Not reported on during this period	54	32	30	18	(12)	A learnership opportunity became available and the APFYD project funds were used to accommodate 26 ex-PAY and APFYD interns on the

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<b>Sub-programme 1.3: Corporate Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
							learnership programme as it added to their further development and employability, and which include the shortfall of 12 interns.  The learnership also included a work experience aspect.
Number of internships awarded to gain workplace experience	32	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of learnerships awarded	20	Not reported on during this period	Not reported on during this period	Not reported on during this period	on during this period	-	
<b>P.1.3.3</b>							
<u>Number of bursaries awarded:</u>							
Internal (employees)	Not reported on during this period	53	65	50	54	4	Programmes budget allowed for additional bursaries.
External	Not reported on during this period	77	89	55	107	52	Target exceeded with 52. This is due to most students studying at FET colleges where study cost is less and allowed more bursaries to be awarded.
Young Professional Programme	Not reported on during this period	6	8	6	10	4	4 YPPs at honours level appointed.
Scholarships	Not reported on during this period	14	11	5	6	1	Scholars carried over from previous years.
Number of bursaries awarded for studies in agriculture	71	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>P.1.3.4</b> Departmental Business Continuity Plan annually reviewed and adjusted as necessary							
	Not reported on during this period	Yes	Yes	Yes	Yes	-	
<b>P.1.3.5</b>							
	Not reported on	Not reported on	1	Yes	Yes	-	

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<b>Sub-programme 1.3: Corporate Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
Energy efficiency audits conducted on the remaining 5 research farms	during this period	during this period					
<b>P.1.3.6</b> Number of energy awareness and behaviour modification sessions for staff bi-annually	Not reported on during this period	Not reported on during this period	Not reported on during this period	2	2	-	
<b>P.1.3.7</b> Number of lighting Blitz conducted on energy usage	Not reported on during this period	Not reported on during this period	Not reported on during this period	2	2	-	

<b>Sub-programme 1.4: Financial Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.1.4.1</b> Achieving a clean external audit opinion without other matters for Financial Management	Yes	Yes	Yes	Yes	No (outstanding)	Audit report 2016/17 outstanding	The department is in a dispute with the AGSA regarding the technical application of transfer payments vis a vis goods and services and capital items. This dispute is still unresolved.
<b>P.1.4.2</b> Achieving a clean external audit opinion without other matters for Supply Chain Management	Yes	Yes	Yes	Yes	No (outstanding)	Audit report 2016/17 outstanding	The department is in a dispute with the AGSA regarding the technical application of transfer payments vis a vis goods and services and capital items. This dispute is still unresolved.
<b>P.1.4.3</b>	Not reported on	Yes	Yes	Yes	Yes	-	

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Sub-programme 1.4: Financial Management							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Annually update the Strategic Risk Register through ERMCO	during this period						

Sub-programme 1.5: Communication Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Provincial Specific Indicators:</b>							
<b>P.1.5.1</b> Number of publications coordinated	11	11	11	11	11	-	
<b>P.1.5.2</b> Number of events coordinated	12	12	12	12	12	-	

**Contribution towards outcome of Department's Strategic Goals**

Programme 1: Administration provides a support function and through good governance and support enables the other programmes to achieve its objectives and reach the DSGs. Nevertheless, Programme 1 does provide very specific interventions which support the following DSGs as follows:

**Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities.**

The Directorate: Business Planning and Strategy is responsible for the coordination between the Department's activities and the contents of the IDPs of municipalities. As all municipalities had to develop new IDPs after the 2016 local government election, interactive workshops with the management of each programme was held to determine the appropriate elements to be included in the IDP of each municipality. The resulting recommended agricultural content, with relevant data held by the Department, was communicated to all municipalities in the Department. In regular feedback on

progress with the Department's commitments to municipalities (either from the IDP consultation or JPI processes), are provided at the designated deadline. Finally, each the link between municipal priorities and each indicator in the APP of the Department have also been mapped.

**Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019.**

The Programme has the responsibility to coordinate the agri processing part of Project Khulisa; not only within the Department, but between the various organs of state operating in the Province. Following an intensive analytical and consultative process, ten priority industries and three strategic intents were identified. For each of these strategic intents key initiatives with interventions, deadlines, responsible persons and budget allocations were developed. The process has since moved towards the coordination of implementing the initiatives, directly implementing some and to regularly report on progress and obstacles (See sections 2.4 and 3.6 for more detail).

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

Careers in agriculture were extensively marketed through the Connect Agri programme hosted at Clanwilliam, George, Villiersdorp and Beaufort-West. In total more than a thousand children were reached through this initiative. The Boschendal Skills Exhibition, hosted over 3 days also reached more than 500 children.

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

The human capital development programmes contribute directly or, indirectly to all the strategic goals.

Through the various human capital development programmes, one-hundred-and twenty-three (123,) were awarded bursaries for studies in agriculture, which include six (6) for scholarships and, ten (10) for Young Professional Programme (YPP) students.

Sixty-nine (69) interns completed the twelve-month workplace experience, and twenty-six (26) previous PAY and APFYD interns have progressed to the s programme at the Elsenburg Agricultural Training Institute.

The ten (10) Young Professional Programme (YPP) students are on the masters programme with three (3) in the final stage of completing their degree. One of the students will complete a master's degree in agricultural engineering, a very scarce occupational category, after accepting the scholarship programme for a period of two years from grade eleven (11 to twelve (12), then on to the bursary programme for 4 years with short internships periods during vacation, and finally placed on the YPP for two years . After graduation, this YPP will have to work for three more years, and meet various professional requirements before submitting an application for ECSA registration. This clearly illustrates the lengthy and in-depth support required to eventually "produce" a qualified professional in the scarce occupational categories. Since 2014 the Agricultural Professional Fellows Programme South Africa (APFP-SA), a one-year leadership programme has been added to the basket of human capital

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development. Twenty five (25) young employees and students on the Young Professional Programme completed the APFP.

The first group of young students and scholars from agricultural schools will engage in an exchange programme to Upper Austria under the international agreement between the two provinces. This will be followed by an Austrian group visit to the Western Cape later this year. An evaluation of the external human capital development programmes will commence shortly and will provide insight into the impact made.

A great deal of investment also went into the development of employees of the department to whom a total of 56 bursaries were awarded.

The aspect of transformation continued to be an integral part of human capital development.

**Strategy to overcome areas of under performance**

Underperformances were due to time delays and redirection of certain interns to learnerships. Greater care will be taken in both to come within target. The underperformance for Financial Accounting depends on the finalisation of the AGSA of the 2016/17 financial years.

**Changes to planned targets**

There were no changes to the planned targets.

**Linking performance with budgets**

This Programme has primarily a support function. Its value is in supporting the line functions of the Department to provide a professional service.

**Sub-programme expenditure**

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	6 871	6 871	-	6 885	6 885	-
Senior Management	14 151	14 151	-	16 600	16 600	-
Corporate Services	78 083	78 083	-	70 620	70 238	382
Financial Management	36 746	35 911	835	37 267	36 184	1 083
Communication Services	5 730	5 730	-	6 825	6 032	793
<b>Total</b>	<b>141 581</b>	<b>140 746</b>	<b>835</b>	<b>138 197</b>	<b>135 939</b>	<b>2 258</b>

## 4.2 Programme 2: Sustainable Resource Management

The programme: SRM delivers a support services to all farmers in the Province, and the major emphasis is to maintain and improve the current natural resources through 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 famers will compel this Programme to remain innovative.

The aim is to achieve this by providing sustainable resource management solutions and methodologies through the provision of agricultural engineering and LandCare services, pro-active communication, facilitation and implementation of projects as well as technology transfer to our clients and partners. The Programme is also responsible for the implementation and management of disaster aid schemes.

The Programme's purpose links directly to the NO 10: Environmental assets and natural resources that are well protected and continually enhanced and PSG4: Enable a resilient, sustainable, quality and inclusive living environment as well as supporting PSG1.

The 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**

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.

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**Strategic objectives**

<b>Sustainable Resource Management</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b><u>Engineering Services:</u></b> <b>S.2.1.1</b> Number of engineering services provided to support and increase agricultural production and optimise sustainable natural resource use	705	449	843	394	The number of engineering services rendered is demand driven. The over performance is being attributed to: <ol style="list-style-type: none"> <li>1. Farmers being desperate for advice and help as a result of the severe impact of the drought.</li> <li>2. Significant increase in the demand for training and advice with respect to Fruitlook</li> </ol>
<b><u>LandCare:</u></b> <b>S.2.2.1</b> Number of actions to promote the sustainable use and management of natural agricultural resources *	968	432	516	84	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects that created a desired condition of more employment.
<b><u>Land Use Management:</u></b> <b>S.2.3.1</b> Number of regulated land use actions to promote the implementation of sustainable use and management of natural agricultural resources *	918	900	774	(126)	Target could not be reached due to capacity constraints and representation of the WCDoA on various steering committees, mainly SDFs.
<b><u>Disaster Risk Management:</u></b> <b>S.2.4.1</b> Number of support services provided to clients with regards to agricultural disaster risk management	64	42	72	30	The number of Disaster Risk management services rendered is demand driven. The over performance is being attributed to: <ol style="list-style-type: none"> <li>1. 65 weather warnings reported on.</li> <li>2. 7 disaster schemes</li> </ol>



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Sustainable Resource Management					
Strategic objectives	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					managed.

\*Farm plans previously reported on with LandCare. For 2013/14 and 2014/15 moved from LandCare to Land Use Management to comply with national indicator prescripts. Back under LandCare from 2015/16 onwards.

**Performance indicators**

Sub-programme 2.1: Engineering Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.2.1.1</b> Number of agricultural infrastructure established	Not reported on during this period	4	13	18	11	(7)	Services for the establishment of infrastructure are demand driven. Due to the drought fewer requests were received than targeted and spare capacity was redeployed.
Final certificates issued for engineering construction	63	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.2.1.1</b> Number of agricultural engineering advisory reports prepared	335	230	276	130	253	123	The number of clients provided with advice is demand driven. The over performance is being attributed to farmers being desperate for help as a result of the severe impact of the drought.
<b>P.2.1.2</b> Number of designs with specifications for agricultural engineering solutions provided	96	67	57	70	71	1	Increase insignificant, however, will be regularly assessed for possible trend.
<b>P.2.1.3</b> Number of clients	261	358	357	225	505	280	The number of clients provided with advice is demand driven. The over performance is

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<b>Sub-programme 2.1: Engineering Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
provided with engineering advice during official engagements							being attributed to: 1. Farmers being desperate for advice and help as a result of the severe impact of the drought. 2. Significant increase in the demand for training and advice with respect to Fruitlook
<b>P.2.1.4</b> Number of reports detailing the departmental agri-processing activities	Not reported on during this period	1	1	1	1	-	
<b>P.2.1.5</b> Number of engineering designs for on-farm value adding	Not reported on during this period	-	-	3	-	(3)	Design services are demand driven. Due to the drought no requests were received and capacity was redeployed.
<b>P.2.1.6</b> Number of progress reports on development of additional water resources	Not reported on during this period	Not reported on during this period	1	1	1	-	
<b>P.2.1.7</b> Number of projects of pro-active maintenance of the Clanwilliam Dam canal system supported financially	Not reported on during this period	Not reported on during this period	Not reported on during this period	1	1	-	

**Sub-programme 2.2: LandCare**

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Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.2.2.1</b> Number of hectares protected / rehabilitated to improve agricultural production	Not reported on during this period	7 342	12 918	3 000	8 382	5 382	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects.
<b>T.2.2.2</b> Number of green jobs created	178	142	147	90	147	57	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects, which created a desired condition of more employment.
Number of farm land hectares improved through conservation measures	18 036	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of beneficiaries adopting practicing sustainable production technologies and practices	-	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.2.2.1</b> Number of awareness campaigns conducted on LandCare	6	6	6	6	6	-	
<b>P.2.2.2</b> Number of capacity building exercises conducted within approved LandCare projects	6	6	6	6	6	-	

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<b>Sub-programme 2.2: LandCare</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>P.2.2.3</b> Number of area wide planning	10	10	10	10	10	-	
<b>P.2.2.4</b> Number of protection works	85	36	28	30	50	20	Deviation due to construction of protection works in rivers with disaster funding.
<b>P.2.2.5</b> Number of drainage works	34	15	8	20	4	(16)	Deviation due to fewer requests from clients, which is normal in a drought, situation due to less waterlogging.
<b>P.2.2.6</b> Number of veld utilisation works	279	255	654	135	183	48	Deviation due to higher demand from clients to plan their veld resources during the drought.
<b>P.2.2.7</b> Number of EPWP person days	41 025	32 554	33 883	20 700	34 010	13 310	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects, which created a desired condition of more employment
<b>P.2.2.8</b> Number of youth attending Junior LandCare initiatives	10 340	16 310	20 433	7 000	11 572	4 572	Deviation due to more effective method of reaching youth that costs less per individual.
<b>P.2.2.9</b> Number of hectares alien trees cleared along rivers	Not reported on during this period	95	86	60	71	11	Deviation due to increase partnership funding in this project.
<b>P.2.2.10</b> Number of farm plans updated for sustainable farming purposes*	396	305	256	225	257	32	Deviation due to higher demand from clients to plan their farms during the drought.
<b>P.2.2.11</b> Number of river system improvement plans implemented	Not reported on during this period	1	1	1	1	-	
<b>P.2.2.12</b> Kilometres of fence	Not reported on during this	138	116	10	30.68	20.68	This deviation is due to the successful lobbying of funding from partners and the

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<b>Sub-programme 2.2: LandCare</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
erected **	period						successful implementation of projects.
<b>P.2.2.13</b> Number of actions to support the sustainable use of the riparian zone of the Berg River	Not reported on during this period	Not reported on during this period	Not reported on during this period	3	3	-	

\*Previously reported on with LandCare. For 2013/14 and 2014/15 moved from LandCare to Land Use Management to comply with national indicator prescripts. Back under LandCare from 2015/16 onwards.

\*\*Only new fence erected reported, some fences were also repaired.

<b>Sub-programme 2.3: Land Use Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.2.3.1</b> Number of hectares of agricultural land protected through guiding subdivision / rezoning / change of agricultural land use	Not reported on during this period	196	437	200	24	(176)	The target is demand driven. There was one application that resulted in the protection of agricultural land.
Number of recommendations made	900	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of farm plans completed*	396	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.2.3.1</b> Number of applications for	Not reported on during this period	816	918	900	774	(126)	Target could not be reached due to capacity constraints and representation of the WCDoA on various steering committees,

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<b>Sub-programme 2.3: Land Use Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
subdivision and rezoning of agricultural land commented on							mainly SDFs.

\* Farm plans previously reported on with LandCare. For 2013/14 and 2014/15 moved from LandCare to Land Use Management to comply with national indicator prescripts. Back under LandCare from 2015/16 onwards.

<b>Sub-programme 2.4: Disaster Risk Management</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.2.4.1</b> Number of disaster relief schemes managed	Not reported on during this period	3	3	2	7	5	Due to the occurrence of multiple disasters, schemes are been managed concurrently.
<b>T.2.4.2</b> Number of disaster risk reduction programmes managed*	Not reported on during this period	-	-	-	-	-	
<b>Provincial Specific Indicators:</b>							
<b>P.2.4.1</b> Number of early warning advisory reports issued	34	41	64	40	65	25	Due to climate change, extreme weather conditions are increasing.

\* Subject to funding made available from DAFF

**Contribution towards outcome of Department's Strategic Goals**

**Support the Provincial Agricultural Sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

Engineering services were provided to our agricultural clients by the programme Sustainable Resource Management 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 our clients through 353 support initiatives, such as investigation reports, designs and completion certificates and additionally 505 clients were provided with ad hoc engineering advice or training.

The Berg River Agri-Tourism strategy and action plan were developed as part of the Green Economy.

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

Appropriate engineering services were provided by SRM to land reform beneficiaries to increase the feasibility and sustainability of their farming enterprises. This was done through 142 mechanisation support initiatives such as investigation reports, designs and completion certificates.

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

A total of 565 irrigation farmers were provided with relevant water and irrigation information by the programme: Sustainable Resource Management to assist them to optimally utilise the natural resources available to them to increase production whilst using the same water allocation. Farmers were furthermore assisted with 275 initiatives in mechanisation and conservation farming, on-farm value adding, farm structures and animal handling and river bank erosion protection.

The Area Wide Planning projects were implemented in the Berg and Breede rivers in accordance of NEMA regulations. These projects focused on the removal of alien biomass infestations along watercourses to rehabilitate natural infrastructure and were in collaboration with adjacent the land-owners. These projects contributed significantly to water availability.

**Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural production**

The programme: SRM provided relevant information to 565 irrigators in order to assist them to increase their water use efficiency, to produce more crops with less water and provided relevant information to dry land grain and rooibos tea farmers to change from conventional farming to conservation farming practices to increase soil fertility and retain moisture in the soil.

The LandCare sub-programme implemented 57 projects in collaboration with government and non-government partners. These projects were

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funded by LandCare, EPWP, BGCMA, CASP, DEADPL and the Green Economy to promote sustainable resource management objectives. In total more than 8000 ha of agricultural land was protected and rehabilitated, and 34 000 days of employment created.

**Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019**

Engineering services were provided to 5 farmers to assist them with on-farm value adding/agri-processing activities.

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

One candidate engineer and six candidate engineering technicians were part of the in-house training exercise to equip them for ECSA registration. One bursary student completed his B Eng degree and has now been registered at University of Stellenbosch for his M Eng degree as part of our YPP programme.

Reaching 11 000 youth with innovative initiatives to raise awareness of the sensitive natural resources and the protection thereof.

**Strategy to overcome areas of under performance**

The services provided to the Department's clients are demand driven. All requests received during the year were responded to. The current economic/drought situation played an important role on the types of services being requested from the Department. Additionally, the significant over-performance of engineering services is attributed to farmers being desperate for engineering support services under the severe drought conditions.

**Changes to planned targets**

The Programme's performance was in line with budgeted financial resources.

**Sub-programme expenditure**

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Engineering Services	38 425	36 859	1 566	20 492	20 354	138
LandCare	34 668	34 019	649	34 601	29 114	5 487
Land Use Management	1 021	1 021	-	1 030	1 000	30
Disaster Risk Management	80 447	79 134	1 313	66 206	66 040	166
<b>Total</b>	<b>154 561</b>	<b>151 033</b>	<b>3 528</b>	<b>122 329</b>	<b>116 508</b>	<b>5 821</b>



### 4.3 Programme 3: Farmer Support and Development

The purpose of the Programme is to provide support to farmers through agricultural development programmes.

The sub-programmes are:

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

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

**Farmer Settlement and Development:** To facilitate, coordinate and provide support to smallholder and commercial farmers through sustainable agricultural development within agrarian reform initiatives.

**Extension and Advisory Services:** To provide extension and advisory services to farmers.

**Food Security:** To support, advise and coordinate the implementation of pillar one of the Integrated Food Security Strategy of South Africa (IFSS-SA).

**Casidra SOC Ltd:** To support the Department with project implementation and state farm management.

#### **Strategic objectives**

Farmer Support and Development					
Strategic objectives	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b><u>Farmer Settlement and Development:</u></b> <b>S.3.1.1</b> Number of farm	210	192	220	28	Target exceeded due to increased demand for farm plans and assessments from the DRDLR as part of the land reform

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<b>Farmer Support and Development</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
assessments and farm plans completed for smallholder and commercial farmers within the agrarian reform initiatives					programme. In addition, farm plans and assessments were also requested by farmers as they apply for financial assistance from financial institutions.
<b><u>Extension and Advisory Services:</u></b> <b>S.3.2.1</b> Number of site visits to subsistence, smallholder and commercial farmers to deliver extension and advisory services	4 300	4 015	4 180	165	Target exceeded, an increased number of site visits were conducted to farmers with support from the commodity partners. In addition, the visits were aimed at creating awareness on climate smart agriculture which is critical for mitigating drought.
<b><u>Food Security:</u></b> <b>S.3.3.1</b> Number of food security projects implemented as per integrated Food Security Strategy of SA (IFSS-SA)	1 373	1 173	1 146	(27)	Target not met due to persisting drought in the Province coupled with municipal water restrictions. In addition, a number of boreholes and well points had run dry, thereby making it difficult for communities to produce.
<b><u>Casidra SOC Ltd:</u></b> <b>S.3.4.1</b> Number of agricultural projects facilitated	60	44	45	1	Target exceeded, due to additional support received from the commodity organisations, i.e. the jobs fund programme and Grain SA support to producers in the sector.

**Performance indicators**

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<b>Sub-programme 3.1: Farmer Settlement and Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.3.1.1</b> Number of smallholder producers receiving support	83	55	56	60	45	(15)	Target not met, due to persisting drought and the outbreak of the highly pathogenic avian influenza which led to postponement on the implementation of poultry projects. In addition, the curtailment of agricultural meant delays in the planting of trees within the fruit sector.
<b>Provincial Specific Indicators:</b>							
<b>P.3.1.1</b> Number of farm plans completed	113	123	104	98	110	12	Target exceeded due to increased demand for farm plans from the DRDLR as part of the land reform programme. In addition, farm plans were also requested by farmers as they apply for financial assistance from financial institutions.
<b>P.3.1.2</b> Number of commercial farmers supported	35	35	38	28	35	7	Target exceeded, due to additional support received from the commodity organisations, i.e. the jobs fund programme and Grain SA support to producers in the sector.
<b>P.3.1.3</b> Number of farm assessments completed	134	118	106	94	110	16	Target exceeded due to increased demand for farm assessments from the DRDLR as part of the land reform programme. In addition, farm assessments were also requested by farmers as they apply for financial assistance from financial institutions.
<b>P.3.1.4</b> Number of district land reform summit facilitated	Not reported on during this period	1	1	1	1	-	
<b>P.3.1.5</b> Number of District Land Reform Committee meetings attended	Not reported on during this period	12	18	20	13	(7)	Target not met, a number of DLRC meetings were postponed as the chairpersons had still not received their appointment letters from DRDLR.

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Sub-programme 3.2: Extension and Advisory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.3.2.1</b> Number of smallholder producers supported with agricultural advice	1 765	2 007	1 841	1 620	1 620	-	
<b>Provincial Specific Indicators:</b>							
<b>P.3.2.1</b> Number of projects supported through mentorship	26	48	30	36	34	(2)	Target not met, due to a reduction in the number of smallholder producers supported as a result of the drought and the outbreak of the HPAI in the Province.
<b>P.3.2.2</b> Number of agricultural businesses skills audited	67	113	83	80	80	-	
<b>P.3.2.3</b> Number of farmers supported with advice	4 546	4 714	4 300	4 015	4 180	165	Target exceeded, an increased number of site visits were conducted to farmers with support from the commodity partners. In addition, the visits were aimed at creating awareness on climate smart agriculture which is critical for mitigating drought.
<b>P.3.2.4</b> Number of agricultural demonstrations facilitated	75	76	82	70	84	14	Target exceeded, as there was an increased demand for agricultural demonstrations from the farmers and the sub programme responded accordingly with the support from commodity partners.
<b>P.3.2.5</b> Number of farmers' days held	31	38	37	28	49	21	Target exceeded, as there was an increased demand for farmers' days from the farmers and the sub-programme responded accordingly with the support of the commodity partners.
<b>P.3.2.6</b> Number of	10	10	10	10	10	-	

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Sub-programme 3.2: Extension and Advisory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
commodity groups supported							
<b>P.3.2.7</b> Number of agri-processing businesses supported in rural areas	Not reported on during this period	2	1	3	2	(1)	Target not met, the project in question was linked to poultry production and it has since been postponed given the outbreak of the HPAI.
Number of farm visits to small holder farmers to provide advice and contribute to successful land reform	1 765	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	

Sub-programme 3.3: Food Security							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.3.3.1</b> Number of households benefiting from agricultural food security initiatives	1 356	1 497	1 270	1 080	1 059	(21)	Target not met due to persisting drought in the Province coupled with municipal water restrictions.
<b>T.3.3.2</b> Number of hectares	Not reported on during this period	1 710	705	800	1 818.4	1 018.4	Target exceed, as more hectares were planted with the support from commercial agriculture and also the fact that farmers had

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<b>Sub-programme 3.3: Food Security</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
cultivated for food production in communal areas and land reform projects							begun to embrace conservation agriculture particularly in the grain sector as a way to mitigate the impact of drought.
Number of food security status reports compiled	4	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.3.3.1</b> Number of community food security projects supported	103	121	78	73	71	(2)	Target not met due to persisting drought in the Province coupled with municipal water restrictions. In addition, a number of boreholes and well-points had run dry, thereby making it difficult for communities to produce.
<b>P.3.3.2</b> Number of participants in community food security projects	674	725	692	438	374	(64)	Target not met, as a number of community food gardens supported opted to maintain smaller size groups which had proven to work well for them and the Department has no control on the matter.
<b>P.3.3.3</b> Number of school food gardens supported	33	20	25	18	16	(2)	Target not met due to persisting drought in the Province coupled with municipal water restrictions. In addition, a number of boreholes and well-points had run dry, thereby making it difficult for school projects to produce.
<b>P.3.3.4</b> Number of *participants in school food gardens	102	76	118	108	45	(63)	Target not met, as a number of school food gardens supported opted to maintain smaller size groups which had proven to work well for them and the Department has no control on the matter.
<b>P.3.3.5</b> Number of food security awareness campaigns held	1	1	1	1	1	-	
<b>P.3.3.6</b> Number of city farm projects supported	Not reported on during this period	Not reported on during this period	Not reported on during this period	2	2	-	

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\*Participants refer to those working in the project and not the learners.

<b>Sub-programme 3.4: Casidra SOC Ltd</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.3.4.1</b> Number of agricultural projects facilitated outside of commodity structures	18	11	12	8	5	(3)	Target not met, as fewer projects were supported outside the commodity structures.
<b>P.3.4.2</b> The day to day management of the provincial state farms with a view towards breaking even	3	3	3	3	3	-	
<b>P.3.4.3</b> Number of agricultural projects facilitated within commodity structures	48	42	48	36	40	4	Target exceeded, due to additional support received from the commodity organisations, i.e. the jobs fund programme and Grain SA support to producers in the sector.

**Contribution towards outcome of Department's Strategic Goals**

**Support the Provincial Agricultural Sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

The Programme continued with the commodity approach towards farmer support and development along the value chains as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri-processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisations aimed at strengthening support to smallholder farmers through the provision of mentorship and access to markets. The commodity approach is an institutional arrangement that draws on multiple spheres of government and the private sector, each understanding their unique roles, working from the same plan, towards achieving the same outcomes. Through the commodity approach, a total

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of 34 mentors were linked with smallholder farmers across commodities to facilitate access to markets and contribute to their graduation into commercial farming, thereby, contributing to National Outcome 4, namely: Decent employment through inclusive economic growth.

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

A total of 80 projects had been supported during the year reported on as follows: 8 Wine grapes, 12 Fruit, 1 Citrus, 6 Table grapes, 18 Grain, 13 Vegetables, 1 Vegetable seed, 17 Red meat (beef and sheep), 2 white meat (piggery and poultry) and 2 Aquaculture. Furthermore, a total of 34 mentors were linked with smallholder farmers to help facilitate access to markets which is critical for sustainability of businesses.

In order to enhance the visibility and accountability of the extension service, the Department continued with the use of Smart Pen technology as a tool to enable the capturing of advice rendered to farmers. In order to augment the limited extension resources, the Programme negotiated provision of extension services to farmers with the commodity partners involved in the commodity approach. In addition, eighty four (84) agricultural demonstrations and forty nine (49) farmers' days were delivered in an effort to strengthen the skills level of land reform farmers.

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

The Programme continued with the commodity approach towards farmer support and development along the value chains as prescribed in the Agriculture Policy Action Plan and the Revitalisation of Agriculture and Agri processing Value Chains (RAAVC). There are currently 10 strategic partnership arrangements with commodity organisation aimed at strengthening support to smallholder farmers through the provision of mentorship and access to markets. Accordingly, a total of 80 projects had been supported during the year reported on as follows: 8 Wine grapes, 12 Fruit, 1 Citrus, 6 Table grapes, 18 Grain, 13 Vegetables, 1 Vegetable seed, 17 Red meat (beef and sheep), 2 white meat (piggery and poultry) and 2 Aquaculture. Through the commodity approach a total of 34 mentors were linked with smallholder farmers across commodities to facilitate access to markets and hence, contribute to their graduation into commercial farming, thereby, contributing to National Outcome 4, namely: Decent employment through inclusive economic growth.

Furthermore, a total of seventy one (71) community food security projects, sixteen (16) school food garden projects and 1 059 households were supported through the suitcase programme as a contribution to National Outcome 7, namely; Vibrant, equitable and sustainable rural communities with food security for all. Accordingly a total of 1 478 beneficiaries had been reached and supported with means to produce own food.

**Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural production**



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The Department's Unit for Technical Assistance (UTA) remains a critical platform for improved project planning by the Commodity Project Allocation Committee (CPAC) and provides a full suite of planning and assessment services that include environmental assessment and natural resources planning expertise. Accordingly, the UTA delivered the following outputs during the year reported on, namely; 1 Business Plan developed, 4 Viability studies and 24 legal inputs provided for the establishment of legal entities for smallholder farmers.

Given the persisting drought condition and municipal water restrictions, the programme designed a household garden system (smart garden) that uses recycled water for irrigation to enhance household food production. In addition grain farmers had been exposed to climate smart agriculture messaging to help them embrace the new normal while improving soil quality.

**Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities**

As a contribution towards the realisation of the SDG 2, the Programme championed the World Food Day event held on 12 October 2017 in Villiersdorp, Theewaterskloof Municipality. As a contribution towards food and nutrition security, the Department supported a total of 9 community food gardens and 101 households with the means to produce own food for food security. The WFD event was delivered in collaboration with the Department of Water and Sanitation, South African Breweries (SAB) and civil society structures involved in the food space.

**Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019**

The Programme: Farmer Support and Development continued to support agri processing initiatives in rural areas aimed at facilitating smallholder farmers' access into the value chain.

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

The Programme: Farmer Support and Development embarked on a skills audit process to ensure alignment between training interventions delivered and skills gaps identified within projects. Accordingly, a total of 2 462 farmers received training based on the results of the skills audit process across all the APAP value chains. In addition, 128 farmers received accredited training through the partnership arrangement with Kaap Agri academy.

**Strategy to overcome areas of under performance**

The FSD Programme will intensify efforts around awareness creation for the use of recycled water for irrigation mainly for subsistence farmers given the current reality with regard to municipal water restrictions.

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**Changes to planned targets**

There were no changes to the planned targets.

**Linking performance with budgets**

The Programme's performance is in line with budgeted financial resources.

**Sub-programme expenditure**

Sub- Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Farmer Settlement and Development	202 148	202 148	-	187 666	187 666	-
Extension and Advisory Services	33 280	33 280	-	36 466	36 466	-
Food Security	9 833	9 833	-	9 644	9 644	-
Casidra SOC Ltd	22 283	22 283	-	21 100	21 100	-
<b>Total</b>	<b>267 544</b>	<b>267 544</b>		<b>254 876</b>	<b>254 876</b>	-

**4.4 Programme 4: Veterinary Services**

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

The programme executes its mandate from the four sub-programmes:

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

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

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

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**Animal Health:**

Detection, prevention and control or eradication of significant animal diseases.

**Export Control:**

Provide an enabling environment for export certification for animals and animal products from the Western Cape Province.

**Veterinary Public Health:**

Fulfil a mandatory legislative role through implementation of the Meat Safety Act (Act 40 of 2000), the Animal Diseases Act (Act 35 of 1984) and other relevant legislations.

**Veterinary Laboratory Services:**

Render an efficient and appropriate veterinary diagnostic service.

**Strategic objectives**

Veterinary Services					
Strategic objectives	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b><u>Animal Health:</u></b> <b>S.4.1.1</b> Number of animals surveyed for diseases	1 270 867	800 000	1 251 410	451 410	The target number of animals surveyed is determined on average of surveillance under normal circumstances. The over production is due the outbreak of several controlled animal disease such as Avian Influenza, Brucellosis, Rabies etc. that required additional surveillance
<b><u>Export Control:</u></b> <b>S.4.2.1</b> Number of clients serviced for animal and animal products export control	385	405	384	(21)	Fewer exports took place this year due to the outbreak of HPAI in the country and the ban on the export of meat and meat products to the EU.
<b><u>Veterinary Public Health:</u></b> <b>S.4.3.1</b> % level of abattoir compliance to meat safety	73	60	71.95	11.95	Audits conducted at facilities according to annual audit plan. Audited abattoirs on average maintained a higher score than

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<b>Veterinary Services</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
legislation					the minimum standard to remain in production.
<b><u>Veterinary Laboratory Services:</u></b> <b>S.4.4.1</b> Number of specimens tested	214 852	230 000	225 962	(4 038)	During the report period, the laboratory saw an increase in samples submitted for Avian flu and Pigeon Newcastle diseases due to these ongoing outbreaks, BUT an overall decrease in other tests was noted hence a decline in the actual figures. More samples were anticipated but less were submitted to the laboratory, due to various reasons: 1. The VPH section still experienced a steady decline in the number of samples submitted, as the imported poultry meat samples that used to be received from the SV at DAFF (Cape Town harbour) have since been directed to nearer private laboratories due to budget constraints. 2. Less abattoir samples were brought in to the VPH section. 3. The Parasitology section closed down due to unfunded vacant post. 4. Some other test methods that had to be suspended due to personnel shortages include mastitis, sheath wash testing, etc. 5. Dourine testing had to be suspended by the laboratory, due to unavailability of a critical reagent produced by OBP. 6. BVD is among some of the other test methods that were suspended, as it was no longer financially feasible for the laboratory to continue

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Veterinary Services					
Strategic objectives	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
					testing for it.

**Performance indicators**

Sub-programme 4.1: Animal Health							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.4.1.1</b> Number of epidemiological units visited for veterinary interventions	Not reported on during this period	10 776	14 918	10 000	14 245	4 245	Compulsory increased disease surveillance for AI in backyard poultry, ostriches, wild seabirds and Brucellosis in dairy cattle contributed to the over performance of this indicator
Number of animal vaccinations against controlled animal diseases	85 370	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of primary animal health care (PAHC) interactions held	2 621	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of official	3 088	Not reported on	Not reported on	Not reported	Not reported	-	

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<b>Sub-programme 4.1: Animal Health</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
veterinary movement documents issued		during this period	during this period	on during this period	on during this period		
Number of animals sampled/tested for disease surveillance purposes*	219 026	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of animal inspections for regulatory purposes*	3 467	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.4.1.1</b> Number of cats and dogs vaccinated against Rabies	Not reported on during this period	93 254	92 197	68 000	95 548	27 548	All new Rabies cases in wild animals required immediate action leading to additional follow up Rabies vaccination of companion animals in close proximity of the outbreak which led to over performance of this indicator
<b>P.4.1.2</b> Number of cattle tested by the intra-dermal test for Bovine Tuberculosis	Not reported on during this period	78 883	102 859	65 000	76 871	11 871	Due to catch up on the backlog of outstanding TB tests the target was exceeded
<b>P.4.1.3</b> Number of cattle serum sampled and serologically tested for Brucellosis	Not reported on during this period	108 508	115 266	65 000	105 299	40 299	Bi-monthly retesting of Brucellosis positive herds contributed to increased sero sampling causing the over performance
<b>P.4.1.4</b> Number of animals surveyed for diseases other than rabies, Bovine Tuberculosis and	Not reported on during this period	Not reported on during this period	Not reported on during this period	602 000	1 185 440	583 440	Increased on farm disease surveillance necessary to detect high risk diseases (AI, NCD, etc.) contributed to the over performance.

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<b>Sub-programme 4.1: Animal Health</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
Brucellosis							
<b>Sub-programme 4.2: Export Control</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.4.2.1</b> Number of clients serviced for animal and animal products export control	Not reported on during this period	397	385	405	384	(21)	Fewer exports took place this year due to the outbreak of HPAI in the country and the ban on the export of meat and meat products to the EU.
Number of veterinary export certificates issued	2 254	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of export establishments registered	138	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.4.2.1</b> Number of export establishment audits conducted	132	168	146	172	152	(20)	Less growth in the export market than originally expected. This was due to the outbreak of HPAI during June 2017 and the suspension of export of ostrich meat and meat products to the EU on 28 February 2018.
<b>P.4.2.2</b> Number of samples collected for National Chemical Residue Control Programme at export	97	95	138	146	137	(9)	Less samples collected due to one EU export abattoir no longer exporting due to the outbreak of HPAI in the country.

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<b>Sub-programme 4.2: Export Control</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
establishments							
<b>P.4.2.3</b> Number of export certificates issued	Not reported on during this period	Not reported on during this period	Not reported on during this period	17 600	15 999	(1 601)	Less export took place due to the outbreak of HPAI during June 2017 and the suspension of export of ostrich meat and meat products to the EU on 28 February 2018. This service is demand driven.
<b>P.4.2.4</b> Number of movement certificates issued	Not reported on during this period	Not reported on during this period	Not reported on during this period	1 600	2 386	786	More movement certificates issued indicates increased exports of Western Cape produced products from other provinces.

<b>Sub-programme 4.3: Veterinary Public Health</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.4.3.1</b> % level of abattoir compliance to meat safety legislation	Not reported on during this period	51	73	60	71.95	11.95	Audits conducted at facilities according to annual audit plan. Audited abattoirs on average maintained a higher score than the minimum standard to remain in production.
Number of abattoir inspections conducted	305	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of inspection facilities processing animal products and by-products inspected	56	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of abattoirs registered	55	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	



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<b>Sub-programme 4.3: Veterinary Public Health</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.4.3.1</b> Number of public awareness sessions held	23	33	30	25	25	-	
<b>P.4.3.2</b> Number of food safety audits conducted	Not reported on during this period	Not reported on during this period	Not reported on during this period	55	53	(2)	Not all facilities could be audited according to the annual audit plan due to variations in their production cycles.
Number of illegal slaughter investigations held	16	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of BSE samples to collect	516	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Sub-programme 4.4: Veterinary Laboratory Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.4.4.1</b> Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	Not reported on during this period	154 334	174 925	190 000	198 297	8 297	During this report period the province got to experience a Highly Pathogenic Avian Influenza (H5N8) outbreak (which is currently still circulating). The laboratory saw an increase in a number of samples submitted for surveillance and diagnostic purposes as a result of this outbreak, especially in our PCR, Post mortem, Serology and Virology sections. Another outbreak also surfaced during this period and this one being the Newcastle disease of pigeons, which also contributed to a higher than usual sample

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<b>Sub-programme 4.4: Veterinary Laboratory Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
							submission. Also due to some provincial laboratories still not being ISO 17025 accredited and DAFF approved, and thus not allowed to test for controlled diseases, this had led to an increased number of samples submitted to the laboratory.
Number of tests performed	189 513	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of control audit reports	224	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.4.4.1</b> Total number of specimens tested for Controlled/ Notifiable diseases tested	146 667	159 465	187 067	200 000	209 842	9 842	There were outbreaks in both controlled diseases, i.e. Avian influenza and Newcastle disease, during this report period. The outbreaks of Highly Pathogenic Avian Influenza and PPMV (Pigeon Newcastle disease) both contributed to the higher than anticipated number of samples. No one has control on the occurrence of animal disease outbreaks.
<b>P.4.4.2</b> Total number of Veterinary Public Health samples tested	2 378	1 945	1 331	1 800	711	(1 089)	During the report period the VPH section experienced a steady decline in the number of samples submitted, as their major client SV DAFF, who brought samples for testing i.e. the imported poultry meat samples, no longer does so. This is because due to budget cuts, the samples have since been directed to nearer private laboratories. Also, less abattoir samples were brought in for testing in our VPH section.
<b>P.4.4.3</b> Number of samples tested for smallholder farmers	2 582	2 416	3 341	2 500	1 670	(830)	Lower numbers of samples were brought in for testing than were anticipated, during this report period. Farmers could have shifted their focus to attempting to implement

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Sub-programme 4.4: Veterinary Laboratory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
							biosecurity measures in their farms as a result of increased awareness and sensitization around the issue of the occurrence of animal disease outbreaks such as the bird flu.
<b>P.4.4.4</b> Number of specimens tested	173 081	185 004	214 852	230 000	220 448	(9 552)	During the report period, the laboratory saw an increase in samples submitted for Avian flu and Pigeon Newcastle diseases due to these ongoing outbreaks, BUT an overall decrease in other tests was noted hence a decline in the actual figures. More samples were anticipated but less were submitted to the laboratory, due to various reasons: 1. The VPH section still experienced a steady decline in the number of samples submitted, as the imported poultry meat samples that used to be received from the SV at DAFF (Cape Town harbour) have since been directed to nearer private laboratories due to budget constraints. 2. Less abattoir samples were brought in to the VPH section.3. The Parasitology section closed down due to unfunded vacant post.4. Some other test methods that had to be suspended due to personnel shortages include mastitis, sheath wash testing, etc. 5. Dourine testing had to be suspended by the laboratory, due to unavailability of a critical reagent produced by OBP. 6. BVD is among some of the other test methods that were suspended, as it was no longer financially feasible for the laboratory to continue testing for it.
<b>P.4.4.5</b> Number of samples tested for	Not reported on during this period	-	-	1 000	-	(1 000)	Residue testing capacity has not been established yet. Gas lines (high pressure) have been installed and the LC/MSMS and

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Sub-programme 4.4: Veterinary Laboratory Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
chemical residues							GC/MSMS machines connected, but not commissioned yet. Currently the laboratory is trying to get "warm bodies" on board so that testing work can start.
Readiness of laboratory facility for cheese residue testing	Not reported on during this period	No	No	Not reported on during this period	Not reported on during this period	-	

**Contribution towards outcome of Department's Strategic Goals**

**Support the provincial agricultural sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013:**

The programme: Veterinary Services is continuously supporting the above through certification, inspecting abattoirs and by-products establishments.

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

Veterinary diagnostic services, include activities involved in the testing and confirmatory diagnosis of controlled/notifiable diseases such as Avian influenza, Newcastle disease, Brucellosis, etc., and other animal diseases. Data collected is used for epidemiological studies and mapping for provincial, national and international statistic purposes, and thus sub- programme 4.4 supports the maintenance of agricultural production.

**Strategy to overcome areas of under performance**

Where the number of samples brought in was lower than anticipated, there is not much that the laboratory could do as the clients/ farmers bring/ do not bring the samples for testing. In cases of outbreaks more samples will be brought in (as expected) but during other times the number of samples submitted will depend on the various circumstances surrounding the client, e.g. budget/ finances, season, weather, transport, etc.

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**Changes to planned targets**

There were no changes to planned targets.

**Linking performance with budgets**

The programme's performance in line with budgeted financial resources.

Due to severe budget constraints within the Department it was not yet possible to create and operate a formal database to record data regarding export of animals and animal products from the province using HS codes. The quantities and values of product exported are therefore not available.

**Sub-programme expenditure**

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Animal Health	48 360	45 950	2 410	39 297	39 297	-
Export Control	13 428	13 428	-	12 210	12 210	-
Veterinary Public Health	6 096	6 096	-	5 871	5 871	-
Veterinary Laboratory Services	21 498	21 498	-	32 042	32 042	-
<b>Total</b>	<b>89 382</b>	<b>89 382</b>	<b>2 410</b>	<b>89 420</b>	<b>89 420</b>	<b>-</b>

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

The purpose of the 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 co-ordinate research and to participate in multi-disciplinary development projects.

Technology transfer services: Disseminate information on research and technology developed, to clients.

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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 to 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 the 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-focussed and problem-solving information packages for dissemination to our internal clients (extension officers and lecturers) and our external stakeholders (the 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 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 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Research:</b> S.5.1.1	75	80	89	9	The year commenced with 75 projects. Fourteen new projects

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<b>Research and Technology Development Services</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
Conduct agricultural research and technology development					were approved. New projects were judiciously approved against available budget and capacity.
<b>Technology Transfer Services:</b> <b>S.5.2.1</b> Provide scientific and technical information	470	313	482	169	The higher output can be ascribed to various reasons, i.e. more than the anticipated number of presentations at a specific conference, especially as co-authors of student papers delivered; invitations to present at external events which cannot be precisely planned; information published or broadcasted when events happened, when data became available or on invitation by the agricultural press; due to additional technology transfer events conducted; and additional info packs developed. This was in response to the demands of our clients and/or responding to information needs.
<b>Infrastructure Support Services:</b> <b>S.5.3.1</b> Provide on-farm infrastructure support	7	7	7	-	

**Performance indicators**

<b>Sub-programme 5.1: Research</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							

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<b>Sub-programme 5.1: Research</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>T.5.1.1</b> Number of research and technology development projects implemented to improve agricultural production	98	84	75	80	89	9	The year commenced with 75 projects. Fourteen new projects were approved. New projects were judicially approved against available budget and capacity.
Scientific papers published	40	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Presentations at scientific events	60	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.5.1.1</b> Number of research committee meetings to evaluate projects	5	4	4	4	5	1	An ad hoc meeting was arranged to accommodate the review of new projects to commence before the date of the next meeting in the first quarter of 2018/19.
<b>P.5.1.2</b> Number of meetings with industry organisations to establish research needs	46	35	38	25	27	2	Meetings with industry are demand driven and attended upon invitation and cannot be accurately planned in advance.
<b>P.5.1.3</b> Number of climate change projects executed	8	14	17	20	21	1	The year commenced with 20 projects. One new project was approved which was addressing climate change challenges and which could be of direct benefit to the agricultural sector to become more climate change resilient. This was done within existing



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Sub-programme 5.1: Research							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
							budget and human capacity.
<b>P.5.1.4</b> Number of WCARF meetings to coordinate research	3	3	3	3	3	-	
<b>P.5.1.5</b> Number of agri processing projects executed	Not reported on during this period	11	17	15	17	2	Two new project was approved which was addressing agri processing challenges and which could be of direct benefit to the agricultural sector and Project Khulisa. This was done within existing budget and human capacity.
<b>P.5.1.6</b> Number of new climate smart initiatives to support sustainable agriculture	Not reported on during this period	Not reported on during this period	Not reported on during this period	4	4	-	
Compile climate change plan	Not reported on during this period	1	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	

Sub-programme 5.2: Technology Transfer Services							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.5.2.1</b> Number of scientific papers	Not reported on during this period	33	23	25	41	16	Scientific papers are published when sufficient data is available. This year several departmental as well as student and

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<b>Sub-programme 5.2: Technology Transfer Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
published nationally or internationally							collaborating projects availed data to publish more papers than envisaged.
<b>T.5.2.2</b> Number of research presentations made nationally or internationally	Not reported on during this period	77	80	50	85	35	Presentations depend on capacity and data availability and cannot always be pre-empted correctly. A number of additional presentations were done as co-authors on student presentations.
<b>Provincial Specific Indicators:</b>							
<b>P.5.2.1</b> Number of presentations made at technology transfer events	206	114	166	80	169	89	Due to invitations to present at external events, the number exceeded the target. This cannot be planned precisely.
<b>P.5.2.2</b> Number of articles in popular media	183	130	144	120	134	14	Information is published or broadcasted when events happen or when data becomes available. For this reason the target was exceeded.
<b>P.5.2.3</b> Number of information packs developed	25	18	19	12	19	7	Information is published when events happen or when data becomes available and serve as reference documents for clients. Due to additional technology transfer events conducted, additional information packs were developed for attendees. These included booklets and manuals.
<b>P.5.2.4</b> Number of technology transfer events conducted	11	6	15	6	11	5	Additional events were organised on demand of our clients and/or responding to information needs.
<b>P.5.2.5</b> Number of agricultural condition reports	10	12	11	8	11	3	The deviation was due to additional advisories received from DAFF for dissemination.

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<b>Sub-programme 5.2: Technology Transfer Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
designed and disseminated							
<b>P.5.2.6</b> Number of climate reports distributed	12	12	12	12	12	-	

<b>Sub-programme 5.3: Infrastructure Support Services</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.5.3.1</b> Number of research infrastructure managed	Not reported on during this period	7	7	7	7	-	
Number of research infrastructure provided	7	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of research infrastructure maintained	7	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.5.3.1</b> Number of technical working committee meetings on research farms	14	14	14	14	14	-	

**Contribution towards outcome of Department's Strategic Goals**

**Support the Provincial Agricultural Sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

A thriving export sector is only sustainable if primary production is supported by sound and cutting-edge research and technology development and world standard sustainable and climate-smart agricultural practises. The research portfolio of the department was aligned with the needs of both commercial and small holder farmers. The increase in the engagement and collaboration with industry organisations was a clear indication of the need for cutting-edge technology development and information dissemination, especially with regard to low-input high-output and climate-smart technologies. Research to improve ostrich leather quality with better production practises, has also contributed to higher quality skins and better prices obtained. Furthermore, our small stock breeding programme is also supporting better fine wool quality for the export market. Our Alternative Crops Fund (fourth call concluded in 2017/2018) is also supporting the smaller and niche alternative agricultural crop industries to do pivotal research towards production practises and market access, both locally and internationally. A total amount of R6 915 731 has been spent in support of these industries.

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

The success of land reform projects is based on a platform of various 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 our research effort and spatial intelligence tools have assisted in identifying resource limitations or opportunities, whilst our spatial analysis support (maps and other tools, like Cape Farm Mapper and CAMIS) were invaluable to our 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 our research efforts have focussed on yield-increasing and/or cost-decreasing climate-smart technologies in plant and animal production. Our analytical services have furthermore provided pivotal information on water, soil and plant analyses which assisted in fertiliser recommendations and optimising production methods. Our information dissemination portfolio has expanded to also include small holder farmers and their specific research, technology and information needs. Our Animal Sciences Directorate has excelled in providing high quality genetic material to our small holder farmers in a number of projects.

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

Comprehensive, client-centred and problem-focussed research programmes and projects were executed by the Directorates of Animal and Plant Sciences, and supported by the Directorate Research Support Services. In order for agricultural producers (commercial and small holder) to sustain or increase their production, two critical factors, i.e. lower input technology (lower input cost) and higher output technology (production) have to be researched. This is furthermore of utmost importance against the challenges of climate change and the adoption and

implementation of climate smart practises. New and adapted technology generated from cutting-edge research efforts has and will ensure that our producers are sustainable and competitive with limited natural resources (especially water and soil quality) and the changing environment and will secure the base to increase agricultural production by 10% over the next ten years. The SmartAgri project (which was concluded in 2016/2017) is currently being implemented across the entire value-chain. Conservation agriculture (CA), one of the priority projects of SmartAgri, especially in the small grain and potato industries, has been expanded with the support of focused research and intensified technology transfer efforts. Furthermore, the partnership with GreenCape and our green agri-portal will be pivotal in providing our farmers with green solutions. The Western Cape Agricultural Research Forum (WCARF) has furthermore strengthened our drive to coordinate all research efforts and optimise available research resources and human capacity to increase the research support base to our agricultural sector in the Western Cape and three meetings were held in 2017/18.

### **Optimise the sustainable utilisation of water and land resources to increase climate smart agricultural 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. The current drought conditions are testimony of the challenges our sector and our research effort will have to mitigate in future to ensure a resilient agricultural sector. For this reason we have experienced a high demand for our research and technology development services to assist farmers in sustaining their production against a set of climate challenges. We have also increased our focus on climate smart research, 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 practises and possible new and alternative crops for the Western Cape. Conservation agriculture (CA) (one of the priority projects of SmartAgri) in the small grain and potato industry is also advocated and promoted in our focussed research and technology transfer efforts. The intensification of the implementation of the SmartAgri plan will ensure that our sector has a climate resilient and sustainable future. Twenty one projects with a direct link to climate smart production and technology development were executed in 2017/2018. Another three weather stations were procured in this financial year (bringing the total to 17) and will contribute to our forecasting and decision making tool development.

### **Increase agricultural and related economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities**

The establishment of new agricultural enterprises in rural areas was supported by the research and development portfolio of the Department. This included the development and supplying of decision making tools (for example Cape Farm Mapper and CAMIS) and technical support in the judicious use of natural resources to optimise agricultural production with limited input. The programme also continued to avail livestock of superior genetic quality to small holder farmers to provide a quality livestock source for their farming operations. The SmartAgri project and its implementation plan also include vulnerable rural communities and the envisaged outcomes will also be beneficial to these communities, and building a resilient workforce on farms.

**Enhance the agri processing capacity at both primary and secondary level to increase with 10% over baseline by 2019**

The research portfolio of programme RTDS included projects and actions to support the agri-processing part of Project Khulisa and its eminent role in the future of agriculture in the Western Cape. During 2017/2018, 17 projects with a direct impact on agri-processing were executed. This included for example new production methods for better leather quality in the ostrich industry and higher milk production and quality. Several projects are also indirectly in support of production and ways to increase job creation, economic development and also new and innovative products for the local and export market.

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

The programme RTDS expanded on its partnerships with leading tertiary institutions in the Western Cape to firstly maintain, and secondly address the lack of critical and scarce skills in the sector. The MOAs with the University of Stellenbosch (SU) and Nelson Mandela University (NMU) will bring new opportunities to capacity building to the department, especially with regard to post-graduate studies, research collaboration at all levels and sharing of resources including equipment, infrastructure and facilities. The Western Cape Agricultural Research forum (WCARF) served as a pivotal conduit to optimise research resources and in identifying training needs and opportunities for the youth in agriculture, especially also in the agri-processing context. RTDS also participated in departmental human capital development initiatives which will furthermore strengthen the human resource base. This forms part of a comprehensive human development plan for the next five years, which focusses on the current skills base, succession planning, transformation of the researcher and technician levels and capacity building at all levels to ensure a sustained research and development human resource base with career and development opportunities for all. The plan also focuses on the appointment of women and people with disabilities.

A concern that remain is the inadequately prepared students for agricultural higher education from the education system with regard to the subjects of mathematics and science. At the same time it was extremely difficult for the department to recruit, attract and retain skilled and experienced staff. New models of collaboration with our commodity partners included opportunities for vocational experience for the young professionals in agriculture. The array of smart web-based and other technological tools being explored and developed at a rapid rate in RTDS and the department will undoubtedly also attract young people to agriculture, which has not been a popular sector for youth over many years. Due to the prevailing water challenges at Elsenburg, programme RTDS could not present its annual school days to expose primary school learners to the array of careers in agriculture.

**Strategy to overcome areas of under performance**

The programme had no underperformances.

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**Changes to planned targets**

There were no changes to planned targets.

**Linking performance with budgets**

The expenditure supported a well-trained and skilled scientific, technical and support staff component. The support staff and on-farm infrastructure created the enabling environment for the scientific staff to execute research programmes and projects, of which the scientific output and technology created, directly supported our agricultural sector in their sustainability, competitiveness and resilience against climate change and its challenges. The performance of programme RTDS in 2017/18 is a clear indication of the value for money and focus on service delivery of the programme and its staff.

**Sub-programme expenditure**

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Research	78 903	78 179	724	71 631	71 631	-
Technology Transfer Services	1 053	1 053	-	1 463	1 463	-
Infrastructure Support Services	41 478	41 478	-	39 350	39 350	-
<b>Total</b>	<b>121 704</b>	<b>120 980</b>	<b>724</b>	<b>112 444</b>	<b>112 444</b>	<b>-</b>

**4.6 Programme 6: Agricultural Economics 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 agri-business development to increase economic growth.

**Sub programmes**

The Programme executes its mandate over two sub-programmes:

- Agribusiness Support and Development and
- Macroeconomics Support.

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

Agribusiness Support and Development: Provide agricultural stakeholders with agricultural economic advice.  
Macroeconomics Support: Information activities performed to support sound decision-making.

**Strategic objectives**

<b>Agricultural Economics Services</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b><u>Agri-Business Support and Development:</u></b> <b>S.6.1.1</b> Number of stakeholders provided with agricultural economic services	5 947	3 915	4 750	835	It's because of a lot of workshops, meetings that are requested. Ethical trade activities also cannot be anticipated as they are requested by producers.
<b><u>Macroeconomics Support:</u></b> <b>S.6.2.1</b> Number of information activities performed to support sound decision making	652	341	535	194	The information provided by the sub-programme is demand driven and therefore do not have control how many enquiries or requests will be received.

**Performance indicators**

<b>Sub-programme 6.1: Agri-Business Support and Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.6.1.1</b> Number of agri-businesses supported with agricultural	97	152	111	55	140	85	The overachievement is due to a number of agribusiness that are difficult to anticipate because even though having a dedicated Market Access Programme the officials continue to receive and



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<b>Sub-programme 6.1: Agri-Business Support and Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
economic services to-access markets							respond to requests outside the Programme which also contributes to increase in number of agribusinesses supported.
<b>T.6.1.2</b> Number of clients who have benefitted from agricultural economic advice provided	2 008	1 323	1 243	950	985	35	The various information sessions on cooperative development also contributed to this high number of clients who benefitted from agricultural economic advice.
<b>Provincial Specific Indicators:</b>							
<b>P.6.1.1</b> Number of marketing information outputs disseminated	52	48	45	40	30	(10)	The component lost capacity that was dedicated to information outputs during this quarter. This is additional to the post that was under recruitment during this quarter.
<b>P.6.1.2</b> Value of committed investment for green fields and expansion agricultural and agribusiness projects	R230.4 million	R315 million	R735 million	R230 million	R756 million	R526 million	Even though there is a general notable range with regard to agricultural investment, however, at times the unusual spikes are encountered due to huge investments. However, the target has been adjusted upwards.
<b>P.6.1.3</b> Number of budgets developed	13	38	36	25	26	1	Almost on target but the difference is based on the request from a client.
<b>P.6.1.4</b> Number of budgets updated	3	10	44	15	47	32	Overachievement this year was due to the finalisation of the Crop Enterprise budget development model. The budgets were all transferred to the new model and could then be updated.
<b>P.6.1.5</b> Number of existing	29	47	20	15	34	19	A lot more requests for assisted were received from the clients.

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Sub-programme 6.1: Agri-Business Support and Development							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
agricultural cooperatives supported							
<b>P.6.1.6</b> Number of agricultural cooperatives developed	18	37	7	15	20	5	This is a result of various information sessions that have been conducted and have induced interest in farming communities to organise themselves into cooperatives. However, given historical trends the extent of demand will be observed during 2018/19 before changes could be effected on targets.
<b>P.6.1.7</b> Number of stakeholders engaged with on agricultural economic activities	186	734	405	100	128	28	A lot more requests for engagements were received from stakeholders.
<b>P.6.1.8</b> Numbers of participants attended the Ethical Trade training	2 861	1 848	1 754	1 200	943	(257)	Because of the harvesting season in the fruit industry training had to be postponed to ensure effective use of resources instead of having sessions that will be attended by fewer participants.
<b>P.6.1.9</b> Number of growers registered as members of ethical trade programmes	Not reported on during this period	2 246	2 397	1 600	2 490	890	A lot of awareness sessions took place and also membership increased due to a drive from a value chain perspective (pack houses, importers, and cellars). However, this will be difficult to anticipate as it voluntary and is affected by a lot of events from the industry and also induced by awareness sessions.
<b>P.6.1.10</b> Number of agricultural economic studies conducted	16	29	22	12	26	14	The target is demand driven and is based also on requests received. This quarter a lot more requests were received internally to assess for financial support.

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<b>Sub-programme 6.1: Agri-Business Support and Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>P.6.1.11</b> Number of activities supported to promote Western Cape products	Not reported on during this period	5	8	4	5	1	This resulted from an industry request to collaborate.
<b>P.6.1.12</b> Number of meat processing businesses supported for compliance	Not reported on during this period	7	10	10	10	-	
Number of reports on food products consumed by various ethnic groups in the Western Cape	Not reported on during this period	Not reported on during this period	1	Not reported on during this period	Not reported on during this period	-	
Number of progress reports on projects facilitating market access infrastructure in the Western Cape	Not reported on during this period	Not reported on during this period	1	Not reported on during this period	Not reported on during this period	-	
<b>Sub-programme 6.2: Macroeconomics Support</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.6.2.1</b> Number of agricultural economic	203	243	297	140	203	63	This is a shared indicator and is demand driven.

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<b>Sub-programme 6.2: Macroeconomics Support</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
information responses provided							
<b>T.6.2.2</b> Number of economic reports compiled	34	42	33	30	30	-	
<b>Provincial Specific Indicators:</b>							
<b>P.6.2.1</b> Number of databases populated	130	140	151	50	148	98	This is a result of new databases that have been added and are also a result of enquiries. The target has been re-adjusted for 2018/19.
<b>P.6.2.2</b> Number of surveys conducted	-	3	1	-	-	-	
<b>P.6.2.3</b> Number of information dissemination activities conducted	165	189	169	120	153	33	The impact of drought and demand for cooperatives support resulted to numerous requests.
<b>P.6.2.4</b> A database to share agri-processing economic opportunities maintained	Not reported on during this period	1	1	1	1	-	

**Contribution towards outcome of Department's Strategic Goals**

**Support the provincial agricultural sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

The market access activities such as the support provided to smallholder farmers through the market access programme, the market research conducted and compliance and market development initiatives performed under Programme: AES are aimed at achieving the above-mentioned goal.

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 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 up and down stream. The Financial Record Keeping Programme, cooperatives support supports the beneficiaries with capacity building and actual financial records at farm level, including benefits offered by cooperatives.

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

The one indicator where there has been an underachievement was because of capacity challenges. The programme is at advanced stages of filling in vacant positions. At times the challenge is from not getting the suitable candidates for the advertised position which has been the case in one of the vacant position.

The other underachievement on training will be rectified through proper planning.

#### **Changes to planned targets**

There were no changes to planned targets.

#### **Linking performance with budgets**

The activities performed under sub-programme 6.1 are carried throughout the Province and are therefore placing pressure on expenditure related to subsistence and transport.

The programme also has a number of agreements with various institutions/commodity organisations. A significant amount of the programme budget therefore goes on transfers. Market development activities in the international markets are also among the cost drivers for the programme.

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

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Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Agri-Business Support and Development	16 618	16 307	311	16 575	16 575	-
Macroeconomics Support	5 957	5 957	-	5 927	5 927	-
<b>Total</b>	<b>22 575</b>	<b>22 264</b>	<b>311</b>	<b>22 502</b>	<b>22 502</b>	<b>-</b>

#### 4.7 Programme 7: Structured Agricultural Education and Training

The purpose of the programme: SAET 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 consists of two sub-programmes, namely:

Sub-programme: Higher Education and Training (HET).

Sub-programme: Further Education and Training (FET).

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

The sub-programme: Higher Education and Training (HET) provides accredited higher education and training from NQF level 5 to anybody who meets the minimum requirements to study in agriculture and related fields.

The sub-programme: Further Education and Training (FET) provides formal and non-formal training on NQF levels 1 to 4 through FET structured education and training programmes to all interested agricultural role players.

#### **Strategic objectives**

Structured Agricultural Education and Training					
Strategic objectives	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
Higher Education and	763	480	615	135	Over-achievement due to an

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<b>Structured Agricultural Education and Training</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Training:</b> <b>S.7.1.1</b> Number of students benefitting from Higher Education and Training programmes					increased demand for courses.
Number of Agricultural Higher Education and Training graduates	133	Not reported on during this period	Not reported on during this period	-	
<b>Further Education and Training:</b> <b>P.7.2.1</b> Number of participants trained in Further Education and Training programmes	3 064	1 855	3 449	1 594	Over-achievement due to an increased demand for skills courses and interest Learnership programmes.

**Performance indicators**

<b>Sub-programme 7.1: Higher Education and Training</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Sector Specific Indicators:</b>							
<b>T.7.1.1</b> Number of Agricultural Higher Education and	138	103	133	95	132	37	More students completed their HET qualifications, which can be attributed to operational interventions i.e. extra classes, extra tests and tutorial classes.

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<b>Sub-programme 7.1: Higher Education and Training</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
Training graduates							
<b>Provincial Specific Indicators:</b>							
<b>P.7.1.1</b> Number of students registering into accredited Higher Education	442	481	459	380	468	88	Over-achievement due to an increased demand as well as increased intake of day students.
<b>P.7.1.2</b> Number of internal bursaries awarded	48	59	25	40	53	13	Due to an increase in the number of applicants with financial need, more bursaries were awarded this quarter. Additional funding received from savings in the Department at the end of the financial year.
<b>P.7.1.3</b> Implementation of student equity targets	96	130	135	35%	46%	31%	Over-achievement due to an increase in the number of interested and qualifying equity candidates. Criteria have been put in place to promote the increase in the number of registering equity candidates. Further to this, the definition of student equity targets have been changed from ACI (African, Coloured, Indian) only to PDI (Previously Disadvantaged Individuals) which subsequently includes females.
<b>P.7.1.4</b> Number of short courses offered	7	9	10	5	8	3	Over-achievement due to a demand for additional short courses from the industry.
<b>P.7.1.5</b> Number of students completing short courses	168	186	304	100	147	47	Over-achievement directly linked to the additional short course requested from the industry.
<b>P.7.1.6</b> Number of agri-processing short courses offered and/or supported	Not reported on during this period	3	3	4	7	3	Over-achievement due to a demand for additional short courses from the industry.



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Sub-programme 7.1: Higher Education and Training							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>P.7.1.7</b> Percentage of the number of student queries attended to timeously	Not reported on during this period	Not reported on during this period	Not reported on during this period	80%	100%	20%	Additional measures to respond to queries quicker were put in place i.e. queries are no longer only tabled at scheduled formal meetings, but distributed for resolution to the various faculty heads as soon as received.

Sub-programme 7.2: Further Education and Training							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017 Unaudited	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Sector Specific Indicators:</b>							
<b>T.7.2.1</b> Number of participants trained in agricultural skills development programmes	Not reported on during this period	2 311	2 959	1 800	3 369	1 569	Over-achievement due to an increased demand for short skills courses.
Number of learners completing non-accredited short courses	2 808	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
<b>Provincial Specific Indicators:</b>							
<b>P.7.2.1</b> Number of learners enrolled in Learnership programmes	55	55	105	55	62	7	Over-achievement due to an increased demand for Learnership courses.
<b>P.7.2.2</b> Number of learners completing Learnership programmes	44	56	54	60	80	20	Additional Learnership Programmes were facilitated during the 2017/2018 financial year, i.e. Partnership with Rural Development and a modular Learnership in Beaufort-West, which also meant that more

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<b>Sub-programme 7.2: Further Education and Training</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017 Unaudited</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
							students registered than was planned.
<b>P.7.2.3</b> Articulation/ RPL of FET learners to HET	13	25	16	20	22	2	More students qualified for articulation and accepted the offer to register.
Number of learnership programme types offered	4	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	

**Contribution towards outcome of Department's Strategic Goals**

**Support the provincial agricultural sector to at least maintain its export position for the next 5 years by growing its value added from R16.349 billion in 2013**

The programme: Structured Agricultural Education and Training contributed in a very significant way to human capital and skills development in the agricultural sector and continued to facilitate and provide formal and non-formal training on NQF levels 1-7, with a focus on youth, all farming groups, i.e. small-holder, subsistence and commercial farmers and agri-workers in the agricultural sector, in order to promote and support a knowledgeable, prosperous and competitive sector. A total of 3369 agricultural beneficiaries benefitted from skills training. On FET level, 62 learners registered on various learnership programmes on NQF level 4 during the fourth quarter of 2017/18 and 80 graduated in December 2017. The increased agricultural skills base along the whole value chain is critical for the Western Cape to successfully compete in international markets. There has been increased access to occupationally based "fit for purpose" agricultural and agricultural related training. Increased marketing of our programmes created the request and need for further training, resulting in an overachievement of our targets. This was primarily due to beneficiaries on CASP funded projects, Agriworkers, youth and people living with disabilities. The number of students enrolled in learnerships, completing learnership programmes and articulating to HET programmes were 62, 80 and 22 respectively. The increased numbers of highly motivated youth participating and completing programmes has also been due to the enabling and healthy learning and teaching environment. With the introduction of the AgriSETA supported Recognition of Prior Learning programme, recognition is given to learning gained through experience, self-study, informal experience gained in the work place or community. Last but not the least non-formal in-house agricultural education and training offered by companies and accredited training providers will further contribute to the declaration of competence for a large workforce who will also participate in the Provincial Agricultural sector.

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The programme: Structured Agricultural Education and Training offered four formal training programmes on HET level, namely, B.Agric, Diploma and Higher Certificate in Agriculture as well as the Certificate in Horse Mastership and Preliminary Riding Instruction to 468 students. A total of 132 students graduated from these programmes in December 2017, adding to the number of well-qualified agriculturalists to grow the sector.

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

The Further Education and Training, in collaboration with the Farmer Support and Development unit offered quality needs driven occupational based skills training on a decentralised basis. Therefore, beneficiaries of agricultural land reform or CASP funded projects were provided with relevant agricultural skills identified in the skills gap analysis on an ongoing basis. A value chain approach is implemented in all training interventions. Other beneficiaries included Agri workers, smallholder farmers, farm aids, youth, women and people living with disabilities.

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

The programme: SAET partnered with various stakeholders in promoting and supporting skills development and capacity building in agriculture. Skills-based training was provided to 3369 farmers and farm-aids, whilst 468 students enrolled for full-time study in higher and further education training programmes. A total of 132 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**

The programme: SAET provided training on sustainable agricultural practises to both students, agri-workers, youth, women and people living with disabilities. This included modules on aspects such as sustainable farming systems, measurable indicators of sustainability, natural resource management, preventive rehabilitation and strategic planning for the use and maintenance of natural resources. Other specialised skills programmes included water harvesting and soil conservation and food security. These skills programmes capacitated farmers and participants to optimise the sustainable use of our natural resources through various conservation methodologies that seek to increase agricultural production. Participants were also sensitised to Agri-ecotourism and its benefits. They are also able to plan and maintain agricultural and environmentally sound processes. Facilitators continuously enhance their knowledge and skills on innovative and up-to-date sustainable use of natural resources in the face of climate change by attending in service training and workshops.

**Enhance the agri-processing capacity of both primary and secondary level to increase with 10% over baseline by 2019**

The transformation and the subsequent adding of value to agricultural raw products create jobs in the Western Cape. This is despite the growing impact of climate change, drought, water scarcity and dwindling resources. The sub-programme: Further Education and Training

provided specialised skills programmes to identified target groups in all regions of the Province. The agri-processing training and demonstrations were on plant and animal product processing such as fruit drying, chutney making, and olive preservation.

**Facilitate an increase of 20% in relevant skills development at different levels in the organisation and the sector over the next 10 years**

The programme: Structured Agricultural Education and Training contributed in a very significant way to the promotion of human capital and skills development in the agricultural sector and continued to facilitate and provide formal and non-formal training, on NQF levels 1-7 with focus on youth, all farming groups, i.e. small-holder, subsistence and commercial farmers and agri-workers in the agricultural sector, in order to promote, transform, and support a knowledgeable, prosperous and competitive sector. Most set targets have been over-achieved largely due to an increase in demand for training. A total of 3369 agricultural beneficiaries benefitted from skills training and 62 learners registered for the National Qualification in Plant and Animal Production NQF 4. A Total of 80 learners graduated from these programmes in December 2017.

Of these graduates, 22 were admitted to the HET programme through the RPL process. The programme covered aquaculture, viticulture; small and large stock production, vegetable production, and pomology. The programme took advantage of the vast opportunities and prospects for providing the relevant “fit for purpose” skills required at different levels of the organisation and the sector. Staff, enrolled for graduate and post-graduate programmes, were supported by funding from AgriSeta and provided with Recognition of Prior Learning (RPL) training to further enhance the implementation of a broader RPL programme within the Western Cape Province.

The programme: Structured Agricultural Education and Training offered four formal training programmes on HET level, namely, B.Agric, Diploma and Higher Certificate in Agriculture as well as the Certificate in Horse Mastership and Preliminary Riding Instruction to 468 students. A total of 132 students graduated from these programmes in December 2017, adding to the number of well-qualified agriculturalists to grow the sector.

**Strategy to overcome areas of under performance**

The programme had no underperformances.

**Changes to planned targets**

There were no changes to planned targets.

**Linking performance with budgets**

The Programme's performance is in line with budgeted financial resources.

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**Sub-programme expenditure**

Sub-Programme Name	2017/2018			2016/2017		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Higher Education and Training	47 141	44 803	2 338	44 586	44 586	-
Further Education and Training	12 990	12 990	-	12 092	12 092	-
<b>Total</b>	<b>60 131</b>	<b>57 793</b>	<b>2 338</b>	<b>56 678</b>	<b>56 678</b>	<b>-</b>

**4.8 Programme 8: Rural Development**

The purpose of the programme is to coordinate the development programmes by stakeholders in rural areas.

**The sub-programmes are as follows:**

Rural Development Coordination  
Social Facilitation  
Farm Worker Development

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

**The Strategic Objectives of each sub-programme are as follows:**

**Rural Development Coordination:** To successfully coordinate the implementation of the national CRDP in the selected rural nodes in the Western Cape.

**Social Facilitation:** Facilitate social cohesion and development efforts, as part of the CRDP, in the selected rural development nodes in the Western Cape.

**Farm Worker Development:** To enhance the image and the socio-economic conditions of agri workers and their family members, through facilitation of training and development initiatives, in order to improve their quality of life.

**Strategic objectives**

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<b>Rural Development</b>					
<b>Strategic objectives</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b><u>Rural Development Coordination:</u></b> <b>S.8.1.1</b> Number of rural areas (CRDP sites) where development is coordinated, initiated, planned and monitored	16	16	16	-	
<b><u>Social Facilitation:</u></b> <b>S.8.2.1</b> Number of community representative forums in prioritised rural areas (CRDP sites) supported	28	28	28	-	
<b><u>Farm Worker Development:</u></b> <b>S.8.3.1</b> Number of strategic initiatives benefiting agri workers and rural community members	15	6	6	-	

**Performance indicators**

<b>Sub-programme 8.1: Rural Development Coordination</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.8.1.1</b> Number of prioritised rural areas (CRDP sites)	Not reported on during this period	16	16	16	16	-	

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<b>Sub-programme 8.1: Rural Development Coordination</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
receiving ongoing rural development coordination support*							
<b>P.8.1.2</b> Number of Intergovernmental Steering Committees (ISCs) coordinated, in support of development in rural areas (CRDP sites)**	Not reported on during this period	12	13	13	13	-	
<b>P.8.1.3</b> Number of Interdepartmental Steering Committee engagements coordinated***	54	51	52	50	51	1	While there are 13 Intergovernmental Steering Committees (ISCs) across the Province, which are generally convened quarterly, the annual target was set at 50 as there have been occasions in previous financial years where ISCs could not take place due to various reasons. The national Department of Rural Development and Land Reform has recently established a number of new coordination structures, which in some cases duplicate functions of the ISCs. The need for ISC engagements exceeded the target due to community, departmental and municipal consultations required on streamlining rural development structures in regions across the province. This has meant that all 13 of the ISC committees had to convene in the final quarter to establish the way forward for the new financial year. Hence the need for one additional engagement over and above what was initially targeted.
<b>P.8.1.4</b> Number of provincial	Not reported on during this	Not reported on during this	Not reported on during this	4	1	3	The Programme participates as a member of the Workgroup 4 under Provincial

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Sub-programme 8.1: Rural Development Coordination							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
engagements participated in, related to addressing transversal matters relevant to rural development	period	period	period				Strategic Goal 4 (PSG4), however only one (1) Workgroup 4 engagement was convened in this financial year. The PSG4 Steering Committee meetings were facilitated where Workgroup 4 members provided inputs. The programme does not convene Workgroup 4 engagements, as it is convened by the Department of Environmental Affairs and Development Planning.
Number of projects implemented in rural nodes logged at ISCs	108	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
CRDP rural node implementation plans compiled	2	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
CRDP rural nodes: 3-year phased process implementation completed	5	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Rural Development (PSO11 work group) meetings coordinated for the Province	4	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of rural development provincial work group engagements coordinated	Not reported on during this period	4	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	

\* In previous years only the nodes activated to receive coordination support were captured whereas in the 2015/16 financial year the total number of nodes supported is captured, hence the dramatic increase in the target.

\*\* In previous years only the interdepartmental steering committees newly established were captured whereas in the 2015/16 financial year the total number of interdepartmental steering committees coordinated are captured, hence the dramatic increase in target.

\*\*\* In previous years the indicator was pointed to capturing only specific engagements of the Integrated Planning and Spatial Targeting workgroup in PSG4 and has subsequently been revised for 2017/2018 to be more inclusive of other related provincial engagements.



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Sub-programme 8.2: Social Facilitation							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
<b>Provincial Specific Indicators:</b>							
<b>P.8.2.1</b> Number of community representative forums in prioritised rural areas receiving organisational and capacity building support	Not reported on during this period	36	28	28	28	-	
<b>P.8.2.2</b> Number of projects implemented in rural areas, (CRDP sites) logged at ISC meetings	Not reported on during this period	98	128	50	63	13	Sixty three (63) projects were logged at various ISCs in the rural nodes across the Province. The over-achievement is a result of commitment expressed from the various stakeholders and government departments, working in support of development in the rural development nodes. These projects are driven by various government departments and therefore the sub-programme does not have any control over how many projects are ultimately implemented in the rural nodes.
<b>P.8.2.3</b> Number of Rural Youth Interventions facilitated	Not reported on during this period	Not reported on during this period	Not reported on during this period	5	5	-	
<b>P.8.2.4</b> Number of strategic district based community capacity building interventions facilitated in rural areas	Not reported on during this period	Not reported on during this period	Not reported on during this period	5	6	1	Six (6) groups of Western Cape District representatives, from civil society and government, from the prioritised rural areas, convened in six (6) district focused capacity building and strategic planning sessions, in Amiston, over 8-10th September 2017 in response to the need identified with civil society in the 16 priority rural areas.
Number of training	Not reported	Not reported	147	Not reported	Not reported	-	

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<b>Sub-programme 8.2: Social Facilitation</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
and development interventions facilitated in rural areas (CRDP sites)	on during this period	on during this period		on during this period	on during this period		
People trained in rural development nodes	17 742	4 308	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	

<b>Sub-programme 8.3: Farm Worker Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
<b>Provincial Specific Indicators:</b>							
<b>P.8.3.1</b> Number of strategic agri worker training and development projects funded	23	30	12	4	4	-	
<b>P.8.3.2</b> Number of district agri worker household census completed	Not reported on during this period	1	4	2	-	(2)	While all the fieldwork has been completed in the Cape Winelands and the Cape Metropole, the final report will only be available in June 2018. The appointment of the service provider was challenged by another potential service provider, which has since been resolved. However, this did delay the final service provider appointment process. Subsequently, delays in initiating fieldwork were the result and rendered the appointed service provider unable to complete the report within the targeted timeframe. It should be noted that when the Annual Performance Plan was developed with the associated target for

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Sub-programme 8.3: Farm Worker Development							
Performance Indicator	Actual Achievement 2014/2015	Actual Achievement 2015/2016	Actual Achievement 2016/2017	Planned Target 2017/2018	Actual Achievement 2017/2018	Deviation from planned target to Actual Achievement for 2017/2018	Comment on deviations
							this indicator, the delays relating to service provider appointments could not have been foreseen by the Programme.
<b>P.8.3.3</b> Number of stakeholder engagements related to the agri worker development	Not reported on during this period	16	13	12	15	3	Municipal engagements occur in two forms: (1) on request by the department in order to share important information i.e. Agri Worker Household Census findings, etc. and (2) as arranged by municipalities with their stakeholders. The latter is determined by municipalities and not controlled by the Department.
<b>P.8.3.4</b> Number of referrals of agri workers and rural community members facilitated	441	456	448	350	708	358	Referrals are dependent on enquiries from external clients, which are referred to applicable resources/services within the public or private sectors by the programme. The target is therefore an estimation and the actual output is dependent on external factors outside of the programme's control. Factors which led to the high number of referrals during this reporting period are resulted from the recent outbreak of Avian Influenza in the Western Cape, and the drought currently faced by producers and agri workers in the Province.
<b>P.8.3.5</b> Number of Western Cape Regional Prestige Agri Awards engagements	15	16	15	16	16	-	
<b>P.8.3.6</b> Number of Western Cape Provincial Prestige Agri Awards engagements	Not reported on during this period	2	2	2	2	-	
Number of farm	8 493	7 609	Not reported	Not reported	Not reported	-	

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<b>Sub-programme 8.3: Farm Worker Development</b>							
<b>Performance Indicator</b>	<b>Actual Achievement 2014/2015</b>	<b>Actual Achievement 2015/2016</b>	<b>Actual Achievement 2016/2017</b>	<b>Planned Target 2017/2018</b>	<b>Actual Achievement 2017/2018</b>	<b>Deviation from planned target to Actual Achievement for 2017/2018</b>	<b>Comment on deviations</b>
workers and their family members included in life skills training and development programmes			on during this period	on during this period	on during this period		
Number of inter-departmental steering committee meetings participated in	39	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of inter-departmental steering committee meetings participated in	Not reported on during this period	43	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of substance abuse awareness and prevention projects funded	5	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of farmer-to-farm worker dialogue sessions	4	Not reported on during this period	Not reported on during this period	Not reported on during this period	Not reported on during this period	-	
Number of training and development projects' interventions for agri workers and their family members	Not reported on during this period	Not reported on during this period	205	Not reported on during this period	Not reported on during this period	-	

**Contribution towards outcome of Department's Strategic Goals**

**Ensure that at least 70% of all agricultural land reform projects in the Province are successful over the next 5 years**

Close collaboration between the Department's Rural Development Programme, with the Department of Labour and the Department of Social Development has enabled improved collective responses to the humanitarian pressures experienced on farms affected by both the prevailing drought

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and Avian Influenza outbreak. The efforts sought to sustain basic needs of affected families and to maintain critical agri worker employment with farming enterprises.

Ongoing exposure of agri workers to social upliftment and development opportunities remains a high priority for the Department as this contributes to their capability to participate in the sector and make a contribution to land reform initiatives and maintain farm productivity. To this end, four (4) agri worker projects were funded, which focussed mainly on: Substance Abuse Prevention focussing on Foetal Alcohol Syndrome (FAS) awareness and prevention campaigns, CareerWize, Technical Skills Development, and Rural Female Youth Mentoring programme. A total of seven hundred and eight (708) agri workers and family members were assisted through the referral system providing access to much needed services, which indirectly or directly impact on the agricultural enterprises that employ these agri workers.

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

Agricultural production should reap the results of agri worker development and agricultural skill development programmes. As contribution to this, four (4) agri worker projects were funded, which focussed mainly on: Substance abuse and Foetal Alcohol Syndrome (FAS) awareness and prevention campaigns, CareerWize, Technical Skills Development, and Rural Female Youth mentoring programme. A total of seven hundred and eight (708) agri workers and family members were assisted through the referral system providing access to much needed services, which indirectly or directly impact on the agricultural enterprises that employ these agri workers.

**Increase agricultural economic opportunities in selected rural areas based on socio-economic needs over a 10 year period and strengthen interface with local authorities.**

The Department has joint responsibility with the national Department of Rural Development and Land Reform's (DRDLR) provincial Shared Services Centre and therefore is in close collaboration with various stakeholders across the three spheres of government, private sector and civil society in working towards the achievement of the National Outcome 7 (NO7). The NDP, Chapter 6 and the Provincial Strategic Plan (PSG 4), which emphasises development imperatives in rural areas that are aligned to NO7. In order to secure rural communities' basic needs and social protection, the agricultural activities, services and industrial activities to stimulate economic diversification, investment and integrated approaches are needed. This will require the physical, social and financial infrastructure as support.

The provincial-wide Agri worker Household Census has provided an improved understanding of the challenges currently faced in rural communities which has enabled the Department to share data with all departments in the Province to steer resource allocation to programmes that could be responsive to the needs identified. The Census scope covered over one thousand (1000) variables across a spectrum of socio-economic themes providing a cross-section of pressure points requiring attention. The findings have been shared with municipalities and departments and the establishment of a Provincial Rural Development Coordination Forum is one of the key recommendations from the Rural Development Think Tank's work this year, which should strengthen integration of rural development efforts across departments. This will result in

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more efficient and sustainable approaches to 'development', including consideration of social, economic, infrastructural and environmental aspects in specific rural landscapes.

The job losses experienced as a result of natural disasters calls for a rethink of human capital development and entrepreneurial opportunities also considering the implications of the 4<sup>th</sup> industrial revolution on the agricultural sector. The high prevalence of social ills plaguing rural communities will also require innovative responses perhaps through support programmes geared at rural youths to pursue social entrepreneurship in the rural and agricultural space. This has already been initiated through rural youth capacity building strategic projects identified as a result of the census findings during the 2017/18 financial year.

**Strategy to overcome areas of under performance**

The second cycle of the Agri Worker Household Census (AWHHC) for the Western Cape was initiated in the 2017/18 financial year. All the fieldwork has been completed in the Cape Winelands and the Cape Metropole, the two districts targeted for completion by the end of the financial year; however the final report will only be available in June 2018. The appointment of the service provider was challenged by another potential service provider, which has since been resolved. However, this did delay the final service provider appointment process which delayed the rollout and finalisation of the final report. To address this unforeseen delay, additional contingency timeframes will be considered in setting targets in future.

The establishment of the Provincial Rural Development Coordination Forum was a key recommendation from the Rural Development Think Tank. It will address the challenge experienced regarding Integrated Planning and Spatial targeting, which feeds into the Provincial Transversal management System, i.e., PSG 4.

**Changes to planned targets**

There were no changes to planned targets.

**Linking performance with budgets**

The Programme's performance is in line with budgeted financial resources.

**Sub-programme expenditure**

Sub-Programme Name	2017/2018	2016/2017
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	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
<b>Rural Development Coordination</b>	5 129	4 496	633	4 024	4 024	-
<b>Social Facilitation</b>	767	767	-	602	602	-
<b>Farm Worker Development</b>	<b>14 274</b>	<b>14 274</b>	-	14 799	14 799	-
<b>Total</b>	<b>20 170</b>	<b>19 537</b>	<b>633</b>	<b>19 425</b>	<b>19 425</b>	-

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## 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 R'000	Amount spent by the public entity R'000	Achievements of the public entity
CASIDRA SOC Ltd: DESP Projects	For the implementation and administration of DESP projects	2 479	2 307	R20 724 orders outstanding. 22 Projects supported.
CASIDRA SOC Ltd: Shareholders Compact Agreement	For the purpose of executing the functions and duties as contained in the Shareholders Compact	30 873	29 783	R26.218 Mill HQ office expenses and R3.565 Mill for the farms 100% spent. R1.090 Mill for Oranjezicht project had not started due to their outstanding business plan.
CASIDRA SOC Ltd: Shareholders Compact Agreement: AIMS	For the purpose of executing the functions and duties as contained in the Shareholders Compact	2 041	0	Funding received at year end to fund maintenance SLA for 2018
CASIDRA SOC Ltd: Landcare projects First Tranche	For the implementation and administration of Landcare projects	438	438	Rounding difference.
CASIDRA SOC Ltd: Landcare projects Second Tranche	For the implementation and administration of Landcare projects	1 533	1 533	
CASIDRA SOC Ltd: LandCare projects Third Tranche	For the implementation and administration of Land care projects	1 533	1 533	
CASIDRA SOC Ltd: LandCare projects Third Tranche	For the implementation and administration of Land care projects	876	871	
CASIDRA SOC Ltd: Household and communal projects First Tranche	For the purpose of implementing the Household Food Production programme to enhance household food security of the vulnerable in the Western Cape	5 815	5 613	Outstanding orders R355 225. 76 Community gardens and 875 Household gardens supported. Due to the drought, many projects could not proceed and impacted negatively on the performance.
CASIDRA SOC Ltd: Household and communal projects Second Tranche	For the purpose of implementing the Household Food Production programme to enhance household food security of the vulnerable in the Western Cape	4 110	0	
CASIDRA SOC Ltd: Household and communal projects Third Tranche	For the purpose of implementing the Household Food Production programme to enhance household food security of the	2 000	0	



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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	vulnerable in the Western Cape			
CASIDRA SOC Ltd: Table grapes projects First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 621	1 171	R0 orders outstanding. 7 Projects supported. Establishment of vineyards can only proceed after the winter and all projects were approved from September 2017 onwards.
CASIDRA SOC Ltd: Table grapes projects Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 205	0	
CASIDRA SOC Ltd: Table grapes projects Third Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 000	0	
CASIDRA SOC Ltd: Table grapes projects Fourth Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 174	0	
CASIDRA SOC Ltd: Red meat value chain First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 016	3 016	R266 597 orders outstanding. 24 Projects supported. First approvals were received June 2017 and 5 projects approved in last quarter. Additional funds were added end of the year due to the white meat disaster of Avian influenza.
CASIDRA SOC Ltd: Red meat value chain Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	4 450	162	
CASIDRA SOC Ltd: Red meat value chain Third Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 867	0	
CASIDRA SOC Ltd: Red meat value chain Fourth Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape:	1 554	0	

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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	Department of Agriculture			
CASIDRA SOC Ltd: Wheat value chain projects First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	7 069	7 069	R347 217 Orders outstanding 34 Projects supported. Rest of the funds were reserved for the new planting season from April 2018 onwards.
CASIDRA SOC Ltd: Wheat value chain projects Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 425	2 146	
CASIDRA SOC Ltd: Wheat value chain projects Third Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	4 006	0	
CASIDRA SOC Ltd: Vegetable value chain projects First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	4 609	1 576	R948 904 outstanding orders. 15 Projects supported. Drought influenced the spending negatively.
CASIDRA SOC Ltd: Vegetable value chain projects Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 073	0	
CASIDRA SOC Ltd: Vegetable value chain projects Third Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 560	0	
CASIDRA SOC Ltd: Vegetable value chain projects Fourth Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 748	0	
CASIDRA SOC Ltd: Vegetable value chain projects (Seed commodity) Fifth Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape:	2 000	0	No allocations to projects has been made as funds were only received at year end.

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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	Department of Agriculture			
CASIDRA SOC Ltd: Agri Worker Household Census and Communications Initiatives	For the purposes of implementing the 2017/2018 Farm Worker Development Business Plan, including the second cycle of the AWHHC, Communications Initiatives and the Regional Prestige Agri Award Ceremonies as well as the Western Cape Provincial Prestige Agri Award Gala Ceremony	5 082	4 344	R231 200 Orders outstanding 13 Municipalities surveyed. 16 Regional awards and 1 Provincial awards ceremony facilitated.
CASIDRA SOC Ltd: Flood Aid Scheme	For the implementation of the third phase of the 2013/2014 flood aid scheme	17 207	0	Projects are still being designed
CASIDRA SOC Ltd: Rural Development Strategic	For the purpose of implementing the 2017/2018 Rural Development Strategic Training and development projects	1 000	1	R440 000 orders outstanding 5 Training programmes and interventions funded.
CASIDRA SOC Ltd: Green economy Berg River project	For the implementation and administration of the Green Economy Berg river project	704	684	R20 428 orders outstanding. Project was almost completed with only one deliverable not paid.
CASIDRA SOC Ltd: EPWP Projects 2017/2018 First Tranche	For the implementation and administration of EPWP projects for the financial year 2017/2018	516	516	Rounding difference.
CASIDRA SOC Ltd: EPWP Projects 2017/2018 Second Tranche	For the implementation and administration of EPWP projects for the financial year 2017/2018	928	928	
CASIDRA SOC Ltd: EPWP Projects 2017/18 Third Tranche	For the implementation and administration of EPWP projects for the financial year 2017/18	619	618	
CASIDRA SOC Ltd: Wine Value Chain First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Provincial Department of Agriculture	5 175	2 309	R232 275 Orders outstanding. 9 Projects supported. Establishment of vineyards can only take place after the winter of 2018.
CASIDRA SOC Ltd: Wine Value Chain Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the	5 312	0	

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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	Western Cape: Provincial Department of Agriculture			
CASIDRA SOC Ltd: Wine Value Chain  Third Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Provincial Department of Agriculture	1 513	0	
CASIDRA SOC Ltd: Training Project  First Tranche	For the purpose of implementing the Training Project for beneficiaries of the Comprehensive Agricultural Support Programme	4 384	4 348	R470 663 Orders outstanding. 618 training days and 4679 trainees supported.
CASIDRA SOC Ltd: Training Project  Second Tranche	For the purpose of implementing the Training Project for beneficiaries of the Comprehensive Agricultural Support Programme	5 001	0	
CASIDRA SOC Ltd: Poultry Value chain projects  First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	3 165	0	Poultry had 2 project and received R8.171 mill. Avian influenza resulted in production support to the Poultry industry that could not proceed. No spending could take place up to year end.
CASIDRA SOC Ltd: Aquaculture & Poultry Value Chain  Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	5 006	0	
CASIDRA SOC Ltd: Aquaculture Value Chain  First Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	4 900	3 200	R0 outstanding orders. Aquaculture had 7 projects worth R7.2mill. Funding is for assets that need to be manufactured or imported.
CASIDRA SOC Ltd: Aquaculture & Poultry Value Chain  Second Tranche	For the purpose of establishing a collaborative relationship between the industry and the Western Cape: Department of Agriculture	2 300	0	
CASIDRA SOC Ltd: Agri Processing	For the purpose of supporting the Agri Processing	4 182	0	No projects were approved for funding at year end.
CASIDRA SOC Ltd: Market Access	The aim is to provide comprehensive support to existing and	4 500	3 548	R132 184 orders outstanding 3 International and 3

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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	new projects to access domestic and international markets			National interventions supported.
CASIDRA SOC Ltd: Disaster Management Scheme	For the purpose of implementation of the disaster aid scheme for fires and drought aid scheme	5 000	5 000	30 farmers supported.
CASIDRA SOC Ltd: Berg River Alien Clearing Project	For the purpose of the implementation of the Berg River Alien Clearing Project	5 000	0	R2 090 000 orders outstanding. Funds received at year end.
CASIDRA SOC Ltd: Disaster Management Scheme: Boreholes	For the purpose of implementation of the borehole aid scheme	5 000	0	Funds received at year end.
CASIDRA SOC Ltd: Drought Relief Scheme	For the purpose of the implementation of the drought aid scheme	2 795	0	Funds received at year end.
CASIDRA SOC Ltd: Disaster Management Scheme: Drought	For the purpose of implementation of the drought aid scheme	12 572	0	Funds received at year end.
CASIDRA SOC Ltd: Ebenhaeser Irrigation	For the purpose of supporting the Rural Development (Ebenhaeser Irrigation)	4 384	0	Funds received at year end.
CASIDRA SOC Ltd: Drought Relief Scheme	For the purpose of the implementation of the drought aid scheme	40 000	31 993	R0 orders outstanding. 2 262 farmers supported.
CASIDRA SOC Ltd: Unit for Technical Assistance	For the purpose of supporting the Unit for Technical Assistance	4 000	875	R1 043 345 orders outstanding.
CASIDRA SOC Ltd: Rural Development Support	For the purpose of providing strategic support to Rural Development structures in the existing rural nodes	240	0	In the process to procure services in line with new initiatives.
CASIDRA SOC Ltd: Neighbouring Farm Project	For the implementation of the Neighbourhood Farm Project for the purpose of establishing a collaborative relationship between the industry and the Western Cape: Provincial Department of Agriculture	4 507	777	R561 960 orders outstanding. Project was contracted in February 2018.
Western Cape Investment & Trade Promotion Agency	For the operations of the Agribusiness Investment Unit	1 262	1 262	The Agribusiness Investment Unit has made a considerable achievement in facilitating investment into the sector as R756 million worth of investment was commitment on projects. The unit closed the 2017/18 year with a healthy investment pipeline

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Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				of about 23 projects while jobs created from the committed projects were at 1 412.
Western Cape Investment & Trade Promotion Agency	Towards co-sponsoring the hosting of Africa Day Business Seminar event	25	25	

Casidra SOC Ltd is the main implementing agent of the CASP and Ilima/Letsema grants for projects with regard to the following commodities: vegetables, ruminant, dairy, grain, poultry, ostrich, piggery, aquaculture, viticulture and all other commodities not implemented by 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 table.

In addition to the above, Casidra SOC Ltd also implements disaster projects which form part of the CASP funding received and transferred.

All the transfers are done in terms of Memoranda of Agreement (MOAs), except for the amount of R32.914 million, 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.

Western Cape Investment & Trade Promotion Agency (WESGRO) keeps an Agri Investment Desk which is annually funded by the department. This is run as part of WESGRO's operations and promotes investment into agriculture in the Western Cape.

In cases where full spending did not take place, the funds are expected to be fully spent before 31 March 2019. However, this may be subject to the drought which, as can be seen had a visible impact on the year under review.

## 5.2. Transfer payments to all organisations other than public entities

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Deciduous Fruit Producers Trust First Tranche	Trust	For the purpose of establishing fruit orchards for the Fruit Value Chain and other new farmers	Yes	9 966	9 966	
Deciduous Fruit Producers Trust Second Tranche	Trust	For the purpose of establishing fruit orchards for the Fruit Value Chain and other new farmers	Yes	6 853	831	Entire CASP budget for 2017/18 has been allocated. Activities for planting only taking place 2018
Deciduous Fruit Producers Trust	Trust	For the purpose of establishing fruit	Yes	5 472	0	Preparation for 2018 and

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Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
Third Tranche		orchards for the Fruit Value Chain and other new farmers				planting in process. Planting taking place Aug/Sept
Deciduous Fruit Producers Trust First Tranche	Trust	For the purpose of establishing fruit orchards for the Citrus industry and other new farmers	Yes	2 593	2 593	
Deciduous Fruit Producers Trust Second Tranche	Trust	For the purpose of establishing fruit orchards for the Citrus industry and other new farmers	Yes	1 678	413	Implementation to be completed by 30 September 2018
Deciduous Fruit Producers Trust Third Tranche	Trust	For the purpose of establishing fruit orchards for the Citrus industry and other new farmers	Yes	1 000	0	Funds transferred during quarter 4. Implementation to be completed by 30 September 2018
Deciduous Fruit Producers Trust	Trust	For the funding of alternative crops in Round 4 of the Alternative Crops Fund	Yes	945	945	
Lower Olifants River Irrigation Scheme	Water Users Association managing the Lower Olifants River water supply system	To assist with the 3rd phase of the preventative priority maintenance work on the Olifants River Irrigation Scheme	Yes	1 400	1 400	
Lower Olifants River Irrigation Scheme	Water Users Association managing the Lower Olifants River water supply system	For the drilling of boreholes to augment the available water in the Olifants River for the financial year 2017/18	Yes	5 000	5 000	
Sustainability Initiative of South Africa	NPO	For the implementation of the Ethical Trade Programme in the fruit industry for improved compliance especially with ethical trade standards to maintain existing market access in South Africa's main traditional markets	Yes	1 000	656	The project commenced during the 3 <sup>rd</sup> quarter and is governed by a 12 months Agreement that goes over the year the funds were paid in. This is due to historical reasons as the entity was operating under a commodity organisation and later became independent. In addition Training was affected by the harvesting season in the fruit industry and therefore

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Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
						postponed.
Wines of South Africa	NPO	For the purpose of wine promotion in Angola and China	Yes	1 331	1 331	
Wine Initiative for Ethical Trade Association	NPO	To Improve social compliance in the wine industry using the ethical trade standard to maintain existing market access in South Africa's main traditional markets	Yes	744	744	
Cape of Good Hope Agricultural Society	Agricultural Society	Towards Cape of Good Hope Agricultural Society for the 2018 Cheese Festival and Youth Show	Yes	300	0	All to be spent at 27 April 2018.
Green Cape Sector Development Agency	NPO	For the operations of the Agriculture Sector Desk (Agri Desk)	Yes	500	500	
Green Cape Sector Development Agency	NPO	Climate resilience project	Yes	800	800	
Hortgro (Pty) Ltd	NPO	Towards co-sponsoring the hosting of the Hortgro Technical Symposium	No	100	100	
Municipalities	Local Government	Vehicle Licences	No	59	59	
Various Individuals	Individuals	Donations, bursaries, etc.	No	1 782	1 782	

All transfer payments budgeted for were paid, except to the SPCA as reflected in the table below.

Deciduous Producers Trust takes responsibility for implementing projects within horticulture – deciduous fruit and citrus being the major commodity here. The requested narrative for the rest of the institutions being transferred to, are mentioned under purpose.

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

All transfers that are linked to memoranda of agreement also have reporting prescripts, including spending, for the scrutiny of the Department.

In the case of Deciduous Producers Trust a quarterly narrative report is also submitted, including spending progress. In all other cases the memorandum of agreement will stipulate reporting within practical parameters of that specific project.

In all cases where full spending did not take place it is expected to be fully spent before 31 March 2019. However, again this may be subject to the drought which, as can be seen had a visible impact on the year under review.



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The table below reflects the transfer payments which were budgeted for in the period 1 April 2017 to 31 March 2018, but no transfer payments were made

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Cape of Good Hope Society for Prevention of Cruelty to Animals (SPCA)	NGO	Society for Prevention of Cruelty to Animals for mass sterilisation project in the Southern Cape	650	Nil	Necessary requirements were not fully complied with in time to legally transfer the funds within financial year parameters.

## 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 who 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.	
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Number of subsistence, smallholder and commercial farmers supported through CASP.</li> <li>• Number of youth and women farmers supported through CASP.</li> <li>• Number of on-off farm infrastructure provided.</li> <li>• Number of beneficiaries of CASP supported with SA GAP certification.</li> <li>• Number of beneficiaries of CASP trained on farming methods.</li> <li>• Number of beneficiaries of CASP with markets identified.</li> <li>• Number of extension personnel recruited and maintained in the system.</li> <li>• Number extension officers upgrading qualifications in various institutions.</li> <li>• Agricultural colleges upgrading infrastructure.</li> <li>• Agricultural Information Management System (AIMS) implemented.</li> </ul>	
<b>Actual outputs achieved</b>	Number of subsistence, smallholder and commercial farmers supported through CASP.	Subsistence : 0 Smallholder : 16 Black Commercial: 29
	Number of youth and women farmers supported through CASP.	Youth : 114 Women : 789 People with disability: 3
	Number of beneficiaries of CASP supported with SA GAP certification.	21
	Number of beneficiaries of CASP trained on farming methods.	2 590 beneficiaries trained (128 attended accredited training) 34 Mentors assigned to smallholder farmers. 4 180 site visits were conducted through the smart pen.
	Number of extension personnel recruited and maintained in the system.	Recruited – 13 Maintained - 50

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	Number of on-off farm infrastructure provided.	<ul style="list-style-type: none"> <li>• Water Infrastructure – 8</li> <li>• Crop Production (Soil &amp; Establishing) – 42</li> <li>• Fencing – 1</li> <li>• Trellising – 7</li> <li>• Orchard Infrastructure – 2</li> <li>• Mechanisation – 24</li> <li>• Production Inputs – 17</li> <li>• Packing facilities – 4</li> </ul>
	Number of beneficiaries of CASP with markets identified.	2 236
	Number extension officers upgrading qualifications in various institutions.	0
	Agricultural colleges upgrading infrastructure.	Elsenburg
	Agricultural Information Management System (AIMS) implemented.	1 System Maintained
<b>Amount per amended DORA (R'000)</b>	115 199	
<b>Amount received (R'000)</b>	115 199	
<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>	115 199	
<b>Reasons for the funds unspent by the entity</b>	All funds were spent.	
<b>Reasons for deviations on performance</b>	N/A	
<b>Measures taken to improve performance</b>	N/A	
<b>Monitoring mechanism by the receiving department</b>	<ul style="list-style-type: none"> <li>• Quarterly Review meetings were scheduled to monitor performance of the grant.</li> <li>• Monthly financial reports which are project based submitted to DAFF on the 15<sup>th</sup> of every month.</li> <li>• Quarterly reporting by 20<sup>th</sup> after reporting quarter</li> </ul>	

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

<b>Department who transferred the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Expected outputs of the grant</b>	Financial support for the 2013/14 Flood Aid Schemes
<b>Actual outputs achieved</b>	2013/14 floods: financial support for on-farm repairs to damaged infrastructure.
<b>Amount per amended DORA (R'000)</b>	17 207
<b>Amount received (R'000)</b>	17 207
<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>	17 207
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	N/A

**Conditional Grant Comprehensive Agricultural Support Programme (College Improvement):**

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<b>Department who transferred the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	Upgrade of Agricultural Colleges
<b>Expected outputs of the grant</b>	Erection of new College entrance
<b>Actual outputs achieved</b>	Phase 1 of project completed
<b>Amount per amended DORA (R'000)</b>	3 791
<b>Amount received (R'000)</b>	3 791
<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>	2 166
<b>Reasons for the funds unspent by the entity</b>	Project on going. Phase 2 to be implemented in 2018/19.
<b>Reasons for deviations on performance</b>	Project on going. Funding for phase 2 available in 2018/19.
<b>Measures taken to improve performance</b>	Commencement of phase 2 to be fast-tracked.
<b>Monitoring mechanism by the receiving department</b>	Monthly meetings with implementing department.

**Conditional Grant Ilema Letsema:**

<b>Department who 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 development	
<b>Expected outputs of the grant</b>	<ul style="list-style-type: none"> <li>• Number of hectares (ha) planted</li> <li>• Number of tonnes produced within agricultural development corridors, e.g. maize</li> <li>• Number of beneficiaries/entrepreneurs supported by the grant</li> <li>• Number of newly established infrastructure plants through the grant</li> <li>• Number of hectares (ha) of rehabilitated and expanded irrigation schemes.</li> </ul>	
<b>Actual outputs achieved</b>	Number of hectares (ha) planted	1 818.4ha
	Number of tonnes produced within agricultural development corridors, e.g. maize	5 450ha
	Number of beneficiaries/entrepreneurs supported by the grant	Subsistence: 1 468 Smallholder: 29 Black Commercial: 6
	Number of newly established infrastructure plants through the grant	<ul style="list-style-type: none"> <li>• Water Infrastructure – 11</li> <li>• Livestock Infrastructure – 7</li> <li>• Crop Production – 12</li> <li>• Horticulture Infrastructure – 3</li> <li>• Fencing – 8</li> <li>• Packaging Facility – 1</li> <li>• Processing &amp; Storage facility – 3</li> <li>• Mechanisation equipment – 8</li> <li>• Mechanisation implements – 4</li> <li>• Vehicles – 8</li> <li>• Soil Preparation – 2</li> <li>• Livestock – 8 Projects</li> </ul>
	Number of hectares (ha) of rehabilitated and expanded irrigation schemes	N/A
<b>Amount per amended DORA (R'000)</b>	55 349	
<b>Amount received (R'000)</b>	55 349	
<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>	55 349	
<b>Reasons for the funds unspent by the entity</b>	100% Spent	

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<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	<ul style="list-style-type: none"> <li>• Quarterly Review meetings were scheduled to monitor performance of the grant.</li> <li>• Monthly financial reports which are project based submitted to DAFF on the 15<sup>th</sup> of every month.</li> <li>• Quarterly reporting by 20<sup>th</sup> after reporting quarter</li> </ul>

**Conditional Grant LandCare:**

<b>Department who transferred the grant</b>	Department of Agriculture, Forestry and Fisheries
<b>Purpose of the grant</b>	To optimise productivity and sustainability of natural resources leading to greater productivity, food security, job creation and better quality of life for all.
<b>Expected outputs of the grant</b>	3 000 hectares protected/rehabilitated to improve agricultural production. 90 Green jobs created
<b>Actual outputs achieved</b>	8 383 hectares protected/rehabilitated to improve agricultural production. 147 Green jobs created.
<b>Amount per amended DORA (R'000)</b>	4 380
<b>Amount received (R'000)</b>	4 380
<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>	4 380
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Reasons for deviations on performance</b>	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects which created a desired condition of more employment.
<b>Measures taken to improve performance</b>	N/A
<b>Monitoring mechanism by the receiving department</b>	Monthly monitoring of projects

**Conditional Grant Extended Public Works Programme:**

<b>Department who transferred the grant</b>	Department of Public Works
<b>Purpose of the grant</b>	The Expanded Public Works Programme involves creating work opportunities for unemployed persons, and so allowing them to participate economically and contribute to the development of their communities and the country as a whole.
<b>Expected outputs of the grant</b>	23 Full Time Equivalent Jobs
<b>Actual outputs achieved</b>	147 Full Time Equivalent Jobs
<b>Amount per amended DORA (R'000)</b>	2 062
<b>Amount received (R'000)</b>	2 062
<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>	2 062
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Reasons for deviations on performance</b>	This deviation is due to the successful lobbying of funding from partners and the successful implementation of projects which created a desired condition of more employment.
<b>Measures taken to improve performance</b>	Monthly monitoring
<b>Monitoring mechanism by the receiving department</b>	N/A

**Conditional Grant Drought Alleviation:**

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<b>Department who transferred the grant</b>	Department of Cooperative Governance and Traditional Affairs
<b>Purpose of the grant</b>	Fodder support provided to livestock farmers impacted by the worst drought in the recorded history of the Western Cape.
<b>Expected outputs of the grant</b>	Supply fodder to farmers for their livestock.
<b>Actual outputs achieved</b>	Fodder support was provided to 2 653 farmers in the Western Cape.
<b>Amount per amended appropriation Act (R'000)</b>	40 000
<b>Amount received (R'000)</b>	40 000
<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>	40 000
<b>Reasons for the funds unspent by the entity</b>	N/A
<b>Reasons for deviations on performance</b>	N/A
<b>Measures taken to improve performance</b>	SOPs were reviewed to strength effective monitoring and evaluation.
<b>Monitoring mechanism by the receiving department</b>	Database with animal inventory and the rand-value of the fodder allocated.

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

With respect to CASP, R1.625 million regarding civil works at SAET (the College) was unspent and requested to be rolled over to the new financial year to complete the project.

Programme: SRM received a LandCare grant of R4.380 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 R4.380 million was spent on 23 approved projects.

Programme: SRM received a grant for EPWP amounting to R2.062 million. The full amount was spent on 5 projects of the clearing of alien plants by using unemployed local labour.

Programme: SRM received a CASP grant for disaster relief amounting to R17.207 million for the 2013/14 flood in addition to the R40.0 million received in the 2016/17 financial year. The 2013/14 Flood Aid Scheme is a multi-year project to be completed in 2018/19. The 2013/14 Flood Aid scheme provides funding to assist 234 farmers with the on-farm repairs of damages that resulted from the 2013 and 2014 floods. This will typically include repairs to agricultural land, fences, weirs, dams, canals and pipelines. For most of the repair work environmental authorisation is required that are costly and requires considerable time to obtain. Farmers are reimbursed for expenditure on these repair work on condition that they have obtained the required authorisations and the work is concluded up to acceptable engineering standards and specification. This resulted in limited expenditure of the allocated funding. At 31 March 2018 R21.035 million was spent.

Furthermore the programme also received R40 million through the adjusted DORA from the Department of Cooperative Governance and Traditional Affairs towards the drought disaster in the Western Cape. All funds were either committed or spent at year end.

Programme: FSD received in total R169.406 million for conditional grants. The spending can be broken down as follows per grant:

1. Comprehensive Agricultural Support Programme:
  - Implement infrastructure and input support projects amounting to R115.199 million; and
  - Extension Revitalisation Programme funding amounting to R21.347 million.

2. Ilima\Letsema:

- Implementing Ilima/Letsema projects amounting to R55.349 million.

There are two institutions implementing projects as their mandate, Casidra and Deciduous Fruit Producer's Trust. Casidra received R127.019 million who also acts as the secretariat for the Animal Industry, Vegetable Industry, Viticulture and Table Grape Industry, Wine industry, Dairy, Grain and Sheep and Wool, as well as Food Security projects. They are also responsible for some strategic projects. Deciduous Fruit Producers Trust received R27.562 million for the Fruit Commodities. The prescripts of DORA were adhered to the allocated budget for its intended purpose. The conditions of the Act and also within the frameworks of CASP and Ilima Letsema were adhered to. Ten commodity groups in the Western Cape were supported in this way to establish new farmers within their ranks.

The programme: SAET received an amount of R3.791 million CASP funding to initiate the implementation of the nationally accepted set of Norms and Standards for Agricultural Training Institutes.

The amount of R2.166 million was spent on infrastructure civil works and the balance R1.625 million is part of the civil works to be spent before June 2018.

The total amount of R233.608 million for all four grants were received in one to four quarterly tranches as published.

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 the Division of Revenue Act (DORA).

## **7 DONOR FUNDS**

### **7.1 Donor Funds Received**

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 ninth UAMP in terms of 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 out-dated research infrastructure facilities is taken up in the UAMP.

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Water supply problems continued during the reporting year at the Head Office and has emphasised the urgent need for an Elsenburg resources master plan. This plan is part of the UAMP. This plan was completed during the year under review.

Completed building projects will be reported on by the Department of Transport and Public Works (Vote 10) as the budget and all processes lies with them.

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 Department of Transport and Public Works for its maintenance needs, since it is centralised with them in the Province.

Assets with a cost value of R2.001 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 of computers (R36 000 – 2 cases), damage to government vehicles (R62 000 – 16 cases), damage to private vehicles (R114 000 – 8 cases) and damage to machinery and equipment (R33 000 - 2 cases).

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 sizeable 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 good maintained condition, but the buses and bigger trucks are already beyond the normal replacement date. The tractors and other implements on the research farms are improved as compared to previous years with a couple of new replacements. The normal lifespan of the tractors is 8 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 irreparable and replacement is not affordable.

All major maintenance projects on infrastructure will be reported on by the Department of Transport and Public Works (Vote 10) as the budget and all processes lies 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, which is an ever growing concern.

The maintenance of other asset items is under control.

No major capital projects were undertaken.

# **PART C: GOVERNANCE**

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## **1. INTRODUCTION**

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 MTEF 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 plan.

Quarterly performance reports provide progress updates on the implementation of the department's APP with particular reference to monitoring delivery against performance targets. The aforementioned takes place in accordance with Chapter 5 of the 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.

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 independent oversight over governance, risk management and control processes in the department. The role of the internal audit as a key assurance provider on governance, risk management and control processes has once again been highlighted in King IV Report on Corporate Governance™.

A number of other departmental structures are also in place and contribute to the improvement of governance. These include amongst other the (i) Ethics and Enterprise Risk Management Committee (ii) Safety and Security Committee (iii) Health and Safety Committee (iv) Information Technology STEERCOM which provides oversight relating to information technology governance; (v) Internal Control Unit and a (vi) Compliance Monitoring Function within supply chain management.

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. During the financial year the Department embarked on a diagnostic, impact and design evaluation of the future of the Western Cape Agricultural Sector in the context of the 4th Industrial Revolution as well as an impact, economic and design evaluation of the Western Cape Department of Agriculture's LandCare Sub-programme.

## **2. RISK MANAGEMENT**

The Accounting Officer (AO) for the Western Cape Department of Agriculture takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF) and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DoP) provides a centralised strategic support service to the department.

In compliance with the National Treasury Public Sector Risk Management Framework (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. The department adopted an ERM Policy for the period 2016/17 – 2019/20, approved by the Accounting Officer on 22 April 2016; and an ERM Strategy & Implementation Plan for 2017/18, approved by the Accounting Officer on 11 April 2017. The ERM Implementation Plan gave effect to the WCG ERM Policy and departmental ERM Strategy and outlines the roles and responsibilities of management and staff in embedding risk management in the department.

The department assessed significant risks that could have an impact on the achievement of its objectives, both strategically and on programme level, on a quarterly basis. Risks were prioritised

based on its likelihood and impact (inherently and residually) and additional mitigations were agreed upon to reduce risks to acceptable levels. New/emerging risks were identified during the quarterly review processes.

The department established an Ethics and Enterprise Risk Management Committee (EERMCO) to assist the Accounting Officer in executing her responsibilities relating to risk management. The Committee operates under a Terms of Reference approved by the Accounting Officer on 18 May 2017. EERMCO in the main evaluated the effectiveness of the mitigating strategies implemented to address risks of the department and recommended further action where relevant.

The Economic Cluster Audit Committee provided independent oversight of the department's system of risk management. The Audit Committee was 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 was in relation to the progress of implementation of the ERM Implementation Plan and risks faced by the Department and their relevant risk response/treatment strategies.

### **3. FRAUD AND CORRUPTION**

Fraud and corruption represent significant potential risks to the department's assets and can negatively impact on service delivery efficiency and the department's reputation.

The Western Cape Government (WCG) adopted an Anti-Fraud and Corruption Strategy which confirms the Province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy the department is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available, any parties who engage in such practices or attempt to do so.

The department has an approved Fraud and Corruption Prevention Plan and a Fraud Prevention Implementation Plan that gives effect to the Prevention Plan. The Implementation Plan is executed in collaboration with the Corporate Services Centre (i.e. Provincial Forensic Services and Labour Relations), while progress against planned activities is monitored quarterly by EERMCO.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy and the departmental Fraud and Corruption Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the department and to generate statistics for the province and department.

Forensic investigations continued to be offered by PFS (which is centralised with the Department of the Premier as part of the CSC) who services all departments across the WCG and assists departments with the investigation, prevention and detection of fraud, theft and corruption-related incidents.

Employees who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements e.g. was made in good faith). In this regard the transversal Whistle-blowing Policy provides guidelines to employees on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated within the WCG. 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.

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Once fraud, theft or corruption is confirmed after completion of an investigation, the relevant employee who participated in these acts is subjected to a disciplinary hearing. In all such instances, the WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where *prima facie* evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Case Load	Number
Open cases as at 1 April 2017	1
New cases (2017/18)	0
Closed cases (2017/18)	1
Open cases as at 31 March 2018	0

The following table further analyses the closed case indicated above:

Cases Closed - Outcome	Number
Allegations substantiated	0
Only preliminary investigation with no adverse findings	1
Only preliminary investigation with no findings, but with recommendations	0

#### 4. MINIMISING CONFLICT OF INTEREST

The Code of Conduct for the Public Service and the Code of Conduct for Supply Chain Management 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, including the avoidance and/ or declaration of any interest that may pose a conflict of interest). All employees are expected to comply with the Code of Conduct for the Public Service, while all SCM Practitioners must also comply with the Code of Conduct for SCM Practitioners.

With regard to bid committees, 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). Should a conflict of interest arise, the committee member must recuse him/herself from proceedings.

In terms of the Public Service Regulations, 2016, designated employees are required to disclose their financial interests (particulars of all interests in respect of the period 1 April of the previous year to 31 March of the year in question). In March 2017 the Minister for the Public Service and Administration issued a Determination and Directive on other categories of employees to disclose their financial interests.

Regulation 13(c) of the Public Service Regulations 2016 (read together with the Directive on "Conducting business with an Organ of State"), prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the PFMA. The Provincial Treasury in collaboration with departments have already implemented a mechanism through which potential conflict of interests are identified by

comparing similar and comparable information from PERSAL with information on the suppliers' database. Where cases are identified through system checks, such transactions are reviewed to ascertain whether a conflict exists.

With respect remunerative work outside of the department (Public Service), no employee is allowed to perform other remunerative work before applying and receiving permission to do so. Applications received are evaluated to amongst other ensure (as far as practically possible) that the nature and extent of the remunerative work to be performed are not in conflict with the normal duties that employees perform in the public service as well as are not in contravention of Regulation 13 (c) of the Public Service Regulations.

The department also has an approved gift policy that provides specific guidelines and procedures for the acceptance and declaration of gifts by employees.

Should any conflict of interest be confirmed, such conflict will be managed in accordance with the Disciplinary Code and Procedures for the Public Service.

## **5. CODE OF CONDUCT**

The Code of Conduct for the Public Service, as included in the Public Service Regulations, 2016, is the adopted code. All employees are expected to comply with the Code of Conduct for Public Service. The code of conduct:

- lays down norms and standards in promoting integrity, efficient and effective delivery of service 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
- form an integral part of the way we work every day.

The code is furthermore strengthened by the Code of Conduct for Supply Chain Management Practitioners. The Code of Conduct for Public Service as well as the Code of Conduct for Supply Chain Management Practitioners is communicated to employees annually.

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 also required to undergo induction training. The Code of Conduct forms an integral part of induction training.

The Disciplinary Code and Procedures for the Public Service are used to promote acceptable conduct, and to avert and correct unacceptable conduct. Information on both codes is also available on the department's intranet.

## **6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES**

The health and safety risks within the department vary from offices incidents to more complex occupational hazards such as exposure to chemicals and physical injuries hence the need to conduct health risk assessments of staff and facilities on an annual basis.

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

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The department has also recognised the need to develop, implement and maintain policies, programmes and procedures to assist in a major business disruption hence the development of the Business Continuity Plan. Included in the BCP is the Water Response Plan, Fire Response Plan and Electricity Continuity Plan. The BCP outlines 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
7 June 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To brief the Committee on the proposed plan of action for the Philippi Horticultural Area (postponed to 21 June 2017)	None
21 June 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To brief the Committee on the proposed plan of action for the Philippi Horticultural Area	Presentation to the committee.
28 June 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To brief the Committee on the support provided by the Department around the Ebenezer Land Claim	Presentation to the committee.
2 August 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	The Standing Committee on Economic Opportunities, Tourism and Agriculture hereby requests the Department of Agriculture to report back to the Committee on any new developments regarding the Philippi Horticultural Area.	Presentation to the committee.
16 August 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	The Standing Committee on Economic Opportunities, Tourism and Agriculture wishes to inform the Department of Agriculture of a meeting where the Philippi Economic Development Initiative (PEDI) will brief the Committee on the following: (i) The benefits of the Philippi Horticultural Area (PHA) to the greater Philippi area in terms of economic development; and (ii) The launch of the PEDI Urban Agriculture Academy in Philippi and the link to formal and informal development, and trade in Philippi East.	Presentation to the committee.
16 August 2017	SCOPA	Western Cape Provincial Parliament's Public Accounts Committee (PAC) herewith invites your Department to brief it on the following: 1. The 15 evaluations that were completed through the Department's Evaluation Plan, conducted as an external independent evaluation of specific projects and programmes in the Department. 2. The financial breakdown of activities in sub-programme 3.1: Farmer-Settlement and Development, including the geographical area which this programme covers. The above mentioned matters were resolutions of the Committee. The information was highlighted.	Presentation to the committee.
18 August 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	The Standing Committee on Economic Opportunities, Tourism and Agriculture to attend and brief a Committee meeting scheduled on 18 August 2017 on the Western Cape Adjustments Appropriation (Emergency Funds) Bill [B5 - 2017].	Consideration and acceptance by committee.
30 August 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To Brief the committee on the plan to respond to the drought disaster in the Western Cape.	Presentation to the committee.
11 October 2017	Standing Committee on	To brief the Committee on its 2016/17	Non – postponed.

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Date of Meeting	Committee	Subject addressed	Manner of address
	Economic Opportunities, Tourism and Agriculture	Annual Report including the Annual report of its Entity; Casidra <b>(Postponed).</b>	
24 November 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To Brief the Committee on the budgetary adjustments to Vote 11: Agriculture in the Schedule to the <i>Western Cape Adjustment Appropriation Bill, 2017</i> .	Consideration and acceptance by committee.
8 March 2017	Standing Committee on Economic Opportunities, Tourism and Agriculture	To Brief the committee on funds appropriated for Vote 11: Agriculture as detailed in the <i>Western Cape Appropriation Bill, 2018</i> .	Consideration and acceptance by committee.
8 March 2017	Joint meeting of the Standing Committee on Economic Opportunities, Tourism and Agriculture and the Provincial Accounts Committee.	The Minister with the Auditor-General of South Africa (AGSA) appear before the Committee and brief the committee on the following: <ul style="list-style-type: none"> <li>The reason the Western Cape Department of Agriculture's 2016/17 Annual Report has not been finalised;</li> <li>The current status of the dispute between the AGSA and the Department; and</li> <li>An update on the process going forward.</li> </ul>	Presentation by the department and the AGSA.

## 8. SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
Transversal departmental resolution by the PAC	The Committee has been advised by AGSA that the National Treasury is currently drafting an Accounting Manual to distinguish between "Goods and services" and "Transfer payments". This distinction can potentially have a negative future audit opinion outcome for departments and entities, if not adhered to.	As stated under subject.	The department has, since July 2017, been in dispute with the AGSA about this interpretation. The AGSA has (as at 29 May 2018) not yet issued the department's 2016/17 audit report. The department is therefore still awaiting the AGSA's own interpretation before finalising its own options in this regard.	No
Transversal resolution to an entity by the PAC	That GMT, including all departments and entities, briefs the Public Accounts Committee on the lease arrangement, as determined by the National Accountant General, as well as the lease payments to GMT within 1 year, between 2 to 5 years and more than 5 years.	As stated under subject. To be scheduled by the PAC.	That GMT, including the Department, brief the Committee on the lease arrangement, as determined by the National Accountant General, as well as the lease payments to GMT within 1 year, between 2 to 5 years and more than 5 years.	No

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

None.

## 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, but not limited to:

- rendering financial compliance management support;
- rendering advice on various standard operating procedures;
- monitoring and reporting on various improvement plans;
- rendering assurance services in respect to the Monitoring Performance Assessment Tool (MPAT)
- coordinating and monitoring the fraud prevention implementation plan for the department;
- rendering of support in respect to the piloting of the WCG Corporate Governance Framework & Maturity Model;
- provisioning of full secretariat support to the EERMCO; and
- rendering advice/support on risk management.

## **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 assists 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.

**The following assurance engagements were approved and completed in the 2017/18 Internal Audit Plan:**

- Further Education and Training (FET) & Higher Education and Training (HET)
- Evaluation Plans - Management Improvement Plan
- Transfer Payments – Wine and Agricultural Ethical Trade Association (WIETA)

**The following consulting engagements were approved and completed in the 2017/18 Internal Audit Plan:**

- FRUITLOOK Project

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

- Internal Audit function;

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- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- Review of AGSA management and audit report;
- 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 (Chairperson)	CIA; AGA; Masters in Cost Accounting; BCompt; CRMA	External	N/a	1 January 2016 (2 <sup>nd</sup> term)	N/a	8
Mr Francois Barnard	MComm (Tax); CA (SA); Postgrad Diploma in Auditing; CTA BCompt (Honours); BProc	External	N/a	1 January 2016 (2 <sup>nd</sup> term)	N/a	8
Mr Burton Van Staaden	CA (SA), Postgraduate Certificate in Auditing; CTA; BCom (Honours)	External	N/a	1 January 2015 (2 <sup>nd</sup> term)	2 <sup>nd</sup> term expired 31 December 2017	7
Ms Merle Kinnes	BA; LLB; Certificate Forensic Examination; Attorney of the High Court of SA	External	N/a	1 January 2016 (1 <sup>st</sup> term)	N/a	9
Mr Linda Nene	BCom (Acc); Post Grad Dip Management (Corp Governance; CCSA, GIA (SA), FIIFASA, CRMA; CCP (SA); Masters in International Business	External	N/a	1 January 2018 (1 <sup>st</sup> term)	N/a	2

## 12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018.

### 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 (PFMA) and National Treasury Regulations 3.1**. The Audit Committee also reports that it has adopted an appropriate formal Terms of Reference, has regulated its affairs in compliance with these Terms and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.



The following engagements were approved by the Audit Committee and completed by Internal Audit during the year under review:

- Further Education and Training (FET) & Higher Education and Training (HET) (Assurance Engagement)
- Evaluation Plans - Management Improvement Plan (Assurance Engagement)
- Transfer Payments – WIETA (Assurance Engagement)
- FRUITLOOK Project (Consulting Engagement)

The areas for improvement, as noted by internal audit during performance of their work, were agreed to by management. The Audit Committee monitors the implementation of agreed actions on a quarterly basis.

### **In-Year Management and Monthly/Quarterly Report**

The Audit Committee is satisfied with the content and quality of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

### **Evaluation of Financial Statements**

The Audit Committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report with the Auditor – General South Africa (AGSA) and the Accounting Officer;
- reviewed the AGSA's Management Report and management's response thereto;
- reviewed changes to accounting policies and practices as reported in the Annual Financial Statements;
- reviewed material adjustments resulting from the audit of the Department.

### **Compliance**

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

### **Performance Information**

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

### **Report of the Auditor-General South Africa**

We have on a quarterly basis reviewed the Department's implementation plan for audit issues raised in the prior year. The Audit Committee has met with the AGSA to discuss any unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis. The matter relating to Transfer Payments remains unresolved for the 2016/ 2017 financial year.

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The Audit Committee notes the AGSA's opinion regarding the Annual Financial Statements, and in addition notes the Department's comments/ views on the findings relating to Transfer Payments.

A handwritten signature in black ink, appearing to read 'J. Gunther', is centered on the page. The signature is written in a cursive style.

**Judy Gunther**  
**Chairperson of the Audit Committee**  
**Department of Agriculture**  
**Date: 07 August 2018**

# **PART D: HUMAN RESOURCE MANAGEMENT**

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## 1. INTRODUCTION

Our unique contribution to the work of the Western Cape Government is as a result of the persistent, and often selfless, efforts of the people within the Department of Agriculture.

To consistently deliver improved services to the citizens of the Western Cape Province is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of "doing more with less".

Despite the changing patterns and increased demands impacting on the modern workplace, the consistent hard work of our people, has resulted in remarkable achievements and service delivery improvement during the year under review.

## 2. OVERVIEW OF HUMAN RESOURCES

### 2.1 Departmental Workforce Planning

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2016 – 2021, is aligned to the vision and mission of the Department and will support the Departmental Strategic Plan: 2015/16 – 2020/21, in reaching its Strategic Goals.
- The assumptions, objectives and strategies upon which the Workforce Plan was developed are deemed to be valid and appropriate, as they flowed from mindful collaborative planning between the Department's top and line management; as well as the CSC.
- The outcomes are as follows:
  - ✓ *A performance conducive workplace;*
  - ✓ *Organisational structures aligned with mandate/national and provincial agenda/service delivery requirements;*
  - ✓ *Appointment of sufficient numbers of:*
    - *Suitably qualified candidates in critical and scarce occupations;*
    - *Qualified young black professionals; and*
    - *Engineers;*
  - ✓ *Enhanced representivity and support for designated groups;*
  - ✓ *Women and Africans on Middle Management and SMS levels; and PWD's supported to make a contribution to service delivery;*
  - ✓ *Competent people in the right numbers at the right place at the right time with the right attitude.*
- The Workforce Plan and Action Plan for 2017/18 was reviewed and amended

## **2.2 Employee Performance Management**

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the Western Cape Government has devised an electronic system, namely PERMIS (Performance Management Information System) that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Corporate Services Centre (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

## **2.3 Employee Wellness**

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW Programme is monitored in 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 Corporate Service Centre that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going 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 SHEQ (Safety Health Environment and Quality).

## **2.4 People Management Monitoring**

The Department, in collaboration with the CSC monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, that is developed by the Chief-Directorate: People Management Practices within the CSC, provides the Department with regular updates on the workforce profile and other relevant people management data to enable decision-making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement, employment equity, etcetera.

During the year under review, the Department furthermore participated in the implementation of the annual Management Performance Assessment Tool (MPAT 1.7) coordinated by the Department of

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Planning Monitoring and Evaluation (DPME). In this regard, an average score of 3.6 out of 4 was achieved for the people management key performance area (KPA3). This is amongst the highest scores achieved for this performance area nationally.

### 3. HUMAN RESOURCES OVERSIGHT STATISTICS

#### 3.1. Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.

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 Economics Services
Programme 7	Structured Agricultural Education and Training
Programme 8	Rural Development

**Table 3.1.1: Personnel expenditure by programme, 2017/18**

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	140 746	66 395	723	62 989	47.2	241	275
Programme 2	151 033	28 027	65	16 814	18.6	406	69
Programme 3	267 544	55 509	262	23 707	20.7	405	137
Programme 4	86 972	61 576	228	19 680	70.8	446	138
Programme 5	120 980	77 960	260	32 089	64.4	299	261
Programme 6	22 264	13 252	46	2 643	59.5	473	28
Programme 7	57 793	34 078	413	17 217	59.0	191	178
Programme 8	19 537	10 251	7	2 004	52.5	311	33
<b>Total</b>	<b>866 869</b>	<b>347 048</b>	<b>2 004</b>	<b>177 143</b>	<b>40.0</b>	<b>310</b>	<b>1 119</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

**Table 3.1.2: Personnel expenditure by salary band, 2017/18**

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Lower skilled (Levels 1-2)	23 258	6.6	77	304
Skilled (Levels 3-5)	61 421	17.4	213	288
Highly skilled production (Levels 6-8)	86 592	24.5	349	248

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Highly skilled supervision (Levels 9-12)	152 637	43.2	599	255
Senior management (Levels 13-16)	29 521	8.4	1 230	24
<b>Total</b>	<b>353 429</b>	<b>100.0</b>	<b>316</b>	<b>1 119</b>

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns, but excluding the Minister. The number is accumulative and not a snapshot as at a specific date.

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. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

**Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2017/18**

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	46 245	13.1	176	0.0	1 660	0.5	3 172	0.9
Programme 2	20 121	5.7	0	0.0	548	0.2	1 085	0.3
Programme 3	41 205	11.7	96	0.0	1 401	0.4	2 672	0.8
Programme 4	44 042	12.5	804	0.2	1 360	0.4	2 950	0.8
Programme 5	52 652	14.9	1 798	0.5	2 881	0.8	4 989	1.4
Programme 6	9 828	2.8	0	0.0	316	0.1	350	0.1
Programme 7	21 989	6.2	674	0.2	1 013	0.3	2 154	0.6
Programme 8	7 217	2.0	77	0.0	320	0.1	299	0.1
<b>Total</b>	<b>243 299</b>	<b>68.8</b>	<b>3 626</b>	<b>1.0</b>	<b>9 499</b>	<b>2.7</b>	<b>17 672</b>	<b>5.0</b>

**Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2017/18**

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Lower skilled (Levels 1-2)	16 223	4.6	727	0.2	1 275	0.4	2 083	0.6
Skilled (Levels 3-5)	40 716	11.5	1 164	0.3	3 452	1.0	5 981	1.7
Highly skilled production (Levels 6-8)	61 897	17.5	896	0.3	2 513	0.7	4 543	1.3
Highly skilled supervision (Levels 9-12)	106 980	30.3	839	0.2	2 141	0.6	4 678	1.3
Senior management (Levels 13-16)	17 483	4.9	0	0.0	118	0.0	387	0.1
<b>Total</b>	<b>243 299</b>	<b>68.8</b>	<b>3 626</b>	<b>1.0</b>	<b>9 499</b>	<b>2.7</b>	<b>17 672</b>	<b>5.0</b>

### 3.2. Employment and Vacancies

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Minister), and the percentage active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

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**Table 3.2.1: Employment and vacancies by programme, as at 31 March 2018**

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	167	160	4.2%
Programme 2	62	61	1.6%
Programme 3	138	135	2.2%
Programme 4	134	131	2.2%
Programme 5	258	253	1.9%
Programme 6	26	24	7.7%
Programme 7	100	98	2.0%
Programme 8	29	29	0.0%
<b>Total</b>	<b>914</b>	<b>891</b>	<b>2.5%</b>

**Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2018**

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	175	170	2.9%
Skilled (Levels 3-5)	262	257	1.9%
Highly skilled production (Levels 6-8)	244	242	0.8%
Highly skilled supervision (Levels 9-12)	211	202	4.3%
Senior management (Levels 13-16)	22	20	9.1%
<b>Total</b>	<b>914</b>	<b>891</b>	<b>2.5%</b>

**Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2018**

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Agricultural Economist	16	14	12.5%
Agricultural Engineer	30	30	0.0
Agricultural Scientist	26	26	0.0
Bacteriologist (Vet)	3	3	0.0
Biochemist (Vet)	2	2	0.0
Lecturer	19	19	0.0
M&E Specialist	1	1	0.0
Scientific Technician	29	29	0.0
Veterinary Services	26	26	0.0
<b>Total</b>	<b>152</b>	<b>150</b>	<b>1.3%</b>

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.

### 3.3. Filling of SMS Posts

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.



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**Table 3.3.1: Job evaluation, 1 April 2017 to 31 March 2018**

Salary Band	Number of active posts as at 31 March 2018	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	175	0	0.0	0	0.0	0	0.0
Skilled (Levels 3-5)	262	0	0.0	0	0.0	0	0.0
Highly skilled production (Levels 6-8)	244	0	0.0	0	0.0	0	0.0
Highly skilled supervision (Levels 9-12)	211	4	0.4	0	0.0	0	0.0
Senior Management Service Band A (Level 13)	13	0	0.0	0	0.0	0	0.0
Senior Management Service Band B (Level 14)	7	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>914</b>	<b>4</b>	<b>0.4</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>

Note: The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation.

**Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2017 to 31 March 2018**

Beneficiaries	African	Coloured	Indian	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Employees with a disability					<b>0</b>

Note: Table 3.3.2 is a breakdown of posts upgraded in table 3.3.1.

**Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2017 to 31 March 2018**

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
None					

**Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2017 to 31 March 2018**

Beneficiaries	African	Coloured	Indian	White	Total
None					

### 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 occupation (Table 3.4.2). This section does not include intern information.

**Table 3.4.1: Annual turnover rates by salary band, 1 April 2017 to 31 March 2018**

Salary Band	Number of employees	Turnover rate	Appointments into the	Transfers into the	Terminations out of the	Transfers out of the	Turnover rate 2017/18
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	as at 31 March 2017	2016/17	Department	Department	Department	Department	
Lower skilled (Levels 1-2)	172	3.5%	16	1	7	0	4.1
Skilled (Levels 3-5)	253	5.9%	13	2	10	1	4.3
Highly skilled production (Levels 6-8)	238	8.0%	22	4	19	8	11.3
Highly skilled supervision (Levels 9-12)	190	11.6%	14	7	14	2	8.4
Senior Management Service Band A (Level 13)	12	0.0%	1	1	1	0	8.3
Senior Management Service Band B (Level 14)	5	0.0%	0	1	1	0	20.0
Senior Management Service Band C (Level 15)	1	0.0%	0	0	0	0	0.0
Senior Management Service Band D (Level 16)	1	0.0%	0	0	0	0	0.0
<b>Total</b>	<b>872</b>	<b>7.2%</b>	<b>66</b>	<b>16</b>	<b>52</b>	<b>11</b>	<b>7.2</b>
			<b>82</b>		<b>63</b>		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally)

**Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2017 to 31 March 2018**

Critical Occupation	Number of employees as at 31 March 2017	Turnover rate 2016/17	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate 2017/18
Agricultural Economist	11	15.8%	1	0	1	0	9.1
Agricultural Engineer	30	25.0%	2	0	3	0	10.0
Agricultural Scientist	26	5.3%	0	0	1	0	3.8
Bacteriologist (Vet)	3	-	0	0	1	0	33.3
Biochemist (Vet)	3	0.0%	0	0	0	0	0.0
Lecturer	10	0.0%	0	0	2	0	20.0
M&E Specialist	1	0.0%	0	0	0	0	0.0
Scientific Technician	27	0.0%	3	0	0	0	0.0
Veterinary Services	23	12.0%	5	0	2	0	8.7
<b>Total</b>	<b>134</b>	<b>7.1%</b>	<b>11</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>7.5</b>
			<b>11</b>		<b>10</b>		

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.  
The department has a revised list of Critical Occupations. Where new occupations are included, a turnover rate for the previous year does not exist.

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**Table 3.4.3: Staff leaving the employ of the Department, 1 April 2017 to 31 March 2018**

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2017
Death	1	1.6	0.1
Resignation *	28	44.4	3.2
Expiry of contract	7	11.1	0.8
Dismissal – operational changes	0	0.0	0.0
Dismissal – misconduct	0	0.0	0.0
Dismissal – inefficiency	0	0.0	0.0
Discharged due to ill-health	0	0.0	0.0
Retirement	15	23.8	1.7
Employee initiated severance package	1	1.6	0.1
Transfers to Statutory Body	0	0.0	0.0
Transfers to other Public Service departments	11	17.5	1.3
<b>Total</b>	<b>63</b>	<b>100.0</b>	<b>7.2</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 2017 to 31 March 2018**

Resignation Reasons	Number	% of total resignations
Better remuneration	2	7.1
Further studies	1	3.6
Health problems	1	3.6
Insufficient progression possibilities	3	10.7
No reason provided	11	39.3
Other occupation	8	28.6
Transfer (spouse)	2	7.1
<b>Total</b>	<b>28</b>	<b>100.0</b>

**Table 3.4.5: Different age groups of staff who resigned, 1 April 2017 to 31 March 2018**

Age group	Number	% of total resignations
Ages <19	0	0.0
Ages 20 to 24	1	3.6
Ages 25 to 29	5	17.9
Ages 30 to 34	5	17.9
Ages 35 to 39	4	14.3
Ages 40 to 44	5	17.9
Ages 45 to 49	4	14.3
Ages 50 to 54	1	3.6
Ages 55 to 59	2	7.1
Ages 60 to 64	0	0.0
Ages 65 >	1	3.6
<b>Total</b>	<b>28</b>	<b>100.0</b>

**Table 3.4.6 Employee initiated severance packages.**

<b>Total number of employee initiated severance packages offered in 2017/18</b>	<b>None</b>
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**Table 3.4.7: Promotions by salary band, 1 April 2017 to 31 March 2018**

Salary Band	Number of Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	172	0	0.0	56	32.6
Skilled (Levels 3-5)	253	9	3.6	199	78.7
Highly skilled production (Levels 6-8)	238	5	2.1	119	50.0
Highly skilled supervision (Levels 9-12)	190	4	2.1	142	74.7
Senior management (Levels 13-16)	19	1	5.3	11	57.9
<b>Total</b>	<b>872</b>	<b>19</b>	<b>2.2</b>	<b>527</b>	<b>60.4</b>

Note: Promotions reflect the salary level of an employee after he/she was promoted.

**Table 3.4.8: Promotions by critical occupation, 1 April 2017 to 31 March 2018**

Critical Occupation	Number of Employees as at 31 March 2017	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Agricultural Economist	11	0	0.0	10	90.9
Agricultural Engineer	30	0	0.0	5	16.7
Agricultural Scientist	26	0	0.0	11	42.3
Bacteriologist (Vet)	3	0	0.0	0	0.0
Biochemist (Vet)	3	0	0.0	0	0.0
Lecturer	10	0	0.0	8	80.0
M&E Specialist	1	0	0.0	0	0.0
Scientific Technician	27	0	0.0	4	14.8
Veterinary Services	23	0	0.0	19	82.6
<b>Total</b>	<b>134</b>	<b>0</b>	<b>0.0</b>	<b>57</b>	<b>42.5</b>

Note: Promotions reflect the salary level of an employee after he/she was promoted.

### 3.5. Employment Equity

**Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2018**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	0	1	0	0	0	1	0	0	0	0	<b>2</b>
Senior management (Levels 13-14)	3	2	0	7	2	5	0	2	0	0	<b>21</b>
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	21	28	0	91	23	26	3	40	2	1	<b>235</b>
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	25	47	1	30	29	52	1	36	1	0	<b>222</b>

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Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
(Levels 6-8)											
Semi-skilled and discretionary decision making (Levels 3-5)	19	121	1	6	39	83	1	9	0	0	279
Unskilled and defined decision making (Levels 1-2)	24	70	0	0	10	28	0	0	0	0	132
<b>Total</b>	<b>92</b>	<b>269</b>	<b>2</b>	<b>134</b>	<b>103</b>	<b>195</b>	<b>5</b>	<b>87</b>	<b>3</b>	<b>1</b>	<b>891</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>92</b>	<b>269</b>	<b>2</b>	<b>134</b>	<b>103</b>	<b>195</b>	<b>5</b>	<b>87</b>	<b>3</b>	<b>1</b>	<b>891</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. 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 2018**

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	6	0	0	0	1	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	0	1	0	2	0	0	0	1	0	0	4
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	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>16</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>16</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

**Table 3.5.3: Recruitment, 1 April 2017 to 31 March 2018**

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	2	0	0	0	0	3

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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)	4	3	0	3	2	4	1	2	1	1	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	4	2	0	2	11	3	0	4	0	0	26
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	0	1	3	5	0	1	0	0	15
Unskilled and defined decision making (Levels 1-2)	8	7	0	0	2	0	0	0	0	0	17
<b>Total</b>	<b>18</b>	<b>15</b>	<b>0</b>	<b>7</b>	<b>18</b>	<b>14</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>82</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>18</b>	<b>15</b>	<b>0</b>	<b>7</b>	<b>18</b>	<b>14</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>82</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department, but exclude interns. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.

**Table 3.5.4: Promotions, 1 April 2017 to 31 March 2018**

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	1	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	0	0	2	1	0	0	0	0	0	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	1	0	0	1	1	0	0	0	0	5
Semi-skilled and discretionary decision making (Levels 3-5)	1	7	0	1	0	0	0	0	0	0	9
Unskilled and defined decision making (Levels 1-2)	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>8</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>4</b>	<b>8</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, as per Table 3.4.7.

**Table 3.5.5: Terminations, 1 April 2017 to 31 March 2018**

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

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Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Senior management (Levels 13-14)	0	1	0	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	0	0	8	1	5	0	1	0	0	16
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	3	5	0	3	4	7	0	5	0	0	27
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	0	0	0	5	0	1	0	0	11
Unskilled and defined decision making (Levels 1-2)	2	5	0	0	0	0	0	0	0	0	7
<b>Total</b>	<b>8</b>	<b>14</b>	<b>0</b>	<b>12</b>	<b>5</b>	<b>17</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>63</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>8</b>	<b>14</b>	<b>0</b>	<b>12</b>	<b>5</b>	<b>17</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>63</b>

A = African; C = Coloured; I = Indian; W = White.

Note: Terminations refer to those employees (excluding interns) 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 2017 to 31 March 2018**

Disciplinary Actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay coupled with a Final Written Warning	1	2	0	0	0	2	0	0	0	0	5
Not Guilty	0	2	0	1	0	0	0	0	0	0	3
<b>Total</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</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>1</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</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 the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

**Table 3.5.7: Skills development, 1 April 2017 to 31 March 2018**

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	0	1	0	0	0	1	0	0	2
Senior management (Levels 13-14)	3	4	0	7	2	4	0	2	22
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	18	28	0	82	23	25	3	38	217
Skilled technical and academically qualified workers, junior	25	43	1	23	29	44	0	32	197

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Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
management, supervisors, foremen, and superintendents (Levels 6-8)									
Semi-skilled and discretionary decision making (Levels 3-5)	17	90	1	6	35	68	2	8	227
Unskilled and defined decision making (Levels 1-2)	21	69	0	1	5	24	0	1	121
<b>Total</b>	<b>84</b>	<b>235</b>	<b>2</b>	<b>119</b>	<b>94</b>	<b>166</b>	<b>5</b>	<b>81</b>	<b>786</b>
Temporary employees	0	0	0	0	0	0	0	0	0
<b>Grand total</b>	<b>84</b>	<b>235</b>	<b>2</b>	<b>119</b>	<b>94</b>	<b>166</b>	<b>5</b>	<b>81</b>	<b>786</b>

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

### 3.6. Signing of performance agreements by SMS members

**Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2017**

SMS Post Level	Number of active 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 15	1	1	1	100.0
Salary Level 14	7	5	5	100.0
Salary Level 13	13	12	12	100.0
<b>Total</b>	<b>22</b>	<b>19</b>	<b>19</b>	<b>100.0</b>

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.

**Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2017**

Reasons for not concluding Performance Agreements with all SMS
N/A

**Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2017**

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements
None required

### 3.7. Filling of SMS posts

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. It also provides information of advertising and the filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken in cases of non-compliance.



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**Table 3.7.1: SMS posts information, as at 30 September 2017**

SMS Level	Number of active 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
Director-General/ Head of Department	1	1	100.0%	0	0.0%
Salary Level 15	1	1	100.0%	0	0.0%
Salary Level 14	6	6	100.0%	0	0.0%
Salary Level 13	10	9	90.0%	1	10.0%
<b>Total</b>	<b>18</b>	<b>17</b>	<b>94.4%</b>	<b>1</b>	<b>5.6%</b>

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

**Table 3.7.2: SMS posts information, as at 31 March 2018**

SMS Level	Number of active 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
Director-General/ Head of Department	1	1	100.0%	0	0.0%
Salary Level 15	1	1	100.0%	0	0.0%
Salary Level 14	7	7	100.0%	0	0.0%
Salary Level 13	13	11	84.6%	2	15.4%
<b>Total</b>	<b>22</b>	<b>20</b>	<b>90.9%</b>	<b>2</b>	<b>9.1%</b>

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

**Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2018**

SMS Level	Advertising	Filling of Posts	
	Number of Vacancies per Level Advertised in 6 Months of becoming Vacant	Number of Vacancies per Level Filled in 6 Months after becoming Vacant	Number of Vacancies per Level not Filled in 6 Months but Filled in 12 Months
Director-General/ Head of Department	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	3	0
Salary Level 13	0	2	0
<b>Total</b>	<b>0</b>	<b>5</b>	<b>0</b>

**Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant**

SMS Level	Reasons for non-compliance
Director-General/ Head of Department	N/A
Salary level 16, but not HOD	N/A
Salary Level 15	N/A
Salary Level 14	N/A
Salary Level 13	N/A

**Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months**

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None

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### 3.8. Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

**Table 3.8.1: Notch progressions by salary band, 1 April 2017 to 31 March 2018**

Salary Band	Employees as at 31 March 2017	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	172	56	32.6
Skilled (Levels 3-5)	253	199	78.7
Highly skilled production (Levels 6-8)	238	119	50.0
Highly skilled supervision (Levels 9-12)	190	142	74.7
Senior management (Levels 13-16)	19	11	57.9
<b>Total</b>	<b>872</b>	<b>527</b>	<b>60.4</b>

**Table 3.8.2: Notch progressions by critical occupation, 1 April 2017 to 31 March 2018**

Critical Occupations	Employees as at 31 March 2017	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Agricultural Economist	11	10	90.9
Agricultural Engineer	30	5	16.7
Agricultural Scientist	26	11	42.3
Bacteriologist (Vet)	3	0	0.0
Biochemist (Vet)	3	0	0.0
Lecturer	10	8	80.0
M&E Specialist	1	0	0.0
Scientific Technician	27	4	14.8
Veterinary Services	23	19	82.6
<b>Total</b>	<b>134</b>	<b>57</b>	<b>42.5</b>

Note: To encourage good performance, the Department has granted the following performance rewards to employees for the performance period 2014/15, but paid in the financial year 2016/16. The information is presented in terms of race, gender, and disability (Table 3.8.3), salary bands (Table 3.8.4 and Table 3.8.5) and critical occupations (Table 3.8.6).

**Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2017 to 31 March 2018**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	28	172	16.3	393	14 037
Male	11	83	13.3	158	14 377
Female	17	89	19.1	235	13 816
Coloured	116	462	25.1	1 498	12 913
Male	59	265	22.3	642	10 876
Female	57	197	28.9	856	15 021
Indian	3	6	50.0	30	9 944
Male	1	2	50.0	10	9 927
Female	2	4	50.0	20	9 953

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Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
White	70	216	32.4	1 677	23 962
Male	45	132	34.1	1 150	25 561
Female	25	84	29.8	527	21 086
Employees with a disability	5	16	31.3	113	22641
<b>Total</b>	<b>222</b>	<b>872</b>	<b>25.5</b>	<b>3 711</b>	<b>16 718</b>

**Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2017 to 31 March 2018**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	30	172	17.4	202	6 727	0.1
Skilled (Levels 3-5)	58	253	22.9	531	9 162	0.2
Highly skilled production (Levels 6-8)	51	238	21.4	720	14 110	0.2
Highly skilled supervision (Levels 9-12)	73	190	38.4	1 831	25 085	0.6
<b>Total</b>	<b>212</b>	<b>853</b>	<b>24.9</b>	<b>3 284</b>	<b>15 491</b>	<b>1.0</b>

Note: The cost is calculated as a percentage of the total personnel expenditure for salary levels 1-12 employees, reflected in Table 3.1.2.

**Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 01 April 2017 to 31 March 2018**

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	5	12	41.7	179	35 867	0.6
Senior Management Service Band B (Level 14)	4	5	80.0	158	39 575	0.5
Senior Management Service Band C (Level 15)	0	1	0.0	0	0	0.0
Senior Management Service Band D (Level 16)	1	1	100.0	90	89 673	0.3
<b>Total</b>	<b>10</b>	<b>19</b>	<b>52.6</b>	<b>427</b>	<b>42 730</b>	<b>1.4</b>

Note: The cost is calculated as a percentage of the total personnel expenditure for those employees at salary levels 13-16, reflected in Table 3.1.2.

**Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2017 to 31 March 2018**

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
Agricultural Economist	2	11	18.2	41	20 687	0.0
Agricultural Engineer	2	30	6.7	32	16 210	0.0
Agricultural Scientist	4	26	15.4	136	34 018	0.0

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Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2017	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of total personnel expenditure
Bacteriologist (Vet)	0	3	0.0	0	#DIV/0!	0.0
Biochemist (Vet)	0	3	0.0	0	#DIV/0!	0.0
Lecturer	7	10	70.0	116	16 613	0.0
M&E Specialist	1	1	100.0	21	20 682	0.0
Scientific Technician	2	27	7.4	41	20 503	0.0
Veterinary Services	6	23	26.1	194	32 368	0.1
<b>Total</b>	<b>24</b>	<b>134</b>	<b>17.9</b>	<b>581</b>	<b>24 252</b>	<b>0.2</b>

### 3.9. Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

**Table 3.9.1: Foreign Workers by salary band, 1 April 2017 to 31 March 2018**

Salary Band	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	0	0.0	0	0.0	0	0
Skilled (Levels 3-5)	0	0.0	0	0.0	0	0
Highly skilled production (Levels 6-8)	1	50.0	1	25.0	0	0
Highly skilled supervision (Levels 9-12)	1	50.0	3	75.0	2	200.0
Senior management (Levels 13-16)	0	0.0	0	0.0	0	0
<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>	<b>2</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 2017 to 31 March 2018**

Major Occupation	1 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% change
Lecturer	1	50.0	1	25.0	0	0.0
Agricultural economist	1	50.0	1	25.0	0	0.0
Project Management	0	0.0	1	25.0	1	0.0
State Vet	0	0.0	1	25.0	1	0.0
<b>Total</b>	<b>2</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>	<b>2</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 from 1 January 2017 to 31 December 2017

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 instances, the estimated cost of the leave is also provided.

**Table 3.10.1: Sick leave, 1 January 2017 to 31 December 2017**

Salary Band	Total days	% days with medical	Number of Employees	Total number of employees	% of total employees	Average days per	Estimated Cost (R'000)
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		certification	using sick leave		using sick leave	employee	
Lower skilled (Levels 1-2)	1048	85.2	157	220	71.4	7	365
Skilled (Levels 3-5)	1810	83.6	225	288	78.1	8	1049
Highly skilled production (Levels 6-8)	1156	81.3	169	248	68.1	7	1210
Highly skilled supervision (Levels 9-12)	1099	83.5	159	251	63.3	7	1819
Senior management (Levels 13-16)	38	86.8	12	23	52.2	3	122
<b>Total</b>	<b>5151</b>	<b>83.4</b>	<b>722</b>	<b>1030</b>	<b>70.1</b>	<b>7</b>	<b>4 565</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. The three-year sick leave cycle started in January 2016 and ends in December 2018. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

**Table 3.10.2: Incapacity leave, 1 January 2017 to 31 December 2017**

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)	191	100.0	9	220	4.1	21	77
Skilled (Levels 3-5)	165	100.0	11	288	3.8	15	94
Highly skilled production (Levels 6-8)	169	100.0	10	248	4.0	17	178
Highly skilled supervision (Levels 9-12)	220	100.0	5	251	2.0	44	295
Senior management (Levels 13-16)	0	0.0	0	23	0.0	0	0
<b>Total</b>	<b>745</b>	<b>100.0</b>	<b>35</b>	<b>1030</b>	<b>3.4</b>	<b>21</b>	<b>644</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 (PIHR).

**Table 3.10.3: Annual Leave, 1 January 2017 to 31 December 2017**

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Lower skilled (Levels 1-2)	3 642	227	16
Skilled (Levels 3-5)	7 158	280	26
Highly skilled production (Levels 6-8)	5 367	235	23
Highly skilled supervision (Levels 9-12)	5 833	241	24
Senior management (Levels 13-16)	526	20	26
<b>Total</b>	<b>22 526</b>	<b>1 003</b>	<b>22</b>

**Table 3.10.4: Capped leave, 1 January 2017 to 31 December 2017**

Salary Band	Total capped leave available	Total days of capped leave taken	Number of employees using capped	Average number of days taken per	Number of employees with capped leave as at	Total capped leave available

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	as at 31 Dec 2016		leave	employee	31 Dec 2017	as at 31 Dec 2017
Lower skilled (Levels 1-2)	79	2	1	2	4	76
Skilled (Levels 3-5)	3 184	70	5	14	91	2 408
Highly skilled production (Levels 6-8)	1 695	3	1	3	44	1 291
Highly skilled supervision (Levels 9-12)	4 242	4	2	2	87	3 496
Senior management (Levels 13-16)	933	0	0	0	10	597
<b>Total</b>	<b>10 133</b>	<b>79</b>	<b>9</b>	<b>9</b>	<b>236</b>	<b>7 868</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, which form part of that specific salary band and ultimately the departmental total.

**Table 3.10.5: Leave pay-outs, 1 April 2017 to 31 March 2018**

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee (R)
Leave pay-outs during 2016/16 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave pay-outs on termination of service	1 828	11	166 205
Current leave pay-outs on termination of service	663	36	18 416
<b>Total</b>	<b>2 491</b>	<b>47</b>	<b>53 005</b>

### 3.11. HIV/AIDS & Health Promotion Programmes

**Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2017 to 31 March 2018**

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
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.	HIV & AIDS Counselling and Testing (HCT) and Wellness screenings were conducted in general. The outsourced Health and Wellness contract for the Employee Health and Wellness Programme (EHWP) provides employees and their immediate family members (if means the spouse or partner of an employee or children living with an employee) with a range of services. These services include the following: <ul style="list-style-type: none"> <li>▪ 24/7/365 Telephone counselling;</li> <li>▪ Face to face counselling (4 session model);</li> <li>▪ Trauma and critical incident counselling;</li> <li>▪ Advocacy on HIV&amp;AIDS awareness, including online E-Care services and</li> <li>▪ Training, coaching and targeted Interventions where these were required.</li> </ul>

**Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2017 to 31 March 2018**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016 If so, provide her/his name and position.	√		Ms Reygana Shade, Director: Organisational Behaviour, (Department of the Premier).

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Question	Yes	No	Details, if yes
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		<p>The Corporate Services Centre (CSC) within the Department of the Premier provides a transversal service to the eleven (11) departments, including the <b>Department of Agriculture</b>.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director (vacant from February 2018) from, three (3) Assistant Directors, and three (3) EHW Practitioners.</p> <p>Budget: R2.65 m</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>The Department of the Premier has entered into a service level agreement with <b>ICAS</b> (external service provider) to render an Employee Health and Wellness Service to the eleven departments of the Corporate Services Centre (CSC).</p> <p>The following interventions were conducted: Financial Management and Dispute Resolutions, Sexual Harassment, Resilience Training, Team Cohesion, Diversity Management, Wellness Ambassador Training, Self-Development, HIV &amp; STI, Safe Practices, Unplanned Parenthood, Disability and Mental Health, Stress Management and Resilience, Employee Information desks, HCT and Wellness Screening and Coaching for managers.</p> <p>These interventions were planned based on the trends reported quarterly through the Employee Health and Wellness Programme (EHWP) reports provided by the service provider, <b>ICAS</b>, for the period 2017/18. 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 employees and managers.</p> <p>Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness Programme (EHWP). Promotional material such as pamphlets, posters and brochures were distributed.</p>
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Agriculture is represented by DJ Jordaan and M Ferreira.</p>

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Question	Yes	No	Details, if yes
<p>5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed</p>	√		<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province on 10 August 2005. In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Whilst the four (4) Provincial Employee Health and Wellness Policies were ratified and approved during the previous financial year, the workplace practices are constantly monitored to ensure policy compliance and fairness. One of the policies, HIV &amp; AIDS and TB Management, responds to the prevention of discrimination against employees affected and infected by HIV &amp; AIDS and TB in the workplace. Further to this, the Department of Health, that is the lead department for HIV &amp; AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is 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>
<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 Provincial Strategic Plan on HIV &amp; AIDS, STIs and TB 2017-2022 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma. The overarching aim of the said Provincial Strategic Plan is to protect HIV-positive employees by advocating to reduce the number of new HIV infections and the number of TB cases. Through expanded treatment and care services, the province aims to meet the 90-90-90 targets for both HIV and TB, as well as to achieve a 75% treatment success rate for drug-resistant TB.</p> <p><b>HIV 90-90-90 target, as recommended by UNAIDS, provides that by 2020:</b></p> <ul style="list-style-type: none"> <li>• 90% of all people living with HIV will know their HIV status;</li> <li>• 90% of all people with an HIV diagnosis receive sustained antiretroviral therapy; and</li> <li>• 90% of all people receiving antiretroviral therapy achieve viral suppression.</li> </ul> <p><b>TB 90-90-90 target provides for:</b></p> <ul style="list-style-type: none"> <li>• 90% of vulnerable groups should have been screened for TB</li> <li>• 90% of people with TB should be diagnosed and started on treatment, and</li> <li>• 90% of those treated for TB should be cured</li> </ul> <p>The department participated in HCT and Wellness screenings to ensure that every employee 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 Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees.</li> </ul> <p>Other key elements that addressed anti HIV &amp; AIDS discrimination issues were:</p> <ul style="list-style-type: none"> <li>• Conducting Wellness and TB Screenings with specific requests from departments;</li> <li>• Distributing posters and pamphlets;</li> <li>• Providing HCT and TB Screenings, condom distribution and spot talks; and</li> <li>• Commemoration of World AIDS Day and Wellness events.</li> </ul>



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Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	√		<p><b>HCT SESSIONS:</b> The following screening sessions were conducted: Blood pressure, Glucose, Cholesterol, TB, BMI [body mass index] and spot talks.</p> <p>The Department of Agriculture participated in <b>8</b> HCT and Wellness screening sessions. <b>515</b> Employees were tested and counselled for HIV, Tuberculosis and Sexually Transmitted Infections (STI's). There were <b>0</b> clinical referrals for TB, HIV, STIs or any other similar condition.</p>
8. Has the department developed measures/indicators to monitor & 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 through the Employee Health and Wellness Contract (external service provider). The Employee Health and Wellness Programme (EHWP) is monitored through Quarterly and Annual reporting. This reporting is provided by (ICAS). The most recent annual health review period was 1 April 2017– 31 March 2018. The quarterly and annual review provides a breakdown of the EHWP Demographic i.e. age, gender, length of service, dependent utilisation, language utilisation, employee vs. manager utilisation, number of cases, etc. The review further provides, amongst others, details pertaining to 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 provincial collective agreements were entered into with trade unions for the period under review.

**Table 3.12.1: Collective agreements, 1 April 2017 to 31 March 2018**

<b>Total collective agreements</b>	<b>None</b>
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**Table 3.12.2: Misconduct and disciplinary hearings finalised, 1 April 2017 to 31 March 2018**

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Suspension without pay	5	62.5
Not guilty	3	37.5
<b>Total</b>	<b>8</b>	<b>100.0</b>
Percentage of total employment		0.7

Note: Outcomes of disciplinary hearings refer to formal cases only.

**Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2017 to 31 March 2018**

Type of misconduct	Number	% of total
Absent from work without reason or permission	1	12.5
Conduct self in improper / unacceptable manner	2	25.0
Contravenes any code of conduct for state	1	12.5
Possession of state property	1	12.5
Remunerative work outside the department without approval	1	12.5
Steals, bribes or commits fraud	2	25.0
<b>Total</b>	<b>8</b>	<b>100.0</b>

**Table 3.12.4: Grievances lodged, 1 April 2017 to 31 March 2018**

Grievances lodged	Number	% of total
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Grievances lodged	Number	% of total
Number of grievances resolved	14	93.3
Number of grievances not resolved	1	6.7
<b>Total number of grievances lodged</b>	<b>15</b>	<b>100.0</b>

Note: Grievances lodged refers 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 2017 to 31 March 2018**

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	0	0.0
Number of disputes dismissed	3	100.0
<b>Total number of disputes lodged</b>	<b>3</b>	<b>100.0</b>

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is "upheld", it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is "dismissed", it means that the Council is not ruling in favour of the aggrieved.

**Table 3.12.6: Strike actions, 1 April 2017 to 31 March 2018**

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 2017 to 31 March 2018**

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 who were suspended with full pay, whilst the case was being investigated

### 3.13. Skills development

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflect the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

**Table 3.13.1: Training needs identified, 1 April 2017 to 31 March 2018**

Occupational Categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	8	0	12	0	12
	Male	11	0	2	0	2
Professionals	Female	78	0	173	0	173
	Male	111	0	194	0	194
Technicians and associate professionals	Female	113	0	235	0	235
	Male	122	0	175	0	175
Clerks	Female	131	0	252	0	252
	Male	122	0	208	0	208

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Occupational Categories	Gender	Number of employees as at 1 April 2017	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
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	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	52	0	31	0	31
	Male	129	0	135	0	135
Sub Total	Female	382	0	703	0	703
	Male	495	0	714	0	714
<b>Total</b>		<b>877</b>	<b>0</b>	<b>1 417</b>	<b>0</b>	<b>1 417</b>
Employees with disabilities	Female	5	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 Workplace Skills Plan.

**Table 3.13.2: Training provided, 1 April 2017 to 31 March 2018**

Occupational Categories	Gender	Number of employees as at 31 March 2018	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	10	0	28	0	28
	Male	13	0	67	0	67
Professionals	Female	93	0	235	0	235
	Male	142	0	333	0	333
Technicians and associate professionals	Female	118	0	218	0	218
	Male	104	0	178	0	178
Clerks	Female	132	0	246	0	246
	Male	147	0	257	0	257
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	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	38	0	58	0	58
	Male	94	0	210	0	210
Sub Total	Female	391	0	785	0	785
	Male	500	0	1 045	0	1 045

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Occupational Categories	Gender	Number of employees as at 31 March 2018	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
<b>Total</b>		<b>891</b>	<b>0</b>	<b>1 830</b>	<b>0</b>	<b>1 830</b>
Employees with disabilities	Female	5	0	0	0	0
	Male	11	0	2	0	2

Note: The above table identifies the number of training courses attended by individuals during the period under review.

### 3.14. Injury on duty

This section provides basic information on injuries sustained whilst being on official duty.

**Table 3.14.1: Injury on duty, 1 April 2017 to 31 March 2018**

Nature of injury on duty	Number	% of total
Required basic medical attention only	13	21.0
Temporary disablement	49	79.0
Permanent disablement	0	0.0
Fatal	0	0.0
<b>Total</b>	<b>62</b>	<b>100.0</b>
Percentage of total employment		5.5

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**3.15. Utilisation of Consultants**

**Table 3.15.1: Consultant appointments using appropriated funds**

Programme	Consulting Firm	Project Title	Nature of the Project	Total number of Consultants that worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE LEVEL
7	CM Dreyer: The Loudhailer	Communication Strategy Development Plan	Communication Strategy Development Plan	1	45	43 970	1	4
1	P Van Rhyn	Communication services	Provide communication services	1	170	110 500	1	-
7	Resolve and Change Systems	Support in Change Management and Mediation Services	Support in Change Management and Mediation Services	2	360	304 560	1	-
1	SJE Midgley	Assist Department in the role-out / implementation of the Smart Agri plan on specific actions/interventions	Assist Department in the role-out /implementation of the Smart Agri plan on specific actions/interventions	1	218	270 348	1	4
1	OABS Development	Implementation support of the Project Khulisa - agri processing interventions	Implementation support of the Project Khulisa - AGRI processing interventions	1	Deliverable: Final Product	148 468	1	4
1	OABS Development	Implementation support of the Project Khulisa - AGRI processing interventions	Implementation support of the Project Khulisa - AGRI processing interventions	2	Deliverable: Final Product	247 470	1	4
1	Agrifusion	Resume consultation to develop the inland port terminal project – Cold sterilisation	Resume consultation to develop the inland port terminal project – Cold sterilisation	?	50	92 788	1	4
1	Institute For Justice and Reconciliation	Pilot a Social Dialogue Strategy in the Western Cape Agricultural Sector	Pilot a Social Dialogue Strategy in the Western Cape Agricultural Sector	7	Deliverable: Final Product	1 307 441	1	-
1	MS Patel	Halal resource for the implementation of Khulisa Project	Halal resource for the implementation of Khulisa Project	1	429	362 917	1	1
2	Eleaf	Fruitlook season	Fruitlook Season	1	Deliverable: Final Product	5 870 000	1	-
1	Chris Friedrich Hansmann	Consulting YPP's	Consulting YPP's	1	60	51 420	1	-
2	JM Strauss	Consultant for Disaster Risk Management tasks	Consultant for Disaster Risk Management tasks	1	423	274 800	1	-

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Programme	Consulting Firm	Project Title	Nature of the Project	Total number of Consultants that worked on the Project	Duration: Work Days/ Hours	Contract Value in Rand	Total Number of Projects	BBBEE LEVEL
5	L Sandenbergh	The application of Genomics in the WC Agricultural research Programme	The application of Genomics in the WC Agricultural research Programme	1	Deliverable: Final Product	256 500	1	-
1	Evaluid	Support performance evaluation	Support performance evaluation	1	17.5	136 312	1	1
1	OABS	Develop a framework for Brandvlei region – Agricultural irrigation project	Develop a framework for Brandvlei region – Agricultural irrigation project	4	48	248 297	1	4
2	Caren Jarman	Fruitlook training and data validation, analysis and strategic positioning	Fruitlook training and data validation, analysis and strategic positioning	3	Deliverable: Final Product	1 922 060	1	8
1	University of Stellenbosch	Future of the Western Cape Agricultural sector in the context of the 4 <sup>th</sup> Industrial Revolution	Future of the Western Cape Agricultural sector in the context of the 4 <sup>th</sup> Industrial Revolution	7	Deliverable: Final Product	1 364 796	1	5
6	BFAP	Agricultural Outlook	Agricultural Outlook	10	Deliverable: Final Product	399 000	1	4
1	Agrifusion Pty Ltd	Review and consolidate the strategy to sustain the WC Honeybee population	Review and consolidate the strategy to sustain the WC Honeybee population	1	Deliverable: Final Product	60 000	1	4

**Table 3.15.2: Consultant appointments using Donor funds**

No donor funds received.

# **PART E: FINANCIAL INFORMATION**

## Report of the auditor-general to the Western Cape Provincial Parliament on vote no. 11: Western Cape Department of Agriculture

### Report on the audit of the financial statements

#### Qualified opinion

1. I have audited the financial statements of the Western Cape Department of Agriculture set out on pages 230 to 284, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, and the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effect of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Agriculture as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora).

#### Basis for qualified opinion

##### Transfers and subsidies

3. The department did not account for payments made to implementing agents in accordance with the requirements of the MCS. The department budgeted and accounted for these payments as transfers and subsidies instead of either expenditure for capital assets or goods and services, as required by the MCS. Consequently, transfers and subsidies is overstated by R259 191 000 (2017: R274 340 625) and the following components of the financial statements are understated or not disclosed:
  - Expenditure for capital assets or goods and services classified according to the nature of the expense incurred.
  - Capital assets that belong to the department acquired or created under these arrangements.
  - Prepayments representing advance payments provided to implementing agents that were unspent as at year-end.
  - Appropriate adjustments to the appropriation statement to reflect the correct classification of transactions as required by the MCS.
  - Principal-agent relationships were not disclosed.

I was not able to determine the full extent of all the affected financial statement components and to determine the individual misstatements as it was impracticable to do so.

##### Irregular expenditure

4. The department entered into contracts with implementing agents without applying Treasury Regulations. When implementing agents are contracted by the department, this does not release the department from ensuring that funds spent on its behalf by the



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agents comply with the requirement for an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective. Supply chain management (SCM) practices utilised by these implementers were not consistent with the principles of the PFMA and the Treasury Regulations. The department did not identify and disclose any irregular expenditure resulting from non-compliance with applicable SCM prescripts by implementing agents as required by section 40(3)(b)(ii) of the PFMA. Consequently, irregular expenditure is understated. I was not able to determine the full extent of the understatement as it was impracticable to do so. These and the prior year misstatements, remained unresolved.

### **Context for the opinion**

5. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
6. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Other matter**

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

### **Unaudited supplementary schedules**

9. The supplementary information set out on pages 285 to 298 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### **Responsibilities of the accounting officer for the financial statements**

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by the National Treasury and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the Western Cape Department of Agriculture's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

### **Auditor-general's responsibilities for the audit of the financial statements**

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12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

<b>Report on the audit of the annual performance report</b>
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### **Introduction and scope**

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2018:

<b>Programme</b>	<b>Pages in the annual performance report</b>
Programme 2 – sustainable resource management	106 – 119
Programme 3 – farmer support and development	119 – 131
Programme 4 – veterinary service	131 – 146

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. The material findings in respect of the reliability of the selected programmes are as follows:

**Programme 2 – sustainable resource management**

**Sub-programme 2.2: LandCare – promote the conservation of the natural agricultural resources**

**Indicator P.2.2.4 – number of protection works**

19. I was unable to obtain sufficient appropriate audit evidence to validate the existence of a system and processes that enable reliable reporting of actual achievement against the indicator. Sufficient appropriate audit evidence could not be provided in some instances while in other cases, the supporting evidence provided did not agree to the reported achievements in the annual performance report. Based on the supporting evidence provided, the achievements were different from those reported in the annual performance report, but I was unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements of the indicator.

**Indicator P.2.2.6 – number of veld utilisation works**

20. I was unable to obtain sufficient appropriate audit evidence to validate the existence of a system and processes that enable reliable reporting of actual achievements against the indicator. Sufficient appropriate audit evidence could not be provided in some instances; while in other cases, the supporting evidence provided did not agree to the reported achievements in the annual performance report. Based on the supporting evidence provided, the achievements were different from those reported in the annual performance report, but I was unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements of the indicator.

**Indicator P.2.2.10 – number of farm plans updated for sustainable farming purposes**

21. I was unable to obtain sufficient appropriate audit evidence to validate the existence of a system and processes that enable reliable reporting of actual achievements against the indicator. Sufficient appropriate audit evidence could not be provided in some instances; while in other cases, the supporting evidence provided did not agree to the reported achievements in the annual performance report. Based on the supporting evidence provided, the achievements were different from those reported in the annual performance report, but I was unable to further confirm the reported achievements by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements of the indicator.

22. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 3 – farmer support and development
- Programme 4 – veterinary service

**Other matters**

23. I draw attention to the matters below.

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**Achievement of planned targets**

24. Refer to the annual performance report on pages 93 to 166 for information on the achievement of planned targets for the year and explanations provided for the under- or over achievement of a number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 19 to 21 of this report.

**Adjustment of material misstatements**

25. I identified material misstatements in the annual performance report submitted for auditing. The material misstatements in programme 4 - veterinary services were subsequently corrected by management. As management only corrected some of the material misstatements on the reported performance information of programme 2 - sustainable resource management, I raised material findings on the reliability of the reported performance information.

<b>Report on the audit of compliance with legislation</b>
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**Introduction and scope**

26. In accordance with the PAA and the general notice issued in terms thereof I have a responsibility to report material findings on the compliance of the department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
27. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

<b>Other information</b>
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28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
31. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.
32. I have nothing to report in this regard.

### Internal control deficiencies

33. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the findings on the annual performance report.

#### Leadership

34. Although leadership exercised adequate oversight over financial reporting, the audit outcome has been modified due to the technical requirement on how entities should be accounting for funds transferred to them, which consequently resulted in the misclassification of the funds transferred by the department to the entities.

#### Financial and performance management

35. The annual performance report contained misstatements of material indicators, some of which were corrected. There were also limitations on the evidence provided as per the technical indicator description. This was due to an inadequate system and processes to collate evidence required for those indicators.

*Auditor-General*

Cape Town  
31 July 2018



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## **Annexure – Auditor-general's responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the department's compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Western Cape Department of Agriculture's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and here applicable, related safeguards.

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Appropriation per programme									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme</b>									
1. Administration	134,131	-	7,450	141,581	140,746	835	99,4%	138,197	135,939
2. Sustainable Resource Management	154,727	-	(166)	154,561	151,033	3,528	97,7%	122,329	116,508
3. Farmer Support and Development	272,029	-	(4,485)	267,544	267,544	-	100,0%	254,876	254,876
4. Veterinary Services	89,493	-	(111)	89,382	86,972	2,410	97,3%	89,420	89,420
5. Research and Technology Development Services	122,815	-	(1,111)	121,704	120,980	724	99,4%	112,444	112,444
6. Agricultural Economics Services	23,065	-	(490)	22,575	22,264	311	98,6%	22,502	22,502
7. Structured Agricultural Education and Training	60,346	-	(215)	60,131	57,793	2,338	96,1%	56,678	56,678
8. Rural Development	21,042	-	(872)	20,170	19,537	633	96,9%	19,425	19,425
<b>Subtotal</b>	<b>877,648</b>	<b>-</b>	<b>-</b>	<b>877,648</b>	<b>866,869</b>	<b>10,779</b>	<b>98,8%</b>	<b>815,871</b>	<b>807,792</b>
<b>Reconciliation with statement of financial performance</b>									
<b>ADD: Departmental receipts</b>				19,254				11,209	
<b>Actual amounts per statement of financial performance (total revenue)</b>				<b>896,902</b>				<b>827,080</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>					<b>866,869</b>				<b>807,792</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>546,649</b>	<b>(10,392)</b>	<b>(4,225)</b>	<b>532,032</b>	<b>524,191</b>	<b>7,841</b>	<b>98,5%</b>	<b>484,505</b>	<b>476,426</b>
Compensation of employees	350,757	-	-	350,757	347,048	3,709	98,9%	332,210	326,389
Salaries and wages	301,324	230	-	301,554	298,468	3,086	99,0%	287,159	281,338
Social contributions	49,433	(230)	-	49,203	48,580	623	98,7%	45,051	45,051
Goods and services	195,892	(10,392)	(4,225)	181,275	177,143	4,132	97,7%	152,293	150,035
Administrative fees	989	102	-	1,091	1,091	-	100,0%	1,178	1,178
Advertising	1,112	(400)	-	712	712	-	100,0%	1,129	1,129
Minor assets	2,439	(852)	(26)	1,561	1,561	-	100,0%	1,826	1,826
Audit costs: External	3,503	(283)	-	3,220	3,220	-	100,0%	4,185	3,377
Bursaries: Employees	1,332	(55)	-	1,277	1,277	-	100,0%	740	740
Catering: Departmental activities	1,308	(447)	(168)	693	693	-	100,0%	1,015	1,015
Communication (G&S)	6,805	311	(26)	7,090	7,090	-	100,0%	7,613	7,231
Computer services	3,597	(390)	-	3,207	3,207	-	100,0%	4,215	4,215
Consultants: Business and advisory services	14,641	(391)	-	14,250	13,601	649	95,4%	14,339	14,339
Infrastructure and planning services	9,451	(4,154)	(596)	4,701	3,628	1,073	77,2%	486	486
Laboratory services	723	979	-	1,702	1,702	-	100,0%	669	669
Scientific and technological services	-	-	-	-	-	-	-	76	76
Legal services	130	(26)	-	104	104	-	100,0%	187	187
Contractors	24,032	(3,908)	(4,957)	15,167	15,167	-	100,0%	7,546	6,753
Agency and support / outsourced services	12,429	(6,535)	(440)	5,454	5,454	-	100,0%	4,326	4,326
Entertainment	98	(31)	(4)	63	63	-	100,0%	77	77
Fleet services (including government motor transport)	11,054	(472)	(277)	10,305	10,305	-	100,0%	9,425	9,425
Consumable supplies	32,659	3,156	(1,192)	34,623	32,213	2,410	93,0%	25,246	24,971
Consumable: Stationery, printing and office supplies	3,702	(1,410)	(26)	2,266	2,266	-	100,0%	2,550	2,550
Operating leases	4,400	(1,797)	(119)	2,484	2,484	-	100,0%	2,793	2,793
Property payments	30,913	8,928	3,847	43,688	43,688	-	100,0%	37,618	37,618
Transport provided: Departmental activity	126	(27)	-	99	99	-	100,0%	367	367
Travel and subsistence	22,465	(1,187)	(123)	21,155	21,155	-	100,0%	19,346	19,346
Training and development	2,683	(621)	(58)	2,004	2,004	-	100,0%	1,609	1,609
Operating payments	3,890	(287)	(35)	3,568	3,568	-	100,0%	3,254	3,254
Venues and facilities	606	(407)	(25)	174	174	-	100,0%	117	117
Rental and hiring	805	(188)	-	617	617	-	100,0%	361	361
Interest and rent on land	-	-	-	-	-	-	-	2	2
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	2	2
<b>Transfers and subsidies</b>	<b>307,995</b>	<b>1,916</b>	<b>4,225</b>	<b>314,136</b>	<b>312,823</b>	<b>1,313</b>	<b>99,6%</b>	<b>283,083</b>	<b>283,083</b>
Provinces and municipalities	69	(10)	-	59	59	-	100,0%	53	53
Municipalities	69	(10)	-	59	59	-	100,0%	53	53



**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipal bank accounts	69	(10)	-	59	59	-	100,0%	53	53
Departmental agencies and accounts	1,302	-	-	1,302	1,302	-	100,0%	1,858	1,858
Departmental agencies (non-business entities)	1,302	-	-	1,302	1,302	-	100,0%	1,858	1,858
Higher education institutions	60	(60)	-	-	-	-	-	190	190
Public corporations and private enterprises	285,304	(25,507)	707	260,504	259,191	1,313	99,5%	235,171	235,171
Public corporations	257,221	2,451	707	260,379	259,066	1,313	99,5%	235,041	235,041
Subsidies on products and production (pc)	22,283	-	-	22,283	22,283	-	100,0%	233,557	233,557
Other transfers to public corporations	234,938	2,451	707	238,096	236,783	1,313	99,4%	1,484	1,484
Private enterprises	28,083	(27,958)	-	125	125	-	100,0%	130	130
Other transfers to private enterprises	28,083	(27,958)	-	125	125	-	100,0%	130	130
Non-profit institutions	12,876	27,402	9	40,287	40,287	-	100,0%	38,345	38,345
Households	8,384	91	3,509	11,984	11,984	-	100,0%	7,466	7,466
Social benefits	3,649	100	124	3,873	3,873	-	100,0%	1,258	1,258
Other transfers to households	4,735	(9)	3,385	8,111	8,111	-	100,0%	6,208	6,208
<b>Payments for capital assets</b>	<b>22,784</b>	<b>8,370</b>	<b>-</b>	<b>31,154</b>	<b>29,529</b>	<b>1,625</b>	<b>94,8%</b>	<b>47,673</b>	<b>47,673</b>
Buildings and other fixed structures	240	4,418	(90)	4,568	2,943	1,625	64,4%	934	934
Buildings	90	767	(90)	767	767	-	100,0%	-	-
Other fixed structures	150	3,651	-	3,801	2,176	1,625	57,2%	934	934
Machinery and equipment	22,152	4,344	90	26,586	26,586	-	100,0%	46,739	46,739
Transport equipment	14,011	2,871	90	16,972	16,972	-	100,0%	15,848	15,848
Other machinery and equipment	8,141	1,473	-	9,614	9,614	-	100,0%	30,891	30,891
Software and other intangible assets	392	(392)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>220</b>	<b>106</b>	<b>-</b>	<b>326</b>	<b>326</b>	<b>-</b>	<b>100,0%</b>	<b>610</b>	<b>610</b>
<b>Total</b>	<b>877,648</b>	<b>-</b>	<b>-</b>	<b>877,648</b>	<b>866,869</b>	<b>10,779</b>	<b>98,8%</b>	<b>815,871</b>	<b>807,792</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 1: Administration</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Office of the MEC	7,606	(735)	-	6,871	6,871	-	100,0%	6,885	6,885
Senior Management	21,135	(6,993)	9	14,151	14,151	-	100,0%	16,600	16,600
Corporate Services	62,101	8,665	7,317	78,083	78,083	-	100,0%	70,620	70,238
Financial Management	36,955	(299)	90	36,746	35,911	835	97,7%	37,267	36,184
Communication Services	6,334	(638)	34	5,730	5,730	-	100,0%	6,825	6,032
<b>Total for Sub programmes</b>	<b>134,131</b>	<b>-</b>	<b>7,450</b>	<b>141,581</b>	<b>140,746</b>	<b>835</b>	<b>99,4%</b>	<b>138,197</b>	<b>135,939</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>126,423</b>	<b>(51)</b>	<b>3,847</b>	<b>130,219</b>	<b>129,384</b>	<b>835</b>	<b>99,4%</b>	<b>125,340</b>	<b>123,082</b>
Compensation of employees	67,230	-	-	67,230	66,395	835	98,8%	62,397	62,397
Salaries and wages	58,562	-	-	58,562	58,048	514	99,1%	54,602	54,602
Social contributions	8,668	-	-	8,668	8,347	321	96,3%	7,795	7,795
Goods and services	59,193	(51)	3,847	62,989	62,989	-	100,0%	62,941	60,683
Administrative fees	404	(75)	-	329	329	-	100,0%	391	391
Advertising	728	(142)	-	586	586	-	100,0%	765	765
Minor assets	337	(97)	-	240	240	-	100,0%	432	432
Audit costs: External	3,503	(283)	-	3,220	3,220	-	100,0%	4,185	3,377
Bursaries: Employees	182	115	-	297	297	-	100,0%	78	78
Catering: Departmental activities	330	(137)	-	193	193	-	100,0%	313	313
Communication (G&S)	1,799	548	-	2,347	2,347	-	100,0%	2,774	2,392
Computer services	2,232	195	-	2,427	2,427	-	100,0%	3,275	3,275
Consultants: Business and advisory services	7,002	(2,773)	-	4,229	4,229	-	100,0%	6,452	6,452
Infrastructure and planning services	-	-	-	-	-	-	-	175	175
Laboratory services	80	(42)	-	38	38	-	100,0%	55	55
Legal services	40	4	-	44	44	-	100,0%	50	50
Contractors	1,094	(158)	-	936	936	-	100,0%	1,659	866
Agency and support / outsourced services	4,168	(2,707)	-	1,461	1,461	-	100,0%	552	552
Entertainment	54	(17)	-	37	37	-	100,0%	66	66
Fleet services (including government motor transport)	922	(64)	-	858	858	-	100,0%	878	878
Consumable supplies	1,079	(180)	-	899	899	-	100,0%	1,741	1,466
Consumable: Stationery, printing and office supplies	854	(205)	-	649	649	-	100,0%	671	671
Operating leases	1,838	(1,295)	-	543	543	-	100,0%	689	689
Property payments	26,086	7,894	3,847	37,827	37,827	-	100,0%	33,137	33,137
Transport provided: Departmental activity	-	-	-	-	-	-	-	11	11
Travel and subsistence	3,757	(464)	-	3,293	3,293	-	100,0%	2,483	2,483
Training and development	640	83	-	723	723	-	100,0%	355	355
Operating payments	1,397	24	-	1,421	1,421	-	100,0%	1,598	1,598
Venues and facilities	221	(206)	-	15	15	-	100,0%	5	5

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Rental and hiring	446	(69)	-	377	377	-	100,0%	151	151
Interest and rent on land	-	-	-	-	-	-	-	2	2
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	2	2
<b>Transfers and subsidies</b>	<b>3,935</b>	<b>32</b>	<b>3,603</b>	<b>7,570</b>	<b>7,570</b>	-	<b>100,0%</b>	<b>6,259</b>	<b>6,259</b>
Provinces and municipalities	3	-	-	3	3	-	100,0%	1	1
Municipalities	3	-	-	3	3	-	100,0%	1	1
Municipal bank accounts	3	-	-	3	3	-	100,0%	1	1
Departmental agencies and accounts	27	-	-	27	27	-	100,0%	17	17
Departmental agencies (non-business entities)	27	-	-	27	27	-	100,0%	17	17
Higher education institutions	60	(60)	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	50	50
Private enterprises	-	-	-	-	-	-	-	50	50
Other transfers to private enterprises	-	-	-	-	-	-	-	50	50
Non-profit institutions	427	91	9	527	527	-	100,0%	1,127	1,127
Households	3,418	1	3,594	7,013	7,013	-	100,0%	5,064	5,064
Social benefits	15	10	124	149	149	-	100,0%	133	133
Other transfers to households	3,403	(9)	3,470	6,864	6,864	-	100,0%	4,931	4,931
<b>Payments for capital assets</b>	<b>3,738</b>	<b>(31)</b>	<b>-</b>	<b>3,707</b>	<b>3,707</b>	-	<b>100,0%</b>	<b>6,204</b>	<b>6,204</b>
Buildings and other fixed structures	-	98	-	98	98	-	100,0%	-	-
Other fixed structures	-	98	-	98	98	-	100,0%	-	-
Machinery and equipment	3,728	(119)	-	3,609	3,609	-	100,0%	6,204	6,204
Transport equipment	2,511	444	-	2,955	2,955	-	100,0%	2,924	2,924
Other machinery and equipment	1,217	(563)	-	654	654	-	100,0%	3,280	3,280
Software and other intangible assets	10	(10)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>35</b>	<b>50</b>	<b>-</b>	<b>85</b>	<b>85</b>	-	<b>100,0%</b>	<b>394</b>	<b>394</b>
<b>Total</b>	<b>134,131</b>	<b>-</b>	<b>7,450</b>	<b>141,581</b>	<b>140,746</b>	<b>835</b>	<b>99,4%</b>	<b>138,197</b>	<b>135,939</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 2: Sustainable Resource Management</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Engineering Services	41,682	(2,384)	(873)	38,425	36,859	1,566	95,9%	20,492	20,354
LandCare	35,149	(481)	-	34,668	34,019	649	98,1%	34,601	29,114
Land Use Management	1,088	(67)	-	1,021	1,021	-	100,0%	1,030	1,000
Disaster Risk Management	76,808	2,932	707	80,447	79,134	1,313	98,4%	66,206	66,040
<b>Total for Sub programmes</b>	<b>154,727</b>	<b>-</b>	<b>(166)</b>	<b>154,561</b>	<b>151,033</b>	<b>3,528</b>	<b>97,7%</b>	<b>122,329</b>	<b>116,508</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>51,162</b>	<b>(3,324)</b>	<b>(782)</b>	<b>47,056</b>	<b>44,841</b>	<b>2,215</b>	<b>95,3%</b>	<b>45,309</b>	<b>39,488</b>
Compensation of employees	28,520	-	-	28,520	28,027	493	98,3%	32,978	27,157
Salaries and wages	25,184	(41)	-	25,143	24,689	454	98,2%	29,758	23,937
Social contributions	3,336	41	-	3,377	3,338	39	98,8%	3,220	3,220
Goods and services	22,642	(3,324)	(782)	18,536	16,814	1,722	90,7%	12,331	12,331
Administrative fees	18	(5)	-	13	13	-	100,0%	14	14
Advertising	77	(76)	-	1	1	-	100,0%	5	5
Minor assets	138	(21)	-	117	117	-	100,0%	28	28
Bursaries: Employees	52	-	-	52	52	-	100,0%	7	7
Catering: Departmental activities	16	4	-	20	20	-	100,0%	4	4
Communication (G&S)	509	(72)	-	437	437	-	100,0%	432	432
Computer services	257	(153)	-	104	104	-	100,0%	270	270
Consultants: Business and advisory services	5,752	2,979	-	8,731	8,082	649	92,6%	6,506	6,506
Infrastructure and planning services	9,430	(4,214)	(596)	4,620	3,547	1,073	76,8%	113	113
Laboratory services	170	(170)	-	-	-	-	-	-	-
Contractors	70	(59)	-	11	11	-	100,0%	15	15
Agency and support / outsourced services	250	(240)	-	10	10	-	100,0%	-	-
Entertainment	2	(1)	-	1	1	-	100,0%	1	1
Fleet services (including government motor transport)	995	(54)	-	941	941	-	100,0%	817	817
Consumable supplies	277	(28)	-	249	249	-	100,0%	128	128
Consumable: Stationery, printing and office supplies	274	(107)	-	167	167	-	100,0%	166	166
Operating leases	158	(34)	-	124	124	-	100,0%	126	126
Property payments	173	(130)	-	43	43	-	100,0%	50	50
Transport provided: Departmental activity	60	(60)	-	-	-	-	-	136	136
Travel and subsistence	3,380	(551)	(186)	2,643	2,643	-	100,0%	3,155	3,155
Training and development	220	(155)	-	65	65	-	100,0%	93	93
Operating payments	264	(78)	-	186	186	-	100,0%	216	216
Venues and facilities	100	(100)	-	-	-	-	-	47	47
Rental and hiring	-	1	-	1	1	-	100,0%	2	2
<b>Transfers and subsidies</b>	<b>101,701</b>	<b>3,312</b>	<b>707</b>	<b>105,720</b>	<b>104,407</b>	<b>1,313</b>	<b>98,8%</b>	<b>75,563</b>	<b>75,563</b>
Provinces and municipalities	1	-	-	1	1	-	100,0%	1	1

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 2: Sustainable Resource Management</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
Municipalities	1	-	-	1	1	-	100,0%	1	1
Municipal bank accounts	1	-	-	1	1	-	100,0%	1	1
Public corporations and private enterprises	94,403	3,402	707	98,512	97,199	1,313	98,7%	73,734	73,734
Public corporations	94,403	3,402	707	98,512	97,199	1,313	98,7%	73,714	73,714
Subsidies on products and production (pc)	-	-	-	-	-	-	-	73,714	73,714
Other transfers to public corporations	94,403	3,402	707	98,512	97,199	1,313	98,7%	-	-
Private enterprises	-	-	-	-	-	-	-	20	20
Other transfers to private enterprises	-	-	-	-	-	-	-	20	20
Non-profit institutions	6,400	-	-	6,400	6,400	-	100,0%	1,324	1,324
Households	897	(90)	-	807	807	-	100,0%	504	504
Social benefits	897	(90)	-	807	807	-	100,0%	181	181
Other transfers to households	-	-	-	-	-	-	-	323	323
<b>Payments for capital assets</b>	<b>1,864</b>	<b>-</b>	<b>(91)</b>	<b>1,773</b>	<b>1,773</b>	<b>-</b>	<b>100,0%</b>	<b>1,450</b>	<b>1,450</b>
Buildings and other fixed structures	90	-	(90)	-	-	-	-	-	-
Buildings	90	-	(90)	-	-	-	-	-	-
Machinery and equipment	1,774	-	(1)	1,773	1,773	-	100,0%	1,450	1,450
Transport equipment	1,225	184	(1)	1,408	1,408	-	100,0%	1,184	1,184
Other machinery and equipment	549	(184)	-	365	365	-	100,0%	266	266
<b>Payments for financial assets</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>100,0%</b>	<b>7</b>	<b>7</b>
<b>Total</b>	<b>154,727</b>	<b>-</b>	<b>(166)</b>	<b>154,561</b>	<b>151,033</b>	<b>3,528</b>	<b>97,7%</b>	<b>122,329</b>	<b>116,508</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 3: Farmer Support and Development</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Farmer-settlement and Development	198,612	8,021	(4,485)	202,148	202,148	-	100,0%	187,666	187,666
Extension and Advisory services	42,444	(9,164)	-	33,280	33,280	-	100,0%	36,466	36,466
Food Security	8,690	1,143	-	9,833	9,833	-	100,0%	9,644	9,644
Casidra SOC Ltd	22,283	-	-	22,283	22,283	-	100,0%	21,100	21,100
<b>Total for Sub programmes</b>	<b>272,029</b>	<b>-</b>	<b>(4,485)</b>	<b>267,544</b>	<b>267,544</b>	<b>-</b>	<b>100,0%</b>	<b>254,876</b>	<b>254,876</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>83,220</b>	<b>481</b>	<b>(4,485)</b>	<b>79,216</b>	<b>79,216</b>	<b>-</b>	<b>100,0%</b>	<b>65,493</b>	<b>65,493</b>
Compensation of employees	54,913	-	596	55,509	55,509	-	100,0%	51,454	51,454
Salaries and wages	45,889	1,248	596	47,733	47,733	-	100,0%	44,217	44,217
Social contributions	9,024	(1,248)	-	7,776	7,776	-	100,0%	7,237	7,237
Goods and services	28,307	481	(5,081)	23,707	23,707	-	100,0%	14,039	14,039
Administrative fees	126	(24)	-	102	102	-	100,0%	43	43
Advertising	200	(122)	-	78	78	-	100,0%	197	197
Minor assets	351	(226)	-	125	125	-	100,0%	115	115
Bursaries: Employees	639	(129)	-	510	510	-	100,0%	488	488
Catering: Departmental activities	526	(122)	(124)	280	280	-	100,0%	227	227
Communication (G&S)	2,660	(297)	-	2,363	2,363	-	100,0%	2,361	2,361
Computer services	-	38	-	38	38	-	100,0%	32	32
Consultants: Business and advisory services	-	-	-	-	-	-	-	55	55
Contractors	8,435	5,433	(4,957)	8,911	8,911	-	100,0%	388	388
Entertainment	12	(8)	-	4	4	-	100,0%	6	6
Fleet services (including government motor transport)	3,381	(362)	-	3,019	3,019	-	100,0%	2,868	2,868
Consumable supplies	891	(413)	-	478	478	-	100,0%	433	433
Consumable: Stationery, printing and office supplies	1,018	(422)	-	596	596	-	100,0%	946	946
Operating leases	831	(171)	-	660	660	-	100,0%	715	715
Property payments	2,461	(1,765)	-	696	696	-	100,0%	877	877
Travel and subsistence	5,482	(518)	-	4,964	4,964	-	100,0%	3,741	3,741
Training and development	315	(53)	-	262	262	-	100,0%	205	205
Operating payments	606	(253)	-	353	353	-	100,0%	332	332
Venues and facilities	200	(48)	-	152	152	-	100,0%	1	1
Rental and hiring	173	(57)	-	116	116	-	100,0%	9	9
<b>Transfers and subsidies</b>	<b>183,993</b>	<b>(579)</b>	<b>-</b>	<b>183,414</b>	<b>183,414</b>	<b>-</b>	<b>100,0%</b>	<b>183,713</b>	<b>183,713</b>
Provinces and municipalities	21	(20)	-	1	1	-	100,0%	1	1
Municipalities	21	(20)	-	1	1	-	100,0%	1	1
Municipal bank accounts	21	(20)	-	1	1	-	100,0%	1	1
Departmental agencies and accounts	1	-	-	1	1	-	100,0%	1	1
Departmental agencies (non-business entities)	1	-	-	1	1	-	100,0%	1	1
Public corporations and private enterprises	183,079	(28,034)	-	155,045	155,045	-	100,0%	152,461	152,461

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Programme 3: Farmer Support and Development									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Public corporations	155,996	(951)	-	155,045	155,045	-	100,0%	152,461	152,461
Subsidies on products and production (pc)	22,283	-	-	22,283	22,283	-	100,0%	152,461	152,461
Other transfers to public corporations	133,713	(951)	-	132,762	132,762	-	100,0%	-	-
Private enterprises	27,083	(27,083)	-	-	-	-	-	-	-
Other transfers to private enterprises	27,083	(27,083)	-	-	-	-	-	-	-
Non-profit institutions	500	27,377	-	27,877	27,877	-	100,0%	30,711	30,711
Households	392	98	-	490	490	-	100,0%	539	539
Social benefits	57	98	-	155	155	-	100,0%	84	84
Other transfers to households	335	-	-	335	335	-	100,0%	455	455
<b>Payments for capital assets</b>	<b>4,732</b>	<b>90</b>	<b>-</b>	<b>4,822</b>	<b>4,822</b>	<b>-</b>	<b>100,0%</b>	<b>5,586</b>	<b>5,586</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	318	318
Other fixed structures	-	-	-	-	-	-	-	318	318
Machinery and equipment	4,732	90	-	4,822	4,822	-	100,0%	5,268	5,268
Transport equipment	3,050	922	-	3,972	3,972	-	100,0%	3,727	3,727
Other machinery and equipment	1,682	(832)	-	850	850	-	100,0%	1,541	1,541
<b>Payments for financial assets</b>	<b>84</b>	<b>8</b>	<b>-</b>	<b>92</b>	<b>92</b>	<b>-</b>	<b>100,0%</b>	<b>84</b>	<b>84</b>
<b>Total</b>	<b>272,029</b>	<b>-</b>	<b>(4,485)</b>	<b>267,544</b>	<b>267,544</b>	<b>-</b>	<b>100,0%</b>	<b>254,876</b>	<b>254,876</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 4: Veterinary Services</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Animal Health	46,991	1,480	(111)	48,360	45,950	2,410	95,0%	39,297	39,297
Export Control	13,971	(543)	-	13,428	13,428	-	100,0%	12,210	12,210
Veterinary Public Health	6,438	(342)	-	6,096	6,096	-	100,0%	5,871	5,871
Veterinary Laboratory Services	22,093	(595)	-	21,498	21,498	-	100,0%	32,042	32,042
<b>Total for Sub programmes</b>	<b>89,493</b>	<b>-</b>	<b>(111)</b>	<b>89,382</b>	<b>86,972</b>	<b>2,410</b>	<b>97,3%</b>	<b>89,420</b>	<b>89,420</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>83,369</b>	<b>408</b>	<b>(111)</b>	<b>83,666</b>	<b>81,256</b>	<b>2,410</b>	<b>97,1%</b>	<b>70,392</b>	<b>70,392</b>
Compensation of employees	61,465	-	111	61,576	61,576	-	100,0%	57,292	57,292
Salaries and wages	52,993	(157)	111	52,947	52,947	-	100,0%	49,339	49,339
Social contributions	8,472	157	-	8,629	8,629	-	100,0%	7,953	7,953
Goods and services	21,904	408	(222)	22,090	19,680	2,410	89,1%	13,100	13,100
Administrative fees	76	(22)	-	54	54	-	100,0%	53	53
Advertising	87	(86)	-	1	1	-	100,0%	26	26
Minor assets	607	(313)	-	294	294	-	100,0%	256	256
Bursaries: Employees	170	(60)	-	110	110	-	100,0%	49	49
Catering: Departmental activities	39	19	-	58	58	-	100,0%	58	58
Communication (G&S)	828	56	-	884	884	-	100,0%	884	884
Computer services	347	(303)	-	44	44	-	100,0%	310	310
Consultants: Business and advisory services	100	(100)	-	-	-	-	-	-	-
Laboratory services	403	994	-	1,397	1,397	-	100,0%	188	188
Legal services	60	-	-	60	60	-	100,0%	53	53
Contractors	671	(96)	-	575	575	-	100,0%	395	395
Agency and support / outsourced services	3,699	(2,750)	(222)	727	727	-	100,0%	632	632
Entertainment	2	(2)	-	-	-	-	-	-	-
Fleet services (including government motor transport)	1,909	(104)	-	1,805	1,805	-	100,0%	1,361	1,361
Consumable supplies	5,643	4,228	-	9,871	7,461	2,410	75,6%	3,303	3,303
Consumable: Stationery, printing and office supplies	606	(293)	-	313	313	-	100,0%	244	244
Operating leases	462	(107)	-	355	355	-	100,0%	322	322
Property payments	1,053	133	-	1,186	1,186	-	100,0%	433	433
Travel and subsistence	3,800	(156)	-	3,644	3,644	-	100,0%	3,715	3,715
Training and development	526	(298)	-	228	228	-	100,0%	419	419
Operating payments	686	(216)	-	470	470	-	100,0%	389	389
Venues and facilities	-	-	-	-	-	-	-	1	1
Rental and hiring	130	(116)	-	14	14	-	100,0%	9	9
<b>Transfers and subsidies</b>	<b>788</b>	<b>(617)</b>	<b>-</b>	<b>171</b>	<b>171</b>	<b>-</b>	<b>100,0%</b>	<b>1,064</b>	<b>1,064</b>
Provinces and municipalities	1	-	-	1	1	-	100,0%	2	2
Municipalities	1	-	-	1	1	-	100,0%	2	2
Municipal bank accounts	1	-	-	1	1	-	100,0%	2	2



**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 4: Veterinary Services</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
Departmental agencies and accounts	6	-	-	6	6	-	100,0%	2	2
Departmental agencies (non-business entities)	6	-	-	6	6	-	100,0%	2	2
Non-profit institutions	650	(650)	-	-	-	-	-	650	650
Households	131	33	-	164	164	-	100,0%	410	410
Social benefits	131	33	-	164	164	-	100,0%	410	410
<b>Payments for capital assets</b>	<b>5,327</b>	<b>209</b>	<b>-</b>	<b>5,536</b>	<b>5,536</b>	<b>-</b>	<b>100,0%</b>	<b>17,876</b>	<b>17,876</b>
Buildings and other fixed structures	150	(130)	-	20	20	-	100,0%	27	27
Buildings	-	20	-	20	20	-	100,0%	-	-
Other fixed structures	150	(150)	-	-	-	-	-	27	27
Machinery and equipment	5,177	339	-	5,516	5,516	-	100,0%	17,849	17,849
Transport equipment	2,478	348	-	2,826	2,826	-	100,0%	2,447	2,447
Other machinery and equipment	2,699	(9)	-	2,690	2,690	-	100,0%	15,402	15,402
<b>Payments for financial assets</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>100,0%</b>	<b>88</b>	<b>88</b>
<b>Total</b>	<b>89,493</b>	<b>-</b>	<b>(111)</b>	<b>89,382</b>	<b>86,972</b>	<b>2,410</b>	<b>97,3%</b>	<b>89,420</b>	<b>89,420</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 5: Research and Technology Development Services</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Research	82,712	(2,698)	(1,111)	78,903	78,179	724	99,1%	71,631	71,631
Technology Transfer Services	1,528	(475)	-	1,053	1,053	-	100,0%	1,463	1,463
Infrastructure Support Services	38,575	3,173	-	41,748	41,748	-	100,0%	39,350	39,350
<b>Total for Sub programmes</b>	<b>122,815</b>	<b>-</b>	<b>(1,111)</b>	<b>121,704</b>	<b>120,980</b>	<b>724</b>	<b>99,4%</b>	<b>112,444</b>	<b>112,444</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>116,371</b>	<b>(4,487)</b>	<b>(1,111)</b>	<b>110,773</b>	<b>110,049</b>	<b>724</b>	<b>99,3%</b>	<b>99,604</b>	<b>99,604</b>
Compensation of employees	78,684	-	-	78,684	77,960	724	99,1%	73,566	73,566
Salaries and wages	66,990	(169)	-	66,821	66,097	724	98,9%	62,529	62,529
Social contributions	11,694	169	-	11,863	11,863	-	100,0%	11,037	11,037
Goods and services	37,687	(4,487)	(1,111)	32,089	32,089	-	100,0%	26,038	26,038
Administrative fees	19	8	-	27	27	-	100,0%	33	33
Advertising	20	(4)	-	16	16	-	100,0%	15	15
Minor assets	603	(206)	-	397	397	-	100,0%	256	256
Bursaries: Employees	60	(25)	-	35	35	-	100,0%	-	-
Catering: Departmental activities	125	(108)	-	17	17	-	100,0%	71	71
Communication (G&S)	558	35	-	593	593	-	100,0%	617	617
Computer services	626	(220)	-	406	406	-	100,0%	54	54
Consultants: Business and advisory services	800	(273)	-	527	527	-	100,0%	919	919
Infrastructure and planning services	20	61	-	81	81	-	100,0%	-	-
Laboratory services	52	133	-	185	185	-	100,0%	389	389
Scientific and technological services	-	-	-	-	-	-	-	76	76
Contractors	9,119	(5,649)	-	3,470	3,470	-	100,0%	2,960	2,960
Agency and support / outsourced services	204	(5)	-	199	199	-	100,0%	291	291
Entertainment	2	(2)	-	-	-	-	-	3	3
Fleet services (including government motor transport)	2,087	(143)	-	1,944	1,944	-	100,0%	1,774	1,774
Consumable supplies	19,097	(463)	(1,111)	17,523	17,523	-	100,0%	14,306	14,306
Consumable: Stationery, printing and office supplies	527	(352)	-	175	175	-	100,0%	182	182
Operating leases	307	(56)	-	251	251	-	100,0%	274	274
Property payments	578	2,255	-	2,833	2,833	-	100,0%	719	719
Travel and subsistence	1,889	610	-	2,499	2,499	-	100,0%	2,485	2,485
Training and development	507	(247)	-	260	260	-	100,0%	146	146
Operating payments	436	206	-	642	642	-	100,0%	444	444
Venues and facilities	35	(35)	-	-	-	-	-	-	-
Rental and hiring	16	(7)	-	9	9	-	100,0%	24	24
<b>Transfers and subsidies</b>	<b>2,457</b>	<b>(197)</b>	<b>-</b>	<b>2,260</b>	<b>2,260</b>	<b>-</b>	<b>100,0%</b>	<b>2,234</b>	<b>2,234</b>
Provinces and municipalities	39	9	-	48	48	-	100,0%	44	44
Municipalities	39	9	-	48	48	-	100,0%	44	44
Municipal bank accounts	39	9	-	48	48	-	100,0%	44	44

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Departmental agencies and accounts	1	1	-	2	2	-	100,0%	1	1
Departmental agencies (non-business entities)	1	1	-	2	2	-	100,0%	1	1
Public corporations and private enterprises	1,000	(875)	-	125	125	-	100,0%	1,221	1,221
Public corporations	-	-	-	-	-	-	-	1,161	1,161
Subsidies on products and production (pc)	-	-	-	-	-	-	-	1,161	1,161
Private enterprises	1,000	(875)	-	125	125	-	100,0%	60	60
Other transfers to private enterprises	1,000	(875)	-	125	125	-	100,0%	60	60
Non-profit institutions	848	645	-	1,493	1,493	-	100,0%	737	737
Households	569	23	-	592	592	-	100,0%	231	231
Social benefits	562	22	-	584	584	-	100,0%	231	231
Other transfers to households	7	1	-	8	8	-	100,0%	-	-
<b>Payments for capital assets</b>	<b>3,978</b>	<b>4,677</b>	-	<b>8,655</b>	<b>8,655</b>	-	<b>100,0%</b>	<b>10,579</b>	<b>10,579</b>
Buildings and other fixed structures	-	1,067	-	1,067	1,067	-	100,0%	499	499
Buildings	-	727	-	727	727	-	100,0%	-	-
Other fixed structures	-	340	-	340	340	-	100,0%	499	499
Machinery and equipment	3,978	3,610	-	7,588	7,588	-	100,0%	10,080	10,080
Transport equipment	2,981	681	-	3,662	3,662	-	100,0%	3,449	3,449
Other machinery and equipment	997	2,929	-	3,926	3,926	-	100,0%	6,631	6,631
<b>Payments for financial assets</b>	<b>9</b>	<b>7</b>	-	<b>16</b>	<b>16</b>	-	<b>100,0%</b>	<b>27</b>	<b>27</b>
<b>Total</b>	<b>122,815</b>	<b>-</b>	<b>(1,111)</b>	<b>121,704</b>	<b>120,980</b>	<b>724</b>	<b>99,4%</b>	<b>112,444</b>	<b>112,444</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 6: Agricultural Economics Services</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Agric-Business Support and Development	16,728	-	(110)	16,618	16,307	311	98,1%	16,575	16,575
Macroeconomics and Support	6,337	-	(380)	5,957	5,957	-	100,0%	5,927	5,927
<b>Total for Sub programmes</b>	<b>23,065</b>	<b>-</b>	<b>(490)</b>	<b>22,575</b>	<b>22,264</b>	<b>311</b>	<b>98,6%</b>	<b>22,502</b>	<b>22,502</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>16,956</b>	<b>(260)</b>	<b>(490)</b>	<b>16,206</b>	<b>15,895</b>	<b>311</b>	<b>98,1%</b>	<b>15,328</b>	<b>15,328</b>
Compensation of employees	13,563	-	-	13,563	13,252	311	97,7%	12,495	12,495
Salaries and wages	11,872	39	-	11,911	11,627	284	97,6%	10,877	10,877
Social contributions	1,691	(39)	-	1,652	1,625	27	98,4%	1,618	1,618
Goods and services	3,393	(260)	(490)	2,643	2,643	-	100,0%	2,833	2,833
Administrative fees	108	7	-	115	115	-	100,0%	182	182
Minor assets	53	(10)	(26)	17	17	-	100,0%	70	70
Bursaries: Employees	52	46	-	98	98	-	100,0%	68	68
Catering: Departmental activities	29	(3)	-	26	26	-	100,0%	24	24
Communication (G&S)	92	20	-	112	112	-	100,0%	130	130
Computer services	14	(11)	-	3	3	-	100,0%	3	3
Consultants: Business and advisory services	342	57	-	399	399	-	100,0%	-	-
Contractors	3	(1)	-	2	2	-	100,0%	1	1
Agency and support / outsourced services	242	(24)	(218)	-	-	-	-	399	399
Entertainment	2	1	-	3	3	-	100,0%	-	-
Fleet services (including government motor transport)	248	67	(69)	246	246	-	100,0%	315	315
Consumable supplies	103	(39)	(19)	45	45	-	100,0%	29	29
Consumable: Stationery, printing and office supplies	86	(38)	-	48	48	-	100,0%	28	28
Operating leases	100	(68)	-	32	32	-	100,0%	45	45
Property payments	-	-	-	-	-	-	-	1	1
Travel and subsistence	1,695	(176)	(158)	1,361	1,361	-	100,0%	1,359	1,359
Training and development	104	(58)	-	46	46	-	100,0%	137	137
Operating payments	100	(12)	-	88	88	-	100,0%	37	37
Venues and facilities	20	(18)	-	2	2	-	100,0%	5	5
<b>Transfers and subsidies</b>	<b>5,703</b>	<b>244</b>	<b>-</b>	<b>5,947</b>	<b>5,947</b>	<b>-</b>	<b>100,0%</b>	<b>6,672</b>	<b>6,672</b>
Departmental agencies and accounts	1,262	-	-	1,262	1,262	-	100,0%	1,762	1,762
Departmental agencies (non-business entities)	1,262	-	-	1,262	1,262	-	100,0%	1,762	1,762
Higher education institutions	-	-	-	-	-	-	-	190	190
Public corporations and private enterprises	500	-	-	500	500	-	100,0%	1,200	1,200
Public corporations	500	-	-	500	500	-	100,0%	1,200	1,200
Other transfers to public corporations	500	-	-	500	500	-	100,0%	1,200	1,200
Non-profit institutions	3,751	239	-	3,990	3,990	-	100,0%	3,496	3,496
Households	190	5	-	195	195	-	100,0%	24	24
Social benefits	-	5	-	5	5	-	100,0%	24	24
Other transfers to households	190	-	-	190	190	-	100,0%	-	-

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 6: Agricultural Economics Services</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Payments for capital assets</b>	<b>403</b>	<b>(6)</b>	<b>-</b>	<b>397</b>	<b>397</b>	<b>-</b>	<b>100,0%</b>	<b>496</b>	<b>496</b>
Machinery and equipment	393	4	-	397	397	-	100,0%	496	496
Transport equipment	213	46	-	259	259	-	100,0%	263	263
Other machinery and equipment	180	(42)	-	138	138	-	100,0%	233	233
Software and other intangible assets	10	(10)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>3</b>	<b>22</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>100,0%</b>	<b>6</b>	<b>6</b>
<b>Total</b>	<b>23,065</b>	<b>-</b>	<b>(490)</b>	<b>22,575</b>	<b>22,264</b>	<b>311</b>	<b>98,6%</b>	<b>22,502</b>	<b>22,502</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 7: Structured Agricultural Education and Training</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Higher Education and Training (HET)	46,808	548	(215)	47,141	44,803	2,338	95,0%	44,586	44,586
Further Education and Training (FET)	13,538	(548)	-	12,990	12,990	-	100,0%	12,092	12,092
<b>Total for Sub programmes</b>	<b>60,346</b>	<b>-</b>	<b>(215)</b>	<b>60,131</b>	<b>57,793</b>	<b>2,338</b>	<b>96,1%</b>	<b>56,678</b>	<b>56,678</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>55,561</b>	<b>(3,159)</b>	<b>(394)</b>	<b>52,008</b>	<b>51,295</b>	<b>713</b>	<b>98,6%</b>	<b>50,818</b>	<b>50,818</b>
Compensation of employees	35,498	-	(707)	34,791	34,078	713	98,0%	31,589	31,589
Salaries and wages	30,307	(722)	(707)	28,878	28,272	606	97,9%	26,815	26,815
Social contributions	5,191	722	-	5,913	5,806	107	98,2%	4,774	4,774
Goods and services	20,063	(3,159)	313	17,217	17,217	-	100,0%	19,229	19,229
Administrative fees	234	212	-	446	446	-	100,0%	454	454
Advertising	-	30	-	30	30	-	100,0%	114	114
Minor assets	335	33	-	368	368	-	100,0%	611	611
Bursaries: Employees	150	(6)	-	144	144	-	100,0%	36	36
Catering: Departmental activities	182	(100)	-	82	82	-	100,0%	283	283
Communication (G&S)	244	35	-	279	279	-	100,0%	330	330
Computer services	121	64	-	185	185	-	100,0%	266	266
Consultants: Business and advisory services	630	(281)	-	349	349	-	100,0%	407	407
Infrastructure and planning services	1	(1)	-	-	-	-	-	198	198
Laboratory services	18	64	-	82	82	-	100,0%	36	36
Legal services	30	(30)	-	-	-	-	-	84	84
Contractors	4,610	(3,374)	-	1,236	1,236	-	100,0%	2,097	2,097
Agency and support / outsourced services	3,524	(467)	-	3,057	3,057	-	100,0%	2,452	2,452
Entertainment	20	(2)	-	18	18	-	100,0%	-	-
Fleet services (including government motor transport)	1,185	201	-	1,386	1,386	-	100,0%	1,292	1,292
Consumable supplies	5,425	53	-	5,478	5,478	-	100,0%	5,274	5,274
Consumable: Stationery, printing and office supplies	264	15	-	279	279	-	100,0%	225	225
Operating leases	549	(66)	-	483	483	-	100,0%	545	545
Property payments	562	81	-	643	643	-	100,0%	2,401	2,401
Transport provided: Departmental activity	66	33	-	99	99	-	100,0%	220	220
Travel and subsistence	1,256	169	300	1,725	1,725	-	100,0%	1,375	1,375
Training and development	288	112	13	413	413	-	100,0%	160	160
Operating payments	329	7	-	336	336	-	100,0%	203	203
Rental and hiring	40	59	-	99	99	-	100,0%	166	166
<b>Transfers and subsidies</b>	<b>2,234</b>	<b>(279)</b>	<b>-</b>	<b>1,955</b>	<b>1,955</b>	<b>-</b>	<b>100,0%</b>	<b>478</b>	<b>478</b>
Provinces and municipalities	4	1	-	5	5	-	100,0%	4	4
Municipalities	4	1	-	5	5	-	100,0%	4	4
Municipal bank accounts	4	1	-	5	5	-	100,0%	4	4

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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 7: Structured Agricultural Education and Training</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
Departmental agencies and accounts	5	(1)	-	4	4	-	100,0%	75	75
Departmental agencies (non-business entities)	5	(1)	-	4	4	-	100,0%	75	75
Non-profit institutions	300	(300)	-	-	-	-	-	300	300
Households	1,925	21	-	1,946	1,946	-	100,0%	99	99
Social benefits	1,925	21	-	1,946	1,946	-	100,0%	99	99
<b>Payments for capital assets</b>	<b>2,471</b>	<b>3,431</b>	<b>179</b>	<b>6,081</b>	<b>4,456</b>	<b>1,625</b>	<b>73,3%</b>	<b>5,378</b>	<b>5,378</b>
Buildings and other fixed structures	-	3,383	-	3,383	1,758	1,625	52,0%	90	90
Buildings	-	20	-	20	20	-	100,0%	-	-
Other fixed structures	-	3,363	-	3,363	1,738	1,625	51,7%	90	90
Machinery and equipment	2,099	420	179	2,698	2,698	-	100,0%	5,288	5,288
Transport equipment	1,393	246	143	1,782	1,782	-	100,0%	1,750	1,750
Other machinery and equipment	706	174	36	916	916	-	100,0%	3,538	3,538
Software and other intangible assets	372	(372)	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>80</b>	<b>7</b>	<b>-</b>	<b>87</b>	<b>87</b>	<b>-</b>	<b>100,0%</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>60,346</b>	<b>-</b>	<b>(215)</b>	<b>60,131</b>	<b>57,793</b>	<b>2,338</b>	<b>96,1%</b>	<b>56,678</b>	<b>56,678</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 8: Rural Development</b>									
	<b>2017/18</b>							<b>2016/17</b>	
	<b>Adjusted Appropriation</b>	<b>Shifting of Funds</b>	<b>Virement</b>	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Expenditure as % of final appropriation</b>	<b>Final Appropriation</b>	<b>Actual expenditure</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Sub programme</b>									
Rural Development Coordination	5,528	17	(416)	5,129	4,496	633	87,7%	4,024	4,024
Social Facilitation	574	193	-	767	767	-	100,0%	602	602
Farm Worker Development	14,940	(210)	(456)	14,274	14,274	-	100,0%	14,799	14,799
<b>Total for Sub programmes</b>	<b>21,042</b>	<b>-</b>	<b>(872)</b>	<b>20,170</b>	<b>19,537</b>	<b>633</b>	<b>96,9%</b>	<b>19,425</b>	<b>19,425</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>13,587</b>	<b>-</b>	<b>(699)</b>	<b>12,888</b>	<b>12,255</b>	<b>633</b>	<b>95,1%</b>	<b>12,221</b>	<b>12,221</b>
Compensation of employees	10,884	-	-	10,884	10,251	633	94,2%	10,439	10,439
Salaries and wages	9,527	32	-	9,559	9,055	504	94,7%	9,022	9,022
Social contributions	1,357	(32)	-	1,325	1,196	129	90,3%	1,417	1,417
Goods and services	2,703	-	(699)	2,004	2,004	-	100,0%	1,782	1,782
Administrative fees	4	1	-	5	5	-	100,0%	8	8
Advertising	-	-	-	-	-	-	-	7	7
Minor assets	15	(12)	-	3	3	-	100,0%	58	58
Bursaries: Employees	27	4	-	31	31	-	100,0%	14	14
Catering: Departmental activities	61	-	(44)	17	17	-	100,0%	35	35
Communication (G&S)	115	(14)	(26)	75	75	-	100,0%	85	85
Computer services	-	-	-	-	-	-	-	5	5
Consultants: Business and advisory services	15	-	-	15	15	-	100,0%	-	-
Laboratory services	-	-	-	-	-	-	-	1	1
Contractors	30	(4)	-	26	26	-	100,0%	31	31
Agency and support / outsourced services	342	(342)	-	-	-	-	-	-	-
Entertainment	4	-	(4)	-	-	-	-	1	1
Fleet services (including government motor transport)	327	(13)	(208)	106	106	-	100,0%	120	120
Consumable supplies	144	(2)	(62)	80	80	-	100,0%	32	32
Consumable: Stationery, printing and office supplies	73	(8)	(26)	39	39	-	100,0%	88	88
Operating leases	155	-	(119)	36	36	-	100,0%	77	77
Property payments	-	460	-	460	460	-	100,0%	-	-
Travel and subsistence	1,206	(101)	(79)	1,026	1,026	-	100,0%	1,033	1,033
Training and development	83	(5)	(71)	7	7	-	100,0%	94	94
Operating payments	72	35	(35)	72	72	-	100,0%	35	35
Venues and facilities	30	-	(25)	5	5	-	100,0%	58	58
Rental and hiring	-	1	-	1	1	-	100,0%	-	-
<b>Transfers and subsidies</b>	<b>7,184</b>	<b>-</b>	<b>(85)</b>	<b>7,099</b>	<b>7,099</b>	<b>-</b>	<b>100,0%</b>	<b>7,100</b>	<b>7,100</b>
Public corporations and private enterprises	6,322	-	-	6,322	6,322	-	100,0%	6,505	6,505
Public corporations	6,322	-	-	6,322	6,322	-	100,0%	6,505	6,505
Subsidies on products and production (pc)	-	-	-	-	-	-	-	6,221	6,221
Other transfers to public corporations	6,322	-	-	6,322	6,322	-	100,0%	284	284



**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

Programme 8: Rural Development									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	862	-	(85)	777	777	-	100,0%	595	595
Social benefits	62	1	-	63	63	-	100,0%	96	96
Other transfers to households	800	(1)	(85)	714	714	-	100,0%	499	499
<b>Payments for capital assets</b>	<b>271</b>	<b>-</b>	<b>(88)</b>	<b>183</b>	<b>183</b>	<b>-</b>	<b>100,0%</b>	<b>104</b>	<b>104</b>
Machinery and equipment	271	-	(88)	183	183	-	100,0%	104	104
Transport equipment	160	-	(52)	108	108	-	100,0%	104	104
Other machinery and equipment	111	-	(36)	75	75	-	100,0%	-	-
<b>Total</b>	<b>21,042</b>	<b>-</b>	<b>(872)</b>	<b>20,170</b>	<b>19,537</b>	<b>633</b>	<b>96,9%</b>	<b>19,425</b>	<b>19,425</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

**1. Detail of transfers and subsidies as per Appropriation Act (after Virement):**

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

**2. Detail of specifically and exclusively appropriated amounts voted (after Virement):**

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

**3. Detail on payments for financial assets**

Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

**4. Explanations of material variances from Amounts Voted (after Virement):**

**4.1 Per programme**

	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
<b>Programme 1: Administration</b>	141,581	140,746	835	0,6%
<b>Programme 2: Sustainable Resource Management</b>	154,561	151,033	3,528	2,3%
<b>Programme 4: Veterinary Services</b>	89,382	86,972	2,410	2,7%
<b>Programme 5: Research and Technology Development Services</b>	121,704	120,980	724	0,6%

The department will apply to Treasury for the re-allocation of the full unspent COE during the 2018 Adjusted Estimates process, thus requesting a deviation from the 80/20 principle stipulating that, of the underspending on personnel expenditure in the 2017/18 financial year, 80 percent will revert back to the Provincial Revenue Fund (to contribute to the building of reserves) and departments will be able to apply for the remaining 20 percent for reallocation.

Underspending total amount of R3,528 million is mainly due to an Earmarked allocation: Water for sustainable growth and development: Food security of R1,073 million towards Water studies, Goods and services R649,000 for an Impact, economic and design evaluation of the Western Cape Department of Agriculture Land Care Sub-Programme and R1,313 million to be reprioritised to continue with the current drought aid to farmers. The remaining funds of R493,000 will be requested from Provincial Treasury for a re-allocation of the full unspent COE during the 2018 Adjusted Estimates process.

Underspending on the earmarked allocation: Disaster: Drought, water and food security of R2,410 million.

The department will apply to Provincial Treasury for the re-allocation of the full unspent COE during the 2018 Adjusted Estimates process.

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
VOTE 11**

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

<b>Programme 6: Agricultural Economics Services</b>	22,575	22,264	311	1,4%
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The department will apply to Provincial Treasury for the re-allocation of the full unspent COE during the 2018 Adjusted Estimates process, thus requesting a deviation from the 80/20 principle.

<b>Programme 7: Structured Agricultural Education and Training</b>	60,131	57,793	2,338	3,9%
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Underspent funds on COE for an amount of R713 000 will be requested from Treasury for a re-allocation of the full unspent COE during the 2018 Adjusted Estimates process. The R1,625 million CASP Funds will be spent to finalise the new security entrance gate at the Elsenburg College as well as the completion of civil work.

<b>Programme 8: Rural Development</b>	20,170	19,537	633	3,1%
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The department will apply to Provincial Treasury for the re-allocation of the full unspent COE during the 2018 Adjusted Estimates process.

**4.2 Per economic classification**

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<b>Current payments</b>				
Compensation of employees	350,757	347,048	3,709	1,1%
Goods and services	181,275	177,143	4,132	2,3%
<b>Transfers and subsidies</b>				
Provinces and municipalities	59	59	-	-
Departmental agencies and accounts	1,302	1,302	-	-
Public corporations and private enterprises	260,504	259,191	1,313	0,5%
Non-profit institutions	40,287	40,287	-	-
Households	11,984	11,984	-	-
<b>Payments for capital assets</b>				
Buildings and other fixed structures	4,568	2,943	1,625	35,6%
Machinery and equipment	26,586	26,586	-	-
Software and other intangible assets	326	326	-	-
<b>Payments for financial assets</b>				

The underspending will be utilised as follows:

R3,709 million: The Department will apply to Treasury for the re-allocation of the full unspent COE during the 2018 Adjusted Estimates process, thus requesting a deviation from the 80/20 principle stipulating that of the underspending on personnel expenditure in the 2017/18 financial year, 80 per cent will revert back to the Provincial Revenue Fund (to contribute to the building of reserves) and departments will be able to apply for the remaining 20 per cent for reallocation.

R4,132 million Earmarked allocation: Water for sustainable growth and development: Food security of R1,073 million towards Water studies Disaster: Drought, water and food security of R2,410 million, R649,000 for an Impact, economic and design evaluation of the Western Cape Department of Agriculture LandCare Sub-Programme.

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

R1,313 million Reprioritise to continue with the current drought aid to farmers.

R1,625 million CASP Funds will be spent to complete the civil works at the new security entrance gate at the Elsenburg College.

**4.3 Per conditional grant**

	<b>Final Appropriation</b>	<b>Actual Expenditure</b>	<b>Variance</b>	<b>Variance as a % of Final Appropriation</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>
Comprehensive Agriculture Support Programme (CASP)	136,197	134,572	1,625	1.2%

CASP Funds will be spent to complete the civil works at the new security entrance gate at the Elsenburg College. The total amount was requested for roll-over in the 2017/18 financial year.

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
<b>REVENUE</b>			
Annual appropriation	1	877,648	815,871
Departmental revenue	2	19,254	11,209
<b>TOTAL REVENUE</b>		<b>896,902</b>	<b>827,080</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	3	347,048	326,389
Goods and services	4	177,143	150,035
Interest and rent on land	5	-	2
<b>Total current expenditure</b>		<b>524,191</b>	<b>476,426</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	7	312,823	283,083
<b>Total transfers and subsidies</b>		<b>312,823</b>	<b>283,083</b>
<b>Expenditure for capital assets</b>			
Tangible assets	8	29,529	47,673
<b>Total expenditure for capital assets</b>		<b>29,529</b>	<b>47,673</b>
Payments for financial assets	6	326	610
<b>TOTAL EXPENDITURE</b>		<b>866,869</b>	<b>807,792</b>
<b>SURPLUS FOR THE YEAR</b>		<b>30,033</b>	<b>19,288</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		10,779	8,079
Annual appropriation		9,154	8,079
Conditional grants		1,625	-
Departmental revenue	14	19,254	11,209
<b>SURPLUS FOR THE YEAR</b>		<b>30,033</b>	<b>19,288</b>

**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**STATEMENT OF FINANCIAL POSITION  
as at 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>17,685</b>	<b>11,909</b>
Cash and cash equivalents	9	12,648	8,686
Prepayments and advances	10	322	154
Receivables	11	4,715	3,069
<b>Non-current assets</b>		<b>25,388</b>	<b>25,088</b>
Investments	12	25,000	25,000
Receivables	11	388	88
<b>TOTAL ASSETS</b>		<b>43,073</b>	<b>36,997</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>15,132</b>	<b>9,684</b>
Voted funds to be surrendered to the Revenue Fund	13	10,779	8,079
Departmental revenue to be surrendered to the Revenue Fund	14	2,657	636
Payables	15	1,696	969
<b>Non-current liabilities</b>			
Payables	16	-	746
<b>TOTAL LIABILITIES</b>		<b>15,132</b>	<b>10,430</b>
<b>NET ASSETS</b>		<b>27,941</b>	<b>26,567</b>
<b>Represented by:</b>			
Capitalisation reserve		25,000	25,000
Recoverable revenue		2,941	1,567
<b>TOTAL</b>		<b>27,941</b>	<b>26,567</b>

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**STATEMENT OF CHANGES IN NET ASSETS  
for the year ended 31 March 2018**

<b>NET ASSETS</b>	<i>Note</i>	<b>2017/18 R'000</b>	<b>2016/17 R'000</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		1,567	1,523
Transfers:		1,374	44
Irrecoverable amounts written off	6.2	(12)	(269)
Debts revised		(104)	(25)
Debts recovered (included in departmental receipts)		(559)	(234)
Debts raised		2,049	572
<b>Closing balance</b>		<b>2,941</b>	<b>1,567</b>
<b>TOTAL</b>		<b>27,941</b>	<b>26,567</b>

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**CASH FLOW STATEMENT  
for the year ended 31 March 2018**

	Note	2017/18 R'000	2016/17 R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>925,881</b>	<b>855,704</b>
Annual appropriated funds received	1.1	877,648	815,871
Departmental revenue received	2	37,740	31,625
Interest received	2.2	10,493	8,208
Net (increase) in working capital		(1,387)	(91)
Surrendered to Revenue Fund		(54,538)	(48,938)
Current payments		(524,191)	(476,424)
Interest paid	5	-	(2)
Payments for financial assets		(326)	(610)
Transfers and subsidies paid		(312,823)	(283,083)
<b>Net cash flow available from operating activities</b>	17	<b>32,616</b>	<b>46,556</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	8	(29,529)	(47,673)
Proceeds from sale of capital assets	2.3	241	229
<b>Net cash flows from investing activities</b>		<b>(29,288)</b>	<b>(47,444)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend received		6	-
Increase in net assets		1,374	44
(Decrease) in non-current payables		(746)	(1,173)
<b>Net cash flows from financing activities</b>		<b>634</b>	<b>(1,129)</b>
Net increase/(decrease) in cash and cash equivalents		3,962	(2,017)
Cash and cash equivalents at beginning of period		8,686	10,703
<b>Cash and cash equivalents at end of period</b>	18	<b>12,648</b>	<b>8,686</b>



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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS  
for the year ended 31 March 2018**

**PART A: ACCOUNTING POLICIES**

<b>Summary of significant accounting policies</b>	
<p>The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.</p> <p>The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.</p> <p>Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.</p>	
<b>1</b>	<p><b>Basis of preparation</b></p> <p>The financial statements have been prepared in accordance with the Modified Cash Standard.</p>
<b>2</b>	<p><b>Going concern</b></p> <p>The financial statements have been prepared on a going concern basis.</p>
<b>3</b>	<p><b>Presentation currency</b></p> <p>Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.</p>
<b>4</b>	<p><b>Rounding</b></p> <p>Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).</p>
<b>5</b>	<p><b>Foreign currency translation</b></p> <p>Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.</p>
<b>6</b>	<p><b>Comparative information</b></p>
<b>6.1</b>	<p><b>Prior period comparative information</b></p> <p>Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.</p>
<b>6.2</b>	<p><b>Current year comparison with budget</b></p> <p>A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.</p>
<b>7</b>	<p><b>Revenue</b></p>
<b>7.1</b>	<p><b>Appropriated funds</b></p> <p>Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).</p> <p>Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.</p> <p>The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance</p>

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	<p>when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>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.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p>

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	<p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
<b>10</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>Prepayments are expensed when budgeted for in the current financial year.</p>
<b>11</b>	<p><b>Investments</b></p> <p>Investments are recognised in the statement of financial position at cost.</p>
<b>12</b>	<p><b>Financial assets</b></p>
<b>12.1</b>	<p><b>Financial assets (not covered elsewhere)</b></p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
<b>12.2</b>	<p><b>Impairment of financial assets</b></p> <p>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.</p>
<b>13</b>	<p><b>Payables</b></p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
<b>14</b>	<p><b>Capital Assets</b></p>
<b>14.1</b>	<p><b>Immovable capital assets</b></p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
<b>14.2</b>	<p><b>Movable capital assets</b></p> <p>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.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>

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<b>14.3</b>	<p><b>Intangible assets</b></p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>14.4</b>	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>15</b>	<p><b>Provisions and Contingents</b></p>
<b>15.1</b>	<p><b>Contingent liabilities</b></p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
<b>15.2</b>	<p><b>Contingent assets</b></p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
<b>15.3</b>	<p><b>Commitments</b></p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
<b>16</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is</p>

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	expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
<b>17</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
<b>18</b>	<p><b>Changes in accounting policies, accounting estimates and errors</b></p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
<b>19</b>	<p><b>Events after the reporting date</b></p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
<b>20</b>	<p><b>Principal-Agent arrangements</b></p> <p>The department is party to a principal-agent arrangement for the National Department of Rural Development and Land Reform (DRDLR). In terms of the arrangement the department is the agent and is responsible to provide training to the youth in terms of DRDLR's National Rural Youth Service Corps (NARYSEC) programme. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<b>21</b>	<p><b>Departures from the MCS requirements</b></p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information and that the department complied with the Standard.</p>
<b>22</b>	<p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>

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<b>23</b>	<b>Recoverable revenue</b> 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.
<b>24</b>	<b>Related party transactions</b> A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements
<b>25</b>	<b>Employee benefits</b> The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee Benefits note.

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**PART B: EXPLANATORY NOTES**

**1. Annual Appropriation**

**1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) (Voted funds) for the department:

Programmes	2017/18		2016/17	
	Final Appropriation	Actual Funds Received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000
Administration	141,581	141,581	138,197	138,197
Sustainable Resource Management	154,561	154,561	122,329	122,329
Farmer Support and Development	267,544	267,544	254,876	254,876
Veterinary Services	89,382	89,382	89,420	89,420
Research and Technology Development Services	121,704	121,704	112,444	112,444
Agricultural Economics Services	22,575	22,575	22,502	22,502
Structured Agricultural Education and Training	60,131	60,131	56,678	56,678
Rural Development	20,170	20,170	19,425	19,425
<b>Total</b>	<b>877,648</b>	<b>877,648</b>	<b>815,871</b>	<b>815,871</b>

	Note	2017/18 R'000	2016/17 R'000
<b>1.2 Conditional grants</b>			
Total grants received	34	237,988	220,966

**2. Departmental revenue**

Sales of goods and services other than capital assets	2.1	36,634	31,175
Interest, dividends and rent on land	2.2	10,564	8,268
Sales of capital assets	2.3	241	229
Transactions in financial assets and liabilities	2.4	1,041	368
Transfer received	2.5	-	22
<b>Total revenue collected</b>		<b>48,480</b>	<b>40,062</b>
Less: Own revenue included in appropriation	14	29,226	28,853
<b>Departmental revenue collected</b>		<b>19,254</b>	<b>11,209</b>

**2.1 Sales of goods and services other than capital assets**

Sales of goods and services produced by the department		<b>36,451</b>	<b>31,150</b>
Sales by market establishment		238	518
Administrative fees*		1,542	28
Other sales**		34,671	30,604
Sales of scrap, waste and other used current goods		183	25
<b>Total</b>		<b>36,634</b>	<b>31,175</b>

\*Included in administrative fees are abattoir registration certificates (R26,678) and agricultural export certification (R1,5 million). The increase is due to receipts allocated to Other Sales in 2016/17 for agricultural export certification. As from 1 April 2017 this revenue is allocated to Administrative Fees. Comparative figures are not available.

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\*\*Other sales include tuition and boarding fees, laboratory services, veterinary services, as well as sale of farm produce.

	Note	2017/18 R'000	2016/17 R'000
<b>2.2 Interest, dividends and related receipts</b>	2		
Interest*		10,493	8,208
Dividends		6	-
Revenue for water rights		65	60
<b>Total</b>		<b><u>10,564</u></b>	<b><u>8,268</u></b>

\*Interest received from Casidra (R10,344 million) on disaster funds transferred to them and not yet spent at year-end, as well as interest accumulated on outstanding debtor accounts for services rendered.

<b>2.3 Sale of capital assets</b>	2		
<b>Tangible assets</b>		<b>241</b>	<b>229</b>
Machinery and equipment	29	4	3
Biological assets	29	237	226
<b>Total</b>		<b><u>241</u></b>	<b><u>229</u></b>

<b>2.4 Transactions in financial assets and liabilities</b>			
Receivables for employee debts recovered		362	458
Other Receipts including Recoverable Revenue*		679	(90)
<b>Total</b>		<b><u>1,041</u></b>	<b><u>368</u></b>

\*Payments received in 2017/18 relating to the previous year revenue. The difference between the two years is due to the sale of wool and milk in 2016/17 but payments only received in 2017/18.

<b>2.5 Transfers received</b>	2		
Public corporations and private enterprises		-	22
<b>Total</b>		<b><u>-</u></b>	<b><u>22</u></b>

**3. Compensation of employees**

<b>3.1 Salaries and Wages</b>			
Basic salary		243,763	227,999
Performance awards		3,717	3,239
Service Based*		564	603
Compensative/circumstantial**		5,416	6,134
Periodic payments***		923	710
Other non-pensionable allowances****		44,085	42,653
<b>Total</b>		<b><u>298,468</u></b>	<b><u>281,338</u></b>

\* Service based includes leave discounting and long service awards.

\*\* Compensative/circumstantial includes overtime, acting and house mother/father allowances.

\*\*\* Periodic payments include wages for occasional workers that work less than 40 hours per week.

\*\*\*\* Other non-pensionable allowances include housing allowances, capital remuneration and service bonuses.



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	Note	2017/18 R'000	2016/17 R'000
<b>3.2 Social contributions</b>			
Employer contributions			
Pension		30,882	28,195
Medical		17,622	16,785
Bargaining council		76	71
<b>Total</b>		<b>48,580</b>	<b>45,051</b>
<b>Total compensation of employees</b>		<b>347,048</b>	<b>326,389</b>
Average number of employees		901	924
<b>4. Goods and services</b>			
Administrative fees		1,091	1,178
Advertising		712	1,129
Minor assets	4.1	1,561	1,826
Bursaries (employees)		1,277	740
Catering		693	1,015
Communication		7,090	7,231
Computer services	4.2	3,207	4,215
Consultants: Business and advisory services		13,601	14,339
Infrastructure and planning services*		3,628	486
Laboratory services		1,702	669
Scientific and technological services		-	76
Legal services		104	187
Contractors**		15,167	6,753
Agency and support / outsourced services		5,454	4,326
Entertainment		63	77
Audit cost – external	4.3	3,220	3,377
Fleet services		10,305	9,425
Consumables	4.4	34,479	27,521
Operating leases		2,484	2,793
Property payments	4.5	43,688	37,618
Rental and hiring		617	361
Transport provided as part of the departmental activities		99	367
Travel and subsistence	4.6	21,155	19,346
Venues and facilities		174	117
Training and development		2,004	1,609
Other operating expenditure	4.7	3,568	3,254
<b>Total</b>		<b>177,143</b>	<b>150,035</b>

**\*Infrastructure and planning services:** The increase is due to the Leeuriver diversion weir sediment removal and the maintenance of boreholes.

**\*\*Contractors:** Increase due to additional aerial photography services during 2017/18 for the mapping of agricultural production in the Western Cape during the winter and summer periods.

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	Note	2017/18 R'000	2016/17 R'000
4.1			
<b>Minor assets</b>	4		
Tangible assets			
Biological assets		22	21
Machinery and equipment		1,539	1,754
Transport assets		-	51
<b>Total</b>		<u><u>1,561</u></u>	<u><u>1,826</u></u>
4.2			
<b>Computer services</b>	4		
SITA computer services		1,208	1,089
External computer service providers		1,999	3,126
<b>Total</b>		<u><u>3,207</u></u>	<u><u>4,215</u></u>
<i>The decrease in external computer services is due to IT infrastructure and software purchased during 2016/17.</i>			
4.3			
<b>Audit cost – External</b>	4		
Regularity audits		3,220	3,377
<b>Total</b>		<u><u>3,220</u></u>	<u><u>3,377</u></u>
4.4			
<b>Consumables</b>	4		
Consumable supplies		32,214	24,971
Uniform and clothing		847	1,101
Household supplies		5,229	4,054
Building material and supplies*		7,637	3,927
Communication accessories		8	3
IT consumables		167	236
Other consumables**		18,326	15,650
Stationery, printing and office supplies		2,265	2,550
<b>Total</b>		<u><u>34,479</u></u>	<u><u>27,521</u></u>

\*The increase in building material and supplies is due to gardening and farm supplies previously classified under Other Consumables. SCOA reclassification.

\*\*Other consumables include animal feed and medicine (R10,782 million), laboratory consumables (R5,353 million) and fuel supplies (R2,110 million.) The increase in other consumables is due to the 2016/17 drought in the Western Cape and the department produced their own animal feed. During the 2017/18 financial year animal feed were purchased and the transport of the animal feed were also paid for. The outbreak of the Avian influenza in the Western Cape was also a contributing factor for the increase.

4.5			
<b>Property payments</b>	4		
Municipal services		29,639	22,589
Property maintenance and repairs		1,957	3,393
Other*		12,092	11,636
<b>Total</b>		<u><u>43,688</u></u>	<u><u>37,618</u></u>

\*Other include cleaning services (R2,948 million) and security services (R8,978 million).

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	Note	2017/18 R'000	2016/17 R'000
4.6			
<b>Travel and subsistence</b>	4		
Local		18,015	17,218
Foreign		3,140	2,128
<b>Total*</b>		<u><b>21,155</b></u>	<u><b>19,346</b></u>

\* Included in travel and subsistence costs are expenditures for non-employees relating to the department's service delivery objectives amounting to R1,633 million. (Students, foreign guests and smallholder farmers).

4.7			
<b>Other operating expenditure</b>	4		
Professional bodies, membership and subscription fees		159	159
Resettlement costs		718	160
Other*		2,691	2,935
<b>Total</b>		<u><b>3,568</b></u>	<u><b>3,254</b></u>

\* Other include courier services (R184,000), insurance for subsidised vehicles (R714,000), publication and printing services (R1,510 million), and honoraria paid (R234,000).

**5. Interest and rent on land**

Interest paid	-	2
<b>Total</b>	<u><b>-</b></u>	<u><b>2</b></u>

**6. Payments for financial assets**

Material losses written off	6.1	209	126
Debts written off	6.2	80	390
Losses due to theft	6.3	36	94
Forex losses	6.4	1	-
<b>Total</b>		<u><b>326</b></u>	<u><b>610</b></u>

**6.1 Other material losses written off**

Damages to machinery and equipment (2 case)	6	33	3
Damages to Government Garage vehicles (16 cases)		62	55
Damages to private / hired vehicles (8 cases)		114	26
Damages to infrastructure		-	42
<b>Total</b>		<u><b>209</b></u>	<u><b>126</b></u>

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	Note	2017/18 R'000	2016/17 R'000
<b>6.2 Debts written off</b>	6		
<b>Recoverable revenue written off</b>		<b>12</b>	<b>269</b>
Outstanding leave without pay written off (10 cases)		7	4
Overpayment on salaries written off (3 cases)		3	259
Bursary debt written off (2 cases)		2	6
<b>Other debt written off</b>		<b>68</b>	<b>121</b>
Outstanding leave without pay written off (3 cases)		10	14
Salary overpayment and related debts written off (cases)		52	50
Bursary debt written off		-	38
Outstanding T&S advances written off		-	19
Telephone debt written off (3 cases)		1	-
Supplier debt written off (2 cases)		5	-
<b>Total debt written off</b>		<b>80</b>	<b>390</b>

*Debts have been written off in accordance with the department's write-off policy.*

<b>6.3 Details of theft</b>	6		
<b>Nature of theft</b>			
Theft of computer and other equipment (2 cases)		36	94
<b>Total</b>		<b>36</b>	<b>94</b>
<b>6.4 Forex losses</b>	6		
Refund of registration fees paid (3 cases)		1	-
<b>Total</b>		<b>1</b>	<b>-</b>

<b>7. Transfers and subsidies</b>			
Provinces and municipalities	Annex 1A	59	53
Departmental agencies and accounts	Annex 1B	1,302	1,858
Higher education institutions	Annex 1C	-	190
Public corporations and private enterprises*	Annex 1D	259,191	235,171
Non-profit institutions*	Annex 1E	40,287	38,345
Households	Annex 1F	11,984	7,466
<b>Total</b>		<b>312,823</b>	<b>283,083</b>

*\* The disclosure for the Deciduous Fruit Producers Trust in 2016/17 amounting R31,176 million has been moved from Annexure D, Public Corporations and Private Enterprises to Annexure E, Non-Profit Enterprises due a SCOA re-classification of the entity in 2017/18.*

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	Note	2017/18 R'000	2016/17 R'000
<b>8. Expenditure for capital assets</b>			
<b>Tangible assets</b>			
Buildings and other fixed structures	31.1	2,943	934
Machinery and equipment*	29.1	26,586	46,739
<b>Total</b>		<b>29,529</b>	<b>47,673</b>

\* The decrease in machinery and equipment is due to the upgrade of the vets laboratory and the purchasing of new laboratory equipment during 2016/17.

8.1 All capital assets are acquired with voted funds for both financial years.

<b>8.2 Finance lease expenditure included in Expenditure for capital assets</b>			
<b>Tangible assets</b>			
Machinery and equipment		16,681	15,694
<b>Total</b>		<b>16,681</b>	<b>15,694</b>

<b>9. Cash and cash equivalents</b>			
Consolidated Paymaster General Account		12,503	8,572
Cash on hand		145	114
<b>Total</b>		<b>12,648</b>	<b>8,686</b>

Included in the Consolidated Paymaster General Account is an amount of R2,967 million underspending on CoE earmarked by the Provincial Treasury and not available for use by the department.

<b>10. Prepayments and advances</b>			
Travel and subsistence		322	154
<b>Total</b>		<b>322</b>	<b>154</b>

**10.1 Prepayments (Expensed)**

	Amount as at 1 April 2017	Less: Received in the current year	Add: Current Year prepayments	Amount as at 31 March 2018
	R'000	R'000	R'000	R'000
Goods and services	11	11	68	68
Transfers and subsidies*	-	-	18,776	18,776
<b>Total</b>	<b>11</b>	<b>11</b>	<b>18,844</b>	<b>18,844</b>

\*Funds not yet spent by the recipient as at 31 March 2018.

**10.2 Advances paid (Expensed)**

	Amount as at 1 April 2017	Less: Received in the current year	Add: Current Year prepayments	Amount as at 31 March 2018
	R'000	R'000	R'000	R'000
Public entities*	99,770	-	153,930	253,700
<b>Total</b>	<b>99,770</b>	<b>-</b>	<b>153,930</b>	<b>253,700</b>

\*Transfer payments made to Casidra and Wesgro in terms of a memoranda of agreement.

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**11 Receivables**

	Note	2017/18			2016/2017		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	682	-	682	-	-	-
Recoverable expenditure	11.2	786	-	786	990	-	990
Staff debt	11.3	3,242	388	3,630	2,078	88	2,166
Fruitless and wasteful expenditure	11.4	5	-	5	1	-	1
<b>Total</b>		<b>4,715</b>	<b>388</b>	<b>5,103</b>	<b>3,069</b>	<b>88</b>	<b>3,157</b>

	Note	2017/18 R'000	2016/17 R'000
<b>11.1 Claims recoverable</b>	11		
National departments	Annex 4	661	-
Provincial departments	Annex 4	21	-
<b>Total</b>		<b>682</b>	<b>-</b>

Both the amounts were authorised for payment by the relevant departments in 2017/18 but funds were only received in the first week of April 2018/19.

<b>11.2 Recoverable expenditure (disallowance accounts)<sup>11</sup></b>			
Supplier debt outstanding		707	711
Awaiting reimbursement from travel agency		-	7
Theft and losses still under investigation		78	272
Salary tax debt (1 case)		1	-
<b>Total</b>		<b>786</b>	<b>990</b>

	Note	2017/18 R'000	2016/17 R'000
<b>11.3 Staff debt</b>	11		
Employee bursary debt*		2,643	1,227
Salary related debts		987	939
<b>Total</b>		<b>3,630</b>	<b>2,166</b>

\*These bursary debt cases relate to external bursary holders who are in breach of contract as they failed to serve back their bursary obligation or did not complete their studies. In one case the bursary holder has resigned.

<b>11.4 Fruitless and wasteful expenditure</b>	11		
Opening balance		1	-
Transfers from note 26 Fruitless and Wasteful expenditure		4	1
<b>Total</b>		<b>5</b>	<b>1</b>

<b>11.5 Impairment of receivables</b>			
Estimate of impairment of receivables*		1,924	1,272
<b>Total</b>		<b>1,924</b>	<b>1,272</b>

\*The estimate is mainly calculated on the outstanding staff debt.

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		2017/18 R'000	2016/17 R'000
<b>12 Investments</b>			
Non-Current: Shares and other equity			
Casidra	Annex 2A	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		8,079	7,575
Transfer from statement of financial performance		10,779	8,079
Paid during the year		(8,079)	(7,575)
<b>Closing balance</b>		<b>10,779</b>	<b>8,079</b>
<b>14 Departmental revenue to be surrendered to the Revenue Fund</b>			
Opening balance		636	1,937
Transfer from Statement of Financial Performance		19,254	11,209
Own revenue included in appropriation		29,226	28,853
Paid during the year		(46,459)	(41,363)
<b>Closing balance</b>		<b>2,657</b>	<b>636</b>
<b>15 Payables – current</b>	Note		
Amounts owing to other entities			
Clearing accounts	15.1	134	49
Other payables	15.2	1,562	920
<b>Total</b>		<b>1,696</b>	<b>969</b>
<b>15.1 Clearing accounts</b>	15		
Credit amounts payable to debtors,(awaiting banking details)		123	34
Funds from GEHS towards officials home loans		11	15
<b>Total</b>		<b>134</b>	<b>49</b>
<b>15.2 Other payables</b>	15		
SA Brandy		21	-
DAFF bursaries		44	-
AgriSeta		135	-
NARYSEC project		72	120
Micro Combud project		1,290	800
<b>Total</b>		<b>1,562</b>	<b>920</b>
<b>16 Payables – non-current</b>			
Amounts owing to other entities	16.1	-	746
<b>Total</b>		<b>-</b>	<b>746</b>
<b>16.1 Other payables</b>			
Micro Combud project		-	746
<b>Total</b>		<b>-</b>	<b>746</b>

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	2017/18 R'000	2016/17 R'000	
<b>17 Net cash flow available from operating activities</b>			
Net surplus as per Statement of Financial Performance	30,033	19,288	
Add back non cash/cash movements not deemed operating activities	2,583	27,268	
(Increase) in receivables – current	(1,946)	(286)	
(Increase)/decrease in prepayments and advances	(168)	173	
Increase/(decrease) in payables – current	727	22	
Proceeds from sale of capital assets	(241)	(229)	
Proceeds from sale of investments	(6)	-	
Expenditure on capital assets	29,529	47,673	
Surrenders to Revenue Fund	(54,538)	(48,938)	
Own revenue included in appropriation	29,226	28,853	
<b>Net cash flow generated by operating activities</b>	<b>32,616</b>	<b>46,556</b>	
<b>18 Reconciliation of cash and cash equivalents for cash flow purposes</b>			
Consolidated Paymaster General account	12,503	8,572	
Cash on hand	145	114	
<b>Total</b>	<b>12,648</b>	<b>8,686</b>	
	Note		
<b>19 Contingent liabilities and contingent assets</b>			
<b>19.1 Contingent liabilities</b>			
Claims against the department	Annex 3	650	-
Intergovernmental payables (unconfirmed balances)	Annex 5	1,795	-
<b>Total</b>		<b>2,445</b>	<b>-</b>
<b>19.2 Contingent assets</b>			
<b>Nature of contingent asset</b>			
Tax refund from SARS*		264	264
<b>Total</b>		<b>264</b>	<b>264</b>

\*SARS conducted an audit at the department on employee benefits relating to employees living in official houses at non-market related tariffs. This audit resulted in a claim against the department for incorrect tax pay-overs for a period of three years. The claim against the department included an amount of R264,000 for 15 employees who, according to the department, were not living in official houses during the period covered by the audit. A Notice of Objection for a refund was submitted to SARS during 2017.

There are currently two PILIR cases under investigation at the Department of the Premier and at this stage the department is not able to reliably measure the PILIR cases.

At this stage the department is not able to reliably measure the contingent assets in terms of the Government Employees Housing Scheme (GEHS) of the Individually Linked Savings Facility (ILSF), relating to resignations and terminations of services.



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		2017/18 R'000	2016/17 R'000
<b>20</b>	<b>Commitments</b>		
	<b>Approved and contracted</b>		
	Current expenditure	22,801	44,300
	Capital expenditure	904	156
	<b>Total Commitments</b>	<b>23,705</b>	<b>44,456</b>

*There are no commitments for a period longer than a year.*

*The 1% VAT increase as from 1 April 2018 has been added to commitments where applicable.*

**21 Accruals and payables not recognised**

**21.1 Accruals**

**Listed by economic classification**

	30 Days	30+ Days	Total	Total
Goods and services*	2,644	426	3,070	4,299
Transfers and subsidies**	11	12	23	39
<b>Total</b>	<b>2,655</b>	<b>438</b>	<b>3,093</b>	<b>4,338</b>

*\*The 2016/17 figure for Goods and Services has been adjusted with R851,000 relating to T&S claims payable now disclosed as Employee benefits.*

*\*\*Bursaries to non-employees*

**Listed by programme level**

Programme 1: Administration	1,296	3,370
Programme 2: Sustainable Resource Management	91	203
Programme 3: Farmer Support and Development	189	75
Programme 4: Veterinary Services	294	130
Programme 5: Research and Technology Development Services	584	150
Programme 6: Agricultural Economics Services	140	25
Programme 7: Structured Agricultural Education and Training	454	358
Programme 8: Rural Development	45	27
<b>Total</b>	<b>3,093</b>	<b>4,338</b>

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		2017/18 R'000		2016/17 R'000
<b>21.2</b>	<b>Payables not recognised Listed by economic classification</b>			
		<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>
	Goods and services*	121	65	186
	Transfers and subsidies	-	-	-
	<b>Total</b>	<b>121</b>	<b>65</b>	<b>186</b>
				<b>Total</b>
				<b>407</b>

\*The 2016/17 figure for Goods and Services has been adjusted with R178,000 relating to T&S claims payable now disclosed as Employee benefits.

**Listed by programme level**

Programme 1: Administration	28	193
Programme 2: Sustainable Resource Management	4	4
Programme 3: Farmer Support and Development	24	80
Programme 4: Veterinary Services	46	27
Programme 5: Research and Technology Development Services	17	73
Programme 6: Agricultural Economics Services	3	7
Programme 7: Structured Agricultural Education and Training	63	22
Programme 8: Rural Development	1	1
<b>Total</b>	<b>186</b>	<b>407</b>

**Included in the above totals are the following:**

Confirmed balances with other departments	Annex 5	2,468	
Confirmed balances with other government entities	Annex 5	14	-
<b>Total</b>		<b>2,482</b>	<b>2,562</b>

**22 Employee benefits**

Leave entitlement	11,154	10,377
Service bonus (Thirteenth cheque)	9,297	8,480
Performance awards	1,957	3,724
Capped leave commitments	11,916	12,436
Other*	1,709	1,733
<b>Total</b>	<b>36,033</b>	<b>36,750</b>

\*Other includes long service awards payable in 2018/19 as well as overtime and other T&S claims payable. At this stage the department is not able to reliably measure the long term portion of the long service awards. The 2016/17 figure has also been adjusted to include T&S claims and related accruals payable amounting to R1,029 million incorrectly disclosed as Accruals and Payables not recognised in note 21.

**23 Lease commitments**

**23.1 Operating leases**

Machinery and equipment		
Not later than 1 year	822	750
Later than 1 year and not later than 5 years	954	331
<b>Total lease commitments</b>	<b>1,776</b>	<b>1,081</b>

Lease agreements for 58 photocopier machines in the department as at 31 March

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2018.

	2017/18 R'000	2016/17 R'000
<b>23.2 Finance leases</b>		
Machinery and equipment		
Not later than 1 year	17,695	16,063
Later than 1 year and not later than 5 years	28,569	33,068
Later than five years	81	336
<b>Total lease commitments</b>	<b>46,345</b>	<b>49,467</b>

The Department of Agriculture leased 244 vehicles from GMT as at 31 March 2018 (March 2017: 241). Daily tariffs are payable on a monthly bases, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement.

The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicle for most of the useful life of the vehicle. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

<b>24 Accrued departmental revenue</b>		
Sales of goods and services other than capital assets*	11,022	13,102
Interest	945	1,176
<b>Total</b>	<b>11,967</b>	<b>14,278</b>

\*Services rendered by the department on credit.

<b>24.1 Analysis of accrued departmental revenue</b>		
Opening balance	14,278	11,334
Less: amounts received	(16,909)	(14,359)
Add: amounts recorded	16,136	20,073
Less: amounts written-off/reversed	(1,538)	(2,770)
<b>Closing balance</b>	<b>11,967</b>	<b>14,278</b>

<b>24.2 Accrued department revenue written off</b>		
Nature of losses		
Laboratory services	90	93
Veterinary services	102	51
House rent	262	41
Student fees	890	2,129
Ad hoc services	34	97
<b>Total</b>	<b>1,378</b>	<b>2,411</b>

<b>24.3 Impairment of accrued departmental revenue</b>		
Estimate of impairment of accrued departmental revenue	4,618	2,060
<b>Total</b>	<b>4,618</b>	<b>2,060</b>

Included in the total impairment estimate is an amount of R4,423 million for cases submitted to Legal Services more than 12 month ago for recovery.

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	2017/18 R'000	2016/17 R'000
<b>25 Irregular expenditure</b>		
<b>25.1 Reconciliation of irregular expenditure</b>		
Opening balance	10	-
Add: Irregular expenditure – relating to prior year	-	17
Add: Irregular expenditure – relating to current year	565	89
Less: Prior year amounts condoned	(10)	(17)
Less: Current year amounts condoned	(408)	(79)
<b>Closing balance</b>	<b>157</b>	<b>10</b>

**Analysis of awaiting condonation per age classification**

Current year	157	10
<b>Total</b>	<b>157</b>	<b>10</b>

**25.2 Details of irregular expenditure – added current year (relating to current and prior years)**

Incident	Disciplinary steps taken/criminal proceedings	2017/18 R'000
Not abiding to financial policy prescripts (39 cases)	None	125
Not abiding to HR delegation (2 cases)	None	401
Conflict of interest (1 case)	None	1
Not abiding to SCM prescripts (1 case)	None	38
<b>Total</b>		<b>565</b>

**25.3 Details of irregular expenditure condoned**

Incident	Condoned by (condoning authority)	2017/18 R'000
Conflict of interest (1 case)	Accounting Officer	1
Not abiding to financial policy prescripts (1 case)	National Treasury	9
Not abiding to financial policy prescripts (2 cases)	Accounting Officer	7
Not abiding to HR delegation (3 cases)	Accounting Officer	401
<b>Total</b>		<b>418</b>

	Note	2017/18 R'000	2016/17 R'000
<b>26 Fruitless and wasteful expenditure</b>			
<b>26.1 Reconciliation of fruitless and wasteful expenditure</b>			
Opening balance		49	-
Fruitless and wasteful expenditure – relating to prior year		-	389
Fruitless and wasteful expenditure – relating to current year		12	24
Less: Amounts resolved		(51)	(363)
Less: Amounts transferred to receivables for recovery	11.4	(5)	(1)
<b>Closing balance</b>		<b>5</b>	<b>49</b>

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	2017/18 R'000	2016/17 R'000
<b>26.2 Analysis of awaiting resolution per economic classification</b>		
Current	5	49
<b>Total</b>	<b>5</b>	<b>49</b>

**26.3 Analysis of Current year's (relating to current and prior years) fruitless and wasteful expenditure**

Incident	Disciplinary steps taken	2017/18 R'000
Cancellation fees (2 cases)	None	1
Non-attendances (2 cases)	R5,000 recovered	9
Printing cost for reprints (1 case)	None	2
<b>Total</b>		<b>12</b>

**26.4 Prior period error**

**Relating to 2016/17**

11 Cases incorrectly classified as fruitless and wasteful in 2016/17	(8)
<b>Total prior period errors</b>	<b>(8)</b>

**26.5 Details of fruitless and wasteful expenditures under investigation (not included in the main note)**

**Incident**

Non-attendances (2 cases)	39
Change in air tickets (1 case)	3
Interpreter not cancelled (1 case)	2
<b>Total</b>	<b>44</b>

**27 Related party transactions**

The total shareholding in Casidra SOC Ltd. is with the Provincial Government of the Western Cape under the oversight of the Provincial Minister of Economic Opportunities.

The Western Cape Department of Agriculture occupies various buildings and research farms in the Province managed by the Department of Transport and Public Works free of charge.

The department received corporate services from the Corporate Services Centre 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
- Provincial Forensic Services
- Legal Services
- Corporate Communication.

The department also received Security Advisory Services and Security Operation from the Department of Community Safety in the Western Cape.

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The department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Provincial Treasury.

A related party relationship exists between the department and the Western Cape Agriculture Research Trust (Trust). Currently the department accommodates 2,493 animals belonging to the Trust for research purposes free of charge at various research farms of the department as stipulated by the agreement between the department and the Trust. In terms of the agreement the department also uses Trust owned capital assets on the various research farm. These assets include tractors, milking-machine, scanner systems, controlled coolers, feed planters, vehicles and animal trailers, spray-pumps, harvester, fodder and concentrate mixers as well as other implements and equipment. The Trust has been 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.

The department procured goods and services for the upgrade at the college to the amount of R5,008 million during the reporting period. These expenses were claimed back from DAFF in terms of their College Revitalisation Programme for provincial agricultural colleges.

		2017/18	2016/17
		R'000	R'000
<b>28 Key management personnel</b>			
	No. of Individuals		
Political office bearer	1	2,013	1,933
Officials:			
Level 15 to 16	2	3,691	3,494
Level 14*	14	15,910	13,160
<b>Total</b>		21,614	18,587

*\*Included in level 14 are 5 Programme Managers on level 13. The increase in cost relates to retirement benefits paid to 2 officials during the reporting period.*

**29 Movable Tangible Capital Assets**

**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>216,104</b>	-	<b>19,290</b>	<b>9,953</b>	<b>225,441</b>
Transport assets	70,021	-	9,768	4,912	74,877
Computer equipment	33,552	-	2,760	1,839	34,473
Furniture and office equipment	6,228	-	1,039	204	7,063
Other machinery and equipment	106,303	-	5,723	2,998	109,028
<b>BIOLOGICAL ASSETS</b>	<b>10,437</b>	<b>1,197</b>	<b>17</b>	<b>1,892</b>	<b>9,759</b>
Biological assets	10,437	1,197	17	1,892	9,759
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>226,541</b>	<b>1,197</b>	<b>19,307</b>	<b>11,845</b>	<b>235,200</b>

Movable Tangible Capital Assets under investigation: None

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**29.1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018.**

	Cash	Non-cash	(finance lease payments)	Total
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>26,586</b>	<b>9,385</b>	<b>(16,681)</b>	<b>19,290</b>
Transport assets	16,972	9,473	(16,677)	9,768
Computer equipment	2,429	331	-	2,760
Furniture and office equipment	1,033	6	-	1,039
Other machinery and equipment	6,152	(425)	(4)	5,723
<b>BIOLOGICAL ASSETS</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>17</b>
Biological assets	-	17	-	17
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE ASSETS</b>	<b>26,586</b>	<b>9,402</b>	<b>(16,681)</b>	<b>19,307</b>

**29.2 Disposals  
DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018.**

	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>5,080</b>	<b>4,873</b>	<b>9,953</b>	<b>3</b>
Transport assets	104	4,808	4,912	-
Computer equipment	1,809	30	1,839	3
Furniture and office equipment	183	21	204	-
Other machinery and equipment	2,984	14	2,998	-
<b>BIOLOGICAL ASSETS</b>	<b>242</b>	<b>1,650</b>	<b>1,892</b>	<b>237</b>
Biological assets	242	1,650	1,892	237
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>5,322</b>	<b>6,523</b>	<b>11,845</b>	<b>240</b>

**29.3 Movement for 2016/17  
MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>185,357</b>	<b>36</b>	<b>32,559</b>	<b>1,848</b>	<b>216,104</b>
Transport assets	69,519	(8)	1,202	692	70,021
Computer equipment	27,169	9	6,855	481	33,552
Furniture and office equipment	5,873	-	498	143	6,228
Other machinery and equipment	82,796	35	24,004	532	106,303
<b>BIOLOGICAL ASSETS</b>	<b>9,902</b>	<b>887</b>	<b>17</b>	<b>369</b>	<b>10,437</b>
Biological assets	9,902	887	17	369	10,437

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<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>195,259</b>	<b>923</b>	<b>32,576</b>	<b>2,217</b>	<b>226,541</b>
		<i>Note</i>		<b>2016/17</b>	
				<b>R'000</b>	

**29.3.1 Prior period error**

Transport assets	29.3	(8)
Computer equipment	29.3	9
Machinery and equipment	29.3	35
Biological assets	29.3	887
<b>Total prior period errors</b>		<b>923</b>

**29.4 Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018**

	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance	30,975	2,784	33,759
Value adjustments	-	429	429
Additions	1,441	736	2,177
Disposals	1,457	1,449	2,906
<b>TOTAL MINOR ASSETS</b>	<b>30,959</b>	<b>2,500</b>	<b>33,459</b>

	<b>Intangible assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	22	-	-	22
Number of minor assets at cost	-	31,747	1,612	33,359
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>22</b>	<b>31,747</b>	<b>1,612</b>	<b>33,381</b>

Minor Capital Assets under investigation - None

**Minor assets**

**MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017**

	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Opening balance	29,485	3,626	33,111
Additions	2,125	1,092	3,217
Disposals	635	1,934	2,569
<b>TOTAL MINOR ASSETS</b>	<b>30,975</b>	<b>2,784</b>	<b>33,759</b>

	<b>Intangible assets</b>	<b>Machinery and equipment</b>	<b>Biological assets</b>	<b>Total</b>
Number of R1 minor assets	22	-	-	22
Number of minor assets at cost	-	31,995	1,708	33,703



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<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>22</b>	<b>31,995</b>	<b>1,708</b>	<b>33,725</b>
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**29.5 Movable assets written off**

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2018**

Machinery and equipment	Biological assets	Total
R'000	R'000	R'000

Assets written off	78	1,923	2,001
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>78</b>	<b>1,923</b>	<b>2,001</b>

**MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017**

Machinery and equipment	Biological assets	Total
R'000	R'000	R'000

Assets written off	597	2,303	2,900
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>597</b>	<b>2,303</b>	<b>2,900</b>

**29.6 S42 Movable capital assets**

No major or minor assets subjected to transfer in terms of S42 of the PFMA as at 31 March 2018.

**30 Intangible Capital Assets**

Opening balance	Additions	Disposals	Closing Balance
R'000	R'000	R'000	R'000
SOFTWARE	500	-	500
SERVICES AND OPERATING RIGHTS	912	-	912
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,412</b>	<b>-</b>	<b>1,412</b>

No intangible capital assets under investigation as at 31 March 2018.

**Movement for 2016/17**

Opening balance	Additions	Disposals	Closing Balance
R'000	R'000	R'000	R'000
SOFTWARE	500	-	500
SERVICES AND OPERATING RIGHTS	912	-	912
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>1,412</b>	<b>-</b>	<b>1,412</b>

**31 Immovable Tangible Capital Assets**

Opening balance	Additions	Disposals	Closing Balance
R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>			
Non-residential buildings	-	787	787
Other fixed structures	-	438	211
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>1,225</b>	<b>211</b>

No immovable tangible capital assets under investigation as at 31 March 2018.

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**31.1 Additions**

**ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Cash	Non-cash	(Capital Work in Progress current costs)	Total
	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>				
Non-residential buildings	767	40	(20)	787
Other fixed structures	2,176	-	(1,738)	438
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>2,943</b>	<b>40</b>	<b>(1,758)</b>	<b>1,225</b>

**31.2 Disposals**

**DISPOSALS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018**

	Sold for cash	Non-cash disposal	Total disposals
	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>			
Other fixed structures	-	211	211
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>211</b>	<b>211</b>

**31.3 Capital Work-in-progress**

**CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018**

	Note	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR)	Closing balance 31 March 2018
		R'000	R'000	R'000	R'000
Buildings and other fixed structures	Annexure 7	358	1,758	60	2,056
Intangible assets	Annexure 7	2,077	-	-	2,077
<b>TOTAL</b>		<b>2,435</b>	<b>1,758</b>	<b>60</b>	<b>4,133</b>

**CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017**

	Note	Opening balance 1 April 2016	Current Year WIP	Ready for use (Assets to the AR)	Closing balance 31 March 2017
		R'000	R'000	R'000	R'000
Buildings and other fixed structures	Annexure 7	-	358	-	358
Intangible assets	Annexure 7	2,077	-	-	2,077
<b>TOTAL</b>		<b>2,077</b>	<b>358</b>	<b>-</b>	<b>2,435</b>

**31.4 S42 Immovable assets**

Assets subjected to transfer in terms of S42 of the PFMA – 2017/18.

	Number of assets	Value of assets R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>		
Non-residential buildings	6	787
Other fixed structures	1	227
<b>TOTAL</b>	<b>7</b>	<b>1,014</b>

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No assets subjected to transfer in terms of S42 of the PFMA in 2016/17.

**32 Principal-agent arrangements**

**32.1 Department acting as the agent**

The department acts as an agent for the National Department of Rural Development and Land Reform (DRDLR) to provide training to the youth in terms of DRDLR's National Rural Youth Service Corps (NARYSEC) programme to enable them to work in their communities that will eventually leads to the creation of enterprises.

*No revenue received for these agency duties.*

**32.1.1 Reconciliation of funds and disbursements**

**Category of expenditure per arrangement**

	Total funds received	Total expenditure incurred against funds
	R'000	R'000
Goods and services	229	157
<b>Total</b>	<b>229</b>	<b>157</b>

*As at 31 March 2018 no assets held or liabilities incurred on behalf of DRDLR (principle).*

**32.1.2 Reconciliation of carrying amount of receivables and payables – 2017/18**

**Payables**

Name of principal entity	Opening balance	Expenses incurred on behalf of the principal	Cash paid on behalf of the principal	Closing Balance
	R'000	R'000	R'000	R'000
Department of Rural Development and Land Reform	120	(48)	-	72
<b>Total</b>	<b>120</b>	<b>(48)</b>	<b>-</b>	<b>72</b>

**33 Prior period errors**

**33.1 Correction of prior period errors**

Note	Amount before error correction 2016/17	Prior period error 2016/17	Restated Amount 2017/18
	R'000	R'000	R'000

**Assets:**

Transports assets: One item removed from Asset Register	29	70,029	(8)	70,021
Computer equipment: Price corrections on LOGIS	29	33,543	9	33,552
Other machinery and equipment: Price corrections on LOGIS	29	106,268	35	106,303
Biological assets: 2016/17 incorrect value adjustment on orchards corrected	29	9,550	887	10,437
<b>Net effect</b>		<b>219,390</b>	<b>923</b>	<b>220,313</b>

**Liabilities:**

Accruals – Goods and services	21.1	5,150	(851)	4,299
Payables not recognised – Good and services	21.2	545	(178)	367
Employee benefits - Other	22	704	1,029	1,733
<b>Net effect</b>		<b>6,399</b>	<b>-</b>	<b>6,399</b>

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T&S claims payable incorrectly disclosed as accruals and prepayments not recognised in 2016/17.

**Correction of prior period errors**

	Note	Amount	Prior	Restated
		before error	period	Amount
		correction	error	
		2016/17	2016/17	2017/18
		R'000	R'000	R'000
<b>Other:</b>				
Fruitless and Wasteful expenditures – Related to current year	26	32	(8)	24
Capital Work in Progress - Non-residential buildings	31.2	-	318	318
Capital Work in Progress - Other fixed structures	31.2	-	40	40
<b>Net effect</b>		<b>32</b>	<b>350</b>	<b>382</b>

11 Possible fruitless and wasteful cases incorrectly disclosed as fruitless and wasteful in 2016/17.  
2 Infrastructure projects not completed in 2016/17 were not included as Capital Work in Progress.

**34 STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION			SPENT				2016/17	
	Division of Revenue Act/ Provincial Grants	DORA Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
CASP	136,197	-	136,197	136,197	134,572	1,625	99%	164,199	164,199
Ilima Letsema	55,349	-	55,349	55,349	55,349	-	100%	50,593	50,593
LandCare	4,380	-	4,380	4,380	4,380	-	100%	4,106	4,106
EPWP	2,062	-	2,062	2,062	2,062	-	100%	2,068	2,068
Provincial Disaster Grant	-	40,000	40,000	40,000	40,000	-	100%	-	-
	<b>197,988</b>	<b>40,000</b>	<b>237,988</b>	<b>237,988</b>	<b>236,363</b>	<b>1,625</b>		<b>220,966</b>	<b>220,966</b>

All transfers were deposited into the primary bank account of the Western Cape Province.

**35 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Municipality of Stellenbosch (GG vehicle licences)	60	-	(1)	59	59	-	-
<b>TOTAL</b>	<b>60</b>	<b>-</b>	<b>(1)</b>	<b>59</b>	<b>59</b>	<b>-</b>	<b>-</b>

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**ANNEXURE 1A  
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT				2016/17
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Municipality of Stellenbosch (GG vehicle licences)	60	-	(1)	59	59	-	59	59	-	100%	53
<b>TOTAL</b>	<b>60</b>	<b>-</b>	<b>(1)</b>	<b>59</b>	<b>59</b>	<b>-</b>	<b>59</b>	<b>59</b>	<b>-</b>		<b>53</b>

**ANNEXURE 1B  
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Department of the Premier (TV Licences)	12	-	(1)	11	11	100%	10
National Agricultural Marketing Council	-	-	-	-	-	-	500
South African Revenue Services (SARS)	4	-	-	4	4	100%	71
WESGRO	1,262	-	25	1,287	1,287	100%	1,277
<b>TOTAL</b>	<b>1,278</b>	<b>-</b>	<b>24</b>	<b>1,302</b>	<b>1,302</b>	<b>100%</b>	<b>1,858</b>

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**ANNEXURE 1C  
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS**

INSTITUTION NAME	TRANSFER ALLOCATION				TRANSFER			2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
University of Stellenbosch	60	-	(60)	-	-	-	-	190
<b>TOTAL</b>	<b>60</b>	<b>-</b>	<b>(60)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190</b>

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**ANNEXURE 1D  
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Public Corporations</b>									
<b>Transfers</b>									
Casidra SOC Ltd.	257,221	-	3,158	260,379	259,066	99,5%	-	259,066	235,041
<b>Subtotal: Public Corporations</b>	<b>257,221</b>	<b>-</b>	<b>3,158</b>	<b>260,379</b>	<b>259,066</b>	<b>99,5%</b>	<b>-</b>	<b>259,066</b>	<b>235,041</b>
<b>Private Enterprises</b>									
<b>Transfers</b>									
Agri Connect	-	-	-	-	-	-	-	-	50
Deciduous Fruit Producers Trust*	28,083	-	(28,083)	-	-	-	-	-	-
Hortgro (Pty) Ltd.	-	-	100	100	100	100%	-	100	-
Makers projects	-	-	-	-	-	-	-	-	50
Protein Research Foundation Trust	-	-	-	-	-	-	-	-	10
Riana Events	-	-	-	-	-	-	-	-	20
Turner Conference and Conventions (Pty) Ltd.	-	-	25	25	25	100%	-	25	-
<b>Subtotal: Private Enterprises</b>	<b>28,083</b>	<b>-</b>	<b>(27,958)</b>	<b>125</b>	<b>125</b>	<b>100,0%</b>	<b>-</b>	<b>125</b>	<b>130</b>
<b>TOTAL</b>	<b>285,304</b>	<b>-</b>	<b>(24,800)</b>	<b>260,504</b>	<b>259,191</b>	<b>99,5%</b>	<b>-</b>	<b>259,191</b>	<b>235,171</b>

The 2016/17 disclosure for the Deciduous Fruit Producers Trust amounting to R31,176 million has been moved to Annexure E, Non-profit Institutions due to SCOA re-classification of the entity in 2017/18.

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**ANNEXURE 1E  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Agri Business in Sustainable Natural African Plant Products	-	-	-	-	-	-	202
Agricultural Economics Association of South Africa	100	-	-	100	100	100%	-
Agri West Cape	30	-	-	30	30	100%	30
Beaufort West Agricultural Society	75	-	-	75	75	100%	-
Bureau of Food and Agricultural Society	100	-	-	100	100	100%	-
Cape of Good Hope Agricultural Society	300	-	20	320	320	100%	425
Centre for Rural Legal Studies	30	-	-	30	30	100%	-
Clanwilliam Expo	-	-	-	-	-	-	52
Combined Congress	30	-	-	30	30	100%	-
Deciduous Fruit Producers Trust*	-	-	28,507	28,507	28,507	100%	31,176
Elsenburg Cellar Old Student Organisation	-	-	-	-	-	-	30
Garden Route SPCA	650	-	(650)	-	-	-	650
Green Cape Sector Development Agency	1,300	-	-	1,300	1,300	100%	500
ICO Conferences and Events	30	-	-	30	30	100%	-
Lower Olifants River Irrigation Scheme	6,400	-	-	6,400	6,400	100%	1,324
Makhaza Lifestyle	30	-	-	30	30	100%	-
Market Matters Inc.	25	-	-	25	25	100%	-
Potato South Africa	28	-	-	28	28	100%	-
Prince Albert Agricultural Society	-	-	-	-	-	-	60
Samaritan Help the Poor and Needy	-	-	-	-	-	-	40
Soilborne Plant Diseases Interest	-	-	-	-	-	-	20
South African Brandy Foundation	100	-	-	100	100	100%	-



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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1E (CONTINUED)  
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Poultry Association	-	-	-	-	-	-	90
Sustainable Initiative of South Africa (SIZA)	1,000	-	-	1,000	1,000	100%	-
Villiersdorp Agricultural Society	76	-	(1)	75	75	100%	-
Western Cape Society of Animal Sciences	-	-	-	-	-	-	50
Wine Initiative for Ethical Trade Association (WIETA)	1,209	-	(465)	744	744	100%	1,000
Wine of South Africa (WOSA)	1,331	-	-	1,331	1,331	100%	-
Wine Training South Africa	22	-	-	22	22	100%	1,696
Young Roses Football Club	10	-	-	10	10	100%	-
<b>TOTAL</b>	<b>12,876</b>	<b>-</b>	<b>27,411</b>	<b>40,287</b>	<b>40,287</b>	<b>-</b>	<b>38,345</b>

\*The 2016/17 disclosure for the Deciduous Fruit Producers Trust amounting to R31,176 million has been moved from Annexure D, Public Corporations and Private Enterprises due to a SCOA re-classification of the entity in 2017/18.

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1F  
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
Bursaries to non-employees	2,993	-	4,066	7,059	7,059	100%	4,911
Claims against the State	-	-	-	-	-	-	1
Donations and gifts to individuals	1,742	-	(690)	1,052	1,052	100%	973
Leave gratuity to employees	2,187	-	229	2,416	2,416	100%	1,258
Severance packages to employees	1,457	-	-	1,457	1,457	100%	-
<b>Total transfers</b>	<b>8,379</b>	<b>-</b>	<b>3,605</b>	<b>11,984</b>	<b>11,984</b>	<b>-</b>	<b>7,143</b>
<b>Subsidies</b>							
Farmer support (Fire damages)	-	-	-	-	-	-	323
<b>Total Subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323</b>
<b>TOTAL</b>	<b>8,379</b>	<b>-</b>	<b>3,605</b>	<b>11,984</b>	<b>11,984</b>	<b>-</b>	<b>7,466</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1G  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
<b>Received in cash</b>			
SA Brandy Foundation	Cash donation received towards the training of the final year cellar students.	-	22
<b>Subtotal</b>		<u>-</u>	<u>22</u>
<b>Received in kind</b>			
Rovic and Leers	Assets – Kuhn Neo Planter donated for research development.	-	300
Arendse C	Assets – Portrait donated to the college.	-	3
Standard Bank	Library material – 50 books donated to the Training College.	18	-
Agri Connect	Library material donated to the Elsenburg library.	-	1
Citrus Academy	Library material donated to the Elsenburg library.	5	-
Etienne Books	Library material donated to the Elsenburg library.	-	6
Exporters Forum	Library material donated to the Elsenburg library.	2	-
Individual donors (7): Employees and non-employees	Library material donated to the Elsenburg library.	6	10
Van Schaik Bookshop	Library material donated to the Elsenburg library.	-	3
Villa Academy	Library material donated to the Elsenburg library.	-	13
Shoprite Checkers	Sponsorship of meals at the annual Agri Worker of the Year Competition.	800	800
African Farm Management Association	Sponsorship of meals at the annual Agri Worker of the Year Competition.	-	38
Cape Winemakers Guild	Travel and accommodation costs sponsored to enable official to accompany the final year cellar students to France.	100	-
Department of Agriculture Forestry and Fisheries	Travel and accommodation costs sponsored to enable official to attend and participate in international studies.	314	-
Department Rural Economy and Agriculture	Travel and accommodation costs sponsored to enable official to attend and participate in international events.	-	28

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**ANNEXURE 1G (CONTINUED)  
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
		R'000	R'000
Elsenburg Oud Studente Vereniging	Travel and accommodation costs sponsored to enable official to accompany the final year cellar students to Portugal and France.	175	70
Equine Health Fund	Travel and accommodation costs sponsored to enable official to attend the 20 <sup>th</sup> International Movement of Horses committee in Hong Kong.	-	10
Galilee Institute	Travel and accommodation costs sponsored to enable official to attend training on irrigated Agriculture in times of climate change in Israel.	36	-
South African Table Grape Industry	Travel and accommodation costs sponsored to enable official to attend a study tour.	51	-
University of the Free State	Travel and accommodation costs sponsored to enable official to present a poster at the 67 <sup>th</sup> Annual Congress abroad.	-	18
Wesgro	Travel and accommodation costs sponsored to enable official to attend and participate in international events.	24	-
Western Cape Agricultural Research Trust	Travel and accommodation costs sponsored to enable two officials to attend and participate in international summits abroad.	274	124
World Organisation for Animal Health	Travel and accommodation costs sponsored to enable official to attend and participate in a group on rabies.	50	-
<b>Subtotal</b>		<b>1,855</b>	<b>1,424</b>
<b>TOTAL</b>		<b>1,855</b>	<b>1,446</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 1H**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE**

<b>NATURE OF GIFT, DONATION OR SPONSORSHIP</b>	<b>2017/18</b>	<b>2016/17</b>
	<b>R'000</b>	<b>R'000</b>
<b>Made in kind</b>		
JJ Rhode Primary School – Office Furniture	3	1
Joostenberg Primary School – Office Furniture and Consumables	33	-
New Apostolic Church Elsenburg – Office Furniture	13	-
Sakiziswe Primary Agricultural Co-operative Ltd. – Day old ostrich chicks	56	-
Elsenburg Student Representative Council – Sport and recreation equipment (Pool table)	14	-
Volkserk van Afrika – Office Furniture	33	-
<b>TOTAL</b>	<b>152</b>	<b>1</b>

At Joostenberg Primary School R19,088.62 was Office Furniture and R13,933.60 was Consumables not on asset registers.

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**ANNEXURE 2A  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO PROVINCIAL PUBLIC ENTITIES**

Name of Public Entity	% of shares held		Number of shares held		Cost of investment		Net Asset value of investment		Profit/(Loss) for the year		Losses guaranteed
					R'000		R'000		R'000		
	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	Yes/No
<b>Provincial Public Entity</b>											
Casdra 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>	

Casdra SOC Ltd is a Provincial Government Business Enterprise, scheduled 3D entity as listed in the PFMA.

**ANNEXURE 2B  
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (CONTINUED)**

Name of Public Entity	Cost of investment		Net Asset value of Investment		Amounts owing to Entities		Amounts owing by Entities	
	R'000		R'000		R'000		R'000	
	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17
<b>Other non-controlled entities</b>								
La Concorde Holding Ltd.	-	-	101	44	-	-	-	-
Capevin Holdings Ltd. (KWV)	-	-	693	714	-	-	-	-
Koelenhof Wine Cellar Ltd.	-	-	44	44	-	-	-	-
Samilco	-	-	7	7	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>845</b>	<b>809</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 3  
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018**

Nature of Liability	Opening Balance 1 April 2017	Liabilities incurred during the year	Liabilities paid/cancelle d/reduced during the year	Closing Balance 31 March 2018
	R'000	R'000	R'000	R'000
<b>Claims against the department</b>				
Transfer payment gazetted for 2017/18 but not paid to the beneficiary	-	650	-	650
<b>TOTAL</b>	<b>-</b>	<b>650</b>	<b>-</b>	<b>650</b>

**ANNEXURE 4  
CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18*	
							Receipt date up to six (6) working days after year end	Amount
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017		R'000
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>Department</b>								
Department Agriculture Forestry and Fisheries	661	-	-	-	661	-	-	-
Department of Transport and Public Works	21	-	-	-	21	-	5 April 2018	21
<b>TOTAL</b>	<b>682</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>682</b>	<b>-</b>		<b>21</b>

\* Cash in transit - Please note that only receipts from Western Cape Departments are reflected.

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**ANNEXURE 5  
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18 *	
							Payment date up to six (6) working days before year end	Amount
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department of Transport and Public Works (GMT)	2,210	2,161	16	-	2,226	2,161	5 April 2018	1
Department of Transport and Public Works (Other)	-	-	1,738	-	1,738	-	5 April 2018	1,738
Department of the Premier	78	1	4	-	82	1	5 April 2018	4
Department of Local Government	-	400	-	-	-	400		-
Department of Agriculture, Rural Development, Land and Environmental Affairs	61	-	36	-	97	-		-
Department of Justice and Constitutional Development	119	-	1	-	120	-		-
<b>TOTAL DEPARTMENTS</b>	<b>2,468</b>	<b>2,562</b>	<b>1,795</b>	<b>-</b>	<b>4,263</b>	<b>2,562</b>		<b>1,743</b>
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
The South African Police Services	14	-	-	-	14	-		-
<b>TOTAL OTHER GOVERNMENT ENTITY</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>-</b>		<b>-</b>
<b>TOTAL INTER-GOVERNMENTAL</b>	<b>2,482</b>	<b>2,562</b>	<b>1,795</b>	<b>-</b>	<b>4,277</b>	<b>2,562</b>		<b>-</b>

\*Cash in transit - Please note that only payments to other Western Cape Departments are reflected.



**WESTERN CAPE DEPARTMENT OF AGRICULTURE  
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 6  
INVENTORIES**

Inventories	2017/18	
	Quantity	R'000
Opening balance	-	-
Add/(Less): Adjustments to prior year balance	-	4
Add: Additions/Purchases - Cash	6,691,108	3,064
Add: Additions - Non-cash	1,166,381	6,161
(Less): Disposals	(1,166,381)	(6,156)
(Less): Issues	(6,691,108)	(3,096)
Add/(Less): Adjustments	-	23
<b>Closing balance</b>	<b>-</b>	<b>-</b>

These movement in inventory only represent own produced products for sale or distribution (Wool, Milk etc.), for which the department has a revenue budget.

The 2016/17 information is not available.

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS  
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**ANNEXURE 7  
MOVEMENT IN CAPITAL WORK IN PROGRESS**

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018**

	Opening balance	Current Year Capital WIP	Ready for use (Asset register)	Closing balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>358</b>	<b>1,758</b>	<b>(60)</b>	<b>2,056</b>
Non-residential buildings	40	20	(60)	-
Other fixed structures	318	1,738	-	2,056
<b>COMPUTRE SOFTWARE</b>	<b>2,077</b>	<b>-</b>	<b>-</b>	<b>2,077</b>
Software	2,077	-	-	2,077
<b>TOTAL</b>	<b>2,435</b>	<b>1,758</b>	<b>(60)</b>	<b>4,133</b>

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, Construction not started	Planned, Construction started	Total
			R'000
1 to 3 Years	-	2	4,133
<b>TOTAL</b>	<b>-</b>	<b>2</b>	<b>4,133</b>

**MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017**

	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register)	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>-</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>358</b>
Non-residential buildings	-	318	-	-	318
Other fixed structures	-	40	-	-	40
<b>COMPUTER SOFTWARE</b>	<b>2,077</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,077</b>
Software	2,077	-	-	-	2,077
<b>TOTAL</b>	<b>2,077</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>2,435</b>

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Agriculture

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