



# Annual report 2013/14

VOTE 26



**agriculture,  
forestry & fisheries**

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA



# Annual report 2013/14

**VOTE 26**

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DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

2014

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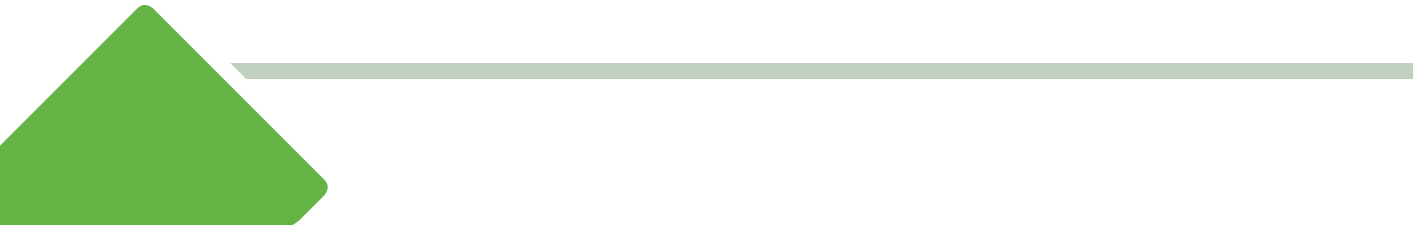
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## agriculture, forestry & fisheries

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA

**Mr Senzeni Zokwana**

Minister of Agriculture, Forestry and Fisheries

### **ANNUAL REPORT: 2013/14**

I have the honour of submitting the Annual report of the Department of Agriculture, Forestry and Fisheries for the period 1 April 2013 to 31 March 2014.

A handwritten signature in black ink, appearing to read 'Edith V. Vries'.

**Prof. Edith V. Vries**

Director-General: Department of Agriculture, Forestry and Fisheries





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PART A

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# General information

## Department of Agriculture, Forestry and Fisheries

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# Acronyms

|           |                                                                              |         |                                                              |
|-----------|------------------------------------------------------------------------------|---------|--------------------------------------------------------------|
| ABET      | Adult Basic Education and Training                                           | FMD     | foot-and-mouth disease                                       |
| ACHM      | Africa Centre for Holistic Management                                        | FMPPI   | Framework for Managing Programme Performance Information     |
| ADEP      | Aquaculture Development and Enhancement Programme                            | FS      | Free State                                                   |
| AETP      | Agriculture Export Technologist Programme                                    | FTA     | free trade agreement/area                                    |
| AI        | avian influenza                                                              | FRAP    | Fishing Rights Allocation Process                            |
| AIDS      | acquired immune deficiency syndrome                                          | GAAP    | Generally Accepted Accounting Practice                       |
| AIMS      | Agricultural Information Management System                                   | GADI    | Grootfontein Agricultural Development Institute              |
| AgriBEE   | Agricultural Black Economic Empowerment                                      | GCIS    | Government Communication and Information System              |
| APAP      | Agricultural Policy Action Plan                                              | GDP     | gross domestic product                                       |
| APP       | Annual Performance Plan                                                      | GM      | genetically modified                                         |
| ARC       | Agricultural Research Council                                                | GMO     | genetically modified organism                                |
| ARV       | anti-retroviral                                                              | GP      | Gauteng Province                                             |
| ASRDC     | Agriculture and Sustainable Rural Development Committee (DEXCO subcommittee) | GPSSBC  | General Public Service Sector Bargaining Council             |
| AU        | African Union                                                                | GPS     | Global Positioning System                                    |
| AUIBAR    | Inter-African Bureau for Animal Resources                                    | ha      | hectares                                                     |
| AVCRT     | Aquaculture value chain roundtable                                           | HIV     | human immunodeficiency virus                                 |
| BAS       | Basic Accounting System                                                      | HDI     | historically disadvantaged individual                        |
| BBBEE     | Broad-Based Black Economic Empowerment                                       | HCT     | HIV Counselling and Testing                                  |
| BEE       | Black Economic Empowerment                                                   | HOA     | home owner's allowance                                       |
| BNC       | Binational Commission                                                        | HPG     | Holistic Planned Grazing                                     |
| BRICS     | Brazil, Russia, India, China and South Africa                                | HR      | human resources                                              |
| CAAPD     | Comprehensive African Agricultural Development Programme                     | HRD     | Human Resource Development                                   |
| CARA      | Conservation of Agricultural Resources Act                                   | HRM     | Human Resource Management                                    |
| CASP      | Comprehensive Agricultural Support Programme                                 | IAA     | Internal Audit Activity                                      |
| CC        | climate change/Close Corporation                                             | ICAC    | International Cotton Advisory Committee                      |
| CEM       | contagious equine metritis                                                   | ICT     | information and communication technology                     |
| CEO       | Chief Executive Officer                                                      | IDC     | Industrial Development Corporation                           |
| CFO       | Chief Financial Officer                                                      | IGDP    | Integrated Growth and Development Plan                       |
| CHE       | Council on Higher Education                                                  | IHRMP   | Integrated Human Resource Management Plan                    |
| COMESA    | Common Market for Eastern and Southern Africa                                | IOCV    | International Organization of Citrus Virologists             |
| COMPAS    | Computerised Plantation Analysis System                                      | IPAP    | Industrial Policy Action Plan                                |
| CVO       | Chief Veterinary Officer                                                     | IIR     | Institute for International Research Training                |
| DAFF      | Department of Agriculture, Forestry and Fisheries                            | ISID    | Institute for the Study of International Development         |
| DDG       | Deputy Director-General                                                      | IT      | information technology                                       |
| DEXCO     | Departmental Executive Committee                                             | IVLP    | International Visitors Leadership Programme                  |
| DG        | Director-General                                                             | JICA    | Japan International Cooperation Agency                       |
| DDG: CS   | Deputy Director-General: Corporate Services                                  | KIM     | Knowledge and Information Management                         |
| DDG: PPME | Deputy Director-General: Policy, Planning and Monitoring and Evaluation      | KZN     | KwaZulu-Natal                                                |
| DFI       | Departmental Financial Instructions                                          | LOGIS   | Logistical Information System                                |
| DoRA      | Division of Revenue Act                                                      | LP      | Limpopo Province                                             |
| DPSA      | Department of Public Service and Administration                              | Mafisa  | Micro-agricultural Financial Institutions of South Africa    |
| DPW       | Department of Public Works                                                   | MLRA    | Marine Living Resources Act                                  |
| dti       | Department of Trade and Industry                                             | MLRF    | Marine Living Resources Fund                                 |
| DWA       | Department of Water Affairs                                                  | MoU     | Memorandum of Understanding                                  |
| EAC       | East African Cooperation                                                     | MP      | Mpumalanga                                                   |
| EAP       | Employee Assistance Programme                                                | MSP     | Master Systems Plan                                          |
| EC        | Eastern Cape                                                                 | MSP-ICT | Master Systems Plan-Information and Communication Technology |
| EDMS      | Electronic Document Management System                                        | MTEF    | Medium Term Expenditure Framework                            |
| EPMDS     | Employee Performance Management and Development System                       | MTSF    | Medium Term Strategic Framework                              |
| ERP       | Enterprise Resource Planning                                                 | N/A     | Not applicable                                               |
| EU        | European Union                                                               | NAMC    | National Agricultural Marketing Council                      |
| EXCO      | Executive Committee                                                          | NBS     | Natal Building Society                                       |
| FANRPAN   | Food, Agriculture and Natural Resources Policy Analysis Network              | NBAC    | National Bid Adjudication Committee                          |
| FAO       | Food and Agriculture Organization                                            |         |                                                              |

|            |                                                                                  |                                       |                                                                                |
|------------|----------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------|
| NC         | Northern Cape                                                                    | SCM                                   | Supply Chain Management                                                        |
| NDP        | National Development Plan                                                        | SCOPA                                 | Standing Committee on Public Accounts                                          |
| NDPW       | National Department of Public Works                                              | SIP                                   | Strategic Integrated Project                                                   |
| NERPO      | National Emergent Red Meat Producers' Organisation                               | SITA                                  | State Information Technology Agency                                            |
| NGP        | New Growth Path                                                                  | SMME                                  | small, medium and micro enterprise                                             |
| NIPF       | National Industrial Policy Framework                                             | SMS                                   | Senior Management Service                                                      |
| NRF        | National Revenue Fund/National Research Foundation                               | SO                                    | strategic objective                                                            |
| NW         | North West                                                                       | TAC                                   | total allowable catch                                                          |
| NUFFIC     | Organisation for International Cooperation in Higher Education (The Netherlands) | TB                                    | tuberculosis                                                                   |
| OA         | Ocean acidification                                                              | TAE                                   | total allowable estimate                                                       |
| OAG        | Office of the Accountant-General                                                 | TNF                                   | Tripartite Negotiating Forum                                                   |
| OBP        | Onderstepoort Biological Products                                                | ToR                                   | Terms of Reference                                                             |
| ODC        | Organisation Development Committee                                               | TUP                                   | temporary unplanted areas                                                      |
| OECD       | Organisation for Economic Cooperation and Development                            | TV                                    | television                                                                     |
| OFDA       | Office of Foreign Disaster Assistance (United States)                            | USA                                   | United States of America                                                       |
| OHS        | Occupational Health and Safety                                                   | USAID                                 | United States Agency for International Development                             |
| OIE        | International Office of Epizootics (World Organization for Animal Health)        | VAT                                   | value-added tax                                                                |
| OMP        | Operational Management Procedure                                                 | WC                                    | Western Cape                                                                   |
| PAA        | Public Audit Act                                                                 | WCRL                                  | West Coast rock lobster                                                        |
| PANAFRICAN | Pan-African Capital Holdings (Pty) Ltd                                           | WCS                                   | system for registration of capital works projects (Department of Public Works) |
| PC         | Portfolio Committee                                                              | WIFM                                  | Woodlands and Indigenous Forest Management (Directorate)                       |
| PCO        | Pest Control Operator                                                            | WFP                                   | World Food Programme                                                           |
| PFMA       | Public Finance Management Act                                                    | WfW                                   | Working for Water                                                              |
| PI         | Procurement Instruction                                                          | WTO                                   | World Trade Organization                                                       |
| PICC       | Presidential Infrastructure Coordinating Commission                              | <b>Directorates of the department</b> |                                                                                |
| PMDs       | Performance Management and Development System                                    | D: AFLS                               | Directorate: Agricultural and Forestry Legal Support                           |
| PPECB      | Perishable Products Export Control Board                                         | D: AIC                                | Directorate: Agriculture Inputs Control                                        |
| PSCBC      | Public Service Commission Bargaining Council                                     | D: BR                                 | Directorate: Budgets and Reporting                                             |
| PSETA      | Public Service Sector Education and Training Authority                           | D: CF                                 | Directorate: Commercial Forestry                                               |
| Q1         | Quarter 1                                                                        | D: EDPM                               | Employee Development and Performance Management                                |
| Q2         | Quarter 2                                                                        | D: ER                                 | Directorate: Employee Relations                                                |
| Q3         | Quarter 3                                                                        | D: FacM                               | Directorate: Facilities Management                                             |
| Q4         | Quarter 4                                                                        | D: FIES                               | Directorate: Food Import and Export Standards                                  |
| QMR        | Quarterly Monitoring Report                                                      | D: FMEC                               | Directorate: Forestry Management (Eastern Cape)                                |
| R          | South African Rand                                                               | D: FMKZN                              | Directorate: Forestry Management (KwaZulu-Natal)                               |
| RAMP       | Repairs and Maintenance Project                                                  | D: FMMpuLim                           | Directorate: Forestry Management (Mpumalanga and Limpopo)                      |
| RDP        | Reconstruction and Development Programme                                         | D: FSQA                               | Directorate: Food Safety and Quality Assurance                                 |
| R&D        | Research and Development                                                         | D: GADI                               | Grootfontein Agricultural Development Institute                                |
| RSA        | Republic of South Africa                                                         | D: GR                                 | Directorate: Genetic Resources                                                 |
| SAA        | South African Airways                                                            | D: HRM                                | Directorate: Human Resources Management                                        |
| SABC       | South African Broadcasting Corporation                                           | D: InSS                               | Directorate: Infrastructure Support                                            |
| SABPA      | South African Berry Producers Association                                        | D: IS                                 | Directorate: Inspection Services                                               |
| SACU       | Southern African Customs Union                                                   | D: ITR                                | Directorate: International Trade                                               |
| SADC       | Southern African Development Community                                           | D: LUSM                               | Directorate: Land Use and Soil Management                                      |
| SAFCOL     | South African Forestry Company Ltd                                               | D: PH                                 | Directorate: Plant Health                                                      |
| SAGAP      | South African Good Agricultural Practices                                        | D: PRS                                | Directorate: Policy Research Support                                           |
| SANBI      | South African National Biodiversity Institute                                    | D: PSPM                               | Directorate: Provincial and SOEs Performance Monitoring                        |
| SANRAL     | South African National Roads Agency Ltd                                          | D: SCM                                | Directorate: Supply Chain Management                                           |
| SAPS       | South African Police Service                                                     | D: SEA                                | Directorate: Statistics and Economic Analysis                                  |
| SAQA       | South African Qualifications Authority                                           | D: SET                                | Directorate: Sector Education and Training                                     |
| SARS       | South African Revenue Services                                                   | D: SHD                                | Directorate: Smallholder Development                                           |
| SASSA      | South African State Security Agency                                              | D: SS                                 | Directorate: Security Services                                                 |
| SAVC       | South African Veterinary Council                                                 | D: WUID                               | Directorate: Water Use and Irrigation Development                              |
| SCOA       | Standard Charts of Accounts                                                      |                                       |                                                                                |

## Foreword by the Minister



Mr Senzeni Zokwana

It gives me pleasure to present the Annual report of the Department of Agriculture, Forestry and Fisheries (DAFF) for the 2013/14 financial year to Parliament. The department was guided by key government policies and plans for the medium term, including the National Development Plan (NDP), the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP) and the Presidential Infrastructure Coordinating Commission (PICC) in the development and implementation of policies, programmes and strategies. Achievements and challenges for the 2013/14 financial year in relation to policy directives and strategic outcome related goals are also reflected.

### ACHIEVEMENTS AND CHALLENGES

#### Food security

To address the challenges of poverty, unemployment and the inadequate access to food, the department re-prioritised food security and agrarian transformation as high-priority-focus areas. The National Policy on Food and Nutrition Security was approved by Cabinet in September 2013 to ensure the availability, accessibility and affordability of safe and nutritious food at national and household levels. This was followed by the launch of the Fetsa Tlala Food Production Initiative in October 2013 in the Northern Cape by His Excellency, President Jacob Zuma. As part of the initiative, 104 000 hectares of fallow land were planted with maize, beans and potatoes during the 2013/14 planting season.

Although South Africa can maintain the ability to meet national food requirements, 12 million citizens have insufficient access to food, are vulnerable to hunger and are food insecure. In our effort to reduce hunger and ensure that good nutrition is attained, the DAFF focused on the promotion and empowerment of smallholder producers. These producers were supported in various ways, among others, by providing inputs, training and advisory services, as well as access to finance and credit through Mafisa, the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema. This increased their competitive edge towards becoming sustainable producers to provide products to markets.

#### Employment

Agriculture has been identified as one of the key job drivers in the NDP to create a potential estimated 1 million new jobs by 2030. Job creation strategies include the development of agro-processing, marketing and small, medium and micro-enterprise (SMME) strategies to enable employment creation in support of growth of labour intensive agro-industries. Targeted programmes such as Working for Fisheries and LandCare have been utilised to further contribute to job creation and improved rural livelihoods.

#### Improved livelihoods

The Marine Living Resources Amendment Bill was approved by Parliament in 2013, enabling government to implement the Small-scale Fisheries Policy for the allocation of commercial fishing rights to fishing communities and small-scale fishers. This legislative reform gives legal recognition to small-scale fishers and will promote the transformation of the subsector to assist fishing communities living along the coastal areas in creating sustainable livelihoods, generating income and creating jobs.

An independent review of the 2013 Fishing Rights Allocation Process (FRAP) was undertaken to ensure that the process was compliant with all relevant policies and legislation. An appeals process was instituted and extended to the end of

April 2014 to provide interim relief to those who previously held fishing rights. The department also embarked on a listening and communication campaign to afford all those who had grounds for appeal, an opportunity to voice their views.

### Animal health

In February 2014, the World Organisation for Animal Health (OIE) declared South Africa free of foot-and-mouth disease (FMD), after a three-year ban on the export of red meat as a result of the disease. The necessary control and surveillance measures were implemented successfully and all conditions of the OIE were met. To strengthen our animal disease control capabilities, legislation was amended to make provision for compulsory community service for veterinarians from January 2015. In addition, 27 mobile veterinary clinics have been procured to be deployed in remote rural areas for the provision of primary animal health care services to livestock farmers.

### Forestry and natural resource management

The Third Global Conference on Agriculture, Food and Nutrition Security and Climate Change was hosted successfully in 2013. The conference reached watershed conclusions such as the establishment of a Global Alliance on Climate Smart Agriculture, which will be launched by the General Secretary of the United Nations in 2014.

### Exports and trade

Trade opportunities with other emerging economies have been concluded and trade on the African continent has been accelerated. Our top export products to the Southern African Development Countries (SADC) include soya-bean oil, sugar, food preparation, sunflower oil, wheat, maize and apples. South Africa's exports to SADC countries have increased from R5,3 billion in 2007 to almost R15 billion in 2012. The increase in exports from South Africa to Asian countries has also created new export opportunities. This market is expected to grow consistently and new ways to increase the export of agricultural, forestry and fisheries products will be explored, focusing on the diversification of South Africa's export market.

Since becoming a member of the Brazil, Russia, India, China and South Africa (BRICS) group of countries, South Africa has actively participated in the Agriculture Working Group of BRICS. New trade opportunities have been explored and agreements and Memoranda of Understanding (MoUs) with other member countries were concluded.

## MEDIUM TO LONG-TERM GOALS

To meet the objective of reducing the incidence of hunger to zero by 2030, the department will continue to increase the number of hectares of land under production through the Fetsa Tlala Food Production Initiative over the Medium Term Expenditure Framework (MTEF) period, in line with our commitment to the Medium Term Strategic Framework (MTSF) for Outcome 7 on vibrant, equitable and sustainable rural communities and food security for all.

The DAFF will continue with the implementation of strategies and programmes such as Working for Fisheries, CASP, Ilima/Letsema and LandCare in the next five years to enhance the contribution of the agricultural, forestry and fisheries sectors to job creation and food security. The department will also support the creation of job opportunities for households in agricultural smallholder schemes, agro-processing, as well as the upgrading of conditions for farm workers.

The Agricultural Policy Action Plan (APAP) has its policy goals set out in the Integrated Growth and Development Plan (IGDP), with an implementation horizon of five years, to be reviewed annually. The APAP and IGDP are therefore positioned as the encompassing plans of the sector, in response to the NGP and the NDP. The Strategic Integrated Project (SIP) 11 will provide the necessary force towards building the agricultural economy, and in this instance, the upgrading of agricultural infrastructure.

To continue the economic growth of the sector, plans are being developed to organise smallholder producers into commodity-based organisations, thereby giving them collective bargaining power in negotiations for production inputs and markets. In addition, support and training will be provided to SMMEs and AgriBEE deals will be facilitated to ensure the transformation of the sector.

Through the Small-scale Fisheries Policy, the medium term goal is to transform the fisheries sector by providing support to small-scale fishing communities; ensuring sufficient access to fish stock; providing access to long-term fishing rights, thereby changing the socio-economic profile of the sector. This policy will further generate job opportunities in fish-processing establishments; promote the development of aquaculture hatcheries and fish farms; and promote the establishment of ownership schemes to realise the vision of an inclusive, integrated rural economy.

## ACKNOWLEDGEMENT AND CONCLUSION

I wish to thank my Deputy Minister, General Bheki Cele, for his cooperation and support towards the agricultural, forestry and fisheries sectors. Secondly, I would like to express my gratitude to the chairpersons and members of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries, as well as Land and Mineral Resources in the National Assembly and the National Council of Provinces, respectively, for their oversight. Thirdly, I wish to extend my appreciation to the industry, organised agriculture and our business partners for their commitment towards the agricultural, forestry and fisheries sectors. Finally, a word of thanks to the public entities, provincial departments as well as the Director-General and her team for their support and spirit of cooperation. *By working together we can move South Africa forward* to attain economic freedom and household food security for all our citizens.



**Mr Senzeni Zokwana (MP)**

MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

## Statement by the Deputy Minister



Gen. Bheki Cele

During the 2013/14 financial year, the focus for the department was on three key priority areas, namely food insecurity, unemployment and rural and economic development. These priority areas are aligned to achieve government outcomes to provide access to safe, sufficient and nutritious food to all our citizens; furthermore, to create decent employment in the agricultural, forestry and fisheries sectors, while enhancing and protecting our natural resources.

Many factors have an influence on the performance of the agricultural sector. These include the increase in labour costs, rising input costs such as fuel and electricity, the weak and unpredictable weather conditions. Meanwhile, high food prices still remain a problem to many of our people. Although there is food security at national level, about a quarter of the population is food insecure with inadequate access to food. Unavailability and unaffordability further contribute to food insecurity.

In response to these challenges, the department developed the National Policy on Food and Nutrition Security. This was followed by the launch of the Fetsa Tlala Food Production Initiative to mobilise smallholder producers to increase production and to access export market opportunities through the World Food Programme. Targeted support was also provided through the CASP and Ilima/Letsema in order to realise enhanced food production.

To contribute positively towards the food security status of the country, the department supported 40 000 subsistence producers in various ways, among others, the provision of inputs, training and advisory services. A further 16 000 smallholder producers were supported through infrastructure support, training and advisory services. To this end, about 901 forestry smallholder producers were supported with training and access to funding.

As one of the productive sectors in the economy, the agricultural sector has the potential of contributing tremendously towards economic growth and job creation. Job growth is envisaged for the next five to ten years, especially in the areas of agro-processing and marketing, as well as exploring new export opportunities. Growth in the aquaculture sector has increased and could further contribute to job creation in the fisheries sector. Altogether 11 commodity-based cooperatives were established in order to unlock market access challenges. During the period under review, two agro-processing enterprises were identified for support in collaboration with the Gauteng and Mpumalanga provinces.

Two irrigation infrastructure anchor projects planned for 2013/14 were constructed at Vaalharts/Taung and Makhathini flats. This included structures such as dams, canals, fences, access roads, pump houses, installation of pumps, drainage systems, handling facilities for livestock, stores, etc. At the Vaalharts Irrigation Scheme, 265 ha were revitalised.

During the period under review, the number of hectares of agricultural land, woodlands, indigenous forests and temporary unplanted areas (TUPs) that were rehabilitated through the LandCare, CARA and Working for Water (WfW) programmes were increased. The land rehabilitated included 43 983,01 ha agricultural land; 612,31 ha woodlands and indigenous forests and 2 005,41 ha temporary unplanted areas (TUPs).

The Aquaculture Policy was approved by Parliament in June 2013. Through the implementation of the policy, aquaculture projects will be rolled out. By broadening the scope of the aquacultural subsector, the DAFF will continue to promote growth in the fisheries sector through facilitation of investment in production and support infrastructure.

The department continued with the campaign of acknowledging and rewarding women entrepreneurs contributing towards food security, agrarian reform and economic development through the Female Entrepreneur Awards. The gala

event was held on 23 August 2013 in Pretoria, Gauteng. The aim of the awards is to encourage women, both young and old and those with disabilities to become entrepreneurs and to venture into export markets.

The Tsolo and Potchefstroom colleges of agriculture were accredited by the Council on Higher Education (CHE). This was an important achievement to improve the quality of extension services rendered to producers of different categories.

In partnership with the agricultural sector and other parties, provincial consultations were held in all nine provinces in preparation of the signing of the Comprehensive African Agricultural Development Programme (CAADP) compact. Leaders from Southern African countries are participating in the development of regional compacts and ultimately realising regional integration.

The shift in demand from consumers in developing countries for food and fibre because of economic growth and the potential growth in the world population have led to changing consumption patterns in Africa and Asia, creating new market and export opportunities for agricultural products. The growth of these markets has also developed and increased considerably.

In conclusion, I wish to thank the Minister, the Chairpersons of the Portfolio and Select Committees on Agriculture, Forestry and Fisheries for their guidance and support. I would also like to extend my appreciation to the industry, business partners and organised agriculture for their spirit of cooperation and support. Lastly, I would like to thank the public entities, provincial departments of agriculture, the Director-General and the departmental team for their contribution in striving towards economic freedom and food security for all our citizens.



**Gen. Bheki Cele (MP)**

DEPUTY MINISTER OF AGRICULTURE, FORESTRY AND FISHERIES

## Report of the Accounting Officer



Prof. Edith V. Vries

During the 2013/14 financial year, the Department of Agriculture, Forestry and Fisheries (DAFF) focused on maximum performance of deliverables over the Medium Term Expenditure Framework (MTEF) period. The DAFF's service delivery targets were guided by the Medium Term Strategic Framework (MTSF) priorities and the government's outcomes-based performance management approach, primarily on outcome 7 and supporting outcomes 4 and 10, which include contributing towards food security, employment through economic growth and the protection of our environmental assets and natural resources.

The DAFF was at all times directed by government's key policies, namely the National Development Plan (NDP), the New Growth Path (NGP), the Industrial Policy Action Plan (IPAP), the Presidential Infrastructure Coordinating Commission (PICC) and, in particular, the Strategic Integrated Project (SIP) 11 of the PICC. For the agriculture, forestry and fisheries sectors, specific policies and plans such as the Integrated Growth and Development Plan (IGDP) and the Agricultural Policy Action Plan (APAP) were developed. The Annual report focuses on the results, challenges, significant events and projects for the 2013/14 financial year.

### OVERVIEW OF THE OPERATIONS OF THE DAFF

The Marine Living Resources Amendment Bill, which gives legal recognition to small-scale fishers, was approved by Parliament in 2013 and will enable the DAFF to implement the Small-scale Fisheries Policy. This legislative reform will promote the transformation of this subsector to assist fishing communities living along the coastal areas to sustain their livelihood, generate income and create jobs.

The DAFF also mobilised and supported smallholder agricultural producers to increase production and to access export market opportunities through the World Food Programme (WFP). During the 2013/14 production season, 88 smallholders produced sufficient high-quality maize, resulting in the export of 288 tons of maize through the WFP to Lesotho.

In an effort to improve the country's food security status, the National Policy on Food and Nutrition Security was approved by Cabinet, followed by the launch of the Fetsa Tlala Food Production Initiative. As part of this initiative, 104 000 ha of fallow land were placed under the production of maize and beans. Targeted support was provided through programmes such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema in order to realise enhanced food production at national and household level. These are significant milestones towards the eradication of hunger by 2030.

The DAFF was instrumental in restoring the country's foot-and-mouth disease- (FMD) free status. In February 2014 the World Organization for Animal Health (OIE) declared South Africa free of FMD. This meant that the three-year ban on the export of red meat owing to the disease was lifted because of successfully implementing control measures, conducting surveillance and controlling movement of animals inside the protection areas.

To facilitate employment creation, increase *per capita* income and support growth of labour-intensive agro-industries, especially in rural areas and small towns, the DAFF has developed specific sector strategies on agro-processing, marketing and small, medium and micro enterprises (SMMEs). Furthermore, the SIP 11 will provide the much needed leverage towards building the agricultural economy and the upgrading of agricultural infrastructure. Exports are one of the key indicators of economic growth and therefore the creation of new export opportunities with the BRICS group of countries

were explored and a number of trade agreements and Memoranda of Understanding (MoUs) concluded. The increase in exports from the RSA to Asian countries such as China, Indonesia, Japan and India have also created new export destinations for agricultural, forestry and fisheries products.

Furthermore, as part of the implementation of the Primary Animal Health Care Programme, a total expenditure of R49,119 million was incurred for the procurement of mobile clinics, emergency vehicles and laboratory equipment. Under the Economic Competitive Support Package an amount of R34,688 million was incurred in respect of the revitalisation of the 12 colleges of agriculture.

## OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

### Departmental receipts

| Departmental receipts                                 | 2013/14        |                         |                        | 2012/13        |                         |                        |
|-------------------------------------------------------|----------------|-------------------------|------------------------|----------------|-------------------------|------------------------|
|                                                       | 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                  |
| Sales of goods and services other than capital assets | 131 144        | 153 717                 | -22 573                | 112 909        | 153 689                 | -40 780                |
| Transfers received                                    | 150            | 173                     | -23                    | 115            | 169                     | -54                    |
| Fines, penalties and forfeits                         | 50             | 49                      | 1                      | 27             | 44                      | -17                    |
| Interest, dividends and rent on land                  | 17 815         | 8 237                   | 9 578                  | 15 000         | 8 871                   | 6 129                  |
| Sale of capital assets                                | 1 050          | 757                     | 293                    | 1 000          | 7 018                   | -6 018                 |
| Financial transactions in assets and liabilities      | 242 046        | 646 651                 | -404 605               | 16 000         | 28 238                  | -12 238                |
| <b>Total</b>                                          | <b>392 255</b> | <b>809 584</b>          | <b>-417 329</b>        | <b>145 051</b> | <b>198 029</b>          | <b>-52 978</b>         |

Revenue derived from the sale of goods and services includes statutory services, the registration of plant breeders, stock remedies, agricultural remedies and wood product sales. The sales of redundant capital assets amounted to R757 079 in 2013/14 compared to R7,018 million in 2012/13. The sales of redundant capital assets for 2013/14 included the sale of vehicles and trucks (R675 000). The sales of redundant capital assets for 2012/13 included the sale of the departmental helicopter (R5 million), farm and workshop equipment (R638 000) and vehicles, trucks and a bus (R1,3 million). Financial transactions in assets and liabilities included R637,208 million being refunds from unspent conditional grants and projects received from provincial governments and the Land Bank, compared to R17,176 million refunded during the 2012/13 financial year.

### Programme expenditure

| Programme name                                  | 2013/2014           |                    |                         | 2012/2013           |                    |                         |
|-------------------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                                 | Final appropriation | Actual expenditure | Over-/under-expenditure | Final appropriation | Actual expenditure | Over-/under-expenditure |
|                                                 | R'000               | R'000              | R'000                   | R'000               | R'000              | R'000                   |
| Administration                                  | 704 671             | 681 583            | 23 088                  | 660 453             | 647 240            | 13 213                  |
| Agricultural Production, Health and Food Safety | 2 010 320           | 2 000 946          | 9 374                   | 1 875 189           | 1 874 832          | 357                     |
| Food Security and Agrarian Reform               | 1 604 592           | 1 590 101          | 14 491                  | 1 415 482           | 1 402 877          | 12 605                  |
| Trade Promotion and Market Access               | 256 452             | 256 334            | 118                     | 212 506             | 212 169            | 337                     |
| Forestry                                        | 1 168 579           | 1 144 699          | 23 880                  | 1 220 945           | 1 191 785          | 29 160                  |
| Fisheries                                       | 437 668             | 437 650            | 18                      | 484 352             | 484 330            | 22                      |
| <b>Total</b>                                    | <b>6 182 282</b>    | <b>6 111 313</b>   | <b>70 969</b>           | <b>5 868 927</b>    | <b>5 813 233</b>   | <b>55 694</b>           |

## Reasons for underexpenditure

### *Administration*

The expenditure to the amount of R20,849 million for Capital Works was not incurred owing to the delays in the Department of Public Works' processes.

### *Agricultural Production, Health and Food Safety*

Expenditure for Primary Animal Health Care to an amount of R9,070 million was not incurred due to procurement processes that were not completed.

### *Food Security and Agrarian Reform*

Transfers to the amount of R6,0 million were not made due to the MoU with the University of Fort Hare that was not concluded and the project with the Water Research Commission that was stopped.

Expenditure under the Economic Competitiveness Support Package for Colleges of Agriculture to the amount of R7,312 million was not incurred due to procurement processes in the provinces that were not completed.

### *Forestry and Natural Resources Management*

Payments to the amount of R19,997 million for the prevention and mitigation of disaster risks were not made as anticipated because controls for migratory pests and the construction of firebreaks were disrupted by persisted rains.

Transfer payments to the amount of R3,174 million in respect of the Conditional Grant for LandCare to the Eastern Cape Province was withheld owing to underspending by the province.

## Virements

In total four virements, including the final virement, totalling R128,524 million, were granted. Expenses funded through this process included property management leases and municipal services, shortfalls, the shifting of the land management function from Programme 5 to Programme 3, provision of funds to the National Agricultural Marketing Council (NAMC) to perform certain functions in respect of SIP 11, the Female Entrepreneur Awards for the national event and the provision of funds for the harvesting and storage of the crop as part of the Integrated Food Security Production Intervention. The shifting of funds was effected between all six programmes and was approved by either the National Treasury or the DAFF's Chief Financial Officer. The details of shifting of funds between programmes are reflected in the Appropriation Statement.

## Irregular and fruitless/wasteful expenditure

Irregular and fruitless/wasteful expenditure to the amount of R7,488 million and R786 000 respectively were identified in the 2013/14 financial year through various control measures. These cases are being investigated in terms of the Departmental Financial Instructions (DFIs). The outcome of the investigations determines the appropriate disciplinary processes decided upon by the Accounting Officer.

## Future plans of the department

The focus will be on major social and economic challenges facing the sector by means of actions to accelerate service delivery regarding employment creation, food security, rural development and skills development. Because more than 20% of the population is vulnerable to food insecurity, the Fetsa Tlala Food Production Initiative is aimed at ensuring food availability at local and household levels. The intention is to support producers to ensure food production on the identified 1 million ha of underutilised land through mechanisation services, production inputs and marketing of produce.

The provision of assistance to cooperatives and smallholder producers remains a priority for the DAFF. Through the establishment of small-scale cooperatives, smallholder producers can be developed to increase productivity and income by collectively negotiating better prices for seeds, transport and storage, as well as assisting them to expand market access and capture more of the value chain by getting involved in agro-processing activities. Investment in agro-processing will be increased as a means of reinvigorating specific strategic value chains such as soya beans, rooibos, beverages, fruit and vegetables, as well as forestry. Regarding exports and trade, it is not only important to improve the sector's trade balance, but to seek opportunities to increase the extent to which processed products rather than unprocessed products are exported, and to focus on diversification of the export market.

In the case of forestry, challenges such as stressed environments and looming climate change threats, have forced government to rise to the occasion to adhere to new stringent regimes for sustainable forest management, as well as legal protection for all natural forests.

One of the main focus areas in the fisheries sector is to provide development and assistance to communities in coastal areas. The aquaculture sector provides direct permanent employment opportunities mostly to poor coastal communities, alleviating poverty in disadvantaged areas. Through the Small-scale Fisheries Policy, the DAFF can broaden access to communities; promote partnerships and joint management of the limited marine resources.

### Public-private partnerships

The DAFF did not enter into any public-private partnerships.

### Discontinued activities/activities to be discontinued

No planned activities were discontinued. However, planned policies for agro-ecological agriculture (conservation agriculture); labour-intensive commercial agriculture; and urban agriculture, including peri-urban agriculture were not developed.

### New activities

Through the MTEF processes and with the approval of Cabinet, additional funds were allocated for spending over the MTEF period on the upgrade and maintenance of buildings and laboratories of the Stellenbosch Plant Quarantine Station to the amount of R54,6 million; and the building and modernisation of the vaccine production facilities and equipment at Onderstepoort Biological Products (Pty) Ltd, to an amount of R492,4 million.

Furthermore, agriculture has been identified as a key job driver, together with other productive sectors. The implementation of the APAP, which translates the high-level policy responses of the planned IGDP into tangible, concrete actions, is the response of the sector to the NGP and the NDP.

### Supply chain management

During the year under review no unsolicited bid proposals were concluded. Supply chain management (SCM) processes are in place and have been documented in accordance with Chapter 13 of the DFIs. The DAFF implemented the Basic Accounting System (BAS) and the Logistical Information System (LOGIS) for all orders, payments, assets and store items. Processes are also in place to prevent and detect irregular expenditure as prescribed by National Treasury, i.e. for Bid Specification Committees, Bid Evaluation Committees and Bid Adjudication Committees. SCM challenges experienced during the 2013/14 financial year were mostly irregular expenditure where SCM processes were not followed by line functionaries. These cases of irregular expenditure were only detected when suppliers claimed payment, but where orders were not issued for goods/services supplied or rendered. All cases of irregular expenditure were reported to the Accounting Officer.

### Gifts and donations received in kind from non-related parties

Details of gifts and donations are reflected in Annexure 1K of the Financial Statements.

### Exemptions and deviations received from the National Treasury

During the 2013/14 financial year the DAFF did not obtain approval from National Treasury for any exemptions and deviations in terms of the Public Finance Management Act and the Treasury Regulations.

### Agricultural debt

The DAFF is continuing with the management of debts in terms of the repealed Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), read with the Agricultural Debt Management Repeal Act, 2008 (Act No. 15 of 2008).

This includes debt that resulted from loan assistance to farmers granted by the former Agricultural Credit Board until 1997, e.g., the payment of debt, purchasing of farms, farming equipment and production inputs and other debt emanating from certain special financial assistance measures to farmers at the time. A portion of this debt is still secured by means of mortgage bonds over immovable property and memorandums of agreement/notarial bonds where movable assets such as livestock, vehicles and farming implements were taken as collateral for the loans granted.

In 1998 when this type of financial assistance was finally phased out, the debt amounted to R1 140,7 million, the number of debtors was 9 614 and the number of accounts was 16 432. On 31 March 2014 the total outstanding debt was R97 420 952,73, the number of debtors was 408 and the number of accounts was 543. The net amount recovered during 2013/14 financial year was R13 271 239,02 and the debt written off amounted to R17 224 060,56.

During the year under review, it was also decided in terms of the applicable legislation to start a process to change most of the present interest rates applicable to the remaining outstanding accounts to the uniform interest rate determined by the Minister of Finance in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). Such interest changes will have to be done in consultation with the relevant debtors and it is envisaged that it will be implemented during the course of the next financial year.

### Events after the reporting date

Following the national elections held on 7 May 2014, President Jacob Zuma appointed Mr Senzeni Zokwana as Minister of Agriculture, Forestry and Fisheries and Gen. Bheki Cele as Deputy Minister of Agriculture, Forestry and Fisheries on 26 May 2014.

### CONCLUSION

In conclusion, I would like to express my gratitude to the Minister, the Deputy Minister and the chairpersons and members of the Parliamentary Committees for their political leadership, expertise and guidance. I also wish to extend my appreciation to the leadership and staff of the public entities, the agribusiness community, farmer organisations and other sector partners for their continued support. Finally, I would like to thank the management team and staff members in the department for their dedication and hard work in pursuit of our objectives in striving towards meeting our commitments to the South African public.



**EDITH V. VRIES**

**ACCOUNTING OFFICER**

**Department of Agriculture, Forestry and Fisheries**

## Statement of responsibility and confirmation of accuracy for the Annual report

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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 resource 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, performance information, human resource information and the financial affairs of the department for the financial year ended 31 March 2014.

Yours faithfully



**EDITH V. VRIES**

**ACCOUNTING OFFICER**

**Department of Agriculture, Forestry and Fisheries**

Date: 29 August 2014

## Strategic overview

### VISION

A leading, dynamic, united, prosperous and people-centred sector

### MISSION

Our vision will be achieved through developing and sustaining a sector that contributes and embraces:

- Economic growth (and development)
- Job creation
- Rural development
- Sustainable use of natural resources
- Food security

### VALUES

**Drive:** Driven to deliver excellent service

**Attitude:** Being an ambitious, passionate, reliable and dedicated workforce

**Fairness:** Acting with objectivity, empathy, integrity and transparency

**Focus:** Focusing on people, economic and rural development

## Legislative and other mandates

The DAFF's legislative mandate covers the agriculture, forestry and fisheries value chains from inputs, production and value adding to retailing.

### LEGISLATIVE MANDATE

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

| Act No. and year                                                 | Purpose                                                                                                                                                                                                                                                                         | Functional competence | Responsibility                    |
|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------------|
| <i>National competence</i>                                       |                                                                                                                                                                                                                                                                                 |                       |                                   |
| Agricultural Debt Management Act, 2001 (Act No. 45 of 2001)      | To establish the Agricultural Debt Account and to provide for the use of the account as a mechanism to manage agricultural debt repayment.                                                                                                                                      | National              | Directorate: Financial Accounting |
| Agriculture Laws Extension Act, 1996 (Act No. 87 of 1996)        | To provide for the extension of the application of certain laws relating to agricultural matters to certain territories which form part of the national territory of the RSA; the repeal of certain laws which apply in those territories; and for matters connected therewith. | National              | Executing Authority               |
| Agricultural Laws Rationalisation Act, 1998 (Act No. 72 of 1998) | To provide for the rationalisation of certain laws relating to agricultural affairs that remained in force in various areas of the national territory of the RSA prior to the commencement of the Constitution of the RSA.                                                      | National              | Executing Authority               |

| Act No. and year                                                                                 | Purpose                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Functional competence           | Responsibility                                                                  |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------------------------------------------------|
| <i>National competence (cont.)</i>                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                 |                                                                                 |
| Agricultural Pests Act, 1983 (Act No. 36 of 1983)                                                | Provides for measures by which agricultural pests may be prevented and combated.                                                                                                                                                                                                                                                                                                                                                                                               | National                        | Directorates: Plant Health Inspection Services and Land Use and Soil Management |
| Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)                                   | Provides for the control over the sale and export of certain agricultural products; control over the sale of certain imported agricultural products and control over other related products.                                                                                                                                                                                                                                                                                   | National                        | Directorate: Food Safety and Quality Assurance                                  |
| Animal Improvement Act, 1998 (Act No. 62 of 1998)                                                | The Act provides for the breeding, identification and utilisation of genetically superior animals in order to improve the production and performance of animals.                                                                                                                                                                                                                                                                                                               | National                        | Directorate: Animal Production                                                  |
| Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947) | The Act provides for the appointment of a Registrar of Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies; the registration of fertilisers, farm feeds, agricultural remedies, stock remedies, sterilising plants and pest control operators; the regulation or prohibition of the importation, sale, acquisition, disposal or use of fertilisers, farm feeds, agricultural remedies and stock remedies and the designation of technical advisers and analysts. | National                        | Directorate: Agricultural Inputs Control                                        |
| Genetically Modified Organisms Act, 1997 (Act No. 15 of 1997)                                    | To provide for measures to promote the responsible development, production, use and application of genetically modified organisms (GMOs), to provide for an adequate level of protection during all activities involving GMOs that may have an adverse impact on the conservation and sustainable use of biological diversity, human and animal health.                                                                                                                        | National                        | Directorate: Genetic Resources                                                  |
| Groot Constantia Trust Act, 1993 (Act No. 58 of 1993)                                            | To make provision for the incorporation of the Groot Constantia Control Board as an association not for gain; for the transfer of the Groot Constantia Estate to the mentioned association; and for matters connected therewith.                                                                                                                                                                                                                                               | National                        | Executing Authority                                                             |
| KwaZulu Cane Growers' Association Act Repeal Act, 2002 (Act No. 24 of 2002)                      | To repeal the KwaZulu Cane Growers' Association Act, 1981 and to provide for matters connected therewith.                                                                                                                                                                                                                                                                                                                                                                      | National                        | Executing Authority                                                             |
| Marine Living Resources Act, 1998 (Act No. 18 of 1998)                                           | The Act provides for the conservation of the marine ecosystem, the long-term sustainable utilisation of marine living resources and the orderly access to exploitation, utilisation and protection of certain marine living resources; and for these purposes for the exercise of control over marine living resources in a fair and equitable manner to the benefit of all the citizens of South Africa.                                                                      | National except for aquaculture | Fisheries                                                                       |
| Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)                   | The Act provides for the establishment of a company to manage the institution known as Onderstepoort Biological Products.                                                                                                                                                                                                                                                                                                                                                      | National                        | Directorate: Animal Health                                                      |
| Perishable Products Export Control Act, 1983 (Act No. 9 of 1983)                                 | The Act provides for the control of perishable products intended for export from the RSA.                                                                                                                                                                                                                                                                                                                                                                                      | National                        | Directorate: Food Safety and Quality Assurance                                  |
| Plant Breeders' Rights Act, 1976 (Act No. 15 of 1976)                                            | The Act provides for a system whereby plant breeders' rights relating to varieties of certain kinds of plants may be granted and registered; for the requirements which have to be complied with for the grant of such rights; for the protection of such rights and the granting of licences in respect of the exercise thereof.                                                                                                                                              | National                        | Directorate: Genetic Resources                                                  |

| Act No. and year                                                      | Purpose                                                                                                                                                                                                                                                                                                                                    | Functional competence                             | Responsibility                                 |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------|
| <i>National competence (cont.)</i>                                    |                                                                                                                                                                                                                                                                                                                                            |                                                   |                                                |
| Plant Improvement Act, 1976 (Act No. 53 of 1976)                      | The Act provides for the registration of premises from which the sale of certain plants or the cleansing, packing and sale of certain propagating material may be undertaken; prescribes the conditions subject to which such plants or propagating material may be sold for the purposes of cultivation.                                  | National                                          | Directorate: Plant Production                  |
| <i>Concurrent and local competence</i>                                |                                                                                                                                                                                                                                                                                                                                            |                                                   |                                                |
| Agricultural Produce Agents Act, 1992 (Act No. 12 of 1992)            | Provides for the establishment of an Agricultural Produce Agents Council and fidelity funds in respect of agricultural produce agents and for the control of certain activities of agricultural produce agents.                                                                                                                            | Local 4A                                          | Directorate: Marketing                         |
| Agricultural Research Act, 1990 (Act No. 86 of 1990)                  | Provides for the establishment of a juristic person to deal with agricultural research; the determination of its objects, functions, powers and duties.                                                                                                                                                                                    | Concurrent                                        | Directorate: Policy Research Support           |
| Animal Diseases Act, 1984 (Act No. 35 of 1984)                        | The Act provides for the control of animal diseases and parasites, for measures to promote animal health.                                                                                                                                                                                                                                  | Concurrent                                        | Directorate: Animal Health                     |
| Animal Identification Act, 2002 (Act No. 6 of 2002)                   | To consolidate the law relating to the identification of animals and provide for incidental matters.                                                                                                                                                                                                                                       | Concurrent                                        | Directorate: Veterinary Public Health          |
| Animal Protection Act, 1962 (Act No. 71 of 1962)                      | To consolidate and amend the law relating to the prevention of cruelty to animals.                                                                                                                                                                                                                                                         | Concurrent                                        | Directorate: Animal Production                 |
| Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983) | The Act provides for control over the utilisation of the natural agricultural resources of the RSA in order to promote the conservation of the soil, water sources and vegetation and combating of weeds and invader plants.                                                                                                               | Concurrent                                        | Directorate: Land Use and Soil Management      |
| Fencing Act, 1963 (Act No. 31 of 1963)                                | To consolidate the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto.                                                                                                                                                                                                                     | Concurrent<br>Local                               | Directorate: Land Use and Soil Management      |
| Liquor Products Act, 1989 (Act No. 60 of 1989)                        | The Act provides for control over the sale and production for sale of certain alcoholic products, the composition and properties of such products and the use of certain particulars in connection with the sale of such products; for the establishment of schemes; for control over the import and export of certain alcoholic products. | Concurrent                                        | Directorate: Food Safety and Quality Assurance |
| Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)     | The Act provides for the authorisation of the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products; and to establish a National Agricultural Marketing Council.                                                      | Concurrent<br>Local                               | Directorate: Marketing                         |
| Meat Safety Act, 2000 (Act No. 40 of 2000)                            | The Act provides for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat; to establish meat safety schemes; and to provide for matters connected therewith.                             | Concurrent<br>Provincial<br>Local                 | Directorate: Veterinary Public Health          |
| National Forests Act, 1998 (Act No. 84 of 1998)                       | Promote the sustainable management and development of forests for the benefit of all; create the conditions necessary to restructure forestry in state forests in relation to protection and sustainable use.                                                                                                                              | National, except indigenous forests<br>Concurrent | Branch: Forestry                               |

| Act No. and year                                                                   | Purpose                                                                                                                        | Functional competence                                                                                                                | Responsibility                            |
|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| <i>Concurrent and local competence (cont.)</i>                                     |                                                                                                                                |                                                                                                                                      |                                           |
| National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998)                      | To combat veld, forest and mountain fires throughout the RSA.                                                                  | Concurrent<br>Local                                                                                                                  | Branch: Forestry                          |
| Performing Animals Protection Act, 1935 (Act No. 24 of 1935)                       | The Act provides for the regulation of the exhibition and training of performing animals and the use of dogs for safeguarding. | Concurrent<br>Provincial<br>Local                                                                                                    | Directorate: Animal Production            |
| Societies for the Prevention of Cruelty to Animals Act, 1993 (Act No. 169 of 1993) | The Act provides for control of societies for the prevention of cruelty to animals and for matters connected therewith.        | Concurrent<br>Provincial<br>Local                                                                                                    | Directorate: Animal Production            |
| Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970)                    | The Act provides for the subdivision and, in connection therewith, the use of agricultural land.                               | Concurrent<br>Provincial<br>Local                                                                                                    | Directorate: Land use and Soil Management |
| Veterinary and Para-veterinary Professions Act, 1982 (Act No. 19 of 1982)          | The Act provides for the establishment, powers and functions of the South African Veterinary Council.                          | National (only in respect of the regulation of veterinary services)<br><br>Provincial (except the regulation of veterinary services) | Directorate: Veterinary Public Health     |

## GOVERNMENT POLICY FRAMEWORKS

Government policy frameworks that govern the DAFF are the following:

- National Development Plan (NDP)
- New Growth Path (NGP)
- Industrial Policy Action Plan (IPAP)
- Integrated Growth and Development Plan (IGDP) and Agricultural Policy Action Plan (APAP)
- Medium Term Strategic Framework (MTSF).

### National Development Plan

The NDP provides a long-term vision through to 2030 in dealing with the challenges of unemployment, inequality and creating a more inclusive society. Central to meeting the vision enshrined in the NDP is the implementation of the NGP, the IPAP and the National Infrastructure Plan. These short and medium-term plans provide a more detailed programme of action within the context of the NDP for the next five years.

These goals will be achieved only if the country confronts current structural and policy weaknesses, manages risks and exploits its economic strengths in ways that benefit the majority of our people—working people and the poor. Movement towards an inclusive and dynamic economy requires that the country should urgently launch the virtuous cycle that allows it to move to a new growth trajectory. Critically, economic policy must reduce unnecessary obstacles to growth and increase growth-enhancing investment, while fundamentally changing the structure of our economy. Growth requires new kinds of production and more equitable ownership in order to enhance employment creation and broaden access to the benefits of economic development. The strategic goals and associated objectives of the DAFF are:

- Effective and efficient strategic leadership, governance and administration
- Enabling environment for food security and sector transformation
- Enhancing production, employment and economic growth in the sector
- Sustainable use of natural resources in the sector

These goals are a response to achieve the NDP's objectives and targets. The goals and associated objectives have been reviewed to address the priorities identified in the NDP.

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

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

According to the NDP, agriculture also has the potential to create close to 1 million new jobs by 2030 through:

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

### New Growth Path

The NGP is a national policy which broadly aims to unblock private investment and job creation to address systemic blockages to employment-creating growth (infrastructure, skills, regulatory framework, etc.). It focuses on productive sectors and proactively intends to support industries, activities and projects that will generate employment. The NGP has identified job drivers for growth, namely: infrastructure, the agricultural value chain, mining value chain, manufacturing, tourism and high-level services, green economy, knowledge economy, social economy, public sector, rural development and African regional development. The NGP manages the job drivers for growth such as in mining, commercial agriculture and smallholders, higher industries, etc.

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

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

### Industrial Policy Action Plan

The IPAP takes place within the framework of continuous improvements and upscaling of concrete industrial development interventions, as set out in the National Industrial Policy Framework (NIPF). The IPAP seeks to scale up key interventions

over a rolling three-year period, with a ten-year outlook on desired economic outcomes. The NIPF has the core objectives to:

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

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

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

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

### **Integrated Growth and Development Plan and Agricultural Policy Action Plan**

The DAFF has developed the IGDP for agriculture, forestry and fisheries in response to the policy requirements of outcome 4 and 7 that relate to job creation, rural development and food security. The IGDP is further aligned to IPAP 2013 to 2016, the NGP and the NDP, by identifying priority commodities that could contribute to job creation and economic development.

The high-level responses offered in the IGDP have been translated into the new APAP, serving as the implementation arm of the IGDP. This first iteration of APAP is based on the model of IPAP and therefore identifies an ambitious but manageable number of focused actions, in anticipation of future APAP iterations that will take the process further. The APAP for its medium to long-term goal as set out in the IGDP is planned over a five-year period and will be updated on an annual basis. The encompassing objectives of APAP are to promote labour absorption and broaden market participation, strategic interventions aimed at increasing value-chain efficiencies and competitiveness, focusing on selected sub-sectors/value chains.

### **Medium Term Strategic Framework 2014 to 2019**

In the current MTSF period emphasis will be on addressing unnecessary blockages to investment; providing opportunities for the unemployed, especially young people, to contribute to the economy; ensuring greater income equality by addressing the position of the working poor (who are mostly in domestic work, farm labour and the informal sector); supporting more equitable workplaces and increasing investment in new sources of growth and employment. Achieving this aim will depend crucially on, among others:

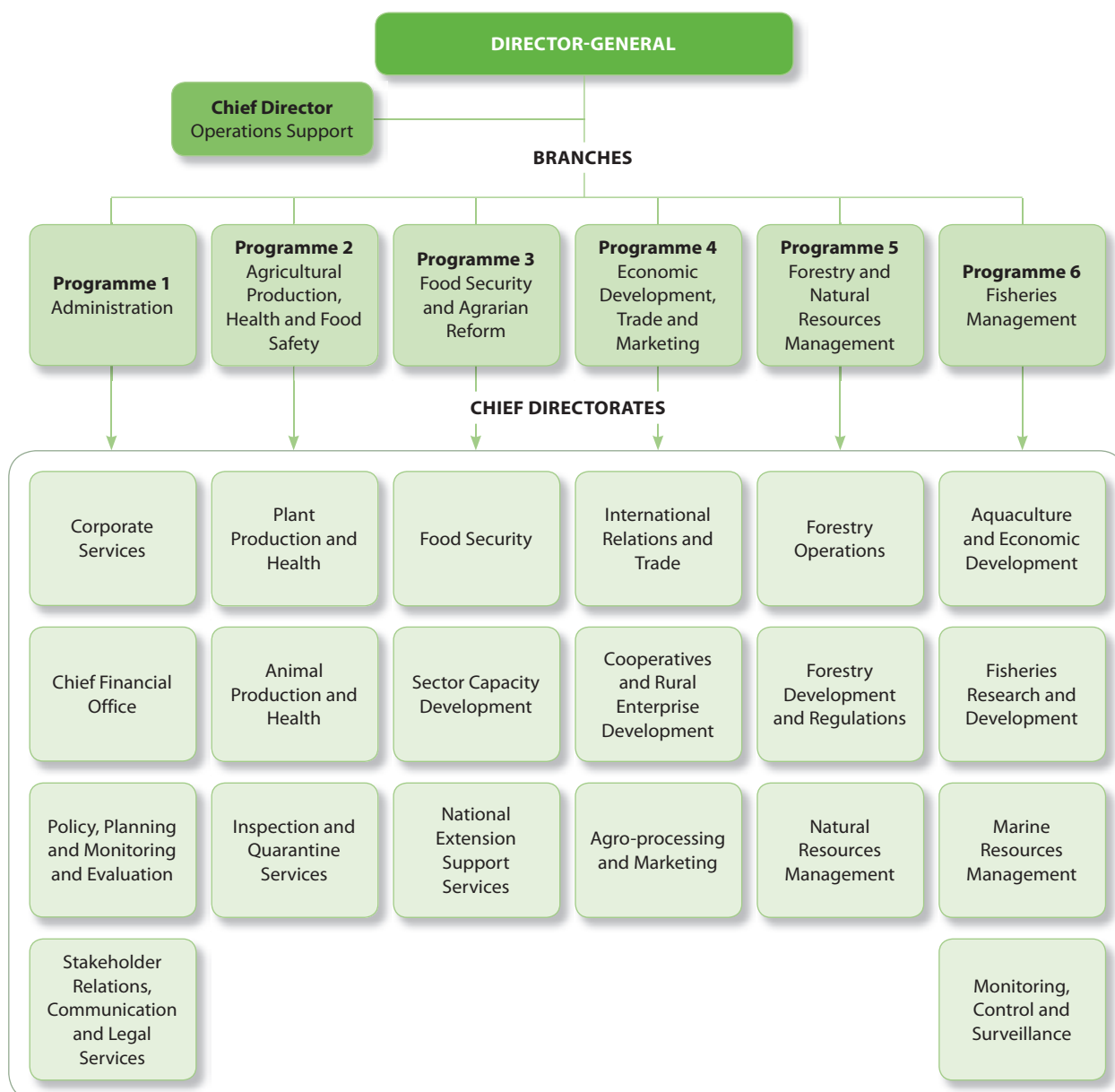
- Driving growth in the productive sectors and the other priority job drivers identified in the NGP, especially by addressing the main regulatory, infrastructural and skills constraints on growth while ensuring policy certainty as far as possible, through the implementation of IPAP and similar sector-based action plans for agriculture and mining;

- Supporting exports and African regional development, taking into account the constraints as well as the opportunities arising from the structural shifts now taking place in the global economy;
- Expanding public employment schemes, including the proposed youth brigades, as far as possible in ways that empower communities and support the involvement of youth in serving them; and
- Supporting rural development as far as possible, given economic realities, based above all on programmes to expand the role of smallholders in production for both food security and sale to formal retailers and processors.

The MTSF seeks to build on progress made in terms of the creation of more jobs, decent work and sustainable livelihoods for inclusive growth. In response, the DAFF will create and maintain an enabling environment to promote investment in on and off-farm infrastructure support to productive sectors and natural resource management.

## Organisational structure

### DEPARTMENTAL STRUCTURE



## Entities reporting to the Minister

The table below indicates the entities which report to the Minister.

| Name of entity                                   | Legislative mandate                                                                                                                     | Financial relationship   | Nature of operations                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agricultural Research Council (ARC)              | Agricultural Research Act, 1990 (Act No. 86 of 1990)                                                                                    | Transfer payment         | Conducts fundamental and applied research with partners to generate knowledge, develop human capital and foster innovation in agriculture through development and transfer of technology, and the dissemination, and commercialisation of research results.                                                                                                 |
| Marine Living Resources Fund (MLRF)              | Marine Living Resources Act, 1998 (Act No. 18 of 1998)                                                                                  | Transfer payment         | The MLRF manages the development and sustainable use of South Africa's marine resources and protects the integrity and quality of the marine ecosystem.                                                                                                                                                                                                     |
| National Agricultural Marketing Council (NAMC)   | Marketing of Agricultural Products Act, 1996 (Act No. 47 of 1996)                                                                       | Transfer payment         | The NAMC provides strategic advice to the Minister on all agricultural marketing issues, improves market efficiency and market access by all participants, optimises export earnings and improves the viability of the agricultural sector.                                                                                                                 |
| Ncera Farms (Pty) Ltd                            | A schedule 3B company in terms of the Public Finance Management Act, 1999 (Act No.1 of 1999)                                            | Transfer payment         | The company was established to provide agricultural extension services, mechanisation of agricultural production, provide training and advice on crops, vegetable and animal production, and on marketing of agricultural products to farmers and nearby communities.                                                                                       |
| Onderstepoort Biological Products Ltd (OBP)      | Onderstepoort Biological Products Incorporation Act, 1999 (Act No. 19 of 1999)                                                          | None                     | OBP's mandate is to prevent and control animal diseases that impact on food security, human health and livelihoods. It aims to ensure financial viability to sustain the strategic capabilities in manufacturing veterinary vaccines.                                                                                                                       |
| Perishable Products Export Control Board (PPECB) | Perishable Products Export Control Act, 1983 (Act No. 9 of 1983) and the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990) | Transfer payment (minor) | The Perishable Products Export Control Act requires the board to ensure the orderly export of all perishable products and to monitor the maintenance of a continuous cold chain for exports. The Agricultural Product Standards Act requires the board to monitor minimum quality standards and adherence to bilateral agreements with importing countries. |

## Economic overview

New global market opportunities are becoming available with a shift in demand as consumers in developing countries become more affluent, while those in developed countries remain under pressure as a result of high levels of government debt. The shift in demand away from developed countries is further entrenched by population growth rates with developing countries showing the fastest growth. Innovative marketing strategies and increased investment in infrastructure are needed to utilise these shifts in demand.

Since the adoption of an open-border policy in the early nineties, South Africa has become a net importer in rand terms. A weaker rand has the ability to stimulate economic activity, and producers enjoy higher commodity and export prices. However, this comes at a considerable cost, as a weaker exchange rate impoverishes South Africans compared to the rest of the world in terms of buying power. A weaker exchange rate also leads to higher inflation, which, in turn, leads to higher interest rates. It is beneficial if the exchange rate remains as stable as possible.

Interest rates determine the cost of capital, and because they are expected to remain relatively low over the coming few years, there is an ideal opportunity for producers to invest in capital expansion to grow and improve productivity. In

principle, producers are price takers at both ends of the value chain and can therefore only manage seasonal price volatility to some extent by forward contracting, using futures and derivatives. Over the past three decades, agriculture has experienced a cost curve (which means a significantly higher increase in input costs compared to output prices) of about 3% per annum. To counter this, producers have to become more productive by yielding higher production levels, while driving down costs through greater efficiency.

Using population growth as a proxy for potential growth in demand for food and fibre, it is clear that the growth in demand in Europe, North and South America and Oceania will remain fairly stable. A significant increase in demand is expected in Africa and Asia owing to the combined effect of economic growth and a potential growth in population of about 2,2 billion people over the next 35 years. Agriculture is in a favourable position and has been challenged to increase production as producers have to produce more food in the next 40 years than over the past 500 years. However, it does not necessarily mean higher commodity prices, as Africa and South America have the potential to substantially increase production. Investment in infrastructure is required to unlock this potential, especially in Africa.

According to estimates in the Quarterly Labour Force Survey of Statistics SA, there were an estimated 713 000 farm jobs in South Africa for Q4 of 2013/14, representing a year-on-year decline of 27 000 jobs. From the all-time low of 598 000 jobs in Q2 of 2011, it represents an increase of 19,2%. Furthermore, the General Household Survey of Statistics SA indicates that less than 231 000 or 2% of households in South Africa practise smallholder agriculture. By comparison, some 2,8 million or 18,4% of households practise subsistence agriculture.

## AGRICULTURAL SECTOR

Primary agriculture contributes about 2,0% of the gross domestic product (GDP), despite the fact that the number of commercial farms has declined from almost 120 000 in 1950 to around 36 000 at present. This decline has been accompanied by a commensurate increase in average farm size and a change in the technology mix on farms. As farms grow larger, there is less reliance on labour and more on capital. While different branches of agriculture have distinct characteristics, the overall trend has been one of job losses, both in terms of regular and permanent jobs, as well as casual and seasonal jobs.

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

It is important to note that the competitiveness of agriculture is being eroded by high and rising input costs. An argument is now emerging that the key is to promote a shift from conventional agriculture to conservation agriculture. Whereas there have long been arguments over conservation agriculture on the grounds of environmental sustainability and reducing production risk, another advantage of conservation agriculture is that it can achieve the same or greater productivity, but with greatly reduced production inputs. This will have the effect of making producers more competitive by lowering input costs, while reversing the trend of agriculture's negative contribution to the trade balance.

The challenge of growing the smallholder sector (small-scale farmers who produce for the purpose of deriving an income) is closely linked to the challenge of making smallholder agriculture more remunerative. Currently, more than half of all smallholder households live below the poverty line. Therefore, it is important to improve the footprint of government support services reaching smallholders. For instance, in 2010, only 8% of smallholders were visited by extension officers, but this increased to 13% in 2012, despite the considerably larger number of smallholders in 2012. This momentum must be increased, and other forms of support must improve as well.

Presently, about three quarters of smallholders farm within the former homeland areas, and the rest are divided between urban areas and commercial farming areas. There is scope to increase the size of the smallholder sector in each of these areas. In the former homeland areas, there are thousands of ha of underutilised arable land that can be put back into production, especially with concerted support for input access, mechanisation services, technical support and linkages to local markets. Smallholders in urban areas receive little support at present, but could contribute to local vegetable production in particular. In commercial farming areas, land reform has created few smallholder opportunities to date, but has the potential to do far more.

## FORESTRY SECTOR

Although forestry contributes a mere 0,4% of the GDP, it supports manufacturing subsectors such as sawmilling and paper and pulp production, as well as mining and construction. It is estimated that in 2012 there were about 63 000 jobs in commercial forestry itself, and a further 52 000 in direct processing jobs.

An analysis of the trends in commercial forestry plantings indicates that, firstly, there has been a marked decline in both softwood and hardwood plantings (ha planted since the mid-1990s), and secondly, there has been a marked increase in the area for pulpwood purposes as compared to the area for saw logs and mining timber.

Underlying these trends are various factors, but in particular the tighter regulatory framework governing water usage—forestry is regarded as a water diversion land use, therefore permits are required to expand the area under plantations. Other factors include the privatisation of many former state forests, which has resulted in private sector lessees favouring shorter-term returns *via* pulpwood use over longer-term returns from saw logs, as well as the state's poor upkeep of Category B and C plantations, which has reduced their productivity. While there is still a net surplus of sector exports over imports, the margin has narrowed by 32% since 1992, and according to projections South Africa will soon become a net importer, especially of saw logs. This will possibly result in significant cost increases for house construction. One subsector that has already been affected by the decline in timber supply is sawmilling, with the number of sawmills increasing from 96 to 115 between 1996 and 2004, but then declining to 90 by 2010.

The conundrum facing the state is that on the one hand, it is felt that the privatisation (in the sense of long-term leases of state-owned plantations) of Category A plantations has not served the country well, while on the other hand, the state has not been sufficiently diligent in managing its remaining Category B and C plantations, even allowing for the fact that by definition these plantations were not as valuable to begin with. While it is clear that the private sector does have good management capacity and has ushered in efficiencies across the value chain, the state must still play a big role to ensure adequate levels of investment, especially for longer-rotation timber/saw log plantations. An option presently being considered is to shift responsibility for Category B and C plantations from DAFF to SAFCOL. However, this will require a phased approach, taking into account the several thousand DAFF employees tending these plantations, and the need for recapitalisation. Another question is how best to support the communities who have received ownership of plantations *via* the land restitution programme, and the many others destined to receive it.

## FISHERIES SECTOR

The fisheries sector contributes roughly 0,1% of the GDP, which is small, even by agricultural standards. The total output is estimated at 600 000 tons, worth about R6 billion. It is estimated that the direct employment in the industry constitutes approximately 27 000 jobs (16 000 in the primary sector and 11 000 in the secondary and tertiary sectors), while an additional 81 000 people are indirectly employed in industries that are at least partially dependent on the fishing sector. One of the main limitations is that catch volumes depend on fish stocks, which vary naturally and/or are subject to depletion because of overexploitation. Especially inshore species tend to be in a state of stock depletion, because of greater (and even illegal) access. According to one study, 68% of commercial line-fish stocks have collapsed (less than 10% of their prefishing populations), and a further 15% is overexploited. The DAFF seeks to prevent overexploitation by means of assigning total allowable catch (TAC) and/or total allowable effort (TAE) per species, which are adjusted on a regular basis, depending on the estimated state of the resource. The DAFF has also sought to promote transformation in the sector by modifying its licensing regime in line with the approved Small-scale Fisheries Sector Policy, which was gazetted in 2012.

The productive waters of the West Coast support a variety of commercially exploited marine life, including hake, anchovy, sardines, horse mackerel, tuna, snoek, rock lobster and abalone. Along the east coast, squid, line fish and a wide range of intertidal resources provide an important source of food and livelihood for coastal communities. Despite important progress made over the past ten years in restoring and improving the state of the country's marine resources, significant challenges remain. Almost 50% of our marine resources are fully exploited, with a further 15% overexploited, including commercial species such as West Coast rock lobster and Indian Ocean yellow-fin tuna populations. Of equal concern is the number of species of which the current stock status is uncertain.

While wild catch fisheries appear unlikely to expand beyond their present levels, aquaculture may well do so. While the marine-based mariculture part of aquaculture has been around for some years, focusing on species such as abalone, oysters and mussels, freshwater aquaculture is experiencing a rapid expansion, owing in part to government's multi-pronged aquaculture promotion campaign. The total output of aquaculture is approximately 7 700 tons with an estimated value of about R0,7 billion. Growth in this subsector has been increasing by an average of 11% annually since 2010. The aquaculture subsector also provides more than 3 000 direct jobs and a further 3 000 indirect jobs.





## PART B

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# Performance information

## Auditor-General's report: Predetermined objections

The audit conclusion on the performance against predetermined objectives has been included in the report to management, with material findings being reported under the *Predetermined objectives* heading in the *Report on other legal and regulatory requirements* section of the Auditor-General's report.

Please see paragraph 10 to 25, page 124 to 125 of the Report of the Auditor-General, published in Part E: Financial information.

## Overview of departmental performance

### SERVICE DELIVERY ENVIRONMENT

During the year under review, the MSP-ICT Programme Plan and Procurement Plan were approved. An unqualified audit report on financial statements for 2012/13 was achieved. The Marine Living Resources Amendment Bill was passed by the National Council of Provinces on 12 March 2014. Altogether 1 300 producers benefited from animal improvement schemes. The National Pig Survey and avian influenza animal disease surveillances were conducted.

A total of five landrace crops were repatriated into seven villages of Mpumalanga, which are Phakani, Mvangatini, Malekutu, Mbonisweni, Chweni, Luphisi and Mahushu. In response to contributing towards the improvement of the food security status, the department supported 40 000 subsistence producers in various ways, among others, the provision of inputs, training and advisory services. Altogether 16 000 smallholder producers were supported through training, advisory services and infrastructure support and 901 forestry smallholder producers were supported. A total of 23 fish farms were supported and 265 ha were revitalised at the Vaalharts Irrigation Scheme. The Tsolo and Potchefstroom colleges of agriculture have been accredited by the Council of Higher Education (CHE). This is critical in improving the quality of extension services rendered to producers of different categories.

Two agro-processing enterprises, i.e., Sungula Trading Enterprises and Ikwezi Development Projects and Services Primary Cooperative were identified for support in collaboration with Gauteng and Mpumalanga provinces, respectively. Altogether 11 commodity-based cooperatives were established in order to unlock market access challenges. CAADP provincial consultations were held in all nine provinces in preparation of the signing of a CAADP compact. Climate change adaptation and mitigation programmes have been developed and approved. A total of 43 983,01 ha of agricultural land were rehabilitated. Altogether 679 sea-based inspections were conducted during the period under review.

### SERVICE DELIVERY IMPROVEMENT PLAN

#### Main services provided and standards

| Main services                                                                                                            | Actual customers                                                                                                                                                                                 | Potential customers                                                                                                                                                                              | Standard of service                                                                              | Actual achievement                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issuing of licences (for consumptive activities) to ensure sustainable forest management                                 | Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public | Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public | Turnaround time: 110 days to issue licence                                                       | 3 906 licences were issued according to provisions of the National Forests Act                                                                                            |
| Issuing of registration certificates/approvals for stock and agricultural remedies to ensure effective and safe products | Agrochemicals industry                                                                                                                                                                           | Agrochemicals industry                                                                                                                                                                           | 85% of agricultural and stock remedy evaluations within stated processing times (see Appendix A) | 73,2% of agricultural remedy applications processed and finalised within time frames<br><br>23,3% of stock remedy applications processed and finalised within time frames |

### Consultation arrangement with customers

| Type of arrangement                                                                                                                                        | Actual customers                                                                                                                                                                                 | Potential customers                                                                                                                                                                              | Actual achievements                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Meetings with stakeholders, telephones, e-mails, site inspections and verification through DAFF regional offices                                           | Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public | Forestry industry, conservation agencies, municipalities, property developers, communities, telecommunication agencies, ESKOM, SANRAL, Transnet, landowners and individual members of the public | Clients visited estate offices<br><br>This is the only option available because most estate offices do not have access to e-mails and internet. Some do not have Telkom landlines                                                     |
| Quarterly liaison meetings held with stakeholders<br><br>Participate in multilateral meetings<br><br>Gazette draft regulations/policies for public comment | Agrochemicals industry                                                                                                                                                                           | Agrochemicals industry                                                                                                                                                                           | Attended and participated in all scheduled liaison meetings with the industry<br><br>Did not directly participate in the international multilateral meetings<br><br>Stock remedies policy drafted but not gazetted for public comment |

### Service delivery access strategy

| Access strategy                                                                                                                                                     | Actual achievements                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Clients to access forms on departmental website                                                                                                                     | Clients accessed forms on DAFF website and some through estate offices                                                                                                                                                                                |
| Electronic submission of application forms                                                                                                                          | Awareness programmes were conducted                                                                                                                                                                                                                   |
| Clients can request information through the DAFF website, telephone, e-mail and letters or by visiting the office (contact tel. number for Registrar: 012 319 7303) | Information (i.e. application forms, regulations, registration requirement guidelines, contact details, etc.) was published on the DAFF website. In addition, clients were assisted through telephone, fax, e-mail as well as visiting the department |
| Brochures and pamphlets available online                                                                                                                            | Brochures and pamphlets drafted but not finalised yet                                                                                                                                                                                                 |

### Service information tool

| Type of information tool                                                                                                                                                   | Actual achievements                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Easy access of information on DAFF website                                                                                                                                 | Clients can access application forms on DAFF website. They can also access application forms and licensing guidelines through estate offices |
| A total of 80% operational documents (regulations, guidelines, application forms, etc.) will be readily available in the national office and published on the DAFF website | All operational documents are published on the DAFF website and provided to the applicant per request                                        |
| Conduct/participate in five stakeholder workshops                                                                                                                          | Participated in six stakeholder workshops                                                                                                    |

### Complaints mechanism

| Complaints mechanism                                                                                                 | Actual achievements                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Appeal committee to deal with declined licences. Regional head to attend to queries/complaints (e-mail or telephone) | One licence for building on state forest land was declined but not appealed yet. A letter was written and signed by the Director and sent to the applicant                                                                                                                                             |
| Head of Administration: DavidM@daff.gov.za/Registrar or MalutaM@daff.gov.za                                          | Three complaints were received<br><br>One complaint regarding the selling of unregistered pet treats. Products were recalled from all distribution points until registration is obtained<br><br>One complaint regarding an unregistered PCO—PCO refused to give address. Follow-up action is scheduled |

### Complaints mechanism (cont.)

| Complaints mechanism | Actual achievements                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | <p>One complaint regarding an unregistered PCO—PCO refused to give address. Follow-up action is scheduled</p> <p>One case registered with SAPS unregistered PCO</p> <p>Two admission of guilt fines were paid for selling an unregistered product (farm feed): R1 000,00 and R500,00, respectively</p> <p>One R700,00 admission of guilt fine was paid for repackaging of a stock remedy</p> |

### APPENDIX A: Standard time frames agreed to between the DAFF and the industry

| Type of application                  | Acknowledgement (days) | Technical screening (days) | Target (months)           |
|--------------------------------------|------------------------|----------------------------|---------------------------|
| Applications containing new molecule | 14                     | 30                         | 18                        |
| Generic applications                 | 14                     | 30                         | 12                        |
| Label amendments                     | 14                     | 30                         | 12                        |
| Formulation change                   | 14                     | 30                         | 6–12                      |
| Additional source/manufacture        | 7                      | 30                         | 3 (stock remedies)        |
| Administrative applications          | 7                      | 30                         | 6 (agricultural remedies) |
| Packaging                            | 7                      | 30                         | 3                         |
| Change of shelf life                 | 7                      | 14                         | 3                         |
| Import permits                       | 7                      | 7                          | 1                         |
| Advertisement                        | 7                      | 7                          | 1                         |

## ORGANISATIONAL ENVIRONMENT

Refinement investigations were undertaken following the restructuring of the department, but could only be done within the current MTEF budget allocation, which resulted in critical functional areas not being capacitated to improve service delivery to the agricultural, forestry and fisheries sectors, respectively. Alignment and optimal use of resources (human, facilities and financial) because of the partially integrated organisational structure model, remain a challenge. The reconfiguration of the approved organisational structure into an integrated model will be investigated with the aim to address the economic, efficient and effective performance of the department and to improve service delivery.

During the period under review, the department also focused on reducing its vacancy rate and strengthening its knowledge and information management systems.

## KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

The Marine Living Resources Amendment Bill, which gives legal recognition to small-scale fishers, was approved by Parliament and will enable the department to implement the Small-scale Fisheries Policy. This legislative reform will promote the transformation of the subsector to assist fishing communities living along the coastal areas in creating sustainable livelihoods, generating income and creating jobs.

Although there is food security at national level, about a quarter of the population is food insecure with inadequate access to food. Unavailability and unaffordability further contribute to food insecurity. In response to these challenges, the National Policy on Food and Nutrition Security was approved by Cabinet in September 2013, followed by the launch of the Fetsa Tlala Food Production Initiative by the President in October 2013.

As part of the Food Production Programme, 104 000 ha of fallow land were placed under the production of maize and beans. Targeted support was also provided such as the Comprehensive Agricultural Support Programme (CASP) and Ilima/Letsema in order to realise enhanced food production at, especially, household level.

Because exports are one of the key indicators of economic growth, the creation of new export opportunities with the BRICS group of countries was explored and a number of trade agreements and MoUs concluded. The increase in exports to Asian countries such as China, Indonesia, Japan and India has also created new export destinations for agricultural, forestry and fisheries products.

The DAFF has also succeeded in restoring the country's FMD-free status, and going forward the department will implement compulsory community veterinary services for the remote rural areas in order to further strengthen the country's disease control capabilities.

The department has developed and is implementing specific sector strategies on agro-processing, marketing, as well as small, medium and micro enterprises (SMMEs) to facilitate employment creation, increase in *per capita* income and support growth of labour-intensive agro-industries, especially in rural areas and small towns.

## Strategic outcome oriented goals

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The DAFF has six strategic goals and a number of strategic objectives to support each goal. The following strategic goals and objectives were implemented over the medium term through strategic action programmes:

### **SG 1: Increased profitable production of food, fibre and timber products by all categories of producers**

#### *Strategic objectives*

- SO 1: Promote efficient production, handling and processing of food, fibre and timber.
- SO 2: Coordinate government food security initiative.
- SO 3: Improve production systems anchored in commodities with a competitive and comparative advantage in each province.
- SO 4: Comprehensive support towards rural development.

### **SG 2: Sustained management of natural resources**

#### *Strategic objectives*

- SO 1: Ensure the sustainable management and efficient use of natural resources.
- SO 2: Ensure protection of indigenous genetic resources.
- SO 3: Increase contribution to green jobs to improve livelihoods.

### **SG 3: Effective national regulatory services and risk management systems**

#### *Strategic objectives*

- SO 1: Manage the level of risks associated with food, diseases, pests, natural disasters and trade.
- SO 2: Establish and maintain effective early-warning and mitigation systems.

### **SG 4: A transformed and united sector**

#### *Strategic objectives*

- SO 1: Increase equity, ownership and participation of previously disadvantaged individuals (PDIs).
- SO 2: Enhance systems to support the effective utilisation of assets.
- SO 3: Improve social working conditions in the sector.
- SO 4: Provide leadership and support to research, training and extension in the sector.

### **SG 5: Increased contribution of the sector to economic growth and development**

#### *Strategic objectives*

- SO 1: Increase growth, income and sustainable job opportunities in the value chain.
- SO 2: Increase the level of public and private investment in the sector.
- SO 3: Increase market access for South African and African agricultural, forestry and fisheries products, domestically and internationally.
- SO 4: Increase production of feedstock to support the manufacturing sector.

## SG 6: Effective and efficient governance

### Strategic objectives

- SO 1: Establish and strengthen cooperative governance and functional relations with local and international stakeholders.
- SO 2: Strengthen policy, planning, monitoring, evaluation, reporting and sector information.
- SO 3: Provide effective audit, investigative and legal, human resources and financial risk management.
- SO 4: Improve departmental service excellence through implementation of quality standards, Batho Pele principles and the general legislative mandate.
- SO 5: Provide leadership and manage communication and information.

### Strategic goals and outcomes

| MTSF priority area                                                                                                | Strategic goal                                                                                          | Outcome                                                                                                              | Programme        |
|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------|
| 1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods           | SG 1: Increased profitable production of food, fibre and timber products by all categories of producers | 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all                      | 2, 3, 4, 5 and 6 |
| 2. Massive programmes to build economic and social infrastructure                                                 |                                                                                                         |                                                                                                                      |                  |
| 3. A comprehensive rural development strategy linked to land and agrarian reform and food security                | SG 2: Sustained management of natural resources                                                         | 10: Protect and enhance our environmental assets and natural resources                                               | 5 and 6          |
| 4. Strengthen the skills and human resource base                                                                  | SG 3: Effective national regulatory services and risk management systems                                | 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all                      | 2 and 5          |
| 5. Improve the health profile of society                                                                          |                                                                                                         |                                                                                                                      |                  |
| 6. Intensify the fight against crime and corruption                                                               | SG 4: A transformed and united sector                                                                   | 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship | 1                |
| 7. Build cohesive, caring and sustainable communities                                                             |                                                                                                         |                                                                                                                      |                  |
| 8. Pursuing regional development, African enhancement and enhanced international cooperation                      | SG 5: Increased contribution of the sector to economic growth and development                           | 4: Decent employment through inclusive economic growth                                                               | 1, 4, 5 and 6    |
| 9. Sustainable resource management and use                                                                        |                                                                                                         |                                                                                                                      |                  |
| 10. Build a developmental state, including improving of public services and strengthening democratic institutions | SG 6: Effective and efficient governance                                                                | 11: Create a better South Africa, a better Africa and better world                                                   | 1 and 4          |

In terms of government's outcomes-based performance management approach, the department focuses mainly on the implementation of three of the 12 national outcomes and these are:

**Outcome 4:** Decent employment through inclusive economic growth;

**Outcome 7:** Vibrant, equitable and sustainable rural communities and food security for all;

**Outcome 10:** Protect and enhance our environmental assets and natural resources (by protecting the country's biodiversity—output 4).

Together with other productive sectors, agriculture has been identified as a job driver and this makes DAFF an important partner in the implementation of outcome 4. The department has developed an Agricultural Policy Action Plan (APAP) in support of this outcome. The draft APAP will translate the high-level policy responses of the planned IGDP into tangible, concrete actions. The APAP and IGDP are positioned as the encompassing plans of the sector, in response to the NGP and the NDP. The Strategic Integrated Project (SIP 11) will also provide the much-needed leverage towards building the agricultural economy, and especially, the upgrading of agricultural infrastructure.

In relation to outcome 7, the DAFF is coordinating the implementation of output 1 and 2 which are *Sustainable agrarian transformation with small and large-scale farmers* and *improved access to affordable and diverse food*. The following are some of the key achievements impacting on increasing production in particular at smallholder level and eradication of poverty and hunger, particularly at household and subsistence level of production. For the period under review, 16 000 smallholder and 40 000 subsistence producers have been supported in various ways, 267 ha of irrigation were revitalised at Vaalharts, 128 783 food production gardens were established across all provinces, 58 737 households were provided with production inputs, 977 producers were linked with mainstream markets, 5 403 mainly smallholder producers accessed financial support and credit, 11 commodity-based cooperatives were established and two agro-processing enterprises were identified for support in collaboration with two provinces: Gauteng and Mpumalanga.

With regard to outcome 10, environmental assets and natural resources are well protected and continually enhanced. The DAFF is mainly contributing to output 2: Reduced greenhouse gas emissions, climate change and improved atmospheric quality; output 3: Sustainable environmental management; and output 4: Protected biodiversity. Altogether 46 600,73 ha of land were rehabilitated through LandCare, CARA and Working for Water Programme and by rehabilitating unplanted areas in KwaZulu-Natal (KZN), Eastern Cape (EC), Limpopo (LP) and Mpumalanga (MP). The annual TAC/TAE in abalone, hake, West Coast rock lobster (WCRL) and linefish were set in line with the agreed Operational Management Procedure (OMP) consulted with relevant fisheries stakeholders. Management measures were adjusted and incorporated in the amended fishing permit conditions and catch landings reconciled in all four identified fishing sectors.

## Performance information by programme

### PROGRAMME 1: ADMINISTRATION

#### Purpose

Provide strategic leadership, management and support services to the department. The aim of the programme is to lead, support and promote agricultural, forestry and fisheries resource management through policies, strategies and programmes to enhance sustainable use, and to achieve economic growth, job creation, food security, rural development and transformation.

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

**Chief Financial Office:** Provides the department with sound financial services.

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

**Stakeholder Relations, Communication and Legal Services:** Provides the department with legal support services, establishes and strengthens international and stakeholder relations, manages communication support services and fisheries partnership management services.

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

#### Strategic objectives (SO)

**SO 2:** Strengthen policy, planning, monitoring, evaluation, reporting and sector information.

**SO 3:** Provide effective audit, investigative and legal, human resource and financial risk management.

**SO 5:** Provide leadership and manage communication and information.

#### Performance against annual targets

*Branch: Corporate Services*

#### SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

| Performance indicator                                                               | Actual achievement 2012/13                                                                                | Planned target 2013/14      | Actual achievement 2013/14                                                                                                                                            | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                     |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Integrated Human Resource Management Plan (IHRMP) submitted to DPSA and implemented | As at 31 March 2013, the vacancy rate was 13,1% and 148 posts still have to be filled to reach the target | Vacancy rate reduced to 11% | Units with high vacancy rates were identified and interactions with line managers were held. This resulted in an achievement of 9,5% in reduction of the vacancy rate | 1,5                                                         | High-level meetings were arranged by the DDG: CS with all the DDGs to address challenges relating to the filling of vacancies in their respective branches |

SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT (cont.)

| Performance indicator                   | Actual achievement 2012/13                                                                                                                                                                                                                                                          | Planned target 2013/14                                                                                                                                    | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                      | Deviation from planned target to actual achievement 2013/14                                                                                                                                                                                        | Comments on deviations                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IHRMP submitted to DPSA and implemented | <p>100% of 35 identified beneficiaries registered for learnership programme</p> <p>62,4% of 237 identified employees registered for the ABET Programme</p> <p>38,2% of 3 095 employees attended skills training programmes</p> <p>32,2% of 350 employees were awarded bursaries</p> | HRD Strategy Implementation Plan approved                                                                                                                 | The 2013/14 HRD Strategy Implementation Plan was approved and a total of 2 153 learners were trained in various training programmes                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                      |
| IHRMP submitted to DPSA and implemented | 89% of performance reviews have been achieved, these include 19 mid-term reviews of 106 filled SMS positions (18%) and 5 508 biannual assessments of 6 116 filled level 1 to 12 positions (90%)                                                                                     | 100% adherence to PMDS                                                                                                                                    | <p>A total of 92% performance agreements were finalised and submitted. 92% of the biannual assessments and midterm reviews were finalised and submitted</p> <p>Completed the biannual assessments for 8 branches</p> <p>Completed the qualitative assessment for all submitted. Performance agreements for SMS members for 2013/14</p> <p>A total of 1 004 employees were trained on EPMDS in the 2013/14 performance cycle</p> | The 100% adherence target was not achieved owing to employees who are on maternity leave, long illness, suspension and new appointments. The policy requires an employee to at least work for 4 months in a semester to be eligible for assessment | <p>Strategic partnering with branches will be introduced in the 2014/15 performance cycle</p> <p>Employee Development and Performance Management Forum with the regional offices will be active. The forum will assist with monitoring at the regional offices</p> <p>The PMDS awareness sessions will continue in the 2014/15 performance cycle</p> |
| IHRMP submitted to DPSA and implemented | N/A                                                                                                                                                                                                                                                                                 | <p>Conduct management interventions implemented in 4 regions</p> <p>Number of regions in which conduct management interventions have been implemented</p> | <p>Management interventions were conducted in 4 regions through consultations</p> <p>Visits were made to LP, KZN, MP and EC regions where HR policies, among others, were discussed</p>                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                      |

**SUBPROGRAMME: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT (CONT.)**

| Performance indicator                   | Actual achievement 2012/13 | Planned target 2013/14                                                        | Actual achievement 2013/14                                                                                                                           | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-----------------------------------------|----------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| IHRMP submitted to DPSA and implemented | N/A                        | Adjusted IHRMP approved and submitted to DPSA by 30 June                      | The adjusted IHRMP was approved by DG and the Minister and submitted to DPSA as planned                                                              |                                                             |                        |
| IHRMP submitted to DPSA and implemented | N/A                        | IHRMP implementation report submitted to DPSA (September 2013 and March 2014) | The IHRMP implementation reports (for September 2013 and March 2014) approved by both the DG and the Minister were submitted to the DPSA as required |                                                             |                        |

**SUBPROGRAMME: CHIEF INFORMATION OFFICE**

| Performance indicator                                           | Actual achievement 2012/13                                                                                                                                                                                                                                                                                                                                                                      | Planned target 2013/14                                                        | Actual achievement 2013/14                                                                                                                  | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| MSP implemented                                                 | <p>The fourth draft of the MSP was received on 18 March 2013</p> <p>100% of DAFF directorates interviewed and information collected. All subprogramme managers have been requested to confirm their directorate's needs</p> <p>Prioritisation of identified MSP projects to be scheduled. SITA will do configuration management once subprogrammes have confirmed their directorate's needs</p> | ICT implementation plan of priority projects of the MSP approved              | The MSP-ICT Programme Plan and Procurement Plan were approved by both the CIO (22 January 2014) and DG (16 February 2014)                   |                                                             |                        |
| Knowledge and Information Management (KIM) Strategy implemented | Compilation and finalisation of KIM Strategy is still ongoing. A feasibility study on the development of on and off-storage is currently being conducted                                                                                                                                                                                                                                        | Implement stage 1 of the EDMS (testing and rollout of Change Management Plan) | During the year under review, EDMS was tested and the Change Management Plan was approved for the rollout of stage 1 of EDMS implementation |                                                             |                        |

Branch: Chief Financial Office

SUBPROGRAMME: FINANCIAL MANAGEMENT

| Performance indicator                  | Actual achievement 2012/13                                                                                                                                                      | Planned target 2013/14                           | Actual achievement 2013/14                                                                                                                                 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Improved financial management controls | Unqualified audit report for 2011/12 was achieved. Audit Matrix was developed to address the 2011/12 audit findings and was submitted to National Treasury on 28 September 2012 | Unqualified audit report on financial statements | Unqualified audit report for 2012/13 was achieved. Audit Matrix was developed to address the 2012/13 audit findings and was submitted to National Treasury |                                                             |                        |

Branch: Stakeholder Relations, Communication and Legal Services

SUBPROGRAMME: LEGAL SERVICES

| Performance indicator                | Actual achievement 2012/13                                                                                                                                                        | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                                              | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                        |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Legislation review project completed | Project Plan has been developed<br><br>9 bills are currently being finalised by the directorate concerned and/or with the state law advisor and/or are on their way to Parliament | 24 Acts reviewed       | On 12 March 2014, the Marine Living Resources Amendment Bill was passed by the National Council of Provinces<br><br>The Minister has approved the submission to notify the WTO of the Plant Health Bill | 23 Acts                                                     | All other Bills were put on hold in preparation for the new administration, except the Marine Living Resources Amendment Bill |

SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION

| Performance indicator                   | Actual achievement 2012/13                                                                               | Planned target 2013/14                                                   | Actual achievement 2013/14                                                                                                                                                                                                                          | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| DAFF Communication Strategy implemented | A total of 12 media plans were developed for the year and were all approved by the Acting Chief Director | Refine and oversee the implementation of the DAFF Communication Strategy | A total of 9 media plans were developed and approved<br><br>Q1—A Communication and Media Plan was developed and implemented for the 2013 National Assembly Budget Vote on 29 May 2013 and National Council of Provinces Budget Vote on 11 June 2013 | None                                                        |                        |

SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION (cont.)

| Performance indicator                           | Actual achievement 2012/13 | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-------------------------------------------------|----------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| DAFF Communication Strategy implemented (cont.) |                            |                        | <p><b>Q2</b>—Media plan for the Female Entrepreneur Awards was developed and implemented and the gala event was held on 23 August 2013 in Pretoria, Gauteng</p> <p>A media plan for Arbor Week was implemented and Arbor Week was launched on 3 September 2013 at Hammarsdale, KZN</p> <p>A media plan for the Integrated Food and Nutrition Security Plan was developed and implemented in Dutywa, EC on 17 July and in LP on 27 July 2013</p> <p>A communication and media plan was developed for Heritage Day and implemented. On 24 September 2013, Heritage Day was observed</p> <p><b>Q3</b>—A media plan for World Food Day was developed and implemented on 16 October 2013 in Mahikeng</p> <p>Media plans for <i>ad hoc</i> campaigns included the following:</p> <ul style="list-style-type: none"> <li>• A media plan for the Fetsa Tlala Food Production Initiative was developed and implemented in Kuruman, NC, on 24 October 2013</li> <li>• A media plan was developed and implemented for the BRICS Ministers of Agriculture and Agrarian Development meeting held in Pretoria from 29 to 30 October 2013</li> </ul> |                                                             |                        |

**SUBPROGRAMME: STAKEHOLDER RELATIONS AND COMMUNICATION (cont.)**

| Performance indicator                           | Actual achievement 2012/13 | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-------------------------------------------------|----------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| DAFF Communication Strategy implemented (cont.) |                            |                        | <p><b>Q4</b>—A communication and media plan was developed for human rights awareness but there was an oversight with implementation</p> <p>The campaign was run internally in the department by commemorating 16 Days of Activism for No Violence against Women and Children, HIV/Aids Day, International Day of People with Disabilities and Human Rights Day. This was celebrated on 4 December 2013</p> <p>A media and communication plan was developed and implemented following the release of the OIE report on the Performance of Veterinary Services in SA. Under leadership of the DG, a presentation was made to the Portfolio Committee on 11 February 2014</p> |                                                             |                        |

*Branch: Policy, Planning and Monitoring and Evaluation*

**SUBPROGRAMME: POLICY DEVELOPMENT AND PLANNING**

| Performance indicator                                            | Actual achievement 2012/13                 | Planned target 2013/14                                                  | Actual achievement 2013/14                                                                                                                                           | Deviation from planned target to actual achievement 2013/14                                                                              | Comments on deviations                                                                                 |
|------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Programme/project decision support management system implemented | Programme planning and development support | Develop (design) a programme/project decision support management system | The front-end of the system has been designed, now left with the SQL server database for data storage, and the hosting server from where the system will be accessed | The department initiated a process to finalise another Agricultural Information Management System (AIMS) managed under a separate branch | Directorate ICT is still organising space on the server, which should be finalised by the end of April |
| Policy Analysis Framework implemented                            | Review existing policies                   | Review status of internal policies and procedures                       | The status of internal policies and procedures has been completed, and the report has been approved by EXCO                                                          | None                                                                                                                                     |                                                                                                        |

#### SUBPROGRAMME: POLICY DEVELOPMENT AND PLANNING (cont.)

| Performance indicator  | Actual achievement 2012/13       | Planned target 2013/14                                                | Actual achievement 2013/14                                                                       | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|------------------------|----------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| R&D Programme approved | Implement targeted R&D Programme | Develop and finalise the targeted R&D Programme with service provider | The targeted R&D Programme was developed and completed for implementation with service providers | None                                                        |                        |

#### Strategy to overcome areas of underperformance

The management of performance is done as follows:

- One-on-one basis during office and informal visits.
- Quarterly branch meetings.
- During the preplanned meetings by the directorates.
- When assessing individual performance agreements.

#### Subprogramme expenditure

| Subprogramme                                            | 2013/14             |                    |                         | 2012/13             |                    |                         |
|---------------------------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                                         | 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                   |
| Ministry                                                | 28 627              | 28 611             | 16                      | 28 447              | 28 432             | 15                      |
| Department Management                                   | 18 880              | 18 862             | 18                      | 44 485              | 44 453             | 32                      |
| Financial Administration                                | 133 170             | 133 112            | 58                      | 124 964             | 124 888            | 76                      |
| Internal Audit                                          | 4 967               | 4 963              | 4                       | 6 087               | 6 075              | 12                      |
| Corporate Services                                      | 170 356             | 170 285            | 71                      | 148 513             | 148 445            | 68                      |
| Stakeholder Relations, Communication and Legal Services | 92 812              | 92 777             | 35                      | 56 370              | 56 307             | 63                      |
| Policy, Planning and Monitoring and Evaluation          | 67 926              | 65 897             | 2 029                   | 72 712              | 72 568             | 144                     |
| Office Accommodation                                    | 187 933             | 167 076            | 20 857                  | 178 875             | 166 072            | 12 803                  |
| <b>Total Programme 1</b>                                | <b>704 671</b>      | <b>681 583</b>     | <b>23 088</b>           | <b>660 453</b>      | <b>647 240</b>     | <b>13 213</b>           |

### PROGRAMME 2: AGRICULTURAL PRODUCTION, HEALTH AND FOOD SAFETY

#### Purpose

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

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

**Plant Production and Health:** Focuses on increased agricultural productivity with the emphasis on a sustainable plant production system, efficient use of genetic resources and manages risks associated with plant pests, diseases and GMOs.

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

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

### Strategic objectives

SO 1: Promote efficient production, handling and processing of food, fibre and timber products.

SO 1: Ensure protection of indigenous genetic resources.

SO 1: Manage the level of risk associated with food, diseases, pests, natural disasters and trade.

SO 2: Establish and maintain effective early-warning and mitigation systems.

### Performance against annual targets

*Branch: Agricultural Production, Health and Food Safety*

#### SUBPROGRAMME: ANIMAL PRODUCTION AND HEALTH

| Performance indicator                                          | Actual achievement 2012/13                                                                                                                                                                                                                                                                               | Planned target 2013/14                                        | Actual achievement 2013/14                                                                                                                                                                                                                                 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Number of producers benefiting from animal improvement schemes | 1 398 producers participated in the Kaonafatso ya Dikgomo Scheme<br><br>36 producers participated in the Milk Recording and Improvement Scheme                                                                                                                                                           | 1 300<br>(Kaonafatso ya Dikgomo = 1 200;<br>Pig Scheme = 100) | 1 200 producers benefitted through participation in the Kaonafatso ya Dikgomo Scheme while 100 benefitted through the Pig Scheme. The activities of beneficiation, among others, include ear tagging, weighing, dipping and general pig management         | None                                                        |                        |
| Planned surveillance conducted                                 | A number of interventions were coordinated and 7 reports were compiled on 7 diseases, which are:<br><ul style="list-style-type: none"> <li>• FMD</li> <li>• Avian influenza</li> <li>• CEM</li> <li>• Corridor disease</li> <li>• Anthrax</li> <li>• Rabies</li> <li>• African horse sickness</li> </ul> | 2                                                             | Two planned animal disease surveillances were conducted, which are the National Pig Survey and avian influenza (AI). Reports on the surveillances are available, which cover the outbreak and detection of AI and to prove the eradication of pig diseases |                                                             |                        |

SUBPROGRAMME: ANIMAL PRODUCTION AND HEALTH (cont.)

| Performance indicator                  | Actual achievement 2012/13                                                                                                                                                                                                           | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                    | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Planned surveillance conducted (cont.) | Two reports on detection and control of <i>Bactrocera invadens</i> were submitted. These reports detail the detections and measures undertaken to limit and/or eradicate the pest. The report covers actions undertaken in LP and MP | 1                      | A final report on the National Exotic Fruit Fly Surveillance Programme of South Africa was concluded, which covers the measures undertaken to limit and/or eradicate the pest |                                                             |                        |

SUBPROGRAMME: PLANT PRODUCTION AND HEALTH

| Performance indicator                                         | Actual achievement 2012/13                                                                                                                                | Planned target 2013/14                                                  | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                   | Deviation from planned target to actual achievement 2013/14                                                                                                                                                                                                                    | Comments on deviations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of indigenous agricultural genetic resources conserved | The Animal Genetic report covering both Zulu sheep characterisation and the <i>ex situ</i> conserved Afrikaner cattle material in North West was compiled | 2 animal species conserved (Afrikaner cattle [FS] and Zulu sheep [KZN]) | A progress report on the <i>in situ</i> conservation programme for the Afrikaner cattle in Dr Ruth Segomotsi Mompati District is available. Semen evaluation was concluded by the ARC in preparation for the synchronisation of all cows and for artificial insemination. A Memorandum of Agreement was concluded between DAFF and RAMSEM on the project of <i>in situ</i> conservation of Zulu sheep in KZN | Artificial insemination to be performed on Afrikaner cows<br><br>100 embryos to be transferred to 100 surrogate ewes at ARC-Irene<br><br>Embryos to be collected from 15 Zulu sheep ewes<br><br>The laparoscopic artificial insemination to be performed on 15 Zulu sheep ewes | The project activities are mostly inter-dependent. A service provider had to be appointed to execute the <i>in situ</i> conservation project (collection of semen and artificial insemination). Although the contract between DAFF and the service provider was signed in November 2013, this output was also heavily dependent on the breeding seasons (for both sheep and cattle) and the gestation period (for sheep). With regard to Zulu sheep it would have been impossible to have the progeny delivered in December 2013 as the breeding season is from October to November, and the gestation period is 4 months. Progenies could therefore only be expected to be delivered around April 2014. For Afrikaner cattle it would |

#### SUBPROGRAMME: PLANT PRODUCTION AND HEALTH (cont.)

| Performance indicator                                                 | Actual achievement 2012/13 | Planned target 2013/14             | Actual achievement 2013/14                                                                                                                | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                                                              |
|-----------------------------------------------------------------------|----------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of indigenous agricultural genetic resources conserved (cont.) |                            | 5 landrace crops repatriated in MP | 5 landrace crops were repatriated to 7 villages of MP, which are Phakani, Mvangatini, Malekututu, Mbonisweni, Chweni, Luphisi and Mahushu |                                                             | have been impossible to conduct the pregnancy diagnosis before 4 months after the breeding period, i.e. February to April. Confirming pregnant cattle could therefore only be done around June 2014 |

#### SUBPROGRAMME: INSPECTION AND QUARANTINE SERVICES

| Performance indicator                                                    | Actual achievement 2012/13                                                | Planned target 2013/14                                              | Actual achievement 2013/14                                                                                                                                                                             | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Number of regulatory compliance and monitoring interventions implemented | 4 regulatory compliance and monitoring intervention reports were compiled | 4 interventions (quarantine inspections, surveillances and testing) | An Annual report on the regulatory compliance and monitoring interventions was concluded. The report involves the implementation of plant and animal quarantine, inspections, surveillance and testing |                                                             |                        |

#### Strategy to overcome areas of underperformance

The management of performance is done as follows:

##### Directorates

- Continuous reporting and monitoring
- Office meetings
- Components' monthly meetings
- Quarterly performance review management meetings
- Annual reports.

##### Chief Directorates

- Monthly reporting on operational plans and APP deliverables
- Quarterly performance review meetings
- Monthly reporting on operational plans and APP deliverables
- Quarterly performance review meetings.

**Branch**

- Weekly DDG and Chief Directors' meetings
- Monthly branch meetings
- Special performance review sessions
- Critical analysis and revision of performance.

**Subprogramme expenditure**

| Subprogramme                       | 2013/14             |                    |                         | 2012/13             |                    |                         |
|------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                    | 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                   |
| Management                         | 2 414               | 2 409              | 5                       | 985                 | 983                | 2                       |
| Inspection and Quarantine Services | 296 774             | 296 590            | 184                     | 272 811             | 272 608            | 203                     |
| Plant Production and Health        | 507 073             | 507 009            | 64                      | 489 026             | 488 946            | 80                      |
| Animal Production and Health       | 253 805             | 244 684            | 9 121                   | 169 341             | 169 269            | 72                      |
| Agricultural Research              | 950 254             | 950 254            | 0                       | 943 026             | 943 026            | 0                       |
| <b>Total Programme 2</b>           | <b>2 010 320</b>    | <b>2 000 946</b>   | <b>9 374</b>            | <b>1 875 189</b>    | <b>1 874 832</b>   | <b>357</b>              |

**PROGRAMME 3: FOOD SECURITY AND AGRARIAN REFORM****Purpose**

Facilitate and promote household food security and agrarian reform programmes and initiatives targeting subsistence and smallholder producers. The programme comprises three subprogrammes, namely, Food Security; Sector Capacity Development; and National Extension Support Services.

**Food Security:** Facilitates the development of smallholder producers; provides implements and infrastructure; and provides national frameworks to promote the sustainable households and national food production programme by improving production systems of subsistence, smallholder and commercial producers in the agricultural, forestry and fisheries sector to achieve food security livelihoods.

**Sector Capacity Development:** Provides support to sector education and training, as well as colleges; facilitates and coordinates key special programmes, such as the implementation of the resolutions on vulnerable workers in the sector; and supports sustainable growth and equitable participation. This entails facilitating and supporting education and training skills; promoting the development of centres of excellence on skills training; and developing, managing and coordinating the sector transformation policy and strategy in line with government objectives.

**National Extension Support Services:** Develops national extension policies, norms and standards, and strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector. This entails ensuring that all extension officers are registered with professional bodies to improve their professionalism and accountability.

**Strategic objectives**

**SO 2:** Coordinate government food security initiatives.

**SO 4:** Provide leadership and support to research, training and extension in the sector.

## Performance against annual targets

Branch: Food Security and Agrarian Reform

### SUBPROGRAMME: FOOD SECURITY

| Performance indicator                                | Actual achievement 2012/13 | Planned target 2013/14                                      | Actual achievement 2013/14                                                                                                                                                                                                                                        | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of subsistence producers supported            | 121 000                    | 130 000                                                     | 40 000 subsistence producers have been supported in various ways, among others, provision with inputs, training and advisory services                                                                                                                             | 90 000                                                      | 133 000 producers were reported to have been supported. Analyses of evidence led to the disqualification of others as they were not fully compliant with the indicator description as prescribed in Annexure E. The major challenge is the reluctance of producers to provide the identification number, among others. Altogether 3 322 producers were validated to have been supported after the Q4 report was finalised to add to the 36 678 cumulative total achieved at the end of Q3 |
| Number of smallholder producers supported            | 21 000                     | 16 000                                                      | 16 000 smallholder producers have been supported, among others, through training, advisory services and infrastructure support                                                                                                                                    |                                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Number of infrastructure anchor projects established | –                          | 2 (Taung and Makhathini irrigation infrastructure projects) | Structures (dams, canals, fences, access roads, pump houses, installation of pumps, drainage systems, handling facilities for livestock, stores, etc.) planned for 2013/14 for the two anchor projects Makhathini and Vaalharts/Taung were constructed/ completed | None                                                        | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

#### SUBPROGRAMME: SECTOR CAPACITY DEVELOPMENT

| Performance indicator                                                                 | Actual achievement 2012/13 | Planned target 2013/14                                                     | Actual achievement 2013/14                                       | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|---------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Number of colleges of agriculture accredited by the Council of Higher Education (CHE) | 6                          | 2 (Tsolo, OR Tambo District and Potchefstroom, Dr Kenneth Kaunda District) | Tsolo and Potchefstroom colleges have been accredited by the CHE | None                                                        | None                   |

#### Strategy to overcome areas of underperformance

The Programme: Food Security and Agrarian Reform holds quarterly branch management meetings in which the performance status is discussed and corrective actions concerning areas of underperformance are agreed upon. The subprogrammes also hold meetings to consolidate the discussion to be undertaken at programme level. The Planning and Monitoring and Evaluation units are always invited to participate in subprogramme and programme meetings.

#### Subprogramme expenditure

| Subprogramme                        | 2013/14             |                    |                         | 2012/13             |                    |                         |
|-------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                     | 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                   |
| Management                          | 4 806               | 4 802              | 4                       | 2 167               | 2 165              | 2                       |
| Food Security                       | 1 031 472           | 1 025 427          | 6 045                   | 871 963             | 865 829            | 6 134                   |
| Sector Capacity Development         | 199 433             | 191 049            | 8 384                   | 192 315             | 185 864            | 6 451                   |
| National Extension Support Services | 368 881             | 368 823            | 58                      | 349 037             | 349 019            | 18                      |
| <b>Total Programme 3</b>            | <b>1 604 592</b>    | <b>1 590 101</b>   | <b>14 491</b>           | <b>1 415 482</b>    | <b>1 402 877</b>   | <b>12 605</b>           |

### PROGRAMME 4: ECONOMIC DEVELOPMENT, TRADE AND MARKETING

#### Purpose

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

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

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

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

#### Strategic objectives

**SO 1:** Increase growth, income and sustainable job opportunities in the value chain.

**SO 2:** Coordinate government food security initiative.

**SO 3:** Increase market access for South African agricultural, forestry and fisheries products, domestically and internationally.

## Performance against annual targets

Branch: Economic Development, Trade and Marketing

### SUBPROGRAMME: AGRO-PROCESSING AND MARKETING

| Performance indicator                | Actual achievement 2012/13                                                                                                                                                                                                                                                                   | Planned target 2013/14                                        | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Deviation from planned target to actual achievement 2013/14                                                         | Comments on deviations                                                                                                                                                         |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agro-processing Strategy implemented | 4 reports on 11 agro-processing subsector profiles have been completed. The subsectors are as follows: food products, beverages, tobacco, textiles, wearing apparel, leather and leather products, footwear, wood and wood products, paper and paper products, rubber products and furniture | 2 agro-processing enterprises supported                       | Two agro-processing enterprises were identified for support in collaboration with two provinces: Gauteng and Mpumalanga<br><br>The projects supported were: <ul style="list-style-type: none"> <li>• Sungula Trading Enterprises</li> <li>• Ikwezi Development Projects and Services Primary Cooperative</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                | These projects were implemented and supported through provincial equitable share but not through AgriBEE as planned | Tedious and rigorous appraisal processes by the Land Bank led to the utilisation of provincial equitable shares in order to implement and support the agro-processing projects |
| Marketing Strategy implemented       | The fisheries value chain network has been established                                                                                                                                                                                                                                       | Aquaculture value chain roundtable/ network institutionalised | A comprehensive progress report on the activities and the work of the AVCRT and its working groups has been sent to the DG and the Minister. The main achievements are the following: <ul style="list-style-type: none"> <li>• Established two additional working groups, one on labour matters and the other on public awareness and promotion;</li> <li>• Refined the Terms of Reference for the Marketing and Certification Working Group;</li> <li>• Facilitated funding of aquaculture projects through ADEP;</li> <li>• Undertook an audit of aquaculture legislation as groundwork for a new Aquaculture Act;</li> <li>• Reviewed regulations for alien invasive species relating to aquaculture</li> </ul> |                                                                                                                     |                                                                                                                                                                                |

SUBPROGRAMME: COOPERATIVES AND RURAL ENTERPRISE DEVELOPMENT

| Performance indicator                                                               | Actual achievement 2012/13                                                                                                                                                                                                                                                    | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number of commodity-based cooperatives established to support smallholder producers | <p>115 cooperatives constituting 1 376 farmers have been established. The distribution of cooperatives are as follows:</p> <p>NW: 27, FS: 6, MP: 22, KZN: 16, NC: 3, LP: 31, EC: 3 and GP: 7</p> <p>105 cooperatives were trained on the Farm-Together Training Programme</p> | 9 (one per province)   | <p>11 commodity-based cooperatives were established during the year under review</p> <p>A total of 110 cooperatives were supported with training, using the Farm-Together Cooperative Training Programme in the following provinces:</p> <ul style="list-style-type: none"> <li>• LP = 3 cooperatives (21 participants)</li> <li>• GP = 26 cooperatives (104 participants)</li> <li>• MP = 21 cooperatives (73 participants)</li> <li>• NW = 8 cooperatives (22 participants)</li> <li>• WC = 16 cooperatives (164 participants)</li> <li>• FS = 12 cooperatives (165 participants)</li> <li>• NC = 16 cooperatives (50 participants)</li> <li>• EC = 8 cooperatives (15 participants)</li> </ul> <p>A total of 65 cooperatives were supported with training on business planning using the business plan guidelines in the following provinces:</p> <ul style="list-style-type: none"> <li>• FS = 5 cooperatives (24 participants)</li> <li>• MP = 10 cooperatives (53 cooperatives)</li> <li>• LP = 42 cooperatives (111 participants)</li> <li>• WC = 2 cooperatives (7 participants)</li> <li>• NC = 6 cooperatives (11 participants)</li> </ul> |                                                             | The exceeding of the target in other provinces was mainly owing to the demand from that province to assist smallholder farmers' access to the school nutrition market through cooperatives. As a result, demands for supporting smallholder farmers and establishing commodity cooperatives for collective training have increased |

SUBPROGRAMME: INTERNATIONAL RELATIONS AND TRADE

| Performance indicator                        | Actual achievement 2012/13                                                                                                                                                                                                                                                                                                                      | Planned target 2013/14                                                                                                                                                                                                                                                                             | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trade Development Strategy implemented       | <p>Approved progress report, indicating progress made on the following negotiations has been compiled:</p> <p>SACU consultation meetings, Tripartite Trade Negotiating Forum (TTNF) and Tripartite Committee of Senior Officials</p>                                                                                                            | Participate in Tripartite FTA negotiations                                                                                                                                                                                                                                                         | <p>Four (4) progress reports on participation in Tripartite FTA negotiations, covering the following were submitted:</p> <ul style="list-style-type: none"> <li>• Interdepartmental meetings</li> <li>• SACU consultation meetings</li> <li>• Tripartite Trade Negotiating Forum meetings</li> <li>• Senior officials meeting and meeting of Ministers of Trade and Industry</li> </ul>                                                                                                                                                                                                          |                                                             |                                                                                                                                                                                                                                                                                                                                  |
| International Relations Strategy implemented | <p>Engagement meetings with counterparts (bilateral). Attended 9 meetings: 3 BNC; 2 Senior Officials and 4 inter-departmental meetings</p> <p>Engagement meetings with counterparts (Brazil, India, China and South Africa)</p> <p>Facilitated the attendance of meetings in multilateral forums and foreign offices: FAO, OECD, ICAC, etc.</p> | <p>Implement the South-South Cooperation Agreement with emphasis on BRICS</p> <p><i>Existing bilateral</i><br/>China and India</p> <p><i>Existing multilateral</i><br/>FAO World Forestry Congress; FAO capacity building</p> <p><i>New agreements</i><br/>Vietnam, Russia, Argentina and Cuba</p> | <p>Implementation of bilateral and multilateral engagements and new agreements facilitated:</p> <p><i>BRICS</i>: DAFF hosted all the activities under the BRICS Agriculture Group, namely: Working Group, Climate Change seminar and the Ministerial meeting, which culminated in the Declaration of the Ministers</p> <p>Argentina Agreement was signed by the Minister and her counterpart from Argentina</p> <p>The department is currently processing the following new agreements:</p> <p>Iran, South Korea, Russia, Palestine, OECD and the agreement with Turkey is ready for signing</p> | <p>Russia, Cuba and Turkey agreements</p>                   | <p>The Russia Agreement is still being re-negotiated</p> <p>Cuba Agreement has been sent to Cuba for inputs from the government</p> <p>The deviation to work on these agreements has been informed by interest from the mentioned countries</p> <p>The agreement with Turkey will be signed as soon as the parties are ready</p> |

SUBPROGRAMME: INTERNATIONAL RELATIONS AND TRADE (cont.)

| Performance indicator                        | Actual achievement 2012/13                                                                          | Planned target 2013/14  | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| International Relations Strategy implemented | Draft CAADP Communication Strategy has been completed and is being sent to stakeholders for comment | Implementation of CAADP | <p>CAADP provincial consultations were held in all 9 provinces in preparation of the signing of CAADP compact</p> <p><i>CAADP implementation in the country</i></p> <p>All provinces, the private sector and the youth consultations have been done. Consolidated priority areas of investment were identified as these appear on the attached matrix. Provincial teams were appointed for all provinces</p> <p>The Youth Consultative Workshop was held from 11 to 12 March 2014 at the ARC Head Office, Hatfield</p> <p>A national study on the budget of agriculture, forestry and fisheries for the past ten years has been commissioned with the assistance of the World Bank. The report is expected at the end of April 2014</p> <p>The North West Province has received an interim report from the University of North West on the analytical work commissioned to collate information and facts for use in the development of the investment plans. The report was tabled at the meeting of the North West CAADP Team in Mahikeng on 28 February 2014. The final report is expected by the end of April 2014</p> |                                                             |                        |

Strategy to overcome areas of underperformance

Branch meetings are held quarterly to discuss performance and adoption of corrective measures where these are required.

## SUBPROGRAMME EXPENDITURE

| Subprogramme                                  | 2013/14             |                    |                         | 2012/13             |                    |                         |
|-----------------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                               | 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                   |
| Management                                    | 1 375               | 1 373              | 2                       | 1 832               | 1 829              | 3                       |
| International Relations and Trade             | 134 551             | 134 472            | 79                      | 103 893             | 103 589            | 304                     |
| Cooperatives and Rural Enterprise Development | 60 501              | 60 486             | 15                      | 61 510              | 61 498             | 12                      |
| Agro-processing and Marketing                 | 60 025              | 60 003             | 22                      | 45 271              | 45 253             | 18                      |
| <b>Total Programme 4</b>                      | <b>256 452</b>      | <b>256 334</b>     | <b>118</b>              | <b>212 506</b>      | <b>212 169</b>     | <b>337</b>              |

## PROGRAMME 5: FORESTRY AND NATURAL RESOURCES MANAGEMENT

### Purpose

Develop and facilitate the implementation of policies and targeted programmes to ensure management of forests, sustainable use and protection of land and water, as well as managing agricultural risks and disasters.

There are three subprogrammes in the Forestry Programme, namely, Forestry Operations; Forestry Development and Regulations; and Natural Resources Management.

**Forestry Operations:** To ensure sustainable management of forestry operations through managing state forests and woodlands, other state assets in the region and to render coordination and operational support.

**Forestry Oversight and Regulations:** Ensures effective development of policies for forestry regulation and oversight by promoting the optimum development of arboriculture, commercial and urban forestry and the development of small-scale forestry.

**Natural Resources Management:** Facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests and the efficient development and revitalisation of irrigation schemes and water use. The subprogramme will facilitate climate change mitigation and adaptation, risk and disaster management, as well as promote, regulate and coordinate the sustainable use of natural resources (land and soil).

### Strategic objectives

**SO 2:** Coordinate government food security initiative.

**SO 1:** Ensure the sustainable management and efficient use of natural resources.

**SO 2:** Increase the level of public and private investment in the sector.

### Performance against annual targets

*Branch: Forestry and Natural Resources Management*

#### SUBPROGRAMME: FORESTRY OPERATIONS

| Performance indicator                         | Actual achievement 2012/13                                                   | Planned target 2013/14 | Actual achievement 2013/14                   | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                   |
|-----------------------------------------------|------------------------------------------------------------------------------|------------------------|----------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| Number of small producers (growers) supported | 1 219 small forestry producers supported with training and linked to funders | 1 300                  | 901 small producers (growers) were supported | 399                                                         | Difficulties in getting identity numbers from all individual producers owing to their resistance in providing signatures |

**SUBPROGRAMME: FORESTRY OPERATIONS (cont.)**

| Performance indicator                                 | Actual achievement 2012/13 | Planned target 2013/14 | Actual achievement 2013/14 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                            |
|-------------------------------------------------------|----------------------------|------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Number of small producers (growers) supported (cont.) |                            |                        |                            |                                                             | and ID documents, among others, have reduced the volume of admissible evidences to 901 which satisfy the standard |

**SUBPROGRAMME: NATURAL RESOURCES MANAGEMENT**

| Performance indicator                                                                                     | Actual achievement 2012/13                                                                                                                                                                                               | Planned target 2013/14                                                  | Actual achievement 2013/14                                                                                          | Deviation from planned target to actual achievement 2013/14                  | Comments on deviations                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increased number of hectares on irrigation schemes revitalised                                            | 114 ha were revitalised at Makhathini Irrigation Scheme                                                                                                                                                                  | 250 ha                                                                  | 265 ha were revitalised at Vaalharts Irrigation Scheme                                                              | The target was exceeded with 15 ha                                           | The cause of overachievement was the result of the K-6 mainline, which had to be constructed in total to be able to accommodate K-6 farms' subsurface water discharge. Otherwise late installation of the remainder of the line could have resulted in a water logging problem on the K-6 farms, which consist of 5 farms                       |
| Climate change (CC) Adaptation and Mitigation Plan implemented                                            | The draft plan is scheduled for tabling at the ASRDC meeting in April 2013 in order to obtain recommendation for departmental approval                                                                                   | Develop and submit CC adaptation and mitigation programmes for approval | Climate change adaptation and mitigation programmes have been developed and approved                                | N/A                                                                          | N/A                                                                                                                                                                                                                                                                                                                                             |
| Increased number of hectares of agricultural land, woodlands, indigenous forests and (TUPs) rehabilitated | 92 742 ha already rehabilitated through LandCare, CARA and Working for Water (WfW)<br><br>About 700 ha of state indigenous forests were rehabilitated by DAFF in the Eastern Cape, KwaZulu-Natal, Limpopo and Mpumalanga | 32 280 ha                                                               | Total number of hectares rehabilitated are as follows:<br><br>Agricultural land: 43 983,01<br><br>Woodlands: 612,31 | Agricultural land: 13 983,01<br><br>Woodlands and indigenous forests: 112,31 | <i>Agricultural land</i><br>Target exceeded owing to the incentive allocation that provinces received from the Department of Public Works<br><br><i>Woodlands and indigenous forests</i><br>Other forestry operations were suspended owing to budget constraints. WIFM employees (forestry services aids) had to do more work on rehabilitation |

SUBPROGRAMME: NATURAL RESOURCES MANAGEMENT (cont.)

| Performance indicator                                                                                             | Actual achievement 2012/13 | Planned target 2013/14 | Actual achievement 2013/14 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increased number of hectares of agricultural land, woodlands, indigenous forests and (TUPs) rehabilitated (cont.) |                            |                        | TUPs: 2 005,41             | TUPs: 225,41                                                | <p><i>Other regions (TUPs)</i><br/>North West Province had a dry spell during 2013 and conditions were not favourable for planting trees. At least 100 mm of rainfall is needed to put seedlings into the ground</p> <p><i>LP and MP (TUPs)</i><br/>Heavy rainfalls and damaged roads in the respective compartments due for planting</p> <p><i>KZN and EC (TUPs)</i><br/>An overachievement of ha was the result of the good rainfall. In Quarter 1 and 2 the region never achieved the set targets owing to poor rainfall and has managed to catch up</p> |

SUBPROGRAMME: FORESTRY OVERSIGHT AND REGULATIONS

| Performance indicator            | Actual achievement 2012/13                                                                                                                                                                                                                                                                                                                          | Planned target 2013/14                                 | Actual achievement 2013/14                                                                                                                                                                                                                                                                   | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Charter undertakings implemented | <p>ToRs developed for readvertising of the tender to develop guidelines and training for four subsectors: Growers, sawmillers, honey producers and pole producers</p> <p>The tender was advertised in time and during evaluation, no suitable bidders could be identified. In most cases, the bidders did not comply to supply chain procedures</p> | DAFF plantation growth and SMME strategies implemented | <p>SMMEs guidelines/toolkits that were developed and approved were the targeted intervention for implementation of the strategy and this had been achieved</p> <p>The progress report indicating the state of implementation on the State Plantation Strategy was developed and approved</p> | <p>N/A</p> <p>N/A</p>                                       | <p>N/A</p> <p>N/A</p>  |

### Strategy to overcome areas of underperformance

The Branch: Forestry and Natural Resources Management holds quarterly branch meetings during the course of the financial year to consider administration and performance issues in the branch. Participation at these meetings is open to subdirector level (deputy directors).

Before the 10<sup>th</sup> day of the month, after the end of a quarter, the branch manager further convenes a separate meeting/engagement between the Directorate: Monitoring and Evaluation together with respective directorates in the branch led by chief directors to assess the scope and validity of performance evidence submitted by directors on the Knowledge Bank. This has ensured that all directors submit monthly reports on the Knowledge Bank.

### Subprogramme expenditure

| Subprogramme                       | 2013/14             |                    |                         | 2012/13             |                    |                         |
|------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                    | 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                   |
| Management                         | 4 303               | 4 296              | 7                       | 1 957               | 1 953              | 4                       |
| Forestry Operations                | 468 356             | 468 206            | 150                     | 430 130             | 429 423            | 707                     |
| Forestry Oversight and Regulations | 48 810              | 48 358             | 452                     | 46 359              | 46 221             | 138                     |
| Natural Resources Management       | 647 110             | 623 839            | 23 271                  | 742 499             | 714 188            | 28 311                  |
| <b>Total Programme 5</b>           | <b>1 168 579</b>    | <b>1 144 699</b>   | <b>23 880</b>           | <b>1 220 945</b>    | <b>1 191 785</b>   | <b>29 160</b>           |

## PROGRAMME 6: FISHERIES MANAGEMENT

### Purpose

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

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

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

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

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

### Strategic objectives

**SO 1:** Coordinate government food security initiative.

**SO 2:** Ensure the protection of indigenous genetic resources.

**SO 3:** Increase market access for South African agricultural, forestry and fisheries products, domestically and internationally.

## Performance against annual targets

Branch: Fisheries Management

### SUBPROGRAMME: AQUACULTURE MANAGEMENT

| Performance indicator          | Actual achievement 2012/13 | Planned target 2013/14 | Actual achievement 2013/14 | Deviation from planned target to actual achievement 2013/14 | Comments on deviations                                                                                               |
|--------------------------------|----------------------------|------------------------|----------------------------|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Number of fish farms supported | 11 fish farms              | 10 fish farms          | 23 fish farms supported    | Overperformance with 13 fish farms                          | Aquaculture awareness campaigns and partnerships with other government departments increased interest from investors |

### SUBPROGRAMME: MONITORING, CONTROL AND SURVEILLANCE

| Performance indicator                                          | Actual achievement 2012/13                                                                                                                                                               | Planned target 2013/14                                                                      | Actual achievement 2013/14                                                                                                                                                                                                                                                 | Deviation from planned target to actual achievement 2013/14                                                                                  | Comments on deviations                                                                                                                                                                                                   |
|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enforcement and compliance measure to combat poaching improved | A total of 1 044 sea-based inspections, 940 vessel landings and 315 rights holders investigations were conducted in the 5 key fisheries sectors: Hake, WCRL, linefish, abalone and squid | Facilitate approval and implementation of the Integrated Fisheries Security Strategy (IFSS) | The CD: MCS has engaged the Institute for Security Studies to review the document and a draft has been produced<br><br>The IFSS has been implemented by conducting 679 sea-based inspections, 1 557 land-based vessel inspections and 292 investigations of rights holders | Overachievement of 79 sea-based inspections<br><br>Overachievement of 757 land-based inspections<br><br>Overachievement of 17 investigations | When the target was set, there was no indication when the inshore patrol vessels would be sea-ready and inspections were focused on inshore inspections with the small craft. Some vessels were inspected more than once |

### SUBPROGRAMME: MARINE RESOURCES MANAGEMENT

| Performance indicator                                           | Actual achievement 2012/13                                                        | Planned target 2013/14 | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                  | Deviation from planned target to actual achievement 2013/14 | Comments on deviations |
|-----------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------|
| Depleted fish stocks rebuilt (abalone, hake, WCRL and linefish) | Abalone, hake and WCRL TACs were approved. The TAE for linefish was also approved | 4 sectors              | Annual TACs/TAEs in abalone, hake, West Coast rock lobster and linefish were set in line with the agreed Operational Management Procedure (OMP) consulted with relevant fisheries stakeholders. Management measures adjusted and incorporated in the amended fishing permit conditions and catch landings reconciled in all four identified fishing sectors |                                                             |                        |

**SUBPROGRAMME: MARINE RESOURCES MANAGEMENT (cont.)**

| Performance indicator                        | Actual achievement 2012/13                                                             | Planned target 2013/14                               | Actual achievement 2013/14                                                                                                                                                                                                                                                                                                                                                                        | Deviation from planned target to actual achievement 2013/14                        | Comments on deviations                                                                                                                     |
|----------------------------------------------|----------------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Increased support to SMMEs within the sector | The revised general policy and 8 sector-specific policies will be finalised in 2013/14 | Allocate 70% of fishing rights in 8 sectors to SMMEs | The General Policy on the Allocation and Management of Fishing Rights as well as 8 sector-specific (hake handline, demersal shark, tuna pole-line, KZN prawn trawl, traditional linefish, squid, oysters and white mussels) policies were revised, approved and gazetted. A call for rights application was made and more than 90% of fishing rights were allocated in 8 fishing sectors to SMMEs | Overachievement of 20% fishing rights were allocated in 8 fishing sectors to SMMEs | Owing to the absence of an application fee when applying for fishing rights, a larger number of SMMEs than anticipated lodged applications |

**Strategy to overcome areas of underperformance**

Discussions around the performance of the branch are one-on-one owing to the specific nature of functions of the chief directorates.

The branch representative deputy directors, directors and chief directors contributed to corrective actions to address outstanding performance deliverables.

**Subprogramme expenditure**

| Subprogramme                         | 2013/14             |                    |                         | 2012/13             |                    |                         |
|--------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                      | 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                   |
| Management                           | 749                 | 748                | 1                       | 926                 | 925                | 1                       |
| Aquaculture and Economic Development | 35 827              | 35 822             | 5                       | 28 743              | 28 739             | 4                       |
| Monitoring, Control and Surveillance | 72 575              | 72 571             | 4                       | 68 231              | 68 226             | 5                       |
| Marine Resources Management          | 17 979              | 17 975             | 4                       | 17 387              | 17 382             | 5                       |
| Fisheries Research and Development   | 56 993              | 56 989             | 4                       | 52 700              | 52 693             | 7                       |
| Marine Living Resources Fund         | 253 545             | 253 545            | 0                       | 316 365             | 316 365            | 0                       |
| <b>Total Programme 6</b>             | <b>437 668</b>      | <b>437 650</b>     | <b>18</b>               | <b>484 352</b>      | <b>484 330</b>     | <b>22</b>               |

## Transfer payments

### 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NAMC                                     | <p>Increasing market access to all market participants</p> <p>More efficient marketing of agricultural products</p> <p>Increased export earnings from agricultural products</p> <p>Enhanced viability of agricultural sector</p> | 33 819                                        | 33 819                                       | The strategic objectives as stated in the Strategic Plan were achieved                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Agricultural Research Council            | <p>Conducts research and develops and transfers technology that promotes the agricultural and related industries</p>                                                                                                             | 950 254                                       | 905 954                                      | <p>Peer-reviewed journals increased to 302 (more than double that from 2009)</p> <p>19 new cultivars with improved yield and nutrient content</p> <p>Increased farmer support through issuing of technologies, information dissemination, training and creation of agribusiness SMMEs</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| MLRF                                     | <p>Managing the development, management, monitoring and sustainable use of marine living resources to protect the integrity and quality of the marine ecosystem and ensure growth of the aquaculture sector</p>                  | 253 545                                       | 114 284<br>(139 261 was deferred to 2014/15) | <p>Through the Aquaculture Development and Enhancement Programme (ADEP), 20 aquaculture farms were technically and financially supported</p> <p>The General Policy on the Allocation and Management of Fishing Rights, as well as eight sector-specific policies were revised, approved and gazetted (hake handline, demersal shark, tuna pole-line, KZN prawn trawl, traditional linefish, squid, oysters and white mussels)</p> <p>In terms of a call for rights application, 593 successful applicants, of which 90% were SMMEs, were allocated to seven years commercial fishing rights in the eight fishing sectors</p> <p>Increased law enforcement efforts were exerted within four key fishery sectors, namely hake, abalone, West Coast rock lobster and traditional line fish in addition to large pelagic and squid</p> <p>The annual targets of 600 vessel inspections at sea, 800 land-based inspections and 275 rights holder investigations were all met and exceeded</p> |
| Perishable Products Export Control Board | <p>Ensure that perishable products intended for export from South Africa meet the international quality standards</p>                                                                                                            | 600                                           | 600                                          | <p>Training was provided to 25 students from previously disadvantaged communities in the Agriculture Export Technologist Programme (AETP)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ncera (Pty) Ltd                            | Assist small farmers in the Kidd's Beach area of the Eastern Cape through various services, including advice, extension, ploughing and training | 5 020                                         | 4 841                                   | Mechanisation services: Five villages were assisted<br><br>Crop Production: Vegetable produce was sold to the market and the community<br><br>Livestock: Maintained healthy and good-quality livestock, such as Nguni cattle and Boer goats                                                                                                                                                                                                                                                                                                                                                                                                            |
| Land and Agricultural Bank of South Africa | The Land Bank administers the AgriBEE Fund that allocates grants to promote rural community-based empowerment groups                            | 33 347                                        | –                                       | By instruction of National Treasury, an amount of R228,6 million was surrendered to the National Revenue Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Onderstepoort Biological Products          | Funds provided for building and modernisation of vaccine production facilities equipment                                                        | 96 500                                        | 70 900                                  | Freeze-dried viral product packaging facility completed<br><br>Vial washer and steriliser ordered<br><br>Freeze dryer replaced and upgraded<br><br>ERP system acquired (finance and manufacturing modules)<br><br>Steam generators and autoclave acquired<br><br>Automatic glass washer acquired<br><br>Sterility improved in the production area: <ul style="list-style-type: none"> <li>• By constructing alternative walkways</li> <li>• Additional doors built and access control upgraded</li> <li>• Visitor centre constructed</li> <li>• Staff common rooms removed from production area and consolidated separately from production</li> </ul> |

## TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

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

| Name of transferee | Type of organisation  | Purpose for which the funds were used | Did the dept. comply with S 38(1)(j) of the PFMA | Amount transferred (R'000) | Amount spent by the entity (R'000) | Reasons for funds not spent by the entity                                                                 |
|--------------------|-----------------------|---------------------------------------|--------------------------------------------------|----------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------|
| <i>Province</i>    |                       |                                       |                                                  |                            |                                    |                                                                                                           |
| EC                 | Provincial department | CASP, LandCare and Ilima/Letsema      | N/A                                              | 275 593                    | 272 928                            | The transfer of R3,173 million, in respect of LandCare, was withheld by the national transferring officer |
| FS                 | Provincial department | CASP, LandCare and Ilima/Letsema      | N/A                                              | 206 844                    | 204 186                            | Service provider not meeting contractual obligations                                                      |
| GP                 | Provincial department | CASP, LandCare and Ilima/Letsema      | N/A                                              | 79 581                     | 79 460                             | Service provider not meeting contractual obligations                                                      |

| 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 funds not spent by the entity            |
|--------------------------------------------------------------|-----------------------|--------------------------------------------------------|--------------------------------------------------|----------------------------|------------------------------------|------------------------------------------------------|
| KZN                                                          | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 287 036                    | 264 036                            | Service provider not meeting contractual obligations |
| LP                                                           | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 271 427                    | 266 528                            | Service provider not meeting contractual obligations |
| MP                                                           | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 185 080                    | 184 383                            | Service provider not meeting contractual obligations |
| NC                                                           | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 453 628                    | 453 628                            | N/A                                                  |
| NW                                                           | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 224 059                    | 218 409                            | Service provider not meeting contractual obligations |
| WC                                                           | Provincial department | CASP, LandCare and Ilima/Letsema                       | N/A                                              | 165 346                    | 165 346                            | N/A                                                  |
| <b>Subtotal</b>                                              |                       |                                                        |                                                  | <b>2 148 594</b>           | <b>2 108 904</b>                   |                                                      |
| <i>Municipalities</i>                                        |                       |                                                        |                                                  |                            |                                    |                                                      |
| City of Tshwane                                              | Local government      | Vehicle licences                                       | N/A                                              | 589                        | 589                                | N/A                                                  |
| Inxuba Yethemba                                              | Local government      | Vehicle licences                                       | N/A                                              | 15                         | 15                                 | N/A                                                  |
| Mbombela                                                     | Local government      | Vehicle licences                                       | N/A                                              | 1                          | 1                                  | N/A                                                  |
| Rustenburg                                                   | Local government      | Vehicle licences                                       | N/A                                              | 2                          | 2                                  | N/A                                                  |
| Langeberg                                                    | Local government      | Vehicle licences                                       | N/A                                              | 250                        | 250                                | N/A                                                  |
| City of Johannesburg                                         | Local government      | Vehicle licences                                       | N/A                                              | 250                        | 250                                | N/A                                                  |
| <b>Subtotal</b>                                              |                       |                                                        |                                                  | <b>1 107</b>               | <b>1 107</b>                       |                                                      |
| <i>Departmental agencies</i>                                 |                       |                                                        |                                                  |                            |                                    |                                                      |
| Primary Agricultural Sector Education and Training Authority | Departmental agency   | Contribution to operations                             | N/A                                              | 1 672                      | 1 672                              | N/A                                                  |
| National Student Financial Aid Scheme                        | Departmental agency   | Bursaries for agricultural studies                     | N/A                                              | 14 727                     | 14 727                             | N/A                                                  |
| Water Research Commission                                    | Departmental agency   | Contribution for research projects in water management | N/A                                              | 3 000                      | 3 000                              | N/A                                                  |
| South African Broadcasting Corporation                       | Departmental agency   | Radio and TV licences                                  | N/A                                              | 27                         | 27                                 | N/A                                                  |
| National Research Foundation                                 | Departmental agency   | To optimise DAFF's investment in research              | N/A                                              | 7 000                      | 7 000                              | N/A                                                  |
| Small Enterprise Development Agency                          | Departmental agency   | Emerging farmers' agri-business management skills      | N/A                                              | 2 000                      | 2 000                              | N/A                                                  |
| <b>Subtotal</b>                                              |                       |                                                        |                                                  | <b>28 426</b>              | <b>28 426</b>                      |                                                      |

| 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 funds not spent by the entity |
|------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------|------------------------------------|-------------------------------------------|
| <i>Higher education institutions</i>                       |                                                     |                                                                                       |                                                  |                            |                                    |                                           |
| University of Pretoria                                     | Higher education institutions                       | Promote greening                                                                      | N/A                                              | 2 191                      | 2 191                              | N/A                                       |
| University of KZN                                          | Higher education institutions                       | Contribution to student support capacity and small-scale processing plant engineering | N/A                                              | 616                        | 616                                | N/A                                       |
| <b>Subtotal</b>                                            |                                                     |                                                                                       |                                                  | <b>2 807</b>               | <b>2 807</b>                       |                                           |
| <i>Public corporations</i>                                 |                                                     |                                                                                       |                                                  |                            |                                    |                                           |
| Forest Sector Charter Council                              | Public corporation                                  | Contribution to operations                                                            | N/A                                              | 3 531                      | 3 531                              | N/A                                       |
| <b>Subtotal</b>                                            |                                                     |                                                                                       |                                                  | <b>3 531</b>               | <b>3 531</b>                       |                                           |
| <i>Private enterprises</i>                                 |                                                     |                                                                                       |                                                  |                            |                                    |                                           |
| Claims against the state                                   | Private enterprises                                 | Motor vehicle accidents                                                               | N/A                                              | 713                        | 713                                | N/A                                       |
| National Wool Growers' Association of SA                   | Private enterprises                                 | Contribution towards a scientific assessment for predator management                  | N/A                                              | 1 000                      | 1 000                              | N/A                                       |
| <b>Subtotal</b>                                            |                                                     |                                                                                       |                                                  | <b>1 713</b>               | <b>1 713</b>                       |                                           |
| <i>Foreign governments and international organisations</i> |                                                     |                                                                                       |                                                  |                            |                                    |                                           |
| Foreign rates and taxes                                    | Foreign governments and international organisations | Rates and taxes paid in foreign region                                                | N/A                                              | 304                        | 304                                | N/A                                       |
| International organisations                                | Foreign governments and international organisations | Membership fees                                                                       | N/A                                              | 33 224                     | 33 224                             | N/A                                       |
| Food and Agriculture Organization of the United Nations    | Foreign governments and international organisations | Contribution to World Forest Congress                                                 | N/A                                              | 10 917                     | 10 917                             | N/A                                       |
| Food and Agriculture Organization of the United Nations    | Foreign governments and international organisations | Pledge to the African Solidarity Trust Fund                                           | N/A                                              | 2 000                      | 2 000                              | N/A                                       |
| <b>Subtotal</b>                                            |                                                     |                                                                                       |                                                  | <b>46 445</b>              | <b>46 445</b>                      |                                           |
| <i>Non-profit institutions</i>                             |                                                     |                                                                                       |                                                  |                            |                                    |                                           |
| Deciduous Fruit Producers' Trust                           | Non-profit institution                              | Contribution to the pest control programme                                            | N/A                                              | 7 649                      | 7 649                              | N/A                                       |
| Forestry South Africa                                      | Non-profit institution                              | Promote greening                                                                      | N/A                                              | 5 788                      | 5 788                              | N/A                                       |
| Colleges in the sector                                     | Non-profit institution                              | Contribution to tuition and book fees of agricultural students                        | N/A                                              | 1 508                      | 1 508                              | N/A                                       |

| 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 funds not spent by the entity |
|-----------------------------------|------------------------|----------------------------------------------------------|--------------------------------------------------|----------------------------|------------------------------------|-------------------------------------------|
| LIMA Rural Development Foundation | Non-profit institution | Contribution to UMA Rural Development Foundation         | N/A                                              | 4 081                      | 4 081                              | N/A                                       |
| <b>Subtotal</b>                   |                        |                                                          |                                                  | <b>19 026</b>              | <b>19 026</b>                      |                                           |
| <i>Households</i>                 |                        |                                                          |                                                  |                            |                                    |                                           |
| Social benefits                   | Households             | Leave gratuities                                         | N/A                                              | 10 778                     | 10 778                             | N/A                                       |
| Claims against the state          | Households             | Excess payment, subsidised motor insurance               | N/A                                              | 62                         | 62                                 | N/A                                       |
|                                   |                        | Grootfontein Agricultural Development Institute students |                                                  |                            |                                    |                                           |
| Bursaries (non-employees)         | Households             |                                                          | N/A                                              | 1 325                      | 1 325                              | N/A                                       |
| Female Entrepreneur Awards        | Households             | Prize money                                              | N/A                                              | 1 050                      | 1 050                              | N/A                                       |
| <b>Subtotal</b>                   |                        |                                                          |                                                  | <b>13 215</b>              | <b>13 215</b>                      |                                           |

The following table reflects the transfer payments which were budgeted for in the period 1 April 2013 to 31 March 2014, but no transfer payments were made.

| Name of transferee                   | Purpose for which the funds were to be used | Amount budgeted for (R'000) | Amount transferred (R'000) | Reasons why funds were not transferred |
|--------------------------------------|---------------------------------------------|-----------------------------|----------------------------|----------------------------------------|
| <i>Agencies</i>                      |                                             |                             |                            |                                        |
| Water Research Commission            | Contribution for research project           | 3 000                       | –                          | Project was stopped                    |
| <i>Higher education institutions</i> |                                             |                             |                            |                                        |
| University of Fort Hare              | Contribution to research on animal traction | 3 000                       | –                          | MoU was not finalised                  |
| <i>Non-profit institutions</i>       |                                             |                             |                            |                                        |
| Food and Trees for Africa            | School greening                             | 300                         | –                          | MoU was not finalised                  |
| <b>Total</b>                         |                                             | <b>6 300</b>                | <b>–</b>                   |                                        |

## Conditional grants

### CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

The tables below describe each of the conditional grants paid by the department.

#### CONDITIONAL GRANT 1: Comprehensive Agricultural Support Programme (CASP)

| Department to whom the grant has been transferred                        |                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Eastern Cape: Department of Rural Development and Agrarian Reform</i> |                                                                                                                                                                                                                                                                                                                                        |
| Purpose of the grant                                                     | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports |

| Department to whom the grant has been transferred                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Eastern Cape: Department of Rural Development and Agrarian Reform (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Expected outputs of the grant                                                    | <ul style="list-style-type: none"> <li>• 4 694 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 700 youth and 1 928 female farmers supported through CASP</li> <li>• 65 on/off farm infrastructure provided</li> <li>• 1 840 beneficiaries of CASP trained on farming methods</li> <li>• 4 694 beneficiaries of CASP with markets identified</li> <li>• 1 261 jobs created</li> <li>• 113 extension personnel recruited and maintained in the system</li> <li>• 202 extension officers upgraded qualifications at various institutions</li> <li>• 3 successful partnerships created to support farmers</li> </ul>                |
| Actual outputs achieved                                                          | <ul style="list-style-type: none"> <li>• 1 646 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 304 youth and 602 female farmers supported through CASP</li> <li>• 59 on/off farm infrastructure projects completed</li> <li>• 1 474 beneficiaries of CASP trained on farming methods</li> <li>• 1 646 beneficiaries of CASP with markets identified</li> <li>• 998 temporary jobs created</li> <li>• 16 extension personnel recruited and maintained in the system</li> <li>• 150 extension officers upgraded qualifications at various institutions</li> <li>• 3 successful partnerships created to support farmers</li> </ul> |
| Amount per amended DoRA (R'000)                                                  | R219 055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Amount transferred (R'000)                                                       | R219 055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Reasons if amount as per DoRA was not transferred (R'000)                        | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Amount spent by the department (R'000)                                           | R216 390                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Reasons for the funds unspent                                                    | Service provider did not meet contractual obligations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Monitoring mechanism by the transferring department                              | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <i>Free State: Department of Agriculture and Rural Development</i>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Purpose of the grant                                                             | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                                            |
| Expected outputs of the grant                                                    | <ul style="list-style-type: none"> <li>• 238 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 60 youth and 102 female farmers supported through CASP</li> <li>• 9 on/off farm infrastructure provided</li> <li>• 950 beneficiaries of CASP trained on farming methods</li> <li>• 100 beneficiaries of CASP with markets identified</li> <li>• 546 jobs created</li> <li>• 51 extension personnel recruited and maintained in the system</li> <li>• 275 extension officers upgraded qualifications at various institutions</li> <li>• 0 successful partnerships created to support farmers</li> </ul>                             |
| Actual outputs achieved                                                          | <ul style="list-style-type: none"> <li>• 220 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 0 youth and 24 female farmers supported through CASP</li> <li>• 8 on/off farm infrastructure projects completed</li> <li>• 1 210 beneficiaries of CASP trained on farming methods</li> <li>• 220 beneficiaries of CASP with markets identified</li> <li>• 610 temporary jobs created</li> <li>• 43 extension personnel recruited and maintained in the system</li> <li>• 78 extension officers upgraded qualifications at various institutions</li> <li>• 0 successful partnerships created to support farmers</li> </ul>          |

| Department to whom the grant has been transferred                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Free State: Department of Agriculture and Rural Development (cont.)</i>                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Amount per amended DoRA (R'000)                                                              | R140 274                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Amount transferred (R'000)                                                                   | R140 274                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Reasons if amount as per DoRA was not transferred (R'000)                                    | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amount spent by the department (R'000)                                                       | R140 274                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Reasons for the funds unspent                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Monitoring mechanism by the transferring department                                          | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <i>Gauteng: Department of Agriculture and Rural Development</i>                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Purpose of the grant                                                                         | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                          |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 600 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 59 youth and female farmers supported through CASP</li> <li>• 26 on/off farm infrastructure provided</li> <li>• 400 beneficiaries of CASP trained on farming methods</li> <li>• 30 beneficiaries of CASP with markets identified</li> <li>• 200 jobs created</li> <li>• 58 extension personnel recruited and maintained in the system</li> <li>• 15 extension officers upgraded qualifications at various institutions</li> <li>• 4 successful partnerships created to support farmers</li> </ul>                |
| Actual outputs achieved                                                                      | <ul style="list-style-type: none"> <li>• 359 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 46 youth and female farmers supported through CASP</li> <li>• 2 on/off farm infrastructure provided</li> <li>• 309 beneficiaries of CASP trained on farming methods</li> <li>• 41 beneficiaries of CASP with markets identified</li> <li>• 132 jobs created</li> <li>• 51 extension personnel recruited and maintained in the system</li> <li>• 7 extension officers upgraded qualifications at various institutions</li> <li>• 3 successful partnerships created to support farmers</li> </ul>                  |
| Amount per amended DoRA (R'000)                                                              | R55 880                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Amount transferred (R'000)                                                                   | R55 880                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reasons if amount as per DoRA was not transferred                                            | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amount spent by the department (R'000)                                                       | R55 759                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reasons for the funds unspent                                                                | Service provider did not meet contractual obligations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Monitoring mechanism by the transferring department                                          | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Purpose of the grant                                                                         | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                          |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 4 072 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 553 youth and 4 620 female farmers supported through CASP</li> <li>• 24 on/off farm infrastructure provided</li> <li>• 2 500 beneficiaries of CASP trained on farming methods</li> <li>• 124 beneficiaries of CASP with markets identified</li> <li>• 1 500 jobs created</li> <li>• 37 extension personnel recruited and maintained in the system</li> <li>• 369 extension officers upgraded qualifications at various institutions</li> <li>• 2 successful partnerships created to support farmers</li> </ul> |

| Department to whom the grant has been transferred                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Actual outputs achieved                                                                              | <ul style="list-style-type: none"> <li>• 4 072 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 1 272 youth and 3 018 female farmers supported through CASP</li> <li>• 35 on/off farm infrastructure projects completed</li> <li>• 3 000 beneficiaries of CASP trained on farming methods</li> <li>• 124 beneficiaries of CASP with markets identified</li> <li>• 2 257 temporary jobs created</li> <li>• 360 extension personnel recruited and maintained in the system</li> <li>• 55 extension officers upgraded qualifications at various institutions</li> <li>• 6 successful partnerships created to support farmers</li> </ul>                                                                |
| Amount per amended DoRA (R'000)                                                                      | R202 522                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amount transferred (R'000)                                                                           | R202 522                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Reasons if amount as per DoRA was not transferred (R'000)                                            | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount spent by the department (R'000)                                                               | R202 522                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Reasons for the funds unspent                                                                        | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Monitoring mechanism by the transferring department                                                  | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <i>Limpopo: Department of Agriculture</i>                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Purpose of the grant                                                                                 | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                                                                                                               |
| Expected outputs of the grant                                                                        | <ul style="list-style-type: none"> <li>• 8 378 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 51 youth and 854 female farmers supported through CASP</li> <li>• 91 projects with infrastructure repaired</li> <li>• 300 beneficiaries of CASP trained on farming methods</li> <li>• 300 beneficiaries of CASP with markets identified</li> <li>• 5 000 jobs created</li> <li>• 56 extension personnel recruited and maintained in the system</li> <li>• 100 extension officers upgraded qualifications at various institutions</li> <li>• 6 000 ha of land ploughed and planted</li> <li>• 1 successful partnership created to support farmers</li> </ul>                                         |
| Actual outputs achieved                                                                              | <ul style="list-style-type: none"> <li>• 20 164 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 22 youth and 372 female farmers supported through CASP</li> <li>• 89 projects with infrastructure repaired</li> <li>• 721 beneficiaries of CASP trained on farming methods</li> <li>• 700 beneficiaries of CASP with markets identified</li> <li>• 6 840 permanent jobs and 5 299 temporary jobs created</li> <li>• 168 extension personnel recruited and maintained in the system</li> <li>• 102 extension officers upgrading qualifications in various institutions</li> <li>• 56 000 ha of land ploughed and planted</li> <li>• 0 successful partnerships created to support farmers</li> </ul> |
| Amount per amended DoRA (R'000)                                                                      | R208 020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amount transferred (R'000)                                                                           | R208 020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Reasons if amount as per DoRA was not transferred                                                    | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount spent by the department (R'000)                                                               | R208 020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Reasons for the funds unspent                                                                        | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Monitoring mechanism by the transferring department                                                  | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

## Department to whom the grant has been transferred

### *Mpumalanga: Department of Agriculture, Rural Development and Land Administration*

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose of the grant                                | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                        |
| Expected outputs of the grant                       | <ul style="list-style-type: none"> <li>• 9 488 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 351 youth and 3 359 female farmers supported through CASP</li> <li>• 34 on/off farm infrastructure provided</li> <li>• 3 000 beneficiaries of CASP trained on farming methods</li> <li>• 9 488 beneficiaries of CASP with markets identified</li> <li>• 974 jobs created</li> <li>• 30 extension personnel recruited and maintained in the system</li> <li>• 77 extension officers upgraded qualifications at various institutions</li> <li>• 1 successful partnership created to support farmers</li> </ul> |
| Actual outputs achieved                             | <ul style="list-style-type: none"> <li>• 8 022 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 336 youth and 2 982 female farmers supported through CASP</li> <li>• 17 on/off farm infrastructure provided</li> <li>• 6 201 beneficiaries of CASP trained on farming methods</li> <li>• 8 022 beneficiaries of CASP with markets identified</li> <li>• 626 jobs created</li> <li>• 21 extension personnel recruited and maintained in the system</li> <li>• 51 extension officers upgraded qualifications at various institutions</li> <li>• 1 successful partnership created to support farmers</li> </ul> |
| Amount per amended DoRA (R'000)                     | R130 986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Amount transferred (R'000)                          | R130 986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Reasons if amount as per DoRA was not transferred   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Amount spent by the department (R'000)              | R130 289                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Reasons for the funds unspent                       | Service provider did not meet contractual obligations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Monitoring mechanism by the transferring department | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

### *Northern Cape: Department of Agriculture, Land Reform and Rural Development*

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose of the grant          | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                  |
| Expected outputs of the grant | <ul style="list-style-type: none"> <li>• 830 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 80 youth and 250 female farmers supported through CASP</li> <li>• 40 on/off farm infrastructure provided</li> <li>• 800 beneficiaries of CASP trained on farming methods</li> <li>• 900 beneficiaries of CASP with markets identified</li> <li>• 1 000 jobs created</li> <li>• 37 extension personnel recruited and maintained in the system</li> <li>• 15 extension officers upgraded qualifications at various institutions</li> <li>• 2 successful partnerships created to support farmers</li> </ul> |
| Actual outputs achieved       | <ul style="list-style-type: none"> <li>• 929 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 83 youth and 255 female farmers supported through CASP</li> <li>• 40 on/off farm infrastructure provided</li> <li>• 1 354 beneficiaries of CASP trained on farming methods</li> <li>• 929 beneficiaries of CASP with markets identified</li> </ul>                                                                                                                                                                                                                                                       |

| Department to whom the grant has been transferred                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Northern Cape: Department of Agriculture, Land Reform and Rural Development (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                                                                            | <ul style="list-style-type: none"> <li>• 235 jobs created</li> <li>• 0 extension personnel recruited and 37 maintained in the system</li> <li>• 15 extension officers upgraded qualifications at various institutions</li> <li>• 3 successful partnerships created to support farmers</li> </ul>                                                                                                                                                                                                                                                                                                                                          |
| Amount per amended DoRA (R'000)                                                            | R371 539                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                                 | R371 539                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                          | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amount spent by the department (R'000)                                                     | R371 539                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                              | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Monitoring mechanism by the transferring department                                        | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <i>North West: Department of Agriculture and Rural Development</i>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Purpose of the grant                                                                       | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                    |
| Expected outputs of the grant                                                              | <ul style="list-style-type: none"> <li>• 5 535 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 5 842 youth and female farmers supported through CASP</li> <li>• 77 on/off farm infrastructure provided</li> <li>• 662 beneficiaries of CASP trained on farming methods</li> <li>• 5 535 beneficiaries of CASP with markets identified</li> <li>• 1 638 jobs created</li> <li>• 42 extension personnel recruited and maintained in the system</li> <li>• 0 extension officers upgraded qualifications at various institutions</li> <li>• 5 successful partnerships created to support farmers</li> </ul> |
| Actual outputs achieved                                                                    | <ul style="list-style-type: none"> <li>• 4 047 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 2 644 youth and female farmers supported through CASP</li> <li>• 77 on/off farm infrastructure provided</li> <li>• 284 beneficiaries of CASP trained on farming methods</li> <li>• 5 146 beneficiaries of CASP with markets identified</li> <li>• 1 125 jobs created</li> <li>• 49 extension personnel recruited and maintained in the system</li> <li>• 0 extension officers upgraded qualifications at various institutions</li> <li>• 5 successful partnerships created to support farmers</li> </ul> |
| Amount per amended DoRA (R'000)                                                            | R169 663                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                                 | R169 663                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                          | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amount spent by the department (R'000)                                                     | R165 198                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                              | Service provider did not meet contractual obligations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Monitoring mechanism by the transferring department                                        | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <i>Western Cape: Department of Agriculture</i>                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Purpose of the grant                                                                       | To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land reform's restitution and redistribution; and other black producers who have acquired land through private means and are engaged in value-adding enterprises domestically or involved in exports                                                                                                                                                                                                                                                                                                    |

| Department to whom the grant has been transferred      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Western Cape: Department of Agriculture (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Expected outputs of the grant                          | <ul style="list-style-type: none"> <li>• 470 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 1 500 youth and 500 female farmers supported through CASP</li> <li>• 27 on/off farm infrastructure provided</li> <li>• 30 beneficiaries of CASP trained on farming methods</li> <li>• 400 beneficiaries of CASP with markets identified</li> <li>• 380 jobs created</li> <li>• 79 extension personnel recruited and maintained in the system</li> <li>• 11 extension officers upgraded qualifications at various institutions</li> <li>• 10 successful partnerships created to support farmers</li> <li>• 309 ha of land ploughed and planted</li> </ul> |
| Actual outputs achieved                                | <ul style="list-style-type: none"> <li>• 542 subsistence, smallholder and commercial farmers supported through CASP</li> <li>• 1 729 youth and 652 female farmers supported through CASP</li> <li>• 32 on/off farm infrastructure provided</li> <li>• 36 beneficiaries of CASP trained on farming methods</li> <li>• 432 beneficiaries of CASP with markets identified</li> <li>• 436 jobs created</li> <li>• 79 extension personnel recruited and maintained in the system</li> <li>• 7 extension officers upgraded qualifications at various institutions</li> <li>• 10 successful partnerships created to support farmers</li> <li>• 652 ha of land ploughed and planted</li> </ul>  |
| Amount per amended DoRA                                | R106 376                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Amount transferred (R'000)                             | R106 376                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Reasons if amount as per DoRA was not transferred      | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Amount spent by the department (R'000)                 | R106 376                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Reasons for the funds unspent                          | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Monitoring mechanism by the transferring department    | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

#### CONDITIONAL GRANT 2: Ilima/Letsema

| Department to whom the grant has been transferred                        |                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Eastern Cape: Department of Rural Development and Agrarian Reform</i> |                                                                                                                                                                                                                                                                                         |
| Purpose of the grant                                                     | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                              |
| Expected outputs of the grant                                            | <ul style="list-style-type: none"> <li>• 7 915 ha planted</li> <li>• 0 tons of maize produced within agricultural development corridors</li> <li>• 16 796 beneficiaries/entrepreneurs supported by the grant</li> <li>• 510 ha rehabilitated and expanded irrigation schemes</li> </ul> |
| Actual outputs achieved                                                  | <ul style="list-style-type: none"> <li>• Total of 6 110 ha planted</li> <li>• 16 000 tons of maize produced</li> <li>• Total of 6 407 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul>                       |
| Amount per amended DoRA (R'000)                                          | R43 845                                                                                                                                                                                                                                                                                 |
| Amount transferred (R'000)                                               | R43 845                                                                                                                                                                                                                                                                                 |
| Reasons if amount as per DoRA was not transferred                        | N/A                                                                                                                                                                                                                                                                                     |
| Amount spent by the department (R'000)                                   | R43 845                                                                                                                                                                                                                                                                                 |
| Reasons for the funds unspent                                            | N/A                                                                                                                                                                                                                                                                                     |
| Monitoring mechanism by the transferring department                      | Project verification visits and reports per quarter                                                                                                                                                                                                                                     |

| Department to whom the grant has been transferred                                            |                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Free State: Department of Agriculture and Rural Development</i>                           |                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose of the grant                                                                         | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                               |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 3 447 ha planted</li> <li>• 0 tons of maize produced within agricultural development corridors</li> <li>• 6 497 beneficiaries/entrepreneurs supported by the grant</li> <li>• 8 newly established infrastructure/plants through the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul>              |
| Actual outputs achieved                                                                      | <ul style="list-style-type: none"> <li>• 1 947 ha planted</li> <li>• 0 tons of maize produced within agricultural development corridors</li> <li>• 11 950 beneficiaries/entrepreneurs supported by the grant</li> <li>• 8 newly established infrastructure/plants through the grant</li> <li>• 30 ha rehabilitated and expanded irrigation schemes</li> </ul>            |
| Amount per amended DoRA (R'000)                                                              | R57 999                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                                   | R57 999                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                            | N/A                                                                                                                                                                                                                                                                                                                                                                      |
| Amount spent by the department (R'000)                                                       | R55 341                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                                | <p>Poor performance by service providers</p> <p>Delay in procurement process</p>                                                                                                                                                                                                                                                                                         |
| Monitoring mechanism by the transferring department                                          | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                      |
| <i>Gauteng: Department of Agriculture and Rural Development</i>                              |                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose of the grant                                                                         | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                               |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 2 045 ha planted</li> <li>• 12 270 tons maize produced within agricultural development corridors</li> <li>• 47 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 smallholder farmer supported with production inputs (maize, piggery and poultry)</li> </ul>                                                      |
| Actual outputs achieved                                                                      | <ul style="list-style-type: none"> <li>• 2 089 ha planted</li> <li>• 12 534 tons of maize produced within agricultural development corridors</li> <li>• 0 beneficiaries/entrepreneurs supported by the grant</li> <li>• 143 smallholder farmers supported with production inputs (maize, piggery and poultry)</li> </ul>                                                 |
| Amount per amended DoRA (R'000)                                                              | R17 538                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                                   | R17 538                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                            | N/A                                                                                                                                                                                                                                                                                                                                                                      |
| Amount spent by the department (R'000)                                                       | R17 538                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                      |
| Monitoring mechanism by the transferring department                                          | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                      |
| <i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development</i> |                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose of the grant                                                                         | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                               |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 6 767 ha planted</li> <li>• 33 932 tons of maize produced within agricultural development corridors</li> <li>• 11 206 beneficiaries/entrepreneurs supported by the grant</li> <li>• 9 newly established infrastructure/plants through the grant</li> <li>• 24 000 beneficiaries/entrepreneurs supported by the grant</li> </ul> |

| Department to whom the grant has been transferred                                                    |                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                         |
| Actual outputs achieved                                                                              | <ul style="list-style-type: none"> <li>• 8 483 ha planted</li> <li>• 25 450 tons of maize produced within agricultural development corridors</li> <li>• 3 590 beneficiaries/entrepreneurs supported by the grant</li> <li>• 8 newly established infrastructure/plants through the grant</li> <li>• 25 000 beneficiaries/entrepreneurs supported by the grant</li> </ul> |
| Amount per amended DoRA (R'000)                                                                      | R65 768                                                                                                                                                                                                                                                                                                                                                                 |
| Amount transferred (R'000)                                                                           | R65 768                                                                                                                                                                                                                                                                                                                                                                 |
| Reasons if amount as per DoRA was not transferred                                                    | N/A                                                                                                                                                                                                                                                                                                                                                                     |
| Amount spent by the department (R'000)                                                               | R42 768                                                                                                                                                                                                                                                                                                                                                                 |
| Reasons for the funds unspent                                                                        | Poor performance by service providers<br>Delay in procurement process                                                                                                                                                                                                                                                                                                   |
| Monitoring mechanism by the transferring department                                                  | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                     |
| <i>Limpopo: Department of Agriculture</i>                                                            |                                                                                                                                                                                                                                                                                                                                                                         |
| Purpose of the grant                                                                                 | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                              |
| Expected outputs of the grant                                                                        | <ul style="list-style-type: none"> <li>• 37 873 ha planted</li> <li>• 7 285 tons of maize produced within agricultural development corridors</li> <li>• 6 110 beneficiaries/entrepreneurs supported by the grant</li> <li>• 172 newly established infrastructure/plants through the grant</li> </ul>                                                                    |
| Actual outputs achieved                                                                              | <ul style="list-style-type: none"> <li>• 45 623 ha planted</li> <li>• 0 tons maize produced within agricultural development corridors</li> <li>• 9 220 beneficiaries/entrepreneurs supported by the grant</li> <li>• 172 newly established infrastructure/plants through the grant</li> </ul>                                                                           |
| Amount per amended DoRA (R'000)                                                                      | R43 845                                                                                                                                                                                                                                                                                                                                                                 |
| Amount transferred (R'000)                                                                           | R43 845                                                                                                                                                                                                                                                                                                                                                                 |
| Reasons if amount as per DoRA was not transferred                                                    | N/A                                                                                                                                                                                                                                                                                                                                                                     |
| Amount spent by the department (R'000)                                                               | R42 353                                                                                                                                                                                                                                                                                                                                                                 |
| Reasons for the funds unspent                                                                        | Poor performance by service providers<br>Delay in procurement process                                                                                                                                                                                                                                                                                                   |
| Monitoring mechanism by the transferring department                                                  | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                     |
| <i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration</i>              |                                                                                                                                                                                                                                                                                                                                                                         |
| Purpose of the grant                                                                                 | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                              |
| Expected outputs of the grant                                                                        | <ul style="list-style-type: none"> <li>• 33 960 ha planted</li> <li>• 32 500 tons of maize produced within agricultural development corridors</li> <li>• 18 740 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 newly established infrastructure/plants through the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul>      |
| Actual outputs achieved                                                                              | <ul style="list-style-type: none"> <li>• 20 952 ha planted</li> <li>• 19 463 tons of maize produced within agricultural development corridors</li> <li>• 6 573 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 newly established infrastructure/plants through the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul>       |

| Department to whom the grant has been transferred                                               |                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                      |
| Amount per amended DoRA (R'000)                                                                 | R43 845                                                                                                                                                                                                                                                                                                                                                              |
| Amount transferred (R'000)                                                                      | R43 845                                                                                                                                                                                                                                                                                                                                                              |
| Reasons if amount as per DoRA was not transferred                                               | N/A                                                                                                                                                                                                                                                                                                                                                                  |
| Amount spent by the department (R'000)                                                          | R43 845                                                                                                                                                                                                                                                                                                                                                              |
| Reasons for the funds unspent                                                                   | N/A                                                                                                                                                                                                                                                                                                                                                                  |
| Monitoring mechanism by the transferring department                                             | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                  |
| <i>Northern Cape: Department of Agriculture, Land Reform and Rural Development</i>              |                                                                                                                                                                                                                                                                                                                                                                      |
| Purpose of the grant                                                                            | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                           |
| Expected outputs of the grant                                                                   | <ul style="list-style-type: none"> <li>• 1 055 ha planted</li> <li>• 10 350 tons produced within agricultural development corridors, e.g. maize</li> <li>• 3 440 beneficiaries/entrepreneurs supported by the grant</li> <li>• 10 newly established infrastructure/plants through the grant</li> <li>• 2 ha rehabilitated and expanded irrigation schemes</li> </ul> |
| Actual outputs achieved                                                                         | <ul style="list-style-type: none"> <li>• 1 198 ha planted</li> <li>• 10 350 tons of maize produced within agricultural development corridors</li> <li>• 6 149 beneficiaries/entrepreneurs supported by the grant</li> <li>• 11 newly established infrastructure/plants through the grant</li> <li>• 2 ha rehabilitated and expanded irrigation schemes</li> </ul>    |
| Amount per amended DoRA (R'000)                                                                 | R70 034                                                                                                                                                                                                                                                                                                                                                              |
| Amount transferred (R'000)                                                                      | R70 034                                                                                                                                                                                                                                                                                                                                                              |
| Reasons if amount as per DoRA was not transferred                                               | N/A                                                                                                                                                                                                                                                                                                                                                                  |
| Amount spent by the department (R'000)                                                          | R70 034                                                                                                                                                                                                                                                                                                                                                              |
| Reasons for the funds unspent                                                                   | N/A                                                                                                                                                                                                                                                                                                                                                                  |
| Monitoring mechanism by the transferring department                                             | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                  |
| <i>North West: Department of Agriculture and Rural Development</i>                              |                                                                                                                                                                                                                                                                                                                                                                      |
| Purpose of the grant                                                                            | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                                                                                                           |
| Expected outputs of the grant                                                                   | <ul style="list-style-type: none"> <li>• 15 164 ha planted</li> <li>• 605 beneficiaries/entrepreneurs supported by the grant</li> <li>• 20 newly established infrastructure/plants through the grant</li> </ul>                                                                                                                                                      |
| Actual outputs achieved                                                                         | <ul style="list-style-type: none"> <li>• 11 762 ha planted</li> <li>• 442 beneficiaries/entrepreneurs supported by the grant</li> <li>• 20 newly established infrastructure/plants through the grant</li> </ul>                                                                                                                                                      |
| Amount per amended DoRA (R'000)                                                                 | R43 845                                                                                                                                                                                                                                                                                                                                                              |
| Amount transferred (R'000)                                                                      | R43 845                                                                                                                                                                                                                                                                                                                                                              |
| Reasons if amount as per DoRA was not transferred                                               | N/A                                                                                                                                                                                                                                                                                                                                                                  |
| Amount spent by the department (R'000)                                                          | R42 068                                                                                                                                                                                                                                                                                                                                                              |
| Reasons for the funds unspent                                                                   | <p>Poor performance by service providers</p> <p>Delay in procurement process</p>                                                                                                                                                                                                                                                                                     |
| Monitoring mechanism by the transferring department                                             | Project verification visits and reports per quarter                                                                                                                                                                                                                                                                                                                  |

| Department to whom the grant has been transferred   |                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Western Cape: Department of Agriculture</i>      |                                                                                                                                                                                                                                                                           |
| Purpose of the grant                                | To assist vulnerable South African farming communities to achieve an increase in agricultural production and invest in infrastructure that unlocks agricultural production                                                                                                |
| Expected outputs of the grant                       | <ul style="list-style-type: none"> <li>• 138 ha planted</li> <li>• 620 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 newly established infrastructure/plants through the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul> |
| Actual outputs achieved                             | <ul style="list-style-type: none"> <li>• 185 ha planted</li> <li>• 758 beneficiaries/entrepreneurs supported by the grant</li> <li>• 0 newly established infrastructure/plants through the grant</li> <li>• 0 ha rehabilitated and expanded irrigation schemes</li> </ul> |
| Amount per amended DoRA (R'000)                     | R51 737                                                                                                                                                                                                                                                                   |
| Amount transferred (R'000)                          | R51 737                                                                                                                                                                                                                                                                   |
| Reasons if amount as per DoRA was not transferred   | N/A                                                                                                                                                                                                                                                                       |
| Amount spent by the department (R'000)              | R51 737                                                                                                                                                                                                                                                                   |
| Reasons for the funds unspent                       | N/A                                                                                                                                                                                                                                                                       |
| Monitoring mechanism by the transferring department | Project verification visits and reports per quarter                                                                                                                                                                                                                       |

### CONDITIONAL GRANT 3: LandCare

| Department to whom the grant has been transferred                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Eastern Cape: Department of Rural Development and Agrarian Reform</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Purpose of the grant                                                     | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Expected outputs of the grant                                            | <ul style="list-style-type: none"> <li>• 4 282 ha rangeland protected and rehabilitated</li> <li>• 2 838 ha soil cultivated/land protected and rehabilitated</li> <li>• 510 Junior LandCare beneficiaries involved in the programme</li> <li>• 2 capacity-building initiatives conducted</li> <li>• 647 beneficiaries benefitting from capacity-building initiatives</li> <li>• 2 awareness campaigns conducted</li> <li>• 1 088 people with an increased awareness</li> <li>• 8 968 ha of land where weeds and invader plants are under control</li> <li>• 223 km of fence erected</li> <li>• 800 green jobs created</li> <li>• 40 beneficiaries adopting/practising sustainable production technologies and practices</li> </ul>                         |
| Actual outputs achieved                                                  | <ul style="list-style-type: none"> <li>• 2 557 ha rangeland protected and rehabilitated</li> <li>• 1 312 ha soil cultivated land protected and rehabilitated</li> <li>• 110 Junior LandCare beneficiaries involved in the programme</li> <li>• 3 capacity-building initiatives conducted and LandCarers attended</li> <li>• 362 beneficiaries benefitting from capacity-building initiatives</li> <li>• 2 awareness campaigns conducted</li> <li>• 1 212 people with an increased awareness</li> <li>• 5 397 ha of land where weeds and invader plants are under control</li> <li>• 99 km of fence erected</li> <li>• 819 green jobs created</li> <li>• 775 beneficiaries adopting/practising sustainable production technologies and practices</li> </ul> |

| Department to whom the grant has been transferred                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Eastern Cape: Department of Rural Development and Agrarian Reform (cont.)</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Amount per amended DoRA (R'000)                                                  | R15 866                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Amount transferred (R'000)                                                       | R12 693                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reasons if amount as per DoRA was not transferred                                | An amount of R3,173 million was not transferred due to underperformance by the province and non-compliance to the National Grant Framework                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Amount spent by the department/municipality (R'000)                              | R12 693                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reasons for the funds unspent by the entity                                      | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Monitoring mechanism by the transferring department                              | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                            |
| <i>Free State: Department of Agriculture and Rural Development</i>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Purpose of the grant                                                             | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                           |
| Expected outputs of the grant                                                    | <ul style="list-style-type: none"> <li>• 5 000 ha of rangeland protected and rehabilitated</li> <li>• 783 ha of soil cultivated land protected and rehabilitated</li> <li>• 1 000 Junior LandCare beneficiaries involved in the programme</li> <li>• 3 capacity-building initiatives conducted and LandCarers attended</li> <li>• 5 awareness campaigns conducted and LandCarers attended</li> <li>• 3 570 ha of land where weeds and invader plants are under control</li> <li>• 200 km of fence erected</li> <li>• 300 temporary jobs were created</li> </ul> |
| Actual outputs achieved                                                          | <ul style="list-style-type: none"> <li>• 3 000 ha rangeland protected and rehabilitated</li> <li>• 976 ha soil cultivated/land protected and rehabilitated</li> <li>• 1 000 Junior LandCare beneficiaries involved in the programme</li> <li>• 3 capacity-building initiatives conducted and LandCarers attended</li> <li>• 8 awareness campaigns conducted and LandCarers attended</li> <li>• 6 490 ha of land where weeds and invader plants are under control</li> <li>• 200 km of fence erected</li> <li>• 341 temporary jobs were created</li> </ul>       |
| Amount per amended DoRA (R'000)                                                  | R8 571                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Amount transferred (R'000)                                                       | R8 571                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Reasons if amount as per DoRA was not transferred                                | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Amount spent by the department (R'000)                                           | R8 571                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Reasons for the funds unspent                                                    | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Monitoring mechanism by the transferring department                              | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                            |
| <i>Gauteng: Department of Agriculture and Rural Development</i>                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Purpose of the grant                                                             | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                           |
| Expected outputs of the grant                                                    | <ul style="list-style-type: none"> <li>• 0 ha rangeland protected and rehabilitated</li> <li>• 1 ha of water resources protected and rehabilitated</li> <li>• 630 ha of land where weeds and invader plants are under control</li> <li>• 14 km of fence erected</li> </ul>                                                                                                                                                                                                                                                                                      |
| Actual outputs achieved                                                          | <ul style="list-style-type: none"> <li>• 5,54 ha rangeland protected and rehabilitated</li> <li>• 1 ha of water resources protected and rehabilitated</li> <li>• 859,3 ha of land where weeds and invader plants are under control</li> <li>• 13 km of fence erected</li> </ul>                                                                                                                                                                                                                                                                                 |

| Department to whom the grant has been transferred                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Gauteng: Department of Agriculture and Rural Development (cont.)</i>                      |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Amount per amended DoRA (R'000)                                                              | R6 163                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Amount transferred (R'000)                                                                   | R6 163                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Reasons if amount as per DoRA was not transferred                                            | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Amount spent by the department (R'000)                                                       | R6 163                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Reasons for the funds unspent                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Monitoring mechanism by the transferring department                                          | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                       |
| <i>KwaZulu-Natal: Department of Agriculture, Environmental Affairs and Rural Development</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Purpose of the grant                                                                         | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                      |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 120 Junior LandCare beneficiaries involved in the programme</li> <li>• 473 beneficiaries benefitting from capacity-building initiatives</li> <li>• 10 awareness campaigns conducted and LandCarers attended</li> <li>• 4 127 ha of land where weeds and invader plants are under control</li> <li>• 131 km of fence erected</li> <li>• 816 jobs to be created</li> </ul>                          |
| Actual outputs achieved                                                                      | <ul style="list-style-type: none"> <li>• 120 Junior LandCare beneficiaries involved in the programme</li> <li>• 615 beneficiaries benefitting from capacity-building initiatives</li> <li>• 11 awareness campaigns conducted and LandCarers attended</li> <li>• 2 723,5 ha of land where weeds and invader plants are under control</li> <li>• 48 km of fence erected</li> <li>• 895 jobs were created</li> </ul>                          |
| Amount per amended DoRA (R'000)                                                              | R18 746                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Amount transferred (R'000)                                                                   | R18 746                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Reasons if amount as per DoRA was not transferred                                            | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Amount spent by the department (R'000)                                                       | R18 746                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Reasons for the funds unspent                                                                | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Monitoring mechanism by the transferring department                                          | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                       |
| <i>Limpopo: Department of Agriculture</i>                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Purpose of the grant                                                                         | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                      |
| Expected outputs of the grant                                                                | <ul style="list-style-type: none"> <li>• 20 capacity-building initiatives conducted and LandCarers attended</li> <li>• 270 awareness campaigns conducted and LandCarers attended</li> <li>• 3 500 ha of land where weeds and invader plants are under control</li> <li>• 251 km of fence erected</li> <li>• 1 500 beneficiaries adopting LandCare production technologies and practices</li> <li>• 600 green jobs to be created</li> </ul> |
| Actual outputs achieved                                                                      | <ul style="list-style-type: none"> <li>• 15 capacity-building initiatives conducted and LandCarers attended</li> <li>• 113 awareness campaigns conducted and LandCarers attended</li> <li>• 2 764 ha of land where weeds and invader plants are under control</li> <li>• 194 km of fence erected</li> <li>• 35 beneficiaries adopting LandCare production technologies and practises</li> <li>• 797 jobs created</li> </ul>                |

| Department to whom the grant has been transferred                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Limpopo: Department of Agriculture (cont.)</i>                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Amount per amended DoRA (R'000)                                                         | R19 562                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                              | R19 562                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                       | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Amount spent by the department (R'000)                                                  | R16 155                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                           | Unspent due to factors revolving to time frame of accomplishing the procurement processes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Monitoring mechanism by the transferring department                                     | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <i>Mpumalanga: Department of Agriculture, Rural Development and Land Administration</i> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose of the grant                                                                    | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Expected outputs of the grant                                                           | <ul style="list-style-type: none"> <li>• 3 700 ha rangeland protected and rehabilitated</li> <li>• 587 ha soil cultivated land protected and rehabilitated</li> <li>• 2 876 youths successfully attending organised Junior LandCare initiatives</li> <li>• 3 ha of water resources protected and rehabilitated</li> <li>• 24 capacity-building initiatives conducted for Junior LandCare</li> <li>• 595 people with improved capacity and skills levels benefiting from capacity-building initiatives</li> <li>• 5 618 people with an increased awareness</li> <li>• 920 ha of land where weeds and invader plants are under control</li> <li>• 450 green jobs created</li> <li>• 72 beneficiaries adopting sustainable production technologies and practices</li> </ul> |
| Actual outputs achieved                                                                 | <ul style="list-style-type: none"> <li>• 3 712 ha rangeland protected and rehabilitated</li> <li>• 290 ha soil cultivated land protected and rehabilitated</li> <li>• 2 876 youths successfully attending organised Junior LandCare initiatives</li> <li>• 1 ha of water resources protected and rehabilitated</li> <li>• 24 capacity-building initiatives conducted for Junior LandCare</li> <li>• 738 people with improved capacity and skills levels benefiting from capacity-building initiatives</li> <li>• 5 618 people with an increased awareness</li> <li>• 818 ha of land where weeds and invader plants are under control</li> <li>• 481 green jobs created</li> <li>• 72 beneficiaries adopting sustainable production technologies and practices</li> </ul> |
| Amount per amended DoRA (R'000)                                                         | R10 249                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount transferred (R'000)                                                              | R10 249                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons if amount as per DoRA was not transferred                                       | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Amount spent by the department (R'000)                                                  | R10 249                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Reasons for the funds unspent                                                           | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Monitoring mechanism by the transferring department                                     | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <i>Northern Cape: Department of Agriculture, Land Reform and Rural Development</i>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Purpose of the grant                                                                    | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Department to whom the grant has been transferred

### Northern Cape: Department of Agriculture, Land Reform and Rural Development (cont.)

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Expected outputs of the grant                       | <ul style="list-style-type: none"> <li>• 5 695 ha rangeland protected and rehabilitated</li> <li>• 190 Junior LandCare beneficiaries involved in the programme</li> <li>• 11 water resources protected and rehabilitated</li> <li>• 52 capacity-building initiatives conducted for Junior LandCare</li> <li>• 0 people capacitated in fencing, safe handling and application of herbicides</li> <li>• 350 people attended awareness campaigns</li> <li>• 1 LandCare committee/LandCare group established</li> <li>• 14 ha of land where weeds and invader plants are under control</li> </ul>  |
| Actual outputs achieved                             | <ul style="list-style-type: none"> <li>• 5 697 ha rangeland protected and rehabilitated</li> <li>• 216 Junior LandCare beneficiaries involved in the programme</li> <li>• 11 water resources protected and rehabilitated</li> <li>• 0 capacity-building initiatives conducted for Junior LandCare</li> <li>• 75 people capacitated in fencing, safe handling and application of herbicides</li> <li>• 350 people attended awareness campaigns</li> <li>• 1 LandCare committee/LandCare group established.</li> <li>• 25 ha of land where weeds and invader plants are under control</li> </ul> |
| Amount per amended DoRA (R'000)                     | R12 055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Amount transferred (R'000)                          | R12 055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Reasons if amount as per DoRA was not transferred   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Amount spent by the department/municipality (R'000) | R12 055                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Reasons for the funds unspent by the entity         | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Monitoring mechanism by the transferring department | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                                                           |

### North West: Department of Agriculture and Rural Development

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose of the grant                                | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                |
| Expected outputs of the grant                       | <ul style="list-style-type: none"> <li>• 2 501 ha rangeland protected and rehabilitated</li> <li>• 250 Junior LandCare beneficiaries involved in the programme</li> <li>• 2 water resources protected and rehabilitated</li> <li>• 1 awareness campaign conducted</li> <li>• 7 035 ha of land where weeds and invader plants are under control</li> <li>• 199 km of fence erected</li> <li>• 271 green jobs to be created</li> </ul> |
| Actual outputs achieved                             | <ul style="list-style-type: none"> <li>• 0 ha rangeland protected and rehabilitated</li> <li>• 220 Junior LandCare beneficiaries involved in the programme</li> <li>• 2 water resources protected and rehabilitated</li> <li>• 1 awareness campaign conducted</li> <li>• 6 618 ha of land where weeds and invader plants are under control</li> <li>• 190 km of fence erected</li> <li>• 271 green jobs created</li> </ul>           |
| Amount per amended DoRA (R'000)                     | R10 552                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Amount transferred (R'000)                          | R10 551                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Reasons if amount as per DoRA was not transferred   | Omission—R1 000 not transferred.                                                                                                                                                                                                                                                                                                                                                                                                     |
| Amount spent by the department (R'000)              | R10 143                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Reasons for the funds unspent                       | Unspent due to factors revolving around time frames of accomplishing the procurement processes                                                                                                                                                                                                                                                                                                                                       |
| Monitoring mechanism by the transferring department | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                 |

| Department to whom the grant has been transferred   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Western Cape: Department of Agriculture</i>      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Purpose of the grant                                | To promote sustainable development and use of natural resources by engaging in initiatives that support the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all                                                                                                                                                                                                                                                                                                                             |
| Expected outputs of the grant                       | <ul style="list-style-type: none"> <li>• 0 ha rangeland protected and rehabilitated</li> <li>• 936 ha soil cultivated/land protected and rehabilitated</li> <li>• 8 200 Junior LandCare beneficiaries involved in the programme</li> <li>• 92 ha of water resources protected and rehabilitated</li> <li>• 2 939 people with improved capacity and skills levels benefiting from capacity-building initiatives</li> <li>• 12 518 people with an increased awareness</li> <li>• 818 ha of land where weeds and invader plants are under control</li> <li>• 600 green jobs to be created</li> </ul> |
| Actual outputs achieved                             | <ul style="list-style-type: none"> <li>• 28 167 ha rangeland protected and rehabilitated</li> <li>• 522,77 ha soil cultivated land protected and rehabilitated</li> <li>• 8 862 Junior LandCare involved in the programme</li> <li>• 77 ha of water resources protected and rehabilitated</li> <li>• 6 044 people with improved capacity and skills levels benefiting from capacity-building initiatives</li> <li>• 11 322 people with an increased awareness</li> <li>• 664,73 ha of land where weeds and invader plants are under control</li> <li>• 678 green jobs created</li> </ul>          |
| Amount per amended DoRA (R'000)                     | R7 233                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Amount transferred (R'000)                          | R7 233                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Reasons if amount as per DoRA was not transferred   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Amount spent by the department (R'000)              | R7 233                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Reasons for the funds unspent                       | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Monitoring mechanism by the transferring department | The department has allocated a district coordinator for each district as well as a provincial coordinator of the conditional grant programme which ensures that the implementation process is undertaken accordingly                                                                                                                                                                                                                                                                                                                                                                              |

## Donor funds

### DONOR FUNDS RECEIVED

| Donor: United States Agency for International Development (USAID) |                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Full amount of the funding                                        | R587 545,00                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Period of the commitment                                          | Period of five years up to 2017                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Purpose of the funding                                            | Response of vegetation, soil, animal and water cycle to different management regimes: Victoria Falls area, Zimbabwe. To collect scientific data that will support the long-term effects of using the Holistic Planned Grazing (HPG) management tool                                                                                                                                                                                                  |
| Expected outputs                                                  | <ul style="list-style-type: none"> <li>• Complete field monitoring in Zimbabwe</li> <li>• Train ACHM staff in the vegetation and landscape function analysis techniques</li> <li>• Capture and analyse data</li> <li>• Interpret data and write final annual report</li> </ul>                                                                                                                                                                       |
| Actual outputs achieved                                           | <p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> <li>• Field monitoring and training of ACHM staff completed</li> <li>• Two reports completed: Ecological Monitoring: Dimbangombe, Zimbabwe: USAID-funded project number RFUC 013; Summary of Preliminary Results 2013, prepared for Drs Michael Brown and Dammi Carr by Dr Mike Peel, USAID/OFDA 3<sup>rd</sup> party evaluation, Livestock Programming</li> </ul> |

| Donor: United States Agency for International Development (USAID) (cont.) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amount received                                                           | R98 188                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amount spent by the department                                            | R98 188                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Reasons for the funds unspent                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Monitoring mechanism by the donor                                         | A steering committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Donor: Department of Trade and Industry                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Full amount of the funding                                                | R27 070 000,00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Period of the commitment                                                  | The commencing date is 21 March 2012 for a period of three years or until the project is completed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Purpose of the funding                                                    | To conduct a Smallholder Establishment Programme that supports innovative projects to create employment for the marginalised and create necessary conditions for sustainable and inclusive growth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Expected outputs                                                          | <ul style="list-style-type: none"> <li>• Area-based plans for target districts</li> <li>• Improved access to input and output markets in target districts</li> <li>• Functioning land rental markets in target districts</li> <li>• Functioning farmer-to-farmer extension programme in target districts</li> <li>• Investment in agro-processing capacity in target districts</li> <li>• Subdivision manual produced</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Actual outputs achieved                                                   | <p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> <li>• Five reports on district-based stakeholder engagements and consultations received (NC, FS, GP, WC and MP). Universities of KZN, NW and Fort Hare submitted their first reports</li> <li>• Certification of smallholder producers on SAGAP in partnership with PPECB: Pre-audits and audits completed in LP, NC, FS and WC</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Amount received (R'000)                                                   | Opening balance for the financial year 2013/14: R17 469                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amount spent by the department (R'000)                                    | R8 752                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Reasons for the funds unspent (R'000)                                     | <p>Closing balance for 2013/14: R8 717</p> <p>Tenders have been advertised, awaits finalisation</p> <p>Waiting for signing of delivery agreement with the FAO</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Monitoring mechanism by the donor                                         | A project steering committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Donor: National Research Foundation (German government)                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Full amount of the funding                                                | R301 600,00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Period of the commitment                                                  | 1 July 2010 to 30 June 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Purpose of the funding                                                    | Research on the ocean acidification of carbon dioxide increase. The project investigated the potential impact of ocean acidification on South African marine resources, especially West Coast rock lobster (WCRL) and farmed abalone—South African-German research collaboration. The funding was mainly for the exchange of scientists from both countries but also for research support (small instruments, consumables) and a workshop                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Expected outputs                                                          | <p>Data sets on the impact of ocean acidification on:</p> <ul style="list-style-type: none"> <li>• WCRL</li> <li>• Abalone</li> <li>• Sea urchins</li> <li>• Shy sharks</li> <li>• Training of South African and German students</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Actual outputs achieved                                                   | <p>In 2013/14, the following was achieved:</p> <ul style="list-style-type: none"> <li>• Large data sets from concluded experiments on WCRL (short- term impact of OA on male and female physiology, egg development, shell calcification, long-term impact [7 months] on juvenile growth and shell calcification, biochemical changes on the lobsters' respiratory pigments). Four publications are at various stages of preparation, two of which will be submitted to journals soon</li> <li>• Data set on short and long-term impact of OA on farmed abalone (physiology of adults, growth and shell calcification of adults). One paper in preparation</li> <li>• Small data set on impact of OA on sea urchin physiology. Data set on impact on egg fertilisation in preincubated parents (transgeneration effect)</li> <li>• Data set on impact of OA on shy shark physiology and dentin (on skin). One paper in preparation</li> </ul> |

| Donor: National Research Foundation (German government) (cont.) |                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actual outputs achieved (cont.)                                 | Students: <ul style="list-style-type: none"> <li>• One SA student successfully upgraded from M.Sc. to Ph.D.; large part of Ph.D. completed</li> <li>• Two co-supervised SA students completed B.Sc. Hons degrees on abalone and sea urchins respectively</li> <li>• One German student completed B.Sc. (shy sharks)</li> <li>• One Slovenian Ph.D. student completed important experiments in her first year of Ph.D.</li> </ul> |
| Amount received                                                 | R40 000,00                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Amount spent by the department                                  | R40 000,00                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Reasons for the funds unspent                                   | N/A                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Monitoring mechanism by the donor                               | Annual progress report submitted to NRF and German government agency (by German partner)                                                                                                                                                                                                                                                                                                                                         |

## Capital investment

### CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

During the period under review, the following infrastructure projects were completed in the department:

- Minor upgrading and repairs at the Grootfontein Agricultural Development Institute (GADI), Middelburg (EC 048337).
- Construction of additional office accommodation and the construction of an agrochemical store at the Stellenbosch Plant Quarantine Station.
- The RAMP project at Sefala building was supposed to have been finalised though only minimal work still needs to be executed because the project was 95% completed. Owing to the non-performance of the contractor, his/her appointment had to be terminated, which delayed the project's delivery date because a new contractor had to be appointed for completion.

Infrastructure projects that are currently in progress and the expected dates of completion are the following:

- Upgrading of electrical substation (WCS 51208): Approval for NBAC for the procurement strategy, a contractor will be appointed by April 2014.
- Construction of sniffer dog facility (WCS 51626): PI and site have to be identified by Town Planning.
- Alterations to the entrance at Polka Drive (WCS 51209): Council still busy with the issue of reducing speed along the main road.
- Construction of seed banks at Sterkspruit (WCS 51639) and Mutale (WCS 51592): The Department of Public Works (DPW) was requested to source a suitable site for the DAFF in Sterkspruit.
- Construction of a waste containment dam at Upington (WCS 51539): The *status quo* remains the same.
- Refurbishment and extension of the Skukuza Veterinary Building (WCS 52069): The tender was advertised on 07 February 2014 and closed on 12 March 2014.
- Upgrading of reception areas (WCS 51541): The bidder has been conditionally approved. Formal approval will be given once the contractor has been security cleared. Security clearance is being awaited.
- Waterproofing of roof structure at Sefala building (WCS 5238): Awaiting confirmation of funds from DAFF.
- Construction of Durban Animal Quarantine Station (WCS 45521): Awaiting site clearance certificate.

Plans to close down or downgrade any current facilities:

- There are no plans to close down any facilities of the department. The DPW is the custodian of immovable assets within government—the mandate lies with them.

Progress made on the maintenance of infrastructure:

- Durban Quarantine Station: Awaiting site clearance certificate
- GADI, Middelburg: Completed
- Sefala: Project still in progress

- Feasibility study for a central air-conditioning system: Project has been closed and a new project for installing the central air-conditioning system has been registered.

Developments relating to the above that are expected to impact on the department's current expenditure:

- Construction of Durban Animal Quarantine Station
- Upgrading of reception areas
- Refurbishment and extension of the Skukuza Veterinary Building
- Upgrading and maintenance of infrastructure at Roodeplaat Genetic Resources
- Revamping of parking area at Harvest House
- Installation of central air-conditioning system.

The asset holding of the department has changed over the period under review, as movable capital assets to the value of R79,730 million and minor assets to the value of R4,364 million have been disposed of.

The department conducted asset verification of all the assets during the period under review and the departmental asset register was maintained on a continuous basis by maintaining the asset information on the Logistical Information System (LOGIS).

The department has a total of 12,523 movable capital assets, of which 47% are in good condition, 45% in a fair condition and 8% are in a poor condition.

During the period under review, no major maintenance projects were undertaken, except for the projects already mentioned. There was no maintenance backlog in the department for the 2013/14 financial year.

#### Progress with infrastructure projects

| Infrastructure projects                        | 2013/14             |                    |                         | 2012/13             |                    |                         |
|------------------------------------------------|---------------------|--------------------|-------------------------|---------------------|--------------------|-------------------------|
|                                                | 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                   |
| New and replacement assets                     | 24 423              | 19 472             | 4 951                   | 32 365              | 29 852             | 2 513                   |
| <i>Existing infrastructure assets</i>          |                     |                    |                         |                     |                    |                         |
| Upgrades and additions                         | 13 885              | 13 882             | 3                       | 14 835              | 13 990             | 845                     |
| Rehabilitation, renovations and refurbishments | 8 529               | 8 527              | 2                       |                     |                    | –                       |
| Maintenance and repairs                        | 19 034              | 4 017              | 15 017                  | 12 657              | 5 547              | 7 110                   |
| <i>Infrastructure transfer</i>                 |                     |                    |                         |                     |                    |                         |
| Current                                        | 303 254             | 303 254            | –                       | 13 853              | 13 853             | –                       |
| Capital                                        | 111 115             | 111 115            | –                       | 105 263             | 105 263            | –                       |
| <b>Total</b>                                   | <b>480 240</b>      | <b>460 267</b>     | <b>19 973</b>           | <b>178 973</b>      | <b>168 505</b>     | <b>10 468</b>           |



PART C

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# Governance

## 1. INTRODUCTION

The department is committed to maintain the highest standards of governance to ensure that public finances and resources are managed economically, effectively and efficiently. Good governance structures have been put in place to utilise state resources in a responsible way. Assessments have been conducted in areas where control measures are lacking or still need to be established, or improved. Where a lack of capacity was identified in specific units, new posts were created on the establishment of the department to improve service rendering. In areas where weaknesses were identified during the period under review, these will be addressed in the 2014/15 financial year.

## 2. RISK MANAGEMENT

The department compiled a Risk Management Policy and Strategy which were presented to the DAFF Risk Management Committee, the Executive Committee (EXCO), as well as the Audit Committee.

The department only concluded its risk assessment exercise towards the end of the 2013/14 financial year. A risk assessment was subsequently done for 2014/15.

The Directorate: Risk Management and Investigations has established a Risk Management Committee to which senior managers were appointed during July 2013 and its activities have increased since the fourth quarter of 2013. The Risk Management Committee has approved the Risk Management Policy, strategy and register for 2014/15.

For the majority of the financial year the Audit Committee was not in place and new audit committee members were appointed in December 2013.

The compilation of the Strategic Risk Register 2014/15 and branch-specific operational risk registers for 2014/15, as well as the Internal Audit Plan for 2014/15 provides for effective management of risks in the department.

## 3. FRAUD AND CORRUPTION

The department did not conduct a risk assessment or prepare a risk management strategy which should include the fraud prevention plan. This was mainly due to the Directorate: Risk Management and Investigations being understaffed. Although the organisation structure was approved in November 2012 and vacancies were advertised, no additional appointments were made.

The department uses two units, namely the Presidential Hotline and the Department of Public Service and Administration (DPSA) Hotline to address complaints. Upon receipt, the complaints are forwarded to the DAFF for further attention.

## 4. MINIMISING CONFLICT OF INTEREST

Members of the SMS are required to declare their financial interests in terms of the Public Service Regulations, 2001, Chapter 3, C, by 30 April annually.

On 18 March 2014, the DPSA assisted SMS members with the registration process in Pretoria. The pamphlet received from the DPSA on the eDisclosure system and the instruction manual on how to declare financial interests on-line, were distributed to all SMS members. A circular (Departmental SMS Circular 1 of 2014), which was forwarded to all SMS members provided information to further assist them with the process of registration and declaration. All SMS members on the fixed post establishment and in the service of the department on 31 March 2014, successfully registered on the eDisclosure system.

Furthermore, ethics officers who are required to electronically monitor compliance and validate the completeness of the disclosures before these are submitted to the Executive Authority, were appointed by the Accounting Officer (DG) and signed off by the Executive Authority (Minister). The DPSA is currently in the process of registering these ethics officers on the eDisclosure system.

In terms of the Public Service Regulations, 2001, the Minister must on or before 31 May 2014 submit these electronic financial declarations to the Public Service Commission. The ethics officers will assist to ensure that the due date is met.

In terms of section 30(1) of the Public Service Act (PSA), no employee shall perform or engage him/herself to perform remunerative work outside his/her employment in the relevant department, except with the written permission of the Executive Authority of the department.

In terms of paragraph 4.5.2 of National Treasury Practice Note 7 of 2009/10, accounting officers should implement and actively monitor the systems of control to manage the performance of other remunerative work by employees. Disciplinary action should be taken against employees who perform other remunerative work without the necessary approval.

## 5. CODE OF CONDUCT

The department ensures compliance to the Public Service Code of Conduct. This is enforced through policies, circulars and the DG's directives. Non-compliance is handled in terms of the Public Service Coordinating Bargaining Council Resolution 1 of 2003, which deals with misconduct and Chapter 7 of the Senior Management Handbook.

## 6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The department conducts regular occupational health and safety audits and corrective interventions are identified. The department ensures compliance with the Occupational Health and Safety (OHS) Act, the Compensation of Injuries and Diseases Act and the DPSA Employee Health and Wellness Framework. However, according to the nature of the job, different categories of employees are exposed to occupational health risks, which include extreme weather conditions and exposure to chemical and physical threats, injuries on duty and noise. The possible effects of these on the department include high costs in protective clothing and protective equipment; absenteeism and reduced productivity, resulting in poor organisational performance and service delivery; legal implications in non-compliance of the OHS Act; as well as high maintenance costs.

## 7. PORTFOLIO COMMITTEES

The following table contains the dates and topics for meetings with the Portfolio Committee (PC). The issue of capacity in the Parliamentary Office in Cape Town, as well as the department's ability to ensure effective oversight and follow-up on Parliamentary matters has been identified as a weakness and will be addressed in the 2014/15 financial year.

| Item | Date       | Presentation                                                                                                                                                                                                                                                                                                     |
|------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1    | 16/04/2013 | Briefing by the Auditor-General on key issues in the department and entities' strategic plans and budgets (progress compared to the previous financial year)                                                                                                                                                     |
| 2    | 17/04/2013 | Deliberations on the Fertilizers and Feeds Bill (B41-2012)                                                                                                                                                                                                                                                       |
| 3    | 18/04/2013 | Briefings and consideration of the strategic plans and budgets of the DAFF; and the Marine Living Resources Fund (MLRF) (taking into account the IGDP, NDP, priority outcomes)                                                                                                                                   |
| 4    | 23/04/2013 | Briefings and consideration of the strategic plans and budgets of the Agricultural Research Council (ARC), Onderstepoort Biological Products (OBP) and the South African Veterinary Council (SAVC) (taking into account the IGDP, NDP, priority outcomes)                                                        |
| 5    | 30/04/2013 | Briefings and consideration of the strategic plans and budgets of the National Agricultural Marketing Council (NAMC) and the Perishable Products Export Control Board (PPECB) (taking into account the IGDP, NDP, priority outcomes)                                                                             |
| 6    | 10/05/2013 | Presentation by the DAFF and deliberations by the committee on the <i>Report on factual findings</i> regarding the 2010 Forensic Investigation into Ncera Farms (Pty) Ltd                                                                                                                                        |
| 7    | 14/05/2013 | Briefing and consideration of the Strategic Plan and budget of Ncera Farms (Pty) Ltd. Further deliberations on the Fertilizers and Feeds Bill. Consideration and adoption of the outstanding minutes                                                                                                             |
| 8    | 17/05/2013 | Further deliberations on Ncera Farms (Pty) Ltd with stakeholders from Ncera (farmers and farm dwellers) and relevant department                                                                                                                                                                                  |
| 9    | 21/05/2013 | Consideration and adoption of the Committee report on the Strategic Plan of the DAFF and entities                                                                                                                                                                                                                |
| 10   | 23/05/2013 | Briefing by NERPO on concerns among emerging livestock farmers<br>Adoption of the Committee report on the Strategic Plan of the DAFF and entities                                                                                                                                                                |
| 11   | 04/06/2013 | Briefing by the DAFF on fishing rights allocation                                                                                                                                                                                                                                                                |
| 12   | 11/06/2013 | Briefing by the DAFF on the status of marine fisheries resources and vessel management                                                                                                                                                                                                                           |
| 13   | 14/06/2013 | Progress report by the DAFF on its plans and Response Strategy for Disaster Management in the country, particularly with regard to veld fires, drought, floods and disease outbreaks in the agricultural, forestry and fisheries sectors and overall progress on the implementation of climate change mitigation |
| 14   | 18/06/2013 | Presentation of responses from the DAFF on all outstanding matters which have been raised by the committee<br>Consideration and adoption of outstanding reports and minutes                                                                                                                                      |
| 15   | 19/06/2013 | Briefing by the DAFF on transformation in the forestry industry (Forestry Charter Council)                                                                                                                                                                                                                       |
| 16   | 21/06/2013 | Report back from the dti, Department of Health and DAFF on meat inspection services and labelling in South Africa                                                                                                                                                                                                |

| Item | Date             | Presentation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17   | 29/07/2013       | Oversight visit report (Free State) by Portfolio Committee on Agriculture, Forestry and Fisheries from 29 July 2013 to 02 August 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 18   | 15/08/2013       | Briefing by the DAFF on the following: <ul style="list-style-type: none"> <li>• Report back on the status of patrol and research vessels and the state of readiness towards fishing rights allocation</li> <li>• Status of fishing harbours and aquaculture (hatcheries and farms) projects, as well as the future of the interim relief exemption</li> </ul>                                                                                                                                                                                                                                    |
| 19   | 20/08/2013       | Briefing by the DAFF on the 2013/14 First quarter performance and expenditure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 20   | 13/09/2013       | Joint meeting with the PCs on Agriculture, Forestry and Fisheries, Health, the dti, Rural Development and Land Reform, Science and Technology <ul style="list-style-type: none"> <li>• Briefing by relevant departments on their roles in the administration, utilisation and management of genetically modified (GM) food in South Africa</li> <li>• Briefing by the DAFF to include a decision-making process for GMO permits in South Africa, including the Dow Chemical's GM maize variety DAS-40278-9</li> <li>• Presentation by the ARC on research activities on GM food crops</li> </ul> |
| 21   | 17/09/2013       | Presentation by the DAFF of a strategy to address the challenges at Ncera Farms (Pty) Ltd, including conflicts regarding the surrounding state farms; and progress report on the disciplinary procedures emanating from findings of the Ncera forensic investigation report<br><br>Feedback by the DAFF, Department of Health and the dti on the working plan regarding meat inspection services and labelling in South Africa. (SARS should form part of the delegation to explain its role in the process.)                                                                                    |
| 22   | 08/10/2013       | Briefing by the DAFF on the Marine Living Resources Amendment Bill                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 23   | 09/10/2013       | Consideration of the Annual reports of the DAFF and Marine Living Resources Fund (MLRF)<br><br>Briefing by the DAFF on a strategy/plan to address the challenges at Ncera Farms (Pty) Ltd, including conflicts regarding the surrounding state farms and progress report on the disciplinary procedure emanating from findings of the Ncera forensic investigation report                                                                                                                                                                                                                        |
| 24   | 15 to 16/10/2013 | Public hearings on the Marine Living Resources Amendment Bill                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 25   | 22/10/2013       | Responses by the DAFF on issues raised during public hearings on the Marine Living Resources Amendment Bill<br><br>Deliberations on the Marine Living Resources Amendment Bill                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 26   | 30/10/2013       | Responses by the DAFF on issues raised during public hearings on the Marine Living Resources Amendment Bill<br><br>Deliberations on the Marine Living Resources Amendment Bill                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 27   | 05/11/2013       | Briefing by the DAFF and the AgriBEE Charter Council on progress regarding transformation in the agricultural sector (presented by Ms Kwena Komape)                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 28   | 15/11/2013       | Report back on progress made during the previous oversight visit and presentation of the proposed operational plan for the future of Ncera Farms (Pty) Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 29   | 20/11/2013       | Briefing by the DAFF on the Marine Living Resources Amendment Bill (B30B-2013) (section 76)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 30   | 26/11/2013       | Briefing on Marine Living Resources Amendment Bill (B30B) (section 76)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 31   | 30/01/2014       | Briefing by the Auditor-General Ms Meisie Nkawu on the Second quarter expenditure and performance report of the DAFF—presented                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 32   | 11/02/2014       | Response by the DAFF on the recommendation made by the PC in the 2012 and 2013 Budgetary review and recommendation report (BRRR)<br><br>Briefing by the DAFF on the 2013/14 Second quarter expenditure and performance report<br><br>Briefing on fishing rights allocations and progress report on appeals                                                                                                                                                                                                                                                                                       |
| 33   | 12/02/2014       | Briefing by the DAFF and AgriBEE Charter Council on the disbursement of funds from the AgriBEE Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 34   | 19/02/2014       | Feedback by the DAFF, Department of Health and the dti on food labelling                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 35   | 26/02/2014       | Consideration of the petition on Dow Chemical's GM maize variety DAS-402789<br><br>Presentation by the agricultural biotech industry on the biotechnology crop development analysis locally, nationally and globally                                                                                                                                                                                                                                                                                                                                                                             |

## 8. SCOPA RESOLUTIONS

During the period under review, the department did not appear before SCOPA and there are no SCOPA resolutions to report.

## 9. PRIOR MODIFICATIONS TO AUDIT REPORTS

There has been no modification of the Audit report.

## 10. INTERNAL CONTROL UNIT

The mandate of the Internal Audit Unit covers the review of the internal control.

The scope covered by the Internal Audit Unit in the year under review is not adequate to enable expression of an opinion. However, the limited internal audit work undertaken when considered in conjunction with the internal control review undertaken by the Auditor-General during the year-end audit reveal that internal controls within the department are generally adequate and effective with areas of weakness receiving attention from management.

## 11. INTERNAL AUDIT UNIT AND AUDIT COMMITTEE

### Key activities and objectives of the Internal Audit Unit

The Institute of Internal Auditors defines internal auditing as:

“An independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.”

To achieve the above, the Internal Audit Unit is responsible for the following:

- Evaluating controls and advising managers;
- Analysing operations and confirming information;
- Reviewing compliance to rules, regulations, laws and codes of practice;
- Report on the state of governance, risk management and control in the department.

### Summary of audit work done

During the period under review, the Internal Audit Unit was faced with capacity challenges that resulted in limited assurance work being undertaken. Except a few risk-based assignments in some parts of the department, little to no work was undertaken relating to governance, regularity and compliance audits. The building of the necessary capacity for this function has since been prioritised by both the management and the Audit Committee. For the greater part of the period under review, the Audit Committee was not fully constituted, therefore not operational.

### Key activities and objectives of the Audit Committee

In terms of the PFMA, an Audit Committee is established to serve as an independent governance structure whose function is to provide an oversight role on the financial reporting process, the system of internal control, the audit process, the process of monitoring compliance with laws and regulations, the code of conduct and the evaluation of the adequacy and efficiency of risk management and governance.

Governance entails how an organisation is managed, which includes culture, policies and strategies and the way it deals with stakeholders such as the Audit Committee.

Audit Committees are constituted to ensure their independence. The Audit Committee operates in terms of its written Terms of Reference (ToRs) which, among other matters, deal with membership, authority and responsibilities. The Audit Committee assists the Accounting Officer in the effective execution of his/her responsibilities with the ultimate aim being the achievement of the department’s objectives.

### Audit Committee members and attendance

The Audit Committee consists of five members listed in the table below along with the retired members who served for a portion of the period under review. The committee must meet at least four times per annum as per its approved

Charter. During the period under review,, only three meetings were held because the committee was only in place for a part of the financial year. These were held on 30 May 2013, 24 July 2013 and 19 March 2014.

| Name                         | Qualifications         | Internal or external | Date appointed                                          | Services termination date | No. of meetings attended |
|------------------------------|------------------------|----------------------|---------------------------------------------------------|---------------------------|--------------------------|
| Mr Ayanda Wakaba—Chairperson | B.Compt Honours<br>MBA | External             | 01 December 2013                                        | N/A                       | 01                       |
| Mr Molemo Maliehe            | B.Comm                 | External             | 26 February 2010<br>Re-appointed on<br>01 December 2013 | 30 May 2013               | 03                       |
| Mr Stefaan Sithole           | CA (SA)<br>CIA         | External             | 17 July 2012                                            | N/A                       | 03                       |
| Mr Nico Russouw              | CA (SA)                | External             | 01 December 2013                                        | N/A                       | 01                       |
| Mr Paul Serote               | CA (SA)                | External             | 01 December 2013                                        | N/A                       | 00                       |
| Mr R. Theunissen             | B.A<br>CA (SA)         | External             | 11 June 2007                                            | 30 May 2013               | 01                       |
| Ms M. Mekkonen               | B.Juris                | External             | 26 February 2010                                        | 30 April 2013             | 01                       |
| Ms J. Joni                   | B.Proc<br>LLB<br>LLM   | External             | 29 July 2013                                            | 09 September 2013         | 01                       |

## 12. AUDIT COMMITTEE REPORT

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

### Audit Committee Responsibility

An audit committee was not in place for a portion of the reporting period, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury Regulation 3.1.1. Only two members were appointed between June 2013 and December 2013 with one of these members resigning in September 2013. The roles and responsibilities of an audit committee were therefore not performed during this period. The newly appointed Audit Committee reports that subsequent to its formal re-constitution, it adopted appropriate formal Terms of Reference for the 2014/15 financial year as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged its responsibilities as contained therein.

### Internal Audit

The Internal Audit function faced capacity shortfalls which impacted on its ability to undertake its work. The result of this was that work undertaken was not of the required standard and the number of audit assignments undertaken was too few to enable an effective assessment of the department's internal controls.

### Summary of audit work done

During the period under review, as a result of the Internal Audit capacity challenges highlighted above, limited assurance work was undertaken. Except a few risk-based assignments in some parts of the department, little to no work was undertaken relating to governance, regularity and compliance audits. The building of the necessary capacity for this function has since been prioritised by both the management and the Audit Committee.

### Effectiveness of Internal Controls

Our review of the findings relating to internal controls based on the limited risk based assessments conducted in the department revealed certain weaknesses, which were then raised with the department. During the 2013/14 financial year, the Audit Committee was operational for only a portion of the period. As a result, the Internal Audit Activity (IAA) did not have an approved Internal Audit Year Plan and the Internal Audit Charter could not be approved as required. An Internal Audit Plan was developed, however due to the risk assessments not performed for the department, this plan was not a risk-based audit plan.

By the end of the financial year, management had however taken steps to address shortcomings identified relating to the need for the re-constitution of the Audit Committee and processes were underway to address capacity shortfalls in the internal audit and risk management functions.

### In-Year Management and Monthly/Quarterly Report

The department is reporting monthly and quarterly to Treasury as is required by the PFMA.

### Evaluation of Financial Statements

We have reviewed the Annual Financial Statements prepared by the department and satisfied ourselves that they were of the required standard and comply with relevant Prescripts and Treasury Guidelines.

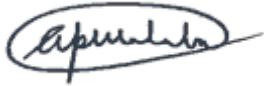
### Auditor-General's Report

We have reviewed the department's implementation plan for audit issues raised in the previous year and we noted that while most matters were adequately resolved, a significant number remained unresolved. Management has recommitted to clear the outstanding matters during the coming financial period.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

## Conclusion

We extend our appreciation to the Executive Authority, the Director-General and her management team as well as the broader staff of the department for their efforts, dedication and support to the work of the Audit Committee during the period under review.



**MR A.P. WAKABA**

**CHAIRPERSON OF THE AUDIT COMMITTEE**

**Department of Agriculture, Forestry and Fisheries**

Date: 24/07/2014



PART D

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# Human resources management

# 1. Legislation that governs human resources management

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

## 2. Overview of human resources

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During the period under review, the post establishment of the department decreased from 7 074 to 6 780 posts, as a result of the PERSAL cleanup process in line with the DPSA circular No. 1 of 2012, which requires departments to abolish unfunded vacancies on the PERSAL as part of the implementation of the PERSAL cleanup strategy, and the filling of identified vacant funded posts. Consequently, the vacancy rate on the establishment of the department decreased from 13,1% to 9,8%. The implementation of the personnel suitability checks (vetting strategy) still creates constraints in terms of turnaround times in the filling of posts. The Organisation Development Committee (ODC), which was established in 2006, continues to monitor the management of vacancies in the department on a monthly basis, with a view to down-scale the vacancy rate.

The human resources (HR) effectiveness assessment results reveal that this function continues to fulfil a strategic role and has technical expertise—as the scores in these areas continue to increase.

### 2.1 HR PRIORITIES

The HR Strategy 2017 has been developed to ensure service excellence and human resource strategic partnering by delivering on six key fundamental HR priorities so as to contribute to organisational performance over the five-year (MTEF) period:

- **People acquisition:** Identifying critical capacity and skills requirements for DAFF through innovative talent acquisition methods; identifying and timeously filling critical posts; reviewing appointment contracts in relation to vetting and lifestyle outcomes; enhancing the on-boarding programme to welcome newcomers and reorientate existing staff members towards development of a high-performance culture in DAFF.
- **Human resource development:** Critical skills gaps identified; leadership engagement platforms conducted; leadership capability assessed; Young Graduate Development Programme; talent management system and process developed to identify deserving employees for career and reward management; and mentorship and coaching development intervention implemented to close critical individual skills gaps and accelerate skills development interventions through relevant training programmes.
- **Performance management:** Inculcating a high-performance culture by recognising exceptional performance through reward and recognition programmes and interventions, as well as ensuring compliance to performance contracting and review processes.
- **Employee Relations Strategy:** Creating a conducive and healthy employee relations culture and atmosphere through management and labour engagements, vigorous investigations, timeous case management; instilling discipline; and implementing appropriate and progressive disciplinary measures.
- **Transformation and change:** Repositioning DAFF as an employer of choice and espousing a transformed and integrated workforce management if it is a critical imperative in attaining the HR Vision 2017. This will be achieved through employment equity targets, in relation to gender, race and disability; developing and implementing the diversity management programmes, Job Access Framework Implementation Plan; and instituting employee satisfaction surveys.
- **Employee health and wellness:** Pursuing an activist approach in the provision of health and wellness services in response to the huge disease burden prevalence and mortality rate in the department towards improved employee productivity levels.

Towards achievement of the abovementioned priorities, focus was placed on the reduction of the vacancy rate, implementation of the Human Resource Development Strategy, improvement of the compliance rate to the Performance Management and Development Framework and empowering the line managers on the labour relations processes (grievances and disciplinary code and procedures).

## 2.2 ORGANISATIONAL DEVELOPMENT

The refinement investigation of the DAFF structure continued during this period but could only be done within the current MTEF budget allocation. However, critical functional areas could not be capacitated efficiently to improve service delivery to the demanding agricultural, forestry and fisheries sectors, respectively. Owing to the partially integrated organisational structure, the financial accounting, supply chain and asset management support functions in the regions were centralised at head office with identified regional offices to enhance the optimal use of resources (human, facilities and financial) in this functional responsibility.

The reinstatement of salary levels 10 and 12 for line function posts in terms of GPSSBC Resolution 1 of 2012 assisted in the attraction and retention of specific scarce skills employees, as well as the job evaluation programme to address this matter and is almost finalised. The number of posts that was subjected to job evaluation was 1 324, which resulted in the upgrading of the salary levels of 225 posts and the downgrading of the salary levels of 335 posts. The department made strides in the implementation of PSCBC Resolution 1 of 2012.

Through the job evaluation coordination process with the provincial departments of agriculture, cross-cutting identified posts were subjected to job evaluation, that resulted in the harmonisation of salary levels.

The management committee that was established to address the issues regarding the interpretation of the requirements of the Occupational Specific Dispensations (OSDs), which resulted in grievances and disputes, has created a better understanding of the implementation of OSDs across the department and disposed of a number of requests for categorisation of jobs as OSDs.

The reconfiguration of the current approved organisational structure into an integrated model will be investigated with the aim of addressing the economic, efficient and effective performance of the department and to improve service delivery.

## 2.3 RECRUITMENT

The vacancy rate was at 9,8% and the staff turnover rate at 6,3%, for the period under review. A total of 297 new staff member appointments and transfers on the fixed post establishment of the department, including five members of the Senior Management Service (SMS), the appointment of the Director-General and one Deputy Director-General, were finalised during the period under review. A total of 118 employees, including six employees, were promoted to SMS/ higher SMS positions in the department, including one Deputy Director-General. During the period under review, one member of the SMS was relocated/placed on the same level in a new position. Two members of the SMS were transferred to positions on the same level. It brings the total of SMS posts filled during this period to 12. This has greatly enhanced leadership capacity.

The average turnaround time for verifications of qualifications has been reduced to 22 working days through partnership with the South African Qualifications Authority (SAQA), while the criminal and citizenship verifications by the SA State Security Agency (SASSA) remain an average of 4 months, thereby causing a delay in the filling of posts. Partial outsourcing of the personnel suitability checks has been commenced to improve the turnaround times in the filling of positions.

## 2.4 PERFORMANCE MANAGEMENT

Initiatives to inculcate performance management culture in the department through training on the performance management and development system as well as strategic partnering with the branches have been implemented. This has resulted in the improvement of compliance to the Performance Management and Development System (PMDS) from 88% achieved in the previous performance cycle to 92%. Better alignment between the individual performance agreements and departmental performance plans (Strategic Plan, Annual Performance plans and Operational plans) has also been achieved. This is evident through the improved organisational performance realised during 2013/14. The contribution of employees to the achievement of organisational objectives was recognised because 22,6% employees qualified for performance rewards. The Strategic Performance Management Workshop for SMS members and roll out of the Performance Management Framework will be conducted during the 2014/15 performance cycle to further institutionalise the culture of performance in the department.

## 2.5 EMPLOYEE HEALTH AND WELLNESS

The challenges of the departmental disease burden and aging workforce remain a reality in the Branch: Forestry and Natural Resources Management. The employee health and wellness concept document has been finalised; however, an activist approach to its implementation was hampered by an inadequate budget allocation for health and wellness interventions. The Terms of Reference for the appointment of a service provider for a 24-hour counselling service have

been finalised. The most valued strategic partnership with the Government Employees Medical Scheme has resulted in more employees being able to access the health and wellness services and early detection of diseases owing to the health-screening tests conducted.

## 2.6 EMPLOYEE DEVELOPMENT

Implementation of the HRD Strategy and Skills Development Plan was monitored quarterly and due reports were submitted to the PSETA. A pilot project on the assessment of the return on investment of training interventions has been undertaken and a full roll out will be prioritised in 2014/15. Plans to build leadership capacity are in place and more senior managers will be enrolled for the Executive Development Programme with the National School of Government supported by executive coaching during 2014/15. This will enhance the leadership and skills-level capacity requirements of the department.

## 2.7 HUMAN RESOURCE PLANNING

HR planning capacity has been enhanced through the filling of critical positions, resulting in improved compliance to the HR Strategic Planning Framework for the public service and better planning for departmental capacity requirements. The HR Plan was duly adjusted and implementation thereof monitored through submission of two reports to the Department of Public Service and Administration. The HR planning process will, in future, be aligned to the strategic planning process in the department, thereby ensuring integrated planning, efficient and effective utilisation of resources, improved organisational performance and improved service delivery.

## 2.8 LABOUR RELATIONS

The Labour Relations Programme was fully implemented. The Departmental Bargaining Chamber conducted site visits to assess the employees' conditions of work and recommend specific interventions in the forestry and fisheries components in the department. The turnaround times in the finalisation of misconduct cases has improved to an average of 100 days. Targeted labour relations training interventions were conducted to improve managerial capacity and promote sound labour relations.

# 3. Human resource oversight statistics

## 3.1 PERSONNEL RELATED EXPENDITURE

The following tables summarise the final audited personnel expenditure by programme and by salary band. In particular, it provides an indication of the following: amount spent on personnel, amount spent on salaries, overtime, homeowner's allowance and medical aid.

TABLE 3.1.1 Personnel expenditure by programme

| Programme                                          | Total expenditure<br>(R'000) | Personnel expenditure<br>(R'000) | Training expenditure<br>(R'000) | Professional and special services<br>(R'000) | Personnel cost as a % of total expenditure | Average personnel cost per employee<br>(R'000) |
|----------------------------------------------------|------------------------------|----------------------------------|---------------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------------|
| 1. Administration                                  | 681 583                      | 311 579                          | 3 960                           | 10 441                                       | 45,7                                       | 49                                             |
| 2. Agricultural Production, Health and Food Safety | 2 000 946                    | 361 316                          | 1 460                           | 4 200                                        | 18,1                                       | 57                                             |
| 3. Food Security and Agrarian Reform               | 1 590 101                    | 126 091                          | 23 895                          | 20 442                                       | 7,9                                        | 20                                             |
| 4. Trade Promotions and Market Access              | 256 334                      | 79 492                           | 802                             | 12 083                                       | 31,0                                       | 12                                             |
| 5. Forestry and Natural Resources Management       | 1 144 699                    | 482 495                          | 1 760                           | 4 140                                        | 42,2                                       | 77                                             |
| 6. Fisheries Management                            | 437 650                      | 177 862                          | –                               | –                                            | 40,6                                       | 28                                             |
| <b>Total</b>                                       | <b>6 111 313</b>             | <b>1 538 835</b>                 | <b>31 877</b>                   | <b>51 306</b>                                | <b>25,2</b>                                | <b>41</b>                                      |

**TABLE 3.1.2 Personnel costs by salary band**

| Salary band                              | Personnel expenditure (R'000) | % of total personnel cost | Number of employees | Average personnel cost per employee (R'000) |
|------------------------------------------|-------------------------------|---------------------------|---------------------|---------------------------------------------|
| Lower skilled (levels 1–2)               | 111 685                       | 7,3                       | 1 673               | 66 757                                      |
| Skilled (levels 3–5)                     | 319 947                       | 20,8                      | 1 527               | 209 527                                     |
| Highly skilled production (levels 6–8)   | 470 466                       | 30,6                      | 1 700               | 276 745                                     |
| Highly skilled supervision (levels 9–12) | 466 193                       | 30,3                      | 1 103               | 422 659                                     |
| Senior management (levels 13–16)         | 121 585                       | 7,9                       | 112                 | 1 085 580                                   |
| Contract (levels 1–2)                    | 17 029                        | 1,1                       | 269                 | 63 305                                      |
| Contract (levels 3–5)                    | 1 928                         | 0,1                       | 4                   | 482 000                                     |
| Contract (levels 6–8)                    | 2 079                         | 0,1                       | 5                   | 415 800                                     |
| Contract (levels 9–12)                   | 13 577                        | 0,9                       | 15                  | 905 133                                     |
| Contract (levels 13–16)                  | 14 330                        | 0,9                       | 7                   | 2 047 143                                   |
| Periodical remuneration                  | 16                            | 0,0                       | 7                   | 2 286                                       |
| <b>Total</b>                             | <b>1 538 835</b>              | <b>100,0</b>              | <b>6 422</b>        | <b>239 619</b>                              |

**TABLE 3.1.3 Salaries, overtime, homeowner's allowance (HOA) and medical aid by programme**

| Programme                                          | Salaries         |                                   | Overtime      |                                   | Homeowner's allowance |                              | Medical aid   |                                      |
|----------------------------------------------------|------------------|-----------------------------------|---------------|-----------------------------------|-----------------------|------------------------------|---------------|--------------------------------------|
|                                                    | Amount           | Salaries as a % of personnel cost | Amount        | Overtime as a % of personnel cost | Amount                | HOA as a % of personnel cost | Amount        | Medical aid as a % of personnel cost |
|                                                    | (R'000)          |                                   | (R'000)       |                                   | (R'000)               |                              | (R'000)       |                                      |
| 1. Administration                                  | 269 626          | 86,5                              | 1 584         | 0,5                               | 9 548                 | 3,1                          | 13 367        | 4,3                                  |
| 2. Agricultural Production, Health and Food Safety | 310 547          | 85,9                              | 5 844         | 1,6                               | 13 133                | 3,6                          | 18 025        | 5,0                                  |
| 3. Food Security and Agrarian Reform               | 110 871          | 87,9                              | 468           | 0,4                               | 4 114                 | 3,3                          | 5 865         | 4,7                                  |
| 4. Trade Promotions and Market Access              | 70 318           | 88,5                              | 1             | 0,0                               | 1 656                 | 2,1                          | 2 898         | 3,6                                  |
| 5. Forestry and Natural Resources Management       | 415 536          | 86,1                              | 4 320         | 0,9                               | 27 331                | 5,7                          | 23 227        | 4,8                                  |
| 6. Fisheries Management                            | 155 296          | 87,3                              | 11 109        | 6,2                               | 4 240                 | 2,4                          | 7 766         | 4,4                                  |
| <b>Total</b>                                       | <b>1 332 194</b> | <b>86,6</b>                       | <b>23 326</b> | <b>1,5</b>                        | <b>60 022</b>         | <b>3,9</b>                   | <b>71 148</b> | <b>4,6</b>                           |

**TABLE 3.1.4 Salaries, overtime, homeowner's allowance (HOA) and medical aid by salary band**

| Programme                                | Salaries |                                   | Overtime |                                   | Homeowner's allowance |                              | Medical aid |                                      |
|------------------------------------------|----------|-----------------------------------|----------|-----------------------------------|-----------------------|------------------------------|-------------|--------------------------------------|
|                                          | Amount   | Salaries as a % of personnel cost | Amount   | Overtime as a % of personnel cost | Amount                | HOA as a % of personnel cost | Amount      | Medical aid as a % of personnel cost |
|                                          | (R'000)  |                                   | (R'000)  |                                   | (R'000)               |                              | (R'000)     |                                      |
| Lower skilled (levels 1–2)               | 90 156   | 80,7                              | 767      | 0,7                               | 9 253                 | 8,3                          | 6 887       | 6,2                                  |
| Skilled (levels 3–5)                     | 257 202  | 80,4                              | 5 136    | 1,6                               | 22 162                | 6,9                          | 19 294      | 6,0                                  |
| Highly skilled production (levels 6–8)   | 396 284  | 84,2                              | 14 495   | 3,1                               | 16 369                | 3,5                          | 26 695      | 5,7                                  |
| Highly skilled supervision (levels 9–12) | 421 750  | 90,5                              | 2 633    | 0,6                               | 8 875                 | 1,9                          | 16 111      | 3,5                                  |
| Senior management (levels 13–16)         | 118 210  | 97,2                              | 84       | 0,1                               | 3 017                 | 2,5                          | 1 925       | 1,6                                  |

**TABLE 3.1.4 Salaries, overtime, homeowner's allowance (HOA) and medical aid by salary band (cont.)**

| Programme               | Salaries         |                                   | Overtime      |                                   | Homeowner's allowance |                              | Medical aid   |                                      |
|-------------------------|------------------|-----------------------------------|---------------|-----------------------------------|-----------------------|------------------------------|---------------|--------------------------------------|
|                         | Amount           | Salaries as a % of personnel cost | Amount        | Overtime as a % of personnel cost | Amount                | HOA as a % of personnel cost | Amount        | Medical aid as a % of personnel cost |
|                         | (R'000)          |                                   | (R'000)       |                                   | (R'000)               |                              | (R'000)       |                                      |
| Contract (levels 1–2)   | 16 856           | 99,0                              | 90            | 0,5                               | –                     | 0,0                          | 9             | 0,1                                  |
| Contract (levels 3–5)   | 1 823            | 94,6                              | 101           | 5,2                               | 24                    | 1,2                          | 51            | 2,6                                  |
| Contract (levels 6–8)   | 2 006            | 96,5                              | 19            | 0,9                               | –                     | 0,0                          | 1             | 0,0                                  |
| Contract (levels 9–12)  | 13 577           | 100,0                             | –             | 0,0                               | 263                   | 1,9                          | 130           | 1,0                                  |
| Contract (levels 13–16) | 14 330           | 100,0                             | –             | 0,0                               | 59                    | 0,4                          | 45            | 0,3                                  |
| <b>Total</b>            | <b>1 332 194</b> | <b>86,6</b>                       | <b>23 324</b> | <b>1,5</b>                        | <b>60 022</b>         | <b>3,9</b>                   | <b>71 148</b> | <b>4,6</b>                           |

### 3.2 EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies. The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate and whether there are any staff members that are additional to the establishment. This information is presented in terms of three key variables: programme, salary band and critical occupations. Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

**TABLE 3.2.1 Employment and vacancies by programme**

| Programme                                          | Number of posts on approved establishment | Number of posts filled | Vacancy rate % | Number of employees additional to the establishment |
|----------------------------------------------------|-------------------------------------------|------------------------|----------------|-----------------------------------------------------|
| 1. Administration                                  | 1 156                                     | 1 028                  | 11,1           | 11                                                  |
| 2. Agricultural Production, Health and Food Safety | 1 510                                     | 1 363                  | 9,7            | 9                                                   |
| 3. Food Security and Agrarian Reform               | 473                                       | 417                    | 11,8           | 271                                                 |
| 4. Trade Promotions and Market Access              | 170                                       | 146                    | 14,1           | –                                                   |
| 5. Forestry and Natural Resources Management       | 2 929                                     | 2 667                  | 8,9            | 8                                                   |
| 6. Fisheries Management                            | 542                                       | 496                    | 8,5            | 1                                                   |
| <b>Total</b>                                       | <b>6 780</b>                              | <b>6 117</b>           | <b>9,8</b>     | <b>300</b>                                          |

\* Number of posts includes the Minister and Deputy Minister

**TABLE 3.2.2 Employment and vacancies by salary band**

| Salary band                              | Number of posts on approved establishment | Number of posts filled | Vacancy rate % | Number of employees additional to the establishment |
|------------------------------------------|-------------------------------------------|------------------------|----------------|-----------------------------------------------------|
| Lower skilled (levels 1–2)               | 1 756                                     | 1 673                  | 4,7            | 269                                                 |
| Skilled (levels 3–5)                     | 1 691                                     | 1 527                  | 9,7            | 4                                                   |
| Highly skilled production (levels 6–8)   | 1 883                                     | 1 700                  | 9,7            | 5                                                   |
| Highly skilled supervision (levels 9–12) | 1 320                                     | 1 103                  | 16,4           | 15                                                  |
| Senior management (levels 13–16)         | 128                                       | 112                    | 12,5           | 7                                                   |
| <b>Total</b>                             | <b>6 778</b>                              | <b>6 115</b>           | <b>9,8</b>     | <b>300</b>                                          |

\* Number of posts excludes the Minister and Deputy Minister

**TABLE 3.2.3 Employment and vacancies by critical occupations**

| Critical occupation                                                       | Number of posts on approved establishment | Number of posts filled | Vacancy rate % | Number of employees additional to the establishment |
|---------------------------------------------------------------------------|-------------------------------------------|------------------------|----------------|-----------------------------------------------------|
| Administrative related                                                    | 170                                       | 136                    | 20,0           | 3                                                   |
| Agricultural, animal, oceanography, forestry and other sciences           | 314                                       | 262                    | 16,6           | 1                                                   |
| Agriculture related                                                       | 393                                       | 337                    | 14,2           | 3                                                   |
| Aircraft pilots and related associate professionals                       | 1                                         | 1                      | –              | –                                                   |
| All artisans in the building, metal, machinery, etc.                      | 43                                        | 41                     | 4,7            | –                                                   |
| Appraisers, valuers and related professionals                             | 25                                        | 24                     | 4,0            | –                                                   |
| Auxiliary and related workers                                             | 130                                       | 125                    | 3,8            | –                                                   |
| Biochemistry, pharmacology, zoology and life science technicians          | 37                                        | 33                     | 10,8           | –                                                   |
| Building and other property caretakers                                    | 98                                        | 89                     | 9,2            | –                                                   |
| Bus and heavy vehicle drivers                                             | 21                                        | 21                     | –              | –                                                   |
| Chemists                                                                  | 2                                         | 2                      | –              | –                                                   |
| Cleaners in offices, workshops, hospitals, etc.                           | 97                                        | 91                     | 6,2            | –                                                   |
| Client information clerks (switchboard, reception and information clerks) | 12                                        | 12                     | –              | –                                                   |
| Communication and information related                                     | 11                                        | 11                     | –              | –                                                   |
| Computer system designers and analysts                                    | 10                                        | 5                      | 50,0           | –                                                   |
| Economists                                                                | 82                                        | 67                     | 18,3           | –                                                   |
| Engineers and related professionals                                       | 12                                        | 3                      | 75,0           | 6                                                   |
| Farmhands and labourers                                                   | 193                                       | 179                    | 7,3            | 5                                                   |
| Farming forestry advisors and farm managers                               | 106                                       | 86                     | 18,9           | –                                                   |
| Finance and economics related                                             | 33                                        | 25                     | 24,2           | –                                                   |
| Financial and related professionals                                       | 34                                        | 27                     | 20,6           | –                                                   |
| Financial clerks and credit controllers                                   | 148                                       | 136                    | 8,1            | 3                                                   |
| Food services aids and waiters                                            | 30                                        | 27                     | 10,0           | –                                                   |
| Forestry labourers                                                        | 1 317                                     | 1 261                  | 4,3            | 4                                                   |
| General legal administration and related professionals                    | 1                                         | –                      | 100,0          | –                                                   |
| Geologists, geophysicists, hydrologists and related professionals         | 1                                         | –                      | 100,0          | –                                                   |
| Head of Department/Chief Executive Officer                                | 1                                         | 1                      | –              | –                                                   |
| Health sciences related                                                   | 5                                         | 5                      | –              | –                                                   |
| Horticulturists, foresters, agricultural and forestry technicians         | 462                                       | 399                    | 13,6           | –                                                   |
| Household and laundry workers                                             | 16                                        | 15                     | 6,3            | –                                                   |
| Human resources and organisational development and related professionals  | 43                                        | 38                     | 11,6           | –                                                   |
| Human resource clerks                                                     | 103                                       | 97                     | 5,8            | –                                                   |
| Human resources related                                                   | 21                                        | 19                     | 9,5            | –                                                   |
| Information technology related                                            | 1                                         | 1                      | –              | –                                                   |
| Language practitioners, interpreters and other communicators              | 29                                        | 26                     | 10,3           | –                                                   |
| Legal related                                                             | 7                                         | 4                      | 42,9           | –                                                   |
| Librarians and related professionals                                      | 4                                         | 3                      | 25,0           | –                                                   |
| Library mail and related clerks                                           | 94                                        | 88                     | 6,4            | –                                                   |

**TABLE 3.2.3 Employment and vacancies by critical occupations (cont.)**

| Critical occupation                                           | Number of posts on approved establishment | Number of posts filled | Vacancy rate % | Number of employees additional to the establishment |
|---------------------------------------------------------------|-------------------------------------------|------------------------|----------------|-----------------------------------------------------|
| Light vehicle drivers                                         | 18                                        | 14                     | 22,2           | –                                                   |
| Logistical support personnel                                  | 36                                        | 32                     | 11,1           | –                                                   |
| Material-recording and transport clerks                       | 121                                       | 108                    | 10,7           | –                                                   |
| Mechanical engineering technicians                            | 4                                         | 2                      | 50,0           | –                                                   |
| Messengers, porters and deliverers                            | 91                                        | 84                     | 7,7            | –                                                   |
| Meteorologists                                                | 1                                         | 1                      | –              | –                                                   |
| Motor vehicle drivers                                         | 47                                        | 44                     | 6,4            | –                                                   |
| Motorised farm and forestry plant operators                   | 98                                        | 86                     | 12,2           | –                                                   |
| Natural sciences related                                      | 8                                         | 5                      | 37,5           | –                                                   |
| Nature conservation and oceanographically related technicians | 66                                        | 58                     | 12,1           | –                                                   |
| Other administrative and related clerks and organisers        | 481                                       | 433                    | 10,0           | 1                                                   |
| Other administrative policy and related officers              | 158                                       | 132                    | 16,5           | –                                                   |
| Other information technology personnel                        | 41                                        | 34                     | 17,1           | –                                                   |
| Photographic, lithographic and related workers                | 4                                         | 3                      | 25,0           | –                                                   |
| Printing and related machine operators                        | 12                                        | 12                     | –              | –                                                   |
| Printing planners and production controllers                  | 1                                         | 1                      | –              | –                                                   |
| Quantity surveyors and related professionals                  | 3                                         | 3                      | –              | –                                                   |
| Rank: Minister                                                | 1                                         | 1                      | –              | –                                                   |
| Rank: Deputy Minister                                         | 1                                         | 1                      | –              | –                                                   |
| Regulatory inspectors                                         | 226                                       | 207                    | 8,4            | –                                                   |
| Risk management and security services                         | 9                                         | 6                      | 33,3           | –                                                   |
| Road trade workers                                            | 8                                         | 8                      | –              | –                                                   |
| Safety, health and quality inspectors                         | 33                                        | 30                     | 9,1            | –                                                   |
| Secretaries and other keyboard operating clerks               | 121                                       | 108                    | 10,7           | 3                                                   |
| Security guards                                               | 319                                       | 302                    | 5,3            | –                                                   |
| Security officers                                             | 169                                       | 149                    | 11,8           | –                                                   |
| Senior managers                                               | 126                                       | 109                    | 13,5           | 7                                                   |
| Social sciences related                                       | 1                                         | 1                      | –              | –                                                   |
| Statisticians and related professionals                       | 23                                        | 21                     | 8,7            | –                                                   |
| Trade labourers                                               | 385                                       | 372                    | 3,4            | 1                                                   |
| Trainees                                                      | –                                         | –                      | –              | 259                                                 |
| Veterinarians                                                 | 35                                        | 33                     | 5,7            | 4                                                   |
| Veterinary assistants                                         | 5                                         | 5                      | –              | –                                                   |
| Water plant and related operators                             | 21                                        | 15                     | 28,6           | –                                                   |
| <b>Total</b>                                                  | <b>6 780</b>                              | <b>6 117</b>           | <b>9,8</b>     | <b>300</b>                                          |

\* Number of posts includes the Minister and Deputy Minister

### 3.3 JOB EVALUATION

Within a nationally determined framework, executive authorities may evaluate or re-evaluate any job in their organisations. In terms of the regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

**TABLE 3.3.1 Job evaluation by salary band**

| Salary band                              | Number of posts on approved establishment | Number of jobs evaluated | % of posts evaluated by salary band | Posts upgraded |                      | Posts downgraded |                      |
|------------------------------------------|-------------------------------------------|--------------------------|-------------------------------------|----------------|----------------------|------------------|----------------------|
|                                          |                                           |                          |                                     | Number         | % of posts evaluated | Number           | % of posts evaluated |
| Lower skilled (levels 1–2)               | 1 756                                     | 10                       | 0,6                                 | –              | –                    | –                | –                    |
| Skilled (levels 3–5)                     | 1 691                                     | 854                      | 50,5                                | 150            | 17,6                 | 325              | 38,1                 |
| Highly skilled production (levels 6–8)   | 1 883                                     | 126                      | 6,7                                 | 13             | 10,3                 | 2                | 1,6                  |
| Highly skilled supervision (levels 9–12) | 1 320                                     | 334                      | 25,3                                | 62             | 18,6                 | 8                | 2,4                  |
| Senior Management Service Band A         | 90                                        | –                        | –                                   | –              | –                    | –                | –                    |
| Senior Management Service Band B         | 28                                        | –                        | –                                   | –              | –                    | –                | –                    |
| Senior Management Service Band C         | 9                                         | –                        | –                                   | –              | –                    | –                | –                    |
| Senior Management Service Band D         | 1                                         | –                        | –                                   | –              | –                    | –                | –                    |
| <b>Total</b>                             | <b>6 778</b>                              | <b>1 324</b>             | <b>19,5</b>                         | <b>225</b>     | <b>17,0</b>          | <b>335</b>       | <b>25,3</b>          |

\* Number of posts excludes the Minister and Deputy Minister

The following table provides a summary of the number of employees whose positions were upgraded owing to their posts being upgraded. The number of employees might differ from the number of posts upgraded because not all employees are automatically absorbed into the new posts and some of the upgraded posts could also be vacant.

**TABLE 3.3.2 Profile of employees whose positions were upgraded owing to their posts being upgraded**

| Beneficiaries               | African    | Asian    | Coloured  | White     | Total      |
|-----------------------------|------------|----------|-----------|-----------|------------|
| Female                      | 93         | –        | 8         | 10        | 111        |
| Male                        | 84         | –        | 13        | 4         | 101        |
| <b>Total</b>                | <b>177</b> | <b>–</b> | <b>21</b> | <b>14</b> | <b>212</b> |
| Employees with a disability |            |          |           |           | 5          |

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

**TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation**

| Occupation                                                      | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|-----------------------------------------------------------------|---------------------|----------------------|--------------------|----------------------|
| Administrative related                                          | 1                   | 7                    | 8                  | Grade progression    |
| Administrative related                                          | 1                   | 9                    | 10                 | Minister's approval  |
| Administrative related                                          | 2                   | 9                    | 11                 | Minister's approval  |
| Administrative related                                          | 1                   | 9                    | 12                 | Minister's approval  |
| Administrative related                                          | 1                   | 10                   | 12                 | Job evaluation       |
| Administrative related                                          | 1                   | 11                   | 12                 | Job evaluation       |
| Agricultural, animal, oceanography, forestry and other sciences | 1                   | 9                    | 10                 | Job evaluation       |
| Agricultural, animal, oceanography, forestry and other sciences | 2                   | 9                    | 10                 | Retention            |
| Agriculture related                                             | 2                   | 8                    | 9                  | Grade progression    |
| Agriculture related                                             | 1                   | 9                    | 10                 | Job evaluation       |
| Agriculture related                                             | 2                   | 11                   | 12                 | Grade progression    |
| Aircraft pilots and related associate professionals             | 1                   | 11                   | 12                 | Grade progression    |
| All artisans in the building, metal, machinery, etc.            | 1                   | 5                    | 6                  | Grade progression    |
| All artisans in the building, metal, machinery, etc.            | 1                   | 6                    | 7                  | Grade progression    |

**TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation (cont.)**

| Occupation                                                               | Number of employees | Job evaluation level | Remuneration level | Reason for deviation   |
|--------------------------------------------------------------------------|---------------------|----------------------|--------------------|------------------------|
| All artisans in the building, metal, machinery, etc.                     | 6                   | 7                    | 8                  | Grade progression      |
| Appraisers, valuers and related professionals                            | 1                   | 11                   | 12                 | Job evaluation         |
| Appraisers, valuers and related professionals                            | 1                   | 12                   | 13                 | Foreign representative |
| Appraisers, valuers and related professionals                            | 3                   | 12                   | 14                 | Foreign representative |
| Appraisers, valuers and related professionals                            | 2                   | 12                   | 15                 | Foreign representative |
| Auxiliary and related workers                                            | 6                   | 5                    | 6                  | Job evaluation         |
| Auxiliary and related workers                                            | 12                  | 6                    | 7                  | Grade progression      |
| Building and other property caretakers                                   | 38                  | 2                    | 3                  | Grade progression      |
| Building and other property caretakers                                   | 1                   | 4                    | 5                  | Grade progression      |
| Bus and heavy vehicle drivers                                            | 8                   | 4                    | 5                  | Grade progression      |
| Bus and heavy vehicle drivers                                            | 1                   | 5                    | 6                  | Grade progression      |
| Cleaners in offices, workshops, hospitals, etc.                          | 28                  | 2                    | 3                  | Grade progression      |
| Cleaners in offices, workshops, hospitals, etc.                          | 1                   | 4                    | 5                  | Grade progression      |
| Communication and information related                                    | 2                   | 11                   | 12                 | Job evaluation         |
| Economists                                                               | 1                   | 9                    | 10                 | Job evaluation         |
| Economists                                                               | 2                   | 10                   | 11                 | Job evaluation         |
| Farmhands and labourers                                                  | 17                  | 2                    | 3                  | Grade progression      |
| Farmhands and labourers                                                  | 1                   | 2                    | 5                  | Grade progression      |
| Farming forestry advisors and farm managers                              | 7                   | 8                    | 9                  | Grade progression      |
| Farming forestry advisors and farm managers                              | 1                   | 8                    | 10                 | Out of adjustment      |
| Finance and economics related                                            | 2                   | 9                    | 10                 | Job evaluation         |
| Finance and economics related                                            | 1                   | 11                   | 12                 | Retention              |
| Financial and related professionals                                      | 1                   | 7                    | 8                  | Grade progression      |
| Financial clerks and credit controllers                                  | 2                   | 5                    | 6                  | Grade progression      |
| Financial clerks and credit controllers                                  | 2                   | 6                    | 7                  | Grade progression      |
| Financial clerks and credit controllers                                  | 8                   | 7                    | 8                  | Grade progression      |
| Food services aids and waiters                                           | 7                   | 2                    | 3                  | Grade progression      |
| Forestry labourers                                                       | 478                 | 2                    | 3                  | Grade progression      |
| Forestry labourers                                                       | 1                   | 2                    | 4                  | Out of adjustment      |
| Forestry labourers                                                       | 20                  | 4                    | 5                  | Grade progression      |
| Forestry labourers                                                       | 1                   | 2                    | 6                  | Out of adjustment      |
| Forestry labourers                                                       | 3                   | 5                    | 6                  | Grade progression      |
| Forestry labourers                                                       | 2                   | 6                    | 7                  | Grade progression      |
| Health sciences related                                                  | 1                   | 11                   | 12                 | Retention              |
| Household and laundry workers                                            | 1                   | 5                    | 6                  | Grade progression      |
| Human resources and organisational development and related professionals | 1                   | 9                    | 12                 | Retention              |
| Human resources clerks                                                   | 1                   | 5                    | 6                  | Job evaluation         |
| Human resources clerks                                                   | 1                   | 6                    | 7                  | Grade progression      |
| Human resources clerks                                                   | 3                   | 7                    | 8                  | Grade progression      |
| Human resources related                                                  | 3                   | 9                    | 10                 | Minister's approval    |
| Human resources related                                                  | 2                   | 11                   | 12                 | Minister's approval    |

**TABLE 3.3.3 Employees with salary levels higher than those determined by job evaluation by occupation (cont.)**

| Occupation                                             | Number of employees | Job evaluation level | Remuneration level | Reason for deviation |
|--------------------------------------------------------|---------------------|----------------------|--------------------|----------------------|
| Library mail and related clerks                        | 2                   | 6                    | 7                  | Grade progression    |
| Library mail and related clerks                        | 1                   | 8                    | 11                 | Minister's approval  |
| Logistical support personnel                           | 1                   | 7                    | 8                  | Grade progression    |
| Material-recording and transport clerks                | 1                   | 5                    | 6                  | Grade progression    |
| Material-recording and transport clerks                | 3                   | 6                    | 7                  | Grade progression    |
| Material-recording and transport clerks                | 2                   | 7                    | 8                  | Grade progression    |
| Messengers, porters and deliverers                     | 35                  | 2                    | 3                  | Grade progression    |
| Messengers, porters and deliverers                     | 1                   | 2                    | 4                  | Job evaluation       |
| Motorised farm and forestry plant operators            | 1                   | 2                    | 3                  | Grade progression    |
| Motorised farm and forestry plant operators            | 1                   | 3                    | 5                  | Grade progression    |
| Other administrative policy and related officers       | 2                   | 7                    | 8                  | Grade progression    |
| Other administrative policy and related officers       | 1                   | 8                    | 10                 | Retention            |
| Other administrative and related clerks and organisers | 1                   | 5                    | 6                  | Job evaluation       |
| Other administrative and related clerks and organisers | 1                   | 5                    | 7                  | Grade progression    |
| Other administrative and related clerks and organisers | 39                  | 6                    | 7                  | Grade progression    |
| Other administrative and related clerks and organisers | 5                   | 7                    | 8                  | Grade progression    |
| Other information technology personnel                 | 2                   | 8                    | 10                 | Job evaluation       |
| Other information technology personnel                 | 1                   | 11                   | 12                 | Grade progression    |
| Regulatory inspectors                                  | 1                   | 7                    | 8                  | Grade progression    |
| Secretaries and other keyboard operating clerks        | 1                   | 5                    | 6                  | Minister's approval  |
| Secretaries and other keyboard operating clerks        | 4                   | 7                    | 8                  | Grade progression    |
| Security guards                                        | 82                  | 2                    | 3                  | Grade progression    |
| Security guards                                        | 2                   | 2                    | 4                  | Job evaluation       |
| Security guards                                        | 3                   | 3                    | 4                  | Job evaluation       |
| Senior managers                                        | 1                   | 13                   | 14                 | Minister's approval  |
| Senior managers                                        | 1                   | 14                   | 15                 | Minister's approval  |
| Statisticians and related professionals                | 1                   | 9                    | 12                 | Job evaluation       |
| Trade labourers                                        | 55                  | 2                    | 3                  | Grade progression    |
| Trade labourers                                        | 4                   | 4                    | 5                  | Grade progression    |
| Trade labourers                                        | 1                   | 5                    | 6                  | Grade progression    |
| Veterinarians                                          | 3                   | 11                   | 12                 | Retention            |
| Water plant and related operators                      | 2                   | 2                    | 3                  | Grade progression    |
| Water plant and related operators                      | 1                   | 4                    | 5                  | Grade progression    |
| <b>% of total employment</b>                           | <b>15,7</b>         |                      |                    |                      |

The following table summarises the beneficiaries of the above in terms of race, gender and disability.

**TABLE 3.3.4 Profile of employees who have salary levels higher than those determined by job evaluation**

| Beneficiary                                                                                                    | African    | Asian    | Coloured  | White     | Total      |
|----------------------------------------------------------------------------------------------------------------|------------|----------|-----------|-----------|------------|
| Female                                                                                                         | 482        | –        | 6         | 50        | 538        |
| Male                                                                                                           | 385        | 1        | 19        | 17        | 422        |
| <b>Total</b>                                                                                                   | <b>869</b> | <b>1</b> | <b>25</b> | <b>67</b> | <b>960</b> |
| Employees with a disability                                                                                    | –          | –        | –         | –         | –          |
| <b>Total number of employees whose remuneration exceeded the grade determined by job evaluation in 2013/14</b> |            |          |           |           | <b>960</b> |

### 3.4 EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and by critical occupations.

**TABLE 3.4.1 Annual turnover rates by salary band**

| Salary band                              | Number of employees at beginning of period—April 2013 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate (%) |
|------------------------------------------|-------------------------------------------------------|------------------------------------------------|--------------------------------------------------|-------------------|
| Lower skilled (levels 1–2)               | 1 698                                                 | 91                                             | 51                                               | 3,0               |
| Skilled (levels 3–5)                     | 1 567                                                 | 68                                             | 191                                              | 12,2              |
| Highly skilled production (levels 6–8)   | 1 712                                                 | 85                                             | 84                                               | 4,9               |
| Highly skilled supervision (levels 9–12) | 1 057                                                 | 48                                             | 53                                               | 5,0               |
| Senior Management Service Band A         | 80                                                    | 1                                              | 4                                                | 5,0               |
| Senior Management Service Band B         | 24                                                    | 2                                              | 1                                                | 4,2               |
| Senior Management Service Band C         | 6                                                     | 1                                              | 1                                                | 16,7              |
| Senior Management Service Band D         | –                                                     | 1                                              | –                                                | –                 |
| <b>Total</b>                             | <b>6 144</b>                                          | <b>297</b>                                     | <b>385</b>                                       | <b>6,3</b>        |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.4.2 Annual turnover rates by critical occupation**

| Critical occupation                                              | Number of employees at beginning of period—April 2013 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate (%) |
|------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------|--------------------------------------------------|-------------------|
| Administrative related                                           | 144                                                   | 9                                              | 16                                               | 11,1              |
| Agricultural, animal, oceanography, forestry and other sciences  | 244                                                   | 13                                             | 7                                                | 2,9               |
| Agriculture related                                              | 313                                                   | 7                                              | 12                                               | 3,8               |
| Aircraft pilots and related associate professionals              | 1                                                     | –                                              | –                                                | –                 |
| All artisans in building, metal, machinery, etc.                 | 43                                                    | –                                              | 2                                                | 4,7               |
| Appraisers, valuers and related professionals                    | 21                                                    | 2                                              | –                                                | –                 |
| Auxiliary and related workers                                    | 128                                                   | 2                                              | 2                                                | 1,6               |
| Biochemistry, pharmacology, zoology and life science technicians | 32                                                    | 2                                              | 1                                                | 3,1               |
| Building and other property caretakers                           | 98                                                    | 1                                              | 10                                               | 10,2              |
| Bus and heavy vehicle drivers                                    | 22                                                    | –                                              | 1                                                | 4,5               |
| Chemists                                                         | 2                                                     | –                                              | –                                                | –                 |
| Civil engineering technicians                                    | –                                                     | –                                              | –                                                | –                 |
| Cleaners in offices, workshops, hospitals, etc.                  | 83                                                    | 16                                             | 4                                                | 4,8               |
| Client information clerks                                        | 11                                                    | –                                              | 1                                                | 9,1               |
| Communication and information related                            | 11                                                    | –                                              | –                                                | –                 |
| Computer system designers and analysts                           | 6                                                     | –                                              | 1                                                | 16,7              |
| Economists                                                       | 65                                                    | 3                                              | 5                                                | 7,7               |

**TABLE 3.4.2 Annual turnover rates by critical occupation (cont.)**

| Critical occupation                                                      | Number of employees at beginning of period—April 2013 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate (%) |
|--------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------|--------------------------------------------------|-------------------|
| Engineering sciences related                                             | –                                                     | –                                              | –                                                | –                 |
| Engineers and related professionals                                      | 3                                                     | –                                              | –                                                | –                 |
| Farmhands and labourers                                                  | 194                                                   | 10                                             | 15                                               | 7,7               |
| Farming, forestry advisors and farm managers                             | 90                                                    | 5                                              | 7                                                | 7,8               |
| Finance and economics related                                            | 28                                                    | 1                                              | 2                                                | 7,1               |
| Financial and related professionals                                      | 27                                                    | –                                              | 1                                                | 3,7               |
| Financial clerks and credit controllers                                  | 133                                                   | 12                                             | 8                                                | 6,0               |
| Food services aids and waiters                                           | 26                                                    | 4                                              | 1                                                | 3,8               |
| Forestry labourers                                                       | 1 307                                                 | 57                                             | 122                                              | 9,3               |
| General legal administration and related professionals                   | 1                                                     | –                                              | –                                                | –                 |
| Geologists, geophysicists, hydrologists and related professionals        | –                                                     | –                                              | –                                                | –                 |
| Head of Department/Chief Executive Officer                               | –                                                     | 1                                              | –                                                | –                 |
| Health sciences related                                                  | 5                                                     | –                                              | –                                                | –                 |
| Horticulturists, foresters, agricultural and forestry technicians        | 375                                                   | 22                                             | 13                                               | 3,5               |
| Household and laundry workers                                            | 16                                                    | –                                              | 1                                                | 6,3               |
| Human resources and organisational development and related professionals | 36                                                    | 2                                              | 3                                                | 8,3               |
| Human resources clerks                                                   | 91                                                    | 12                                             | 4                                                | 4,4               |
| Human resources related                                                  | 15                                                    | 2                                              | –                                                | –                 |
| Information technology related                                           | 1                                                     | –                                              | –                                                | –                 |
| Language practitioners, interpreters and other communicators             | 24                                                    | 3                                              | 3                                                | 12,5              |
| Legal related                                                            | 2                                                     | 1                                              | –                                                | –                 |
| Librarians and related professionals                                     | 3                                                     | –                                              | 1                                                | 33,3              |
| Library, mail and related clerks                                         | 74                                                    | 7                                              | –                                                | –                 |
| Light vehicle drivers                                                    | 14                                                    | 1                                              | 2                                                | 14,3              |
| Logistical support personnel                                             | 30                                                    | 5                                              | 3                                                | 10,0              |
| Material-recording and transport clerks                                  | 107                                                   | 9                                              | 6                                                | 5,6               |
| Mechanical engineering technicians                                       | 3                                                     | –                                              | 1                                                | 33,3              |
| Messengers, porters and deliverers                                       | 86                                                    | 7                                              | 5                                                | 5,8               |
| Meteorologists                                                           | 1                                                     | –                                              | –                                                | –                 |
| Motor vehicle drivers                                                    | 49                                                    | –                                              | 5                                                | 10,2              |
| Motorised farm and forestry plant operators                              | 96                                                    | 1                                              | 10                                               | 10,4              |
| Natural sciences related                                                 | 1                                                     | –                                              | 1                                                | 100,0             |
| Nature conservation and oceanography related technicians                 | 61                                                    | 3                                              | 5                                                | 8,2               |
| Other administrative and related clerks and organisers                   | 418                                                   | 22                                             | 22                                               | 5,3               |
| Other administrative policy and related officers                         | 133                                                   | 4                                              | 10                                               | 7,5               |

**TABLE 3.4.2 Annual turnover rates by critical occupation (cont.)**

| Critical occupation                             | Number of employees at beginning of period—April 2013 | Appointments and transfers into the department | Terminations and transfers out of the department | Turnover rate (%) |
|-------------------------------------------------|-------------------------------------------------------|------------------------------------------------|--------------------------------------------------|-------------------|
| Other information technology personnel          | 15                                                    | 16                                             | 1                                                | 6,7               |
| Photographic, lithographic and related workers  | 4                                                     | –                                              | –                                                | –                 |
| Printing and related machine operators          | 13                                                    | 1                                              | 1                                                | 7,7               |
| Printing planners and production controllers    | 1                                                     | –                                              | –                                                | –                 |
| Quantity surveyors and related professionals    | 3                                                     | –                                              | –                                                | –                 |
| Rank: Minister                                  | 1                                                     | –                                              | –                                                | –                 |
| Rank: Deputy Minister                           | 1                                                     | –                                              | –                                                | –                 |
| Regulatory inspectors                           | 232                                                   | 11                                             | 8                                                | 3,4               |
| Risk management and security services           | 7                                                     | –                                              | –                                                | –                 |
| Road trade workers                              | 8                                                     | –                                              | –                                                | –                 |
| Safety, health and quality inspectors           | 37                                                    | 6                                              | 2                                                | 8,1               |
| Secretaries and other keyboard operating clerks | 109                                                   | 5                                              | 8                                                | 7,3               |
| Security guards                                 | 324                                                   | –                                              | 20                                               | 6,2               |
| Security officers                               | 152                                                   | 3                                              | 5                                                | 3,3               |
| Senior managers                                 | 108                                                   | 4                                              | 5                                                | 4,6               |
| Social sciences related                         | 1                                                     | –                                              | –                                                | –                 |
| Statisticians and related professionals         | 21                                                    | –                                              | –                                                | –                 |
| Trade labourers                                 | 383                                                   | 3                                              | 18                                               | 4,7               |
| Veterinarians                                   | 31                                                    | 2                                              | 3                                                | 9,7               |
| Veterinary assistants                           | 5                                                     | –                                              | –                                                | –                 |
| Water plant and related operators               | 16                                                    | –                                              | 1                                                | 6,3               |
| <b>Total</b>                                    | <b>6 146</b>                                          | <b>297</b>                                     | <b>385</b>                                       | <b>106,3</b>      |

\* Number of employees includes the Minister and Deputy Minister

The table below identifies the major reasons why staff members left the department.

**TABLE 3.4.3 Reasons why staff left the department**

| Termination type                                              | Number     | % of total resignations |
|---------------------------------------------------------------|------------|-------------------------|
| Death                                                         | 68         | 17,7                    |
| Resignation                                                   | 54         | 14,0                    |
| Discharged because of ill health                              | 2          | 0,5                     |
| Dismissal—misconduct                                          | 7          | 1,8                     |
| Retirement                                                    | 171        | 44,4                    |
| Transfers                                                     | 83         | 21,6                    |
| Severance package                                             | –          | –                       |
| <b>Total</b>                                                  | <b>385</b> | <b>100,0</b>            |
| Total number of employees who left as a % of total employment |            | 5,7                     |

**TABLE 3.4.4 Promotions by critical occupation**

| Occupation                                                                | Employees as at 1 April 2013 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progression as a % of employees by occupation |
|---------------------------------------------------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Administrative related                                                    | 144                          | 9                                  | 6,3                                                       | 105                                                 | 72,9                                                |
| Agricultural, animal, oceanography, forestry and other sciences           | 244                          | 6                                  | 2,5                                                       | 176                                                 | 72,1                                                |
| Agriculture related                                                       | 313                          | 28                                 | 8,9                                                       | 263                                                 | 84,0                                                |
| Aircraft pilots and related associate professionals                       | 1                            | –                                  | –                                                         | 1                                                   | 100,0                                               |
| All artisans in building, metal, machinery, etc.                          | 43                           | –                                  | –                                                         | 38                                                  | 88,4                                                |
| Appraisers, valuers and related professionals                             | 21                           | –                                  | –                                                         | 10                                                  | 47,6                                                |
| Auxiliary and related workers                                             | 128                          | 1                                  | 0,8                                                       | 113                                                 | 88,3                                                |
| Biochemistry, pharmacology, zoology and life science technicians          | 32                           | –                                  | –                                                         | 17                                                  | 53,1                                                |
| Building and other property caretakers                                    | 98                           | –                                  | –                                                         | 80                                                  | 81,6                                                |
| Bus and heavy vehicle drivers                                             | 22                           | –                                  | –                                                         | 17                                                  | 77,3                                                |
| Chemists                                                                  | 2                            | –                                  | –                                                         | 2                                                   | 100,0                                               |
| Cleaners in offices, workshops, hospitals, etc.                           | 83                           | –                                  | –                                                         | 70                                                  | 84,3                                                |
| Client information clerks (switchboard, reception and information clerks) | 11                           | –                                  | –                                                         | 8                                                   | 72,7                                                |
| Communication and information related                                     | 11                           | –                                  | –                                                         | 9                                                   | 81,8                                                |
| Computer system designers and analysts                                    | 6                            | –                                  | –                                                         | 4                                                   | 66,7                                                |
| Economists                                                                | 65                           | 3                                  | 4,6                                                       | 46                                                  | 70,8                                                |
| Engineers and related professionals                                       | 3                            | –                                  | –                                                         | 3                                                   | 100,0                                               |
| Farmhands and labourers                                                   | 194                          | –                                  | –                                                         | 147                                                 | 75,8                                                |
| Farming, forestry advisors and farm managers                              | 90                           | 2                                  | 2,2                                                       | 48                                                  | 53,3                                                |
| Finance and economics related                                             | 28                           | –                                  | –                                                         | 25                                                  | 89,3                                                |
| Financial and related professionals                                       | 27                           | 2                                  | 7,4                                                       | 21                                                  | 77,8                                                |
| Financial clerks and credit controllers                                   | 133                          | 8                                  | 6,0                                                       | 77                                                  | 57,9                                                |
| Food services aids and waiters                                            | 26                           | –                                  | –                                                         | 13                                                  | 50,0                                                |
| Forestry labourers                                                        | 1 307                        | 4                                  | 0,3                                                       | 954                                                 | 73,0                                                |
| General, legal, administration and related professionals                  | 1                            | –                                  | –                                                         | 1                                                   | 100,0                                               |
| Geologists, geophysicists, hydrologists and related professionals         | –                            | –                                  | –                                                         | –                                                   | –                                                   |
| Head of Department/Chief Executive Officer                                | –                            | –                                  | –                                                         | –                                                   | –                                                   |
| Health sciences related                                                   | 5                            | –                                  | –                                                         | 4                                                   | 80,0                                                |
| Horticulturists, foresters, agricultural and forestry technicians         | 375                          | 8                                  | 2,1                                                       | 288                                                 | 76,8                                                |
| Household and laundry workers                                             | 16                           | –                                  | –                                                         | 8                                                   | 50,0                                                |
| Human resources, organisation development and related professionals       | 36                           | 3                                  | 8,3                                                       | 29                                                  | 80,6                                                |
| Human resources clerks                                                    | 91                           | 5                                  | 5,5                                                       | 55                                                  | 60,4                                                |

TABLE 3.4.4 Promotions by critical occupation (cont.)

| Occupation                                                   | Employees as at 1 April 2013 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progression as a % of employees by occupation |
|--------------------------------------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Human resources related                                      | 15                           | 5                                  | 33,3                                                      | 9                                                   | 60,0                                                |
| Information technology related                               | 1                            | –                                  | –                                                         | 1                                                   | 100,0                                               |
| Language practitioners, interpreters and other communicators | 24                           | 1                                  | 4,2                                                       | 12                                                  | 50,0                                                |
| Legal related                                                | 2                            | 1                                  | 50,0                                                      | 1                                                   | 50,0                                                |
| Librarians and related professionals                         | 3                            | –                                  | –                                                         | 1                                                   | 33,3                                                |
| Library, mail and related clerks                             | 74                           | 1                                  | 1,4                                                       | 24                                                  | 32,4                                                |
| Light vehicle drivers                                        | 14                           | –                                  | –                                                         | 7                                                   | 50,0                                                |
| Logistical support personnel                                 | 30                           | 1                                  | 3,3                                                       | 25                                                  | 83,3                                                |
| Material-recording and transport clerks                      | 107                          | 3                                  | 2,8                                                       | 55                                                  | 51,4                                                |
| Mechanical engineers                                         | 3                            | –                                  | –                                                         | 1                                                   | 33,3                                                |
| Messengers, porters and deliverers                           | 86                           | –                                  | –                                                         | 71                                                  | 82,6                                                |
| Meteorologist                                                | 1                            | –                                  | –                                                         | –                                                   | –                                                   |
| Motor vehicle drivers                                        | 49                           | –                                  | –                                                         | 38                                                  | 77,6                                                |
| Motorised farm and forestry plant operators                  | 96                           | –                                  | –                                                         | 82                                                  | 85,4                                                |
| Natural sciences related                                     | 1                            | –                                  | –                                                         | –                                                   | –                                                   |
| Nature conservation and oceanography related technicians     | 61                           | 2                                  | 3,3                                                       | 43                                                  | 70,5                                                |
| Other administrative and related clerks and organisers       | 418                          | 3                                  | 0,7                                                       | 238                                                 | 56,9                                                |
| Other administrative policy and related officers             | 133                          | 6                                  | 4,5                                                       | 92                                                  | 69,2                                                |
| Other information technology personnel                       | 15                           | –                                  | –                                                         | 8                                                   | 53,3                                                |
| Photographic, lithographic and related workers               | 4                            | –                                  | –                                                         | 1                                                   | 25,0                                                |
| Printing and related machine operators                       | 13                           | –                                  | –                                                         | 6                                                   | 46,2                                                |
| Printing planners and production controller                  | 1                            | –                                  | –                                                         | –                                                   | –                                                   |
| Quantity surveyors and related professionals                 | 3                            | –                                  | –                                                         | 1                                                   | 33,3                                                |
| Rank: Minister and Deputy Minister                           | 2                            | –                                  | –                                                         | –                                                   | –                                                   |
| Regulatory inspectors                                        | 232                          | 4                                  | 1,7                                                       | 164                                                 | 70,7                                                |
| Risk management and security services                        | 7                            | –                                  | –                                                         | 5                                                   | 71,4                                                |
| Road trade workers                                           | 8                            | –                                  | –                                                         | 5                                                   | 62,5                                                |
| Safety, health and quality inspectors                        | 37                           | –                                  | –                                                         | 16                                                  | 43,2                                                |
| Secretaries and other keyboard operating clerks              | 109                          | 5                                  | 4,6                                                       | 79                                                  | 72,5                                                |
| Security guards                                              | 324                          | –                                  | –                                                         | 278                                                 | 85,8                                                |
| Security officers                                            | 152                          | –                                  | –                                                         | 118                                                 | 77,6                                                |
| Senior managers                                              | 108                          | 6                                  | 5,6                                                       | 57                                                  | 52,8                                                |
| Social sciences related                                      | 1                            | –                                  | –                                                         | 1                                                   | 100,0                                               |
| Statisticians and related professionals                      | 21                           | –                                  | –                                                         | 20                                                  | 95,2                                                |

**TABLE 3.4.4 Promotions by critical occupation (cont.)**

| Occupation                        | Employees as at 1 April 2013 | Promotions to another salary level | Salary level promotions as a % of employees by occupation | Progressions to another notch within a salary level | Notch progression as a % of employees by occupation |
|-----------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Trade labourers                   | 383                          | 1                                  | 0,3                                                       | 303                                                 | 79,1                                                |
| Veterinarians                     | 31                           | –                                  | –                                                         | 20                                                  | 64,5                                                |
| Veterinary assistants             | 5                            | –                                  | –                                                         | 5                                                   | 100,0                                               |
| Water plant and related operators | 16                           | –                                  | –                                                         | 11                                                  | 68,8                                                |
| <b>Total</b>                      | <b>6 146</b>                 | <b>118</b>                         | <b>1,9</b>                                                | <b>4 430</b>                                        | <b>72,1</b>                                         |

\* Number of employees includes the Minister and Deputy Minister

**TABLE 3.4.5 Promotions by salary band**

| Salary band                              | Employees as at 1 April 2013 | Promotions to another salary level | Salary band promotions as a % of employees by salary level | Progressions to another notch within salary level | Notch progression as a % of employees by salary band |
|------------------------------------------|------------------------------|------------------------------------|------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------|
| Lower skilled (levels 1–2)               | 1 698                        | –                                  | –                                                          | 1 257                                             | 74,0                                                 |
| Skilled (levels 3–5)                     | 1 567                        | 13                                 | 0,8                                                        | 1 241                                             | 79,2                                                 |
| Highly skilled production (levels 6–8)   | 1 712                        | 46                                 | 2,7                                                        | 1 127                                             | 65,8                                                 |
| Highly skilled supervision (levels 9–12) | 1 057                        | 53                                 | 5,0                                                        | 734                                               | 69,4                                                 |
| Senior Management (levels 13–16)         | 110                          | 6                                  | 5,5                                                        | 71                                                | 64,5                                                 |
| <b>Total</b>                             | <b>6 144</b>                 | <b>118</b>                         | <b>1,9</b>                                                 | <b>4 430</b>                                      | <b>72,1</b>                                          |

\* Number of employees excludes the Minister and Deputy Minister

### 3.5 EMPLOYMENT EQUITY

**TABLE 3.5.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2014**

| Occupational category                      | Male         |            |           |            | Female       |            |           |            | Total        |
|--------------------------------------------|--------------|------------|-----------|------------|--------------|------------|-----------|------------|--------------|
|                                            | African      | Coloured   | Indian    | White      | African      | Coloured   | Indian    | White      |              |
| Legislators, senior officials and managers | 47           | 7          | –         | 7          | 29           | 4          | 2         | 5          | 101          |
| Professionals                              | 360          | 22         | 12        | 109        | 294          | 26         | 14        | 83         | 920          |
| Technicians and associate professionals    | 509          | 115        | 8         | 98         | 454          | 52         | 9         | 56         | 1 301        |
| Clerks                                     | 243          | 37         | 3         | 14         | 454          | 64         | 7         | 142        | 964          |
| Service and sales workers                  | 336          | 4          | 1         | 15         | 102          | 2          | –         | 1          | 461          |
| Craft and related trade workers            | 33           | 6          | –         | 11         | –            | –          | –         | 2          | 52           |
| Plant, machine operators and assemblers    | 178          | 9          | –         | 1          | 9            | –          | –         | –          | 197          |
| Elementary occupations                     | 1 033        | 113        | –         | 5          | 926          | 40         | –         | 2          | 2 119        |
| <b>Total</b>                               | <b>2 739</b> | <b>313</b> | <b>24</b> | <b>260</b> | <b>2 268</b> | <b>188</b> | <b>32</b> | <b>291</b> | <b>6 115</b> |
| Employees with disabilities                | 17           | 9          | –         | 8          | 15           | 3          | 1         | 14         | 67           |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.5.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2014**

| Occupational band                                                                             | Male         |            |           |            | Female       |            |           |            | Total        |
|-----------------------------------------------------------------------------------------------|--------------|------------|-----------|------------|--------------|------------|-----------|------------|--------------|
|                                                                                               | African      | Coloured   | Indian    | White      | African      | Coloured   | Indian    | White      |              |
| Top management (levels 15–16)                                                                 | 5            | –          | –         | –          | 1            | 1          | –         | –          | 7            |
| Senior management (levels 13–14)                                                              | 46           | 7          | 1         | 7          | 30           | 3          | 3         | 8          | 105          |
| Professionally qualified and experienced specialists and mid-management                       | 445          | 32         | 12        | 132        | 341          | 40         | 13        | 88         | 1 103        |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 552          | 110        | 11        | 105        | 678          | 63         | 13        | 168        | 1 700        |
| Semiskilled and discretionary decision making                                                 | 829          | 119        | –         | 15         | 483          | 53         | 3         | 25         | 1 527        |
| Unskilled and defined decision making                                                         | 862          | 45         | –         | 1          | 735          | 28         | –         | 2          | 1 673        |
| <b>Total</b>                                                                                  | <b>2 739</b> | <b>313</b> | <b>24</b> | <b>260</b> | <b>2 268</b> | <b>188</b> | <b>32</b> | <b>291</b> | <b>6 115</b> |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.5.3 Recruitment**

| Occupational band                                                                             | Male       |          |          |          | Female     |          |          |          | Total      |
|-----------------------------------------------------------------------------------------------|------------|----------|----------|----------|------------|----------|----------|----------|------------|
|                                                                                               | African    | Coloured | Indian   | White    | African    | Coloured | Indian   | White    |            |
| Top management                                                                                | 1          | –        | –        | –        | –          | 1        | –        | –        | 2          |
| Senior management                                                                             | 2          | –        | –        | –        | 1          | –        | –        | –        | 3          |
| Professionally qualified and experienced specialists and mid-management                       | 27         | –        | 2        | 2        | 13         | 1        | –        | 3        | 48         |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 28         | 2        | –        | 1        | 49         | 5        | –        | –        | 85         |
| Semiskilled and discretionary decision making                                                 | 30         | 3        | –        | –        | 33         | –        | 1        | 1        | 68         |
| Unskilled and defined decision making                                                         | 54         | 1        | –        | –        | 35         | 1        | –        | –        | 91         |
| <b>Total</b>                                                                                  | <b>142</b> | <b>6</b> | <b>2</b> | <b>3</b> | <b>131</b> | <b>8</b> | <b>1</b> | <b>4</b> | <b>297</b> |

**TABLE 3.5.4 Promotions**

| Occupational band                                                                             | Male    |          |        |       | Female  |          |        |       | Total |
|-----------------------------------------------------------------------------------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
|                                                                                               | African | Coloured | Indian | White | African | Coloured | Indian | White |       |
| Top management                                                                                | 1       | –        | –      | –     | –       | –        | –      | –     | 1     |
| Senior management                                                                             | 4       | –        | –      | –     | 1       | –        | –      | –     | 5     |
| Professionally qualified and experienced specialists and mid-management                       | 33      | –        | –      | 2     | 13      | 3        | 1      | 1     | 53    |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 19      | 2        | –      | –     | 23      | 2        | –      | –     | 46    |

TABLE 3.5.4 Promotions (cont.)

| Occupational band                             | Male      |          |          |          | Female    |          |          |          | Total      |
|-----------------------------------------------|-----------|----------|----------|----------|-----------|----------|----------|----------|------------|
|                                               | African   | Coloured | Indian   | White    | African   | Coloured | Indian   | White    |            |
| Semiskilled and discretionary decision making | 9         | 1        | –        | –        | 3         | –        | –        | –        | 13         |
| Unskilled and defined decision making         | –         | –        | –        | –        | –         | –        | –        | –        | –          |
| <b>Total</b>                                  | <b>66</b> | <b>3</b> | <b>–</b> | <b>2</b> | <b>40</b> | <b>5</b> | <b>1</b> | <b>1</b> | <b>118</b> |

TABLE 3.5.5 Terminations

| Occupational band                                                                             | Male       |           |          |           | Female     |          |          |           | Total      |
|-----------------------------------------------------------------------------------------------|------------|-----------|----------|-----------|------------|----------|----------|-----------|------------|
|                                                                                               | African    | Coloured  | Indian   | White     | African    | Coloured | Indian   | White     |            |
| Top management                                                                                | –          | –         | –        | –         | –          | 1        | –        | –         | 1          |
| Senior management                                                                             | 4          | –         | –        | –         | 1          | –        | –        | –         | 5          |
| Professionally qualified and experienced specialists and mid-management                       | 27         | 3         | 1        | 2         | 16         | –        | –        | 4         | 53         |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen | 29         | 4         | 1        | 7         | 33         | –        | –        | 10        | 84         |
| Semiskilled and discretionary decision making                                                 | 96         | 8         | –        | 1         | 83         | –        | –        | 3         | 191        |
| Unskilled and defined decision making                                                         | 31         | 1         | 1        | –         | 18         | –        | –        | –         | 51         |
| <b>Total</b>                                                                                  | <b>187</b> | <b>16</b> | <b>3</b> | <b>10</b> | <b>151</b> | <b>1</b> | <b>–</b> | <b>17</b> | <b>385</b> |

TABLE 3.5.6 Disciplinary action

| Disciplinary action | Male    |          |        |       | Female  |          |        |       | Total |
|---------------------|---------|----------|--------|-------|---------|----------|--------|-------|-------|
|                     | African | Coloured | Indian | White | African | Coloured | Indian | White |       |
| Disciplinary action | 31      | 2        | –      | –     | 12      | –        | 1      | 2     | 48    |

TABLE 3.5.7 Skills development

| Occupational category                      | Male         |            |           |            | Female       |            |           |            | Total        |
|--------------------------------------------|--------------|------------|-----------|------------|--------------|------------|-----------|------------|--------------|
|                                            | African      | Coloured   | Indian    | White      | African      | Coloured   | Indian    | White      |              |
| Legislators, senior officials and managers | 23           | 4          | –         | 3          | 6            | 1          | –         | 7          | 44           |
| Professionals                              | 209          | 7          | 2         | 20         | 119          | 11         | 2         | 19         | 389          |
| Technicians and associate professionals    | 190          | 52         | 5         | 55         | 235          | 41         | 6         | 16         | 600          |
| Clerks                                     | 174          | 12         | 2         | 5          | 296          | 26         | 4         | 64         | 583          |
| Service and sales workers                  | 216          | 1          | 3         | 58         | 90           | 8          | 1         | 10         | 387          |
| Craft and related trade workers            | 14           | 7          | –         | 1          | –            | 2          | –         | –          | 24           |
| Plant, machine operators and assemblers    | 39           | 5          | –         | 3          | –            | –          | –         | –          | 47           |
| Elementary occupations                     | 517          | 81         | 1         | 1          | 530          | 27         | –         | –          | 1 157        |
| <b>Total</b>                               | <b>1 382</b> | <b>169</b> | <b>13</b> | <b>146</b> | <b>1 276</b> | <b>116</b> | <b>13</b> | <b>116</b> | <b>3 231</b> |
| Employees with disabilities                | 4            | 2          | –         | 1          | 3            | 2          | –         | 3          | 15           |

### 3.6 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 and disability, salary band and critical occupation.

**TABLE 3.6.1 Performance rewards by race, gender and disability**

| Race, gender and disability | Beneficiary profile     |                     |                         | Cost          |                           |
|-----------------------------|-------------------------|---------------------|-------------------------|---------------|---------------------------|
|                             | Number of beneficiaries | Number of employees | % of total within group | Cost (R'000)  | Average cost per employee |
| African, male               | 496                     | 2 722               | 18,2                    | 6 345         | 12 792                    |
| Asian, male                 | 11                      | 24                  | 45,8                    | 230           | 20 909                    |
| Coloured, male              | 63                      | 304                 | 20,7                    | 613           | 9 730                     |
| White, male                 | 123                     | 252                 | 48,8                    | 2 965         | 24 106                    |
| African, female             | 461                     | 2 253               | 20,5                    | 5 888         | 12 772                    |
| Asian, female               | 8                       | 31                  | 25,8                    | 161           | 20 125                    |
| Coloured, female            | 40                      | 185                 | 21,6                    | 537           | 13 425                    |
| White, female               | 160                     | 277                 | 57,8                    | 3 447         | 21 544                    |
| Employees with disabilities | 19                      | 67                  | 28,4                    | 293           | 15 421                    |
| <b>Total</b>                | <b>1 381</b>            | <b>6 115</b>        | <b>22,6</b>             | <b>20 479</b> | <b>14 829</b>             |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.6.2 Performance rewards by salary band for personnel below Senior Management Service**

| Salary band                              | Beneficiary profile     |                     |                                    | Cost               |                           |                                                      |
|------------------------------------------|-------------------------|---------------------|------------------------------------|--------------------|---------------------------|------------------------------------------------------|
|                                          | Number of beneficiaries | Number of employees | % of total within each salary band | Total cost (R'000) | Average cost per employee | Total cost as a % of the total personnel expenditure |
| Lower skilled (levels 1–2)               | 119                     | 1 673               | 7,1                                | 545                | 4 580                     | 0,3                                                  |
| Skilled (levels 3–5)                     | 327                     | 1 527               | 21,4                               | 2 037              | 6 229                     | 0,4                                                  |
| Highly skilled production (levels 6–8)   | 504                     | 1 700               | 29,6                               | 6 815              | 13 522                    | 0,9                                                  |
| Highly skilled supervision (levels 9–12) | 413                     | 1 103               | 37,4                               | 9 563              | 23 155                    | 1,5                                                  |
| <b>Total</b>                             | <b>1 363</b>            | <b>6 003</b>        | <b>22,7</b>                        | <b>18 960</b>      | <b>13 910</b>             | <b>0,9</b>                                           |

**TABLE 3.6.3 Performance rewards by critical occupation**

| Critical occupation                                              | Beneficiary profile     |                     |                              | Cost               |                           |
|------------------------------------------------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
|                                                                  | Number of beneficiaries | Number of employees | % of total within occupation | Total cost (R'000) | Average cost per employee |
| Administrative related                                           | 80                      | 136                 | 58,8                         | 1 648              | 20 600                    |
| Agricultural, animal, oceanography, forestry and other sciences  | 79                      | 262                 | 30,2                         | 1 511              | 19 127                    |
| Agriculture related                                              | 91                      | 337                 | 27,0                         | 1 780              | 19 560                    |
| Aircraft pilot and related associate professionals               | –                       | 1                   | –                            | –                  | –                         |
| All artisans in building, metal, machinery, etc.                 | 20                      | 41                  | 48,8                         | 228                | 11 400                    |
| Appraisers, valuers and related professionals                    | 4                       | 24                  | 16,7                         | 144                | 36 000                    |
| Auxiliary and related workers                                    | 33                      | 125                 | 26,4                         | 308                | 9 333                     |
| Biochemistry, pharmacology, zoology and life science technicians | 16                      | 33                  | 48,5                         | 465                | 29 063                    |

**TABLE 3.6.3 Performance rewards by critical occupation (cont.)**

| Critical occupation                                                       | Beneficiary profile     |                     |                              | Cost               |                           |
|---------------------------------------------------------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
|                                                                           | Number of beneficiaries | Number of employees | % of total within occupation | Total cost (R'000) | Average cost per employee |
| Building and other property caretakers                                    | 6                       | 89                  | 6,7                          | 27                 | 4 500                     |
| Bus and heavy vehicle drivers                                             | 3                       | 21                  | 14,3                         | 18                 | 6 000                     |
| Chemists                                                                  | –                       | 2                   | –                            | –                  | –                         |
| Civil engineering technicians                                             | –                       | –                   | –                            | –                  | –                         |
| Cleaners in offices, workshops, hospitals, etc.                           | 28                      | 91                  | 30,8                         | 176                | 6 286                     |
| Client information clerks (switchboard, reception and information clerks) | 1                       | 12                  | 8,3                          | 8                  | 8 000                     |
| Communication and information related                                     | 7                       | 11                  | 63,6                         | 226                | 32 286                    |
| Computer system designers and analysts                                    | 5                       | 5                   | 100,0                        | 144                | 28 800                    |
| Economists                                                                | 22                      | 67                  | 32,8                         | 480                | 21 818                    |
| Engineers and related professionals                                       | 2                       | 3                   | 66,7                         | 72                 | 36 000                    |
| Farmhands and labourers                                                   | 25                      | 179                 | 14,0                         | 113                | 4 520                     |
| Farming, forestry advisors and farm managers                              | 19                      | 86                  | 22,1                         | 293                | 15 421                    |
| Finance and economics related                                             | 23                      | 25                  | 92,0                         | 506                | 22 000                    |
| Financial and related professionals                                       | 11                      | 27                  | 40,7                         | 149                | 13 545                    |
| Financial clerks and credit controllers                                   | 33                      | 136                 | 24,3                         | 335                | 10 152                    |
| Food services aids and waiters                                            | 9                       | 27                  | 33,3                         | 50                 | 5 556                     |
| Forestry labourers                                                        | 106                     | 1 261               | 8,4                          | 525                | 4 953                     |
| General legal administration and related professionals                    | –                       | –                   | –                            | –                  | –                         |
| Geologists, geophysicists, hydrologists and related professionals         | –                       | –                   | –                            | –                  | –                         |
| Head of Department/Chief Executive Officer                                | –                       | 1                   | –                            | –                  | –                         |
| Health sciences related                                                   | 3                       | 5                   | 60,0                         | 48                 | 16 000                    |
| Horticulturists, foresters, agricultural and forestry technicians         | 46                      | 399                 | 11,5                         | 768                | 16 696                    |
| Household and laundry workers                                             | 1                       | 15                  | 6,7                          | 5                  | 5 000                     |
| Human resources and organisational development and related professionals  | 21                      | 38                  | 55,3                         | 373                | 17 762                    |
| Human resources clerks                                                    | 35                      | 97                  | 36,1                         | 400                | 11 429                    |
| Human resources related                                                   | 7                       | 19                  | 36,8                         | 393                | 56 143                    |
| Information technology related                                            | 1                       | 1                   | 100,0                        | 120                | 120 000                   |
| Language practitioners, interpreters and other communicators              | 13                      | 26                  | 50,0                         | 210                | 16 154                    |
| Legal related                                                             | 2                       | 4                   | 50,0                         | 69                 | 34 500                    |
| Librarians and related professionals                                      | 1                       | 3                   | 33,3                         | 43                 | 43 000                    |
| Library, mail and related clerks                                          | 26                      | 88                  | 29,5                         | 338                | 13 000                    |
| Light vehicle drivers                                                     | 4                       | 14                  | 28,6                         | 20                 | 5 000                     |
| Logistical support personnel                                              | 10                      | 32                  | 31,3                         | 121                | 12 100                    |
| Material-recording and transport clerks                                   | 15                      | 108                 | 13,9                         | 110                | 7 333                     |
| Mechanical engineering technicians                                        | 1                       | 2                   | 50,0                         | 19                 | 19 000                    |
| Messengers, porters and deliverers                                        | 38                      | 84                  | 45,2                         | 273                | 7 184                     |
| Meteorologists                                                            | –                       | 1                   | –                            | –                  | –                         |
| Motor vehicle drivers                                                     | 6                       | 44                  | 13,6                         | 33                 | 5 500                     |

**TABLE 3.6.3 Performance rewards by critical occupation (cont.)**

| Critical occupation                                      | Beneficiary profile     |                     |                              | Cost               |                           |
|----------------------------------------------------------|-------------------------|---------------------|------------------------------|--------------------|---------------------------|
|                                                          | Number of beneficiaries | Number of employees | % of total within occupation | Total cost (R'000) | Average cost per employee |
| Motorised farm and forestry plant operators              | 7                       | 86                  | 8,1                          | 36                 | 5 143                     |
| Natural science related                                  | 1                       | 5                   | 20,0                         | 18                 | 18 000                    |
| Nature conservation and oceanography related technicians | 7                       | 58                  | 12,1                         | 112                | 16 000                    |
| Other administrative and related clerks and organisers   | 119                     | 433                 | 27,5                         | 1 146              | 9 630                     |
| Other administrative policy and related officers         | 69                      | 132                 | 52,3                         | 1 123              | 16 275                    |
| Other information technology personnel                   | 6                       | 34                  | 17,6                         | 161                | 26 833                    |
| Photographic, lithographic and related                   | 2                       | 3                   | 66,7                         | 24                 | 12 000                    |
| Printing and related machine operators                   | 2                       | 12                  | 16,7                         | 20                 | 10 000                    |
| Printing planners and production controllers             | –                       | 1                   | –                            | –                  | –                         |
| Quantity surveyors and related professionals             | 1                       | 3                   | 33,3                         | 17                 | 17 000                    |
| Regulatory inspectors                                    | 34                      | 207                 | 16,4                         | 379                | 11 147                    |
| Risk management and security services                    | 4                       | 6                   | 66,7                         | 64                 | 16 000                    |
| Road trade workers                                       | –                       | 8                   | –                            | –                  | –                         |
| Safety health and quality inspectors                     | 9                       | 30                  | 30,0                         | 194                | 21 556                    |
| Secretaries and other keyboard operating clerks          | 70                      | 108                 | 64,8                         | 1 147              | 16 386                    |
| Security guards                                          | 18                      | 302                 | 6,0                          | 91                 | 5 056                     |
| Security officers                                        | 31                      | 149                 | 20,8                         | 214                | 6 903                     |
| Senior managers                                          | 14                      | 109                 | 12,8                         | 1 083              | 77 357                    |
| Social sciences related                                  | –                       | 1                   | –                            | –                  | –                         |
| Statisticians and related professionals                  | 16                      | 21                  | 76,2                         | 546                | 34 125                    |
| Trade labourers                                          | 91                      | 372                 | 24,5                         | 464                | 5 099                     |
| Veterinarians                                            | 23                      | 33                  | 69,7                         | 970                | 42 174                    |
| Veterinary assistants                                    | 4                       | 5                   | 80,0                         | 119                | 29 750                    |
| Water plant and related operators                        | –                       | 15                  | –                            | –                  | –                         |
| <b>Total</b>                                             | <b>1 381</b>            | <b>6 115</b>        | <b>22,6</b>                  | <b>20 479</b>      | <b>14 829</b>             |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.6.4 Performance related rewards (cash bonus) by salary band for Senior Management Service**

| Salary band  | Beneficiary profile     |                     |                                    | Cost               |                           |                                                      |
|--------------|-------------------------|---------------------|------------------------------------|--------------------|---------------------------|------------------------------------------------------|
|              | Number of beneficiaries | Number of employees | % of total within each salary band | Total cost (R'000) | Average cost per employee | Total cost as a % of the total personnel expenditure |
| Band A       | 15                      | 82                  | 18,3                               | 1 252              | 83 467                    | 0,1                                                  |
| Band B       | 3                       | 23                  | 13,0                               | 266                | 88 667                    | 0,0                                                  |
| Band C       | –                       | 6                   | –                                  | –                  | –                         | –                                                    |
| Band D       | –                       | 1                   | –                                  | –                  | –                         | –                                                    |
| <b>Total</b> | <b>18</b>               | <b>112</b>          | <b>16,1</b>                        | <b>1 518</b>       | <b>84 333</b>             | <b>0,0</b>                                           |

### 3.7 FOREIGN WORKERS

The following tables summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

**TABLE 3.7.1 Foreign workers by salary band**

| Salary band                              | 1 April 2013 |              | 31 March 2014 |              | Change   |              |
|------------------------------------------|--------------|--------------|---------------|--------------|----------|--------------|
|                                          | Number       | % of total   | Number        | % of total   | Number   | % change     |
| Lower skilled (levels 1–2)               | –            | –            | –             | –            | –        | –            |
| Skilled (levels 3–5)                     | 1            | 9,1          | 1             | 10,0         | –        | –            |
| Highly skilled production (levels 6–8)   | –            | –            | –             | –            | –        | –            |
| Highly skilled supervision (levels 9–12) | 8            | 72,7         | 8             | 80,0         | –        | –            |
| Senior management (levels 13–16)         | 2            | 18,2         | 1             | 10,0         | 1        | 100,0        |
| <b>Total</b>                             | <b>11</b>    | <b>100,0</b> | <b>10</b>     | <b>100,0</b> | <b>1</b> | <b>100,0</b> |

**TABLE 3.7.2 Foreign workers by major occupation**

| Major occupation                                                | 1 April 2013 |              | 31 March 2014 |              | Change   |              |
|-----------------------------------------------------------------|--------------|--------------|---------------|--------------|----------|--------------|
|                                                                 | Number       | % of total   | Number        | % of total   | Number   | % change     |
| Agriculture related                                             | 1            | 9,1          | –             | –            | 1        | 100,0        |
| Administrative related                                          | 1            | 9,1          | 1             | 10,0         | –        | –            |
| Agricultural, animal, oceanography, forestry and other sciences | 4            | 36,3         | 4             | 40,0         | –        | –            |
| Other administrative and related clerks and organisers          | 1            | 9,1          | 1             | 10,0         | –        | –            |
| Veterinarians                                                   | 2            | 18,2         | 2             | 20,0         | –        | –            |
| Economists                                                      | 1            | 9,1          | 1             | 10,0         | –        | –            |
| Senior Managers                                                 | 1            | 9,1          | 1             | 10,0         | –        | –            |
| <b>Total</b>                                                    | <b>11</b>    | <b>100,0</b> | <b>10</b>     | <b>100,0</b> | <b>1</b> | <b>100,0</b> |

### 3.8 LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

**TABLE 3.8.1 Sick leave**

| Salary band                              | Total days    | % days with medical certification | Number of employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated cost (R'000) |
|------------------------------------------|---------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (levels 1–2)               | 4 211         | 92,7                              | 486                                  | 11,3                                  | 8,7                       | 1 194                  |
| Skilled (levels 3–5)                     | 14 591        | 90,9                              | 1 477                                | 34,4                                  | 9,9                       | 5 203                  |
| Highly skilled production (levels 6–8)   | 12 446        | 78,3                              | 1 444                                | 33,6                                  | 8,6                       | 8 636                  |
| Highly skilled supervision (levels 9–12) | 5 775         | 74,0                              | 807                                  | 18,8                                  | 7,2                       | 7 012                  |
| Senior management (levels 13–16)         | 641           | 78,6                              | 85                                   | 1,9                                   | 7,5                       | 1 311                  |
| <b>Total</b>                             | <b>37 664</b> | <b>84,1</b>                       | <b>4 299</b>                         | <b>100,0</b>                          | <b>8,8</b>                | <b>23 356</b>          |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.8.2 Disability leave (temporary and permanent)**

| Salary band                              | Total days | % days with medical certification | Number of employees using sick leave | % of total employees using sick leave | Average days per employee | Estimated cost (R'000) |
|------------------------------------------|------------|-----------------------------------|--------------------------------------|---------------------------------------|---------------------------|------------------------|
| Lower skilled (levels 1–2)               | 214        | 100,0                             | 1                                    | 10,0                                  | 214                       | 65                     |
| Skilled (levels 3–5)                     | 227        | 100,0                             | 3                                    | 30,0                                  | 76                        | 75                     |
| Highly skilled production (levels 6–8)   | 113        | 100,0                             | 6                                    | 60,0                                  | 19                        | 67                     |
| Highly skilled supervision (levels 9–12) | –          | 100,0                             | –                                    | –                                     | –                         | –                      |
| Senior management (levels 13–16)         | –          | 100,0                             | –                                    | –                                     | –                         | –                      |
| <b>Total</b>                             | <b>554</b> | <b>100,0</b>                      | <b>10</b>                            | <b>100,0</b>                          | <b>55</b>                 | <b>207</b>             |

\* Number of employees excludes the Minister and Deputy Minister

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid out at the time of termination of service.

**TABLE 3.8.3 Annual leave**

| Salary band                              | Total days taken | Number of employees using annual leave | Average per employee |
|------------------------------------------|------------------|----------------------------------------|----------------------|
| Lower skilled (levels 1–2)               | 18 410           | 935                                    | 19,7                 |
| Skilled (levels 3–5)                     | 56 662           | 2 428                                  | 23,3                 |
| Highly skilled production (levels 6–8)   | 40 154           | 1 801                                  | 22,3                 |
| Highly skilled supervision (levels 9–12) | 26 598           | 1 137                                  | 23,4                 |
| Senior management (levels 13–16)         | 3 102            | 138                                    | 22,5                 |
| <b>Total</b>                             | <b>144 926</b>   | <b>6 439</b>                           | <b>22,5</b>          |

**TABLE 3.8.4 Capped leave**

| Salary band                              | Total days of capped leave taken | Number of employees using capped leave | Average number of days taken per employee | Average capped leave per employee as at 31 March |
|------------------------------------------|----------------------------------|----------------------------------------|-------------------------------------------|--------------------------------------------------|
| Lower skilled (levels 1–2)               | 101                              | 27                                     | 4                                         | 53                                               |
| Skilled (levels 3–5)                     | 641                              | 90                                     | 7                                         | 93                                               |
| Highly skilled production (levels 6–8)   | 132                              | 28                                     | 5                                         | 69                                               |
| Highly skilled supervision (levels 9–12) | 166                              | 18                                     | 9                                         | 65                                               |
| Senior management (levels 13–16)         | 31                               | 4                                      | 8                                         | 54                                               |
| <b>Total</b>                             | <b>1 071</b>                     | <b>167</b>                             | <b>6</b>                                  | <b>79</b>                                        |

The following table summarises payments made to employees as a result of leave that was not taken.

**TABLE 3.8.5 Leave payouts**

| Reason                                                                            | Total amount (R'000) | Number of employees | Average per employee (R'000) |
|-----------------------------------------------------------------------------------|----------------------|---------------------|------------------------------|
| Leave payout for 2013/14 owing to non-utilisation of leave for the previous cycle | 59                   | 3                   | 20                           |
| Capped leave payouts on termination of service for 2013/14                        | 324                  | 60                  | 5 400                        |
| Current leave payout on termination of service for 2013/14                        | 558                  | 87                  | 6 414                        |
| <b>Total</b>                                                                      | <b>941</b>           | <b>150</b>          | <b>6 273</b>                 |

### 3.9 HIV/AIDS AND HEALTH PROMOTION PROGRAMMES

**TABLE 3.9.1 Steps taken to reduce the risk of occupational exposure**

| Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)                                                                                                                                                                                                                                                                              | Key steps taken to reduce the risk                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abattoir workers<br>Agricultural machine users (farm workers, engineering services)<br>Migrant workers (border posts and fence, quarantine stations and camps)<br>Projects (InSS, WUID)<br>Shift workers<br>General workers (when coming into contact with body fluids)<br>First aiders<br>Truck drivers (infrastructure support)<br>Business travellers<br>Plantations (Forestry Branch) | <ul style="list-style-type: none"> <li>• Preventive strategies through awareness campaigns, HIV counselling and testing, health screening tests</li> <li>• Treatment through referrals</li> <li>• Care and support through home visits, Employee Assistance Programme</li> <li>• Provision of personal protective equipment</li> <li>• Risk assessments</li> </ul> |

**TABLE 3.9.2 Details of health promotion and HIV/Aids programmes**

| Questions                                                                                                                                                                                                                                                                                 | Yes | No | Details, if yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001?<br><br>If so, provide her/his name and position.                                                                            | √   |    | Ms Lexcy Manamela, Director: Employee Development and Performance Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2. Does the department have a designated unit or have you designated specific staff members to promote the health and wellbeing of your employees?<br><br>If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose. | √   |    | Employee Health and Wellness Unit<br>12 employees<br>Total budget: R3,3 million                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 3. Has the department introduced an employee assistance or health promotion programme for your employees?<br><br>If so, indicate the key elements/services of the programme.                                                                                                              | √   |    | <b>EAP programmes</b> <ul style="list-style-type: none"> <li>• Stress management</li> <li>• Substance abuse information</li> <li>• Life skills orientation</li> <li>• Financial management</li> <li>• Counselling</li> <li>• Facilitation of ARV treatment through a local clinic</li> <li>• Facilitation of family support</li> </ul> <b>Health promotion, HIV/Aids and TB awareness programmes</b> <ul style="list-style-type: none"> <li>• Lifestyle disease management</li> <li>• HIV/Aids and TB</li> <li>• HIV counselling and testing</li> <li>• Screening tests</li> <li>• Condom accessibility</li> <li>• Intranet messages</li> </ul> |

**TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)**

| Questions                                                                                                                                 | Yes | No | Details, if yes  |         |                 |         |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----|----|------------------|---------|-----------------|---------|
| 4. Has the department established a committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? | √   |    | Hefer R.         | D: AIC  | Africa S.       | D: HRM  |
|                                                                                                                                           |     |    | Kabini O.        | D: AIC  | Modise B.       | D: HRM  |
|                                                                                                                                           |     |    | Mochela T.       | D: BR   | Khoza J.        | D: HRM  |
|                                                                                                                                           |     |    | Mathonsi L.      | D: BR   | Nkwane E.       | D: IS   |
|                                                                                                                                           |     |    | Sefuli L.L.      | D: ER   | Ranphabana M.T. | D: ITR  |
|                                                                                                                                           |     |    | Smith W.         | D: FacM | Madzivhe S.H.   | D: ITR  |
|                                                                                                                                           |     |    | Mailula P.       | D: FacM | Masemene R.     | D: LUSM |
|                                                                                                                                           |     |    | Sekgala M.       | D: FIES | Maja J.         | D: PH   |
|                                                                                                                                           |     |    | Letsosa K.       | D: FSQA | Mokwele J.      | D: PH   |
|                                                                                                                                           |     |    | Jeli T.          | D: FSQA | Mokhothi S.     | D: PH   |
|                                                                                                                                           |     |    | Thavana H.       | D: FSQA | Mahlangu L.     | D: PRS  |
|                                                                                                                                           |     |    | Matodzi A.       | D: FSQA | Dikeledi M.A.   | D: PSPM |
|                                                                                                                                           |     |    | Conradie M.      | D: FSQA | Mabogoane D.N.  | D: PSPM |
|                                                                                                                                           |     |    | Muller T.        | D: FSQA | Bouwer L.       | D: HRM  |
|                                                                                                                                           |     |    | Baloyi S.        | D: HRM  | Färber P.       | D: HRM  |
|                                                                                                                                           |     |    | Nhlumayo R.      | D: HRM  | Nkosi J.        | D: SHD  |
|                                                                                                                                           |     |    | Masenya S.       | D: LUSM | Matthews C.     | D: SHD  |
|                                                                                                                                           |     |    | Mokhothi S.      | D: GR   | Moshesh S.      | D: PH   |
|                                                                                                                                           |     |    | Mthimunye I.     | D: GR   | Ahmed H.        | D: PH   |
|                                                                                                                                           |     |    | Maja P.          | D: GR   | Ekstraal B.     | D: PH   |
|                                                                                                                                           |     |    | Ngoepe R.        | D: GR   | Seema S.        | D: PH   |
|                                                                                                                                           |     |    | Bester M.        | D: SS   | Potye N.        | D: SS   |
|                                                                                                                                           |     |    | Ntimane J.       | D: SS   | Eugenia S.      | D: WUID |
|                                                                                                                                           |     |    | Abrahams D.      | D: SCM  | Mitchell M.     | D: WUID |
|                                                                                                                                           |     |    | Mothiba J.       | D: SCM  | Bennet R.       | D: GADI |
|                                                                                                                                           |     |    | Beja A.          | D: SCM  | Booyesen R.     | D: GADI |
|                                                                                                                                           |     |    | Fillis M.        | D: GADI | Oostendorp C.   | D: SCM  |
|                                                                                                                                           |     |    | Louw G.          | D: GADI | McDonald S.     | D: GADI |
|                                                                                                                                           |     |    | Mbotiy S.        | D: GADI | Monkongkwana E. | D: GADI |
|                                                                                                                                           |     |    | Nengwenani P.    | D: GADI | Mroro N.        | D: GADI |
|                                                                                                                                           |     |    | Tshikungulu A.A. | D: GADI | Reeners J.      | D: GADI |
|                                                                                                                                           |     |    | Wenaar A.        | D: GADI | Van Heerden A.  | D: GADI |
|                                                                                                                                           |     |    | Magagule D.      | D: InSS | Wenaar A.       | D: GADI |
|                                                                                                                                           |     |    | Jackson F.       | D: InSS | Matetela O.     | D: LUSM |
|                                                                                                                                           |     |    | Gouws P.E.       | D: InSS | Mazwi P.        | D: LUSM |
|                                                                                                                                           |     |    | Nojaholo E.C.    | D: InSS | Hlongwane K.    | D: LUSM |
|                                                                                                                                           |     |    | Makhubela S.W.   | D: InSS | Mahlatji L.     | D: LUSM |
|                                                                                                                                           |     |    | Tshikovha M.     | D: InSS | Mashabela F.    | D: LUSM |
|                                                                                                                                           |     |    | Mangojane M.J.   | D: InSS | Mukwebo M.      | D: LUSM |
|                                                                                                                                           |     |    | Ntswane T.R.     | D: InSS | Vukeya M.       | D: LUSM |
|                                                                                                                                           |     |    | Mogare M.J.      | D: InSS | Adams M.        | D: InSS |
|                                                                                                                                           |     |    | Mfole L.L.       | D: InSS | Davids G.       | D: InSS |
|                                                                                                                                           |     |    | Wessels W.J.A.   | D: InSS | Coetzee N.      | D: IS   |
|                                                                                                                                           |     |    | Hoorniet T.      | D: InSS | Vakalisa T.     | D: IS   |
|                                                                                                                                           |     |    | Claasen D.       | D: InSS | Davids N.       | D: IS   |
|                                                                                                                                           |     |    | Mvunelo T.       | D: IS   | Nkwanyana L.    | D: IS   |
|                                                                                                                                           |     |    | Maduluni N.P.    | D: IS   | Shibambu R.     | D: IS   |
|                                                                                                                                           |     |    | Dindi S.L.       | D: IS   | Jacobs D.J.     | D: IS   |
|                                                                                                                                           |     |    | Selepe M.T.      | D: IS   | Tinkane P.      | D: IS   |
|                                                                                                                                           |     |    | Hlongwa B.Z.     | D: IS   | Govender M.     | D: IS   |
|                                                                                                                                           |     |    | Jai Jai D.H.     | D: IS   | Hlungwane A.    | D: IS   |
|                                                                                                                                           |     |    | Latchoo L.       | D: IS   | Kamnqa L.       | D: IS   |
|                                                                                                                                           |     |    | Ranjith R.       | D: IS   | Ngcobo N.N.     | D: IS   |
|                                                                                                                                           |     |    | Leshilo M.M.     | D: IS   | Ndawo T.P.S.    | D: IS   |

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

| Questions | Yes | No | Details, if yes    |         |                   |             |
|-----------|-----|----|--------------------|---------|-------------------|-------------|
|           |     |    | Mphego T.A.        | D: IS   | Mathumbu K.       | D: IS       |
|           |     |    | Mjolo W.T.         | D: IS   | Mabunda G.P.      | D: IS       |
|           |     |    | Neluode F.M.       | D: IS   | Chonco B.         | D: IS       |
|           |     |    | Mbongwa S.R.       | D: IS   | Mbuluwa D.        | D: IS       |
|           |     |    | Moatshe R.T.J.     | D: IS   | Jacobs V.K.       | D: IS       |
|           |     |    | Mdangi N.          | D: IS   | Goiwang M.E.      | D: IS       |
|           |     |    | Molala K.S.        | D: IS   | Mnyani A.P.       | D: IS       |
|           |     |    | Josephs L.         | D: IS   | Mosesh S.P.       | D: IS       |
|           |     |    | Nemutanzhela L.J.  | D: IS   | Andrews T.C.      | D: IS       |
|           |     |    | Jonas-Matoti P.    | D: IS   | Benjamin D.J.     | D: IS       |
|           |     |    | Nonzinyana S.      | D: IS   | Ngubane N.        | D: IS       |
|           |     |    | Nqubane N.         | D: IS   | Maarman Z.        | D: IS       |
|           |     |    | Ntsoane O.K.       | D: IS   | Nt'Sulungo B.     | D: IS       |
|           |     |    | Rossouw M.         | D: IS   | Peter L.C.        | D: IS       |
|           |     |    | Serage L.V.        | D: IS   | Sekhula K.        | D: IS       |
|           |     |    | Tsawe N.           | D: IS   | Shangase M.       | D: IS       |
|           |     |    | Sekhula K.         | D: IS   | Nethwadzi L.      | D: FMMpuLim |
|           |     |    | Deveroux M.        | D: EDPM | Venter H.         | D: GR       |
|           |     |    | Adonis J.          | D: GR   | Lunga S.          | D: FSQA     |
|           |     |    | Majiyezi N.        | D: FMEC | Willemse F.       | D: FSQA     |
|           |     |    | Mrashula M.        | D: FMEC | Matikinca K.      | D: FMEC     |
|           |     |    | Sidina C.          | D: FMEC | Matshaka N.       | D: FMEC     |
|           |     |    | Ndidnwa N.         | D: FMEC | Donkrag L.        | D: FMEC     |
|           |     |    | Gqomo R.M.         | D: FMEC | Kakaza N.A.       | D: FMEC     |
|           |     |    | Mbana N.           | D: FMEC | Mneni V.N.        | D: FMEC     |
|           |     |    | Zozi N.S.          | D: FMEC | Mehlomakhulu X.I. | D: FMEC     |
|           |     |    | Apolis N.G.        | D: FMEC | Menye N.E.        | D: FMEC     |
|           |     |    | Mafestile P.       | D: FMEC | April T.P.        | D: FMEC     |
|           |     |    | Tose P.            | D: FMEC | Tengani A.K.      | D: FMEC     |
|           |     |    | Ntoto G.           | D: FMEC | Mdunana M.        | D: FMEC     |
|           |     |    | Jubeju N.          | D: FMEC | Ngubo G.          | D: FMEC     |
|           |     |    | Roto N.            | D: FMEC | Fipaza L.         | D: FMEC     |
|           |     |    | Mchashi B.         | D: FMEC | Bingwa S.         | D: FMEC     |
|           |     |    | Sitshinga C.N.     | D: FMEC | Sangcozi Z.Z.     | D: FMEC     |
|           |     |    | Sizani M.          | D: FMEC | Ngabeni N.        | D: FMEC     |
|           |     |    | Gobongwana T.J.    | D: FMEC | Gali N.           | D: FMEC     |
|           |     |    | Qolo Z.            | D: FMEC | Kilani N.C.       | D: FMEC     |
|           |     |    | Sipoki N.          | D: FMEC | Phandle N.C.      | D: FMEC     |
|           |     |    | Gebhu N.           | D: FMEC | Dumzela M.        | D: FMEC     |
|           |     |    | Majangaza Z.       | D: FMEC | Zide Z.G.         | D: FMEC     |
|           |     |    | Mvimbi L.          | D: FMEC | Ndamase L.        | D: FMEC     |
|           |     |    | Tapu N.W.          | D: FMEC | Mzizi N.V.        | D: FMEC     |
|           |     |    | Gona N.            | D: FMEC | Saul X.           | D: FMEC     |
|           |     |    | Dungulu M.         | D: FMEC | Maziko M.         | D: FMEC     |
|           |     |    | Ramncwana N.W.     | D: FMEC | Tontsi Z.C.       | D: FMEC     |
|           |     |    | Bazi M.C.          | D: FMEC | Apleni T.M.       | D: FMEC     |
|           |     |    | Malindi B.         | D: FMEC | Mbita N.          | D: FMEC     |
|           |     |    | Maboza M.          | D: FMEC | Mbangeni A.       | D: FMEC     |
|           |     |    | Nhonho N.          | D: FMEC | Nquma L.          | D: FMEC     |
|           |     |    | Kupiso N.          | D: FMEC | Nyama B.          | D: FMEC     |
|           |     |    | Bojana N.          | D: FMEC | Matile L.         | D: FMEC     |
|           |     |    | Nkobongosinathi N. | D: FMEC | Vayo N.           | D: FMEC     |

TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)

| Questions | Yes | No | Details, if yes |             |                    |             |
|-----------|-----|----|-----------------|-------------|--------------------|-------------|
|           |     |    | Mredlana N.     | D: FMEC     | Pangomso N.A.      | D: FMEC     |
|           |     |    | Damane P.       | D: FMEC     | Honitshwayo N.D.   | D: FMEC     |
|           |     |    | Betiwe T.E.     | D: FMEC     | Soyipha N.S.       | D: FMEC     |
|           |     |    | Mbangi N.E.     | D: FMEC     | Luthuli V.         | D: FMEC     |
|           |     |    | Magingxa N.     | D: FMEC     | Mohapi K.          | D: FMEC     |
|           |     |    | Nodada B.N.     | D: FMEC     | Gcelu S.           | D: FMEC     |
|           |     |    | Mandlana N.S.   | D: FMEC     | Jongile F.         | D: FMEC     |
|           |     |    | Mtshiki L.P.    | D: FMEC     | Ndondose P.P.      | D: FMEC     |
|           |     |    | Sineyi N.       | D: FMEC     | Qaba S.            | D: FMEC     |
|           |     |    | Selani M.       | D: FMEC     | Qalo M.            | D: FMEC     |
|           |     |    | Botes O.        | D: FMKZN    | Valelo N.          | D: FMEC     |
|           |     |    | Madonda B.R.    | D: FMKZN    | Ngubo N.C.         | D: FMKZN    |
|           |     |    | Gwala J.N.      | D: FMKZN    | Mbanjwa Z.P.       | D: FMKZN    |
|           |     |    | Ngcobo C.E.     | D: FMKZN    | Mngadi S.G.        | D: FMKZN    |
|           |     |    | Mathenjwa M.N.  | D: FMKZN    | Madonda S.C.       | D: FMKZN    |
|           |     |    | Jobe S.J.       | D: FMKZN    | Shoba T.P.         | D: FMKZN    |
|           |     |    | Tembe J.M.      | D: FMKZN    | Dlamini J.N.       | D: FMKZN    |
|           |     |    | Zondo S.        | D: FMKZN    | Gumede R.          | D: FMKZN    |
|           |     |    | Mwalase S.M.    | D: FMKZN    | Shezi B.S.         | D: FMKZN    |
|           |     |    | Govender S.     | D: FMKZN    | Diphare E.         | D: FMKZN    |
|           |     |    | Mtiyane A.M.    | D: FMKZN    | Mkhize B.E.        | D: FMKZN    |
|           |     |    | Mbokazi B.J.    | D: FMKZN    | Nyawo D.Z.         | D: FMKZN    |
|           |     |    | Phori M.        | D: FMKZN    | Mlaba N.M.         | D: FMKZN    |
|           |     |    | Maduna A.T.     | D: FMKZN    | Gula M.L.          | D: FMKZN    |
|           |     |    | Mukwevho T.M.   | D: FMMpuLim | Mtshezi E.K.       | D: FMKZN    |
|           |     |    | Leseka J.       | D: FMMpuLim | Nange N.S.         | D: FMMpuLim |
|           |     |    | Ramalatswa S.I. | D: FMMpuLim | Netshisaulu T.S.   | D: FMMpuLim |
|           |     |    | Maroga N.J.     | D: FMMpuLim | Mphahlele T.C.     | D: FMMpuLim |
|           |     |    | Neluvhola T.E.  | D: FMMpuLim | Leshalabe M.P.     | D: FMMpuLim |
|           |     |    | Siobo N.E.      | D: FMMpuLim | Mukwevho T.S.      | D: FMMpuLim |
|           |     |    | Nange N.S.      | D: FMMpuLim | Mashandule A.L.    | D: FMMpuLim |
|           |     |    | Ramabulana N.R. | D: FMMpuLim | Makhado P.P.       | D: FMMpuLim |
|           |     |    | Muladi M.E.     | D: FMMpuLim | Kubayi T.F.        | D: FMMpuLim |
|           |     |    | Muhali M.G.     | D: FMMpuLim | Mutavhatsindi A.E. | D: FMMpuLim |
|           |     |    | Mukwevho N.R.   | D: FMMpuLim | Mashego S.         | D: FMMpuLim |
|           |     |    | Mahlaule M.F.   | D: FMMpuLim | Malope B.F.        | D: FMMpuLim |
|           |     |    | Mokoena M.S.    | D: FMMpuLim | Theto N.S.         | D: FMMpuLim |
|           |     |    | Matshata L.M.   | D: FMMpuLim | Mashile D.A.       | D: FMMpuLim |
|           |     |    | Mathapo R.D.    | D: FMMpuLim | Segodi T.S.        | D: FMMpuLim |
|           |     |    | Raseokgo N.M.   | D: FMMpuLim | Magakane S.T.      | D: FMMpuLim |
|           |     |    | Belemu M.M.     | D: FMMpuLim | Makhubedu F.       | D: FMMpuLim |
|           |     |    | Moropane M.B.   | D: FMMpuLim | Maohlala R.        | D: FMMpuLim |
|           |     |    | Mokome M.L.     | D: FMMpuLim | Maile L.L.         | D: FMMpuLim |
|           |     |    | Mashego K.N.    | D: FMMpuLim | Malapane A.E.      | D: FMMpuLim |
|           |     |    | Sekone L.L.     | D: FMMpuLim | Mosoma B.W.        | D: FMMpuLim |
|           |     |    | Dilebo K.M.     | D: FMMpuLim | Moeng G.N.         | D: FMMpuLim |
|           |     |    | Ndlovu M.K.     | D: FMMpuLim | Mashego P.W.       | D: FMMpuLim |
|           |     |    | Molobela E.     | D: FMMpuLim | Malatole M.A.      | D: FMMpuLim |
|           |     |    | Mashile N.      | D: FMMpuLim | Thethe L.B.        | D: FMMpuLim |
|           |     |    | Malomane J.E.   | D: FMMpuLim | Pebane M.R.        | D: FMMpuLim |
|           |     |    | Mashaba D.      | D: FMMpuLim | Lebjane E.         | D: FMMpuLim |
|           |     |    | Monareng E.     | D: FMMpuLim | Monareng M.E.      | D: FMMpuLim |
|           |     |    | Leshabane M.P.  | D: FMMpuLim | Thibela A.W.       | D: FMMpuLim |

**TABLE 3.9.2 Details of health promotion and HIV/Aids programmes (cont.)**

| Questions                                                                                                                                                                                                                                    | Yes | No | Details, if yes                                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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?<br><br>If so, list the employment policies/practices so reviewed. | √   |    | HIV/Aids and TB Policy, Occupational Health and Safety Policy, Employee Assistance Programme                                                                                                  |
| 6. Has the department introduced measures to protect HIV positive employees or those perceived to be HIV positive from discrimination?<br><br>If so, list the key elements of these measures.                                                | √   |    | <ul style="list-style-type: none"> <li>• HIV/Aids and TB Policy</li> <li>• Employment Equity Act</li> <li>• Promotion of Equality and Prevention of Unfair Discrimination Act 2000</li> </ul> |
| 7. Does the department encourage its employees to undergo voluntary counselling and testing?<br><br>If so, list the results that you have achieved.                                                                                          | √   |    | <ul style="list-style-type: none"> <li>• Increased uptake of HCT</li> <li>• The programme runs monthly</li> <li>• Increased male participation</li> </ul>                                     |
| 8. Has the department developed measures/indicators to monitor and evaluate the impact of your health promotion programme?<br><br>If so, list these measures/indicators.                                                                     | √   |    | Random impact analysis is conducted through a questionnaire                                                                                                                                   |

### 3.10 LABOUR RELATIONS

**TABLE 3.10.1 Collective agreements**

| Subject matter                     | Date         |
|------------------------------------|--------------|
| Policy on Lateral Transfer         | 22 July 2013 |
| Policy on Precautionary Suspension | 22 July 2013 |

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

**TABLE 3.10.2 Misconduct and disciplinary hearings finalised**

| Outcomes of disciplinary hearings | Number    | % of total   |
|-----------------------------------|-----------|--------------|
| Correctional counselling          | –         | –            |
| Verbal warning                    | –         | –            |
| Written warning                   | 3         | 25,0         |
| Final written warning             | 2         | 16,7         |
| Suspended without pay             | 4         | 33,3         |
| Fine                              | –         | –            |
| Demotion                          | –         | –            |
| Dismissal                         | 2         | 16,7         |
| Not guilty                        | 1         | 8,3          |
| Case withdrawn                    | –         | –            |
| <b>Total</b>                      | <b>12</b> | <b>100,0</b> |

**TABLE 3.10.3 Types of misconduct addressed and disciplinary hearings**

| Type of misconduct                                          | Number    | % of total   |
|-------------------------------------------------------------|-----------|--------------|
| Misuse of government vehicle                                | 7         | 15,6         |
| Abscondment                                                 | 4         | 8,8          |
| Theft                                                       | 6         | 13,3         |
| Absent without authorisation                                | 7         | 15,6         |
| Alcohol abuse                                               | –         | –            |
| Assault                                                     | 3         | 6,7          |
| Prejudicing the administration of the department            | 9         | 20,0         |
| Performing remunerative employment without prior permission | 9         | 20,0         |
| <b>Total</b>                                                | <b>45</b> | <b>100,0</b> |

**TABLE 3.10.4 Grievances logged**

| Grievances                               | Number    | % of total   |
|------------------------------------------|-----------|--------------|
| Number of grievances resolved            | 53        | 80,3         |
| Number of grievances not resolved*       | 13        | 19,7         |
| <b>Total number of grievances lodged</b> | <b>66</b> | <b>100,0</b> |

\* Grievances not resolved because they are still pending or were referred to the Public Service Commission on request of the aggrieved employee(s)

**TABLE 3.10.5 Disputes logged**

| Disputes                               | Number    | % of total   |
|----------------------------------------|-----------|--------------|
| Number of disputes upheld              | 10        | 50,0         |
| Number of disputes dismissed           | 2         | 10,0         |
| Still pending                          | 8         | 40,0         |
| <b>Total number of disputes lodged</b> | <b>20</b> | <b>100,0</b> |

**TABLE 3.10.6 Strike actions**

| Strike actions                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| No working days were lost because employees did not participate in strike actions during the period under review. It was therefore not necessary to recover any amount (R'000). |

**TABLE 3.10.7 Precautionary suspensions**

| Suspensions                                        | Number  |
|----------------------------------------------------|---------|
| Number of people suspended                         | 3       |
| Number of people whose suspension exceeded 30 days | 3       |
| Average number of days suspended                   | 116     |
| Cost (R'000) of suspensions                        | R34 000 |

### 3.11 SKILLS DEVELOPMENT

This section highlights the efforts of the department with regard to skills development.

**TABLE 3.11.1 Training needs identified**

| Occupational category                      | Gender | Number of employees as at 1 April 2013 | Training needs identified at start of the period under review |                                           |                         |              |
|--------------------------------------------|--------|----------------------------------------|---------------------------------------------------------------|-------------------------------------------|-------------------------|--------------|
|                                            |        |                                        | Learner-ships                                                 | Skills programmes and other short courses | Other forms of training | Total        |
| Legislators, senior officials and managers | Female | 40                                     | –                                                             | 14                                        | –                       | 14           |
|                                            | Male   | 58                                     | –                                                             | 30                                        | –                       | 30           |
| Professionals                              | Female | 396                                    | –                                                             | 151                                       | –                       | 151          |
|                                            | Male   | 469                                    | 13                                                            | 225                                       | –                       | 238          |
| Technicians and associate professionals    | Female | 553                                    | –                                                             | 298                                       | –                       | 298          |
|                                            | Male   | 746                                    | –                                                             | 302                                       | –                       | 302          |
| Clerks                                     | Female | 651                                    | –                                                             | 390                                       | –                       | 390          |
|                                            | Male   | 285                                    | –                                                             | 193                                       | –                       | 193          |
| Service and sales workers                  | Female | 104                                    | –                                                             | 109                                       | –                       | 109          |
|                                            | Male   | 375                                    | –                                                             | 278                                       | –                       | 278          |
| Craft and related trades workers           | Female | 2                                      | –                                                             | 2                                         | –                       | 2            |
|                                            | Male   | 53                                     | –                                                             | 22                                        | –                       | 22           |
| Plant and machine operators and assemblers | Female | 9                                      | –                                                             | –                                         | –                       | –            |
|                                            | Male   | 203                                    | –                                                             | 47                                        | –                       | 47           |
| Elementary occupations                     | Female | 1 002                                  | 23                                                            | 429                                       | 105                     | 557          |
|                                            | Male   | 1 198                                  | 18                                                            | 452                                       | 130                     | 600          |
| Gender subtotals                           | Female | 2 757                                  | 23                                                            | 1 393                                     | 105                     | 1 521        |
|                                            | Male   | 3 387                                  | 31                                                            | 1 549                                     | 130                     | 1 710        |
| <b>Total</b>                               |        | <b>6 144</b>                           | <b>54</b>                                                     | <b>2 942</b>                              | <b>235</b>              | <b>3 231</b> |

\* Number of employees excludes the Minister and Deputy Minister

**TABLE 3.11.2 Training provided for the period**

| Occupational category                      | Gender | Number of employees as at 1 April 2013 | Training provided within the period under review |                                           |                         |            |              |
|--------------------------------------------|--------|----------------------------------------|--------------------------------------------------|-------------------------------------------|-------------------------|------------|--------------|
|                                            |        |                                        | Learner-ships                                    | Skills programmes and other short courses | Other forms of training |            | Total        |
|                                            |        |                                        |                                                  |                                           | Bursaries               | ABET       |              |
| Legislators, senior officials and managers | Female | 40                                     | –                                                | 74                                        | 1                       | –          | 75           |
|                                            | Male   | 58                                     | –                                                | 101                                       | 5                       | –          | 106          |
| Professionals                              | Female | 396                                    | 6                                                | 210                                       | 21                      | –          | 231          |
|                                            | Male   | 469                                    | 6                                                | 206                                       | 26                      | –          | 232          |
| Technicians and associate professionals    | Female | 553                                    | –                                                | 194                                       | 21                      | –          | 215          |
|                                            | Male   | 746                                    | –                                                | 170                                       | 18                      | –          | 188          |
| Clerks                                     | Female | 651                                    | –                                                | 297                                       | 25                      | –          | 322          |
|                                            | Male   | 285                                    | –                                                | 133                                       | 5                       | –          | 138          |
| Service and sales workers                  | Female | 104                                    | –                                                | 35                                        | 2                       | –          | 37           |
|                                            | Male   | 375                                    | –                                                | 17                                        | 1                       | –          | 18           |
| Craft and related trades workers           | Female | 2                                      | –                                                | 162                                       | –                       | –          | 162          |
|                                            | Male   | 53                                     | –                                                | 183                                       | 1                       | –          | 184          |
| Plant and machine operators and assemblers | Female | 9                                      | –                                                | 11                                        | –                       | –          | 11           |
|                                            | Male   | 203                                    | –                                                | 38                                        | –                       | –          | 38           |
| Elementary occupations                     | Female | 1 002                                  | 8                                                | 25                                        | –                       | 11         | 44           |
|                                            | Male   | 1 198                                  | 11                                               | 61                                        | 1                       | 89         | 162          |
| Gender subtotals                           | Female | 2 757                                  | 14                                               | 1 008                                     | 70                      | 11         | 1 103        |
|                                            | Male   | 3 387                                  | 17                                               | 909                                       | 57                      | 89         | 1 072        |
| <b>Total</b>                               |        | <b>6 144</b>                           | <b>31</b>                                        | <b>1 917</b>                              | <b>127</b>              | <b>100</b> | <b>2 175</b> |

\* Number of employees excludes the Minister and Deputy Minister

### 3.12 INJURY ON DUTY

The following tables provide basic information on injury on duty.

**TABLE 3.12.1 Injury on duty**

| Nature of injury on duty              | Number    | % of total   |
|---------------------------------------|-----------|--------------|
| Required basic medical attention only | 53        | 100,0        |
| Temporary total disablement           | –         | –            |
| Permanent disablement                 | –         | –            |
| Fatal                                 | –         | –            |
| <b>Total</b>                          | <b>53</b> | <b>100,0</b> |

### 3.13 UTILISATION OF CONSULTANTS

**TABLE 3.13.1 Report on consultant appointments using appropriated funds**

| Project title                                                                                                           | Total number of consultants who worked on the project | Duration (work days)              | Contract value in Rand              |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------|-------------------------------------|
| 1. To review and amend legislation administered by DAFF (D: AFLS)                                                       | 1                                                     | 630                               | 7 500 613,18                        |
| 2. Develop Mbazwana, Manzengengwenya and Mabaso plantations business plan (D: CF)                                       | 1                                                     | 120                               | 997 500,00                          |
| 3. Evaluation of applications (D: AIC)                                                                                  | 10                                                    | 3–4 hours per day                 | 868 747,05                          |
| 4. Conduct study on agricultural potential in the Taolo municipalities— in line with the Fetsa Tlala Programme (D: SET) | 1                                                     | 30                                | 416 100,00                          |
| 5. Appoint a service provider to render services on the implementation of <i>Smallholder producers' manual</i> (D: SET) | 1                                                     | 30                                | 499 800,00                          |
| <b>Total number of projects</b>                                                                                         | <b>Total individual consultants</b>                   | <b>Total duration (work days)</b> | <b>Total contract value in Rand</b> |
| 5                                                                                                                       | 14                                                    | ±850                              | 10 282 760,23                       |

**TABLE 3.13.2 Analysis of consultant appointments using appropriated funds, in terms of historically disadvantaged individuals (HDIs)**

| Project title                                                                                                           | Percentage ownership by HDI groups | Percentage management by HDI groups | Number of consultants from HDI groups who work on the project |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------------------------------------------------|
| 1. To review and amend legislation administered by DAFF (D: AFLS)                                                       | –                                  | –                                   | –                                                             |
| 2. Develop Mbazwana, Manzengengwenya and Mabaso plantations Business plan (D: CF)                                       | –                                  | –                                   | 3                                                             |
| 3. Evaluation of applications (D: AIC)                                                                                  | –                                  | –                                   | –                                                             |
| 4. Conduct study on agricultural potential in the Taolo municipalities— in line with the Fetsa Tlala Programme (D: SET) | 100                                | 100                                 | 1                                                             |
| 5. Appoint a service provider to render services on the implementation of <i>Smallholder producers' manual</i> (D: SET) | 100                                | 100                                 | 1                                                             |

**TABLE 3.13.3 Report on consultant appointments using donor funds**

No consultants were appointed using donor funds during the period under review.

### 3.14 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

TABLE 3.14.1 Signing of performance agreements by SMS members as at 31 May 2013

| SMS level        | Total number of funded SMS posts per level | Total number of SMS members per level | Total number of signed performance agreements per level | Signed performance agreements as % of total number of SMS members per level |
|------------------|--------------------------------------------|---------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------------|
| Director-General | 1                                          | –                                     | –                                                       |                                                                             |
| Salary level 15  | 9                                          | 6                                     | 5                                                       | 83,3                                                                        |
| Salary level 14  | 28                                         | 24                                    | 22                                                      | 91,7                                                                        |
| Salary level 13  | 90                                         | 80                                    | 75                                                      | 93,8                                                                        |
| <b>Total</b>     | <b>128</b>                                 | <b>110</b>                            | <b>102</b>                                              | <b>92,7</b>                                                                 |

TABLE 3.14.2 Reasons for not having concluded performance agreements for all SMS members as at 31 May 2013

Newly appointed SMS members must submit performance agreements within 3 months of appointment.

TABLE 3.14.3 Disciplinary steps taken against SMS members for not having concluded performance agreements as at 31 May 2013

SMS members and their supervisors who did not sign and submit performance agreements by 31 May were issued with written warnings.

### 3.15 FILLING OF SMS POSTS

TABLE 3.15.1 SMS posts information as at 31 March 2014

| SMS levels       | Total number of funded SMS posts per level | Total number of SMS posts filled per level | % of SMS posts filled per level | Total number of SMS posts vacant per level | % of SMS posts vacant per level |
|------------------|--------------------------------------------|--------------------------------------------|---------------------------------|--------------------------------------------|---------------------------------|
| Director-General | 1                                          | 1                                          | 100,0                           | –                                          | –                               |
| Salary level 15  | 9                                          | 6                                          | 66,7                            | 3                                          | 33,3                            |
| Salary level 14  | 28                                         | 23                                         | 82,1                            | 5                                          | 17,9                            |
| Salary level 13  | 90                                         | 82                                         | 91,1                            | 8                                          | 8,9                             |
| <b>Total</b>     | <b>128</b>                                 | <b>112</b>                                 | <b>87,5</b>                     | <b>16</b>                                  | <b>12,5</b>                     |

TABLE 3.15.2 Advertising and filling of SMS posts as at 31 March 2014

| SMS levels       | 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 | –                                                                       | –                                                                      | –                                                                            |
| Salary level 15  | 5                                                                       | 1                                                                      | 1                                                                            |
| Salary level 14  | 8                                                                       | 1                                                                      | 2                                                                            |
| Salary level 13  | 14                                                                      | 1                                                                      | 5                                                                            |
| <b>Total</b>     | <b>27</b>                                                               | <b>3</b>                                                               | <b>8</b>                                                                     |

**TABLE 3.15.3 Reasons for not having complied with the filling of funded vacant SMS—advertised within 6 months and filled within 12 months after becoming vacant**

|                                                                                                             |
|-------------------------------------------------------------------------------------------------------------|
| <b>Reasons for vacancies not advertised within six months</b>                                               |
| All the vacancies were advertised within six months of becoming vacant                                      |
| <b>Reasons for vacancies not filled within 12 months</b>                                                    |
| No suitable candidates could be obtained—posts were readvertised, and in some cases, headhunting took place |

**TABLE 3.15.4 Disciplinary steps taken for not complying with the prescribed time frames for filling SMS posts within 12 months**

|     |
|-----|
| N/A |
|-----|



PART E

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# Financial information

## Contents: Financial information

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## REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 26: DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the financial statements of the Department of Agriculture, Forestry and Fisheries set out on pages 127 to 187, which comprise the appropriation statement, the statement of financial position as at 31 March 2014, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

#### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Modified Cash Standard 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, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Agriculture, Forestry and Fisheries as at 31 March 2014 and its financial performance and cash flows for the year then ended, in accordance with the Modified Cash Standard prescribed by the National Treasury and the requirements of the PFMA and DoRA.

#### Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

#### Restatement of corresponding figures

8. As disclosed in note 35.1 to the financial statements, the corresponding figures for 31 March 2013 have been restated as a result of an error discovered during the year ended 31 March 2014 in the financial statements of the Department of Agriculture, Forestry and Fisheries at, and for the year ended, 31 March 2013.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### **Predetermined objectives**

10. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the department for the year ended 31 March 2014:
  - Programme 2: Agricultural production, health and food safety on pages 39 to 43
  - Programme 3: Food security and agrarian reform on pages 43 to 45
  - Programme 5: Forestry on pages 50 to 53
11. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
12. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information* (FMPPI).
13. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
14. The material findings in respect of the selected programmes are as follows:

#### **Programme 3: Food security and agrarian reform**

##### **Usefulness of reported performance information**

15. I did not raise any material findings on the usefulness of the reported performance information for Programme 3: Food security and agrarian reform.

##### **Reliability of reported performance information**

16. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Significantly important targets were not reliable when compared to the source information or evidence provided. This was due to a lack of monitoring of the completeness of source documentation in support of actual achievements and frequent review of the validity and accuracy of reported achievements against source documentation.

#### **Programme 5: Forestry**

##### **Usefulness of reported performance information**

17. Treasury regulation 5.2.4 requires the strategic plan and annual performance plan to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 33% of the reported objectives and 20% of the reported targets were not consistent with those in the approved strategic plan and annual performance plan. This was due to an oversight by management as a result of insufficient review of the annual performance report before finalisation.
18. The FMPPI requires the following:
  - Performance targets must be specific in clearly identifying the nature and required level of performance. A total of 40% of the targets were not specific.
  - Performance targets must be measurable. I could not measure the required performance for 40% of the targets.
  - Performance indicators must be verifiable, meaning that it must be possible to validate the processes and systems that produced the indicator. A total of 40% of the indicators were not verifiable.

##### **Reliability of reported performance information**

19. The FMPPI requires auditees to have appropriate systems to collect, collate, verify and store performance information to ensure valid, accurate and complete reporting of actual achievements against planned objectives, indicators and targets. Overall, 48% of the targets were not reliable because I was unable to obtain sufficient appropriate audit evidence for 6% of the targets. In addition, 42% of the targets were not valid, accurate and complete when compared to the source information or evidence provided. This was because of a lack of frequent review of the validity and accuracy of reported achievements against source documentation.

### Programme 2: Agricultural production, health and food safety

20. I did not raise any material findings on the usefulness and reliability of the reported performance information for Programme 2: Agricultural production, health and food safety.

### Additional matters

21. I draw attention to the following matters:

### Achievement of planned targets

22. Refer to the annual performance report on pages 39 to 45 and 50 to 53 for information on the achievement of the planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information for the selected programmes reported in paragraphs 16 to 19 of this report.

### Adjustment of material misstatements

23. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for Programme 2: Agricultural production, health and food safety. As management subsequently corrected the misstatements, I did not raise any material findings on the reliability of the reported performance information.

### Compliance with legislation

24. I performed procedures to obtain evidence that the department had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

### Strategic planning and performance management

25. The facilitation of effective performance monitoring, evaluation and corrective action was not established, as required by Treasury regulation 5.3.1.
26. Effective, efficient and transparent systems of risk management and internal control with respect to performance information and management were not maintained, as required by section 38(1)(a)(i) of the PFMA.

### Audit committee

27. An audit committee was not in place, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury regulation 3.1.1. Only one member was appointed from April 2013 to December 2013, which does not constitute an audit committee, therefore the roles and responsibilities of an audit committee were not performed.

### Internal audit

28. The internal audit function did not perform the following duties, as required by Treasury regulation 3.2:
- The purpose, authority and responsibility of the internal audit function were not formally defined in an audit charter [Treasury regulation 3.2.5].
  - The internal audit function did not have a three-year rolling strategic plan in place [Treasury regulation 3.2.7(a)].
  - The internal audit function did not have an annual internal audit plan for the first year of the rolling three-year strategic internal audit plan [Treasury regulation 3.2.7(b)].
  - The internal audit function did not assess the operational procedure and monitoring mechanisms over all transfers made and received, including transfers in terms of the annual Division of Revenue Act [Treasury regulation 3.2.8].
  - The internal audit function did not report directly to the accounting officer [Treasury regulation 3.2.9].
  - The internal audit function did not evaluate the effectiveness and efficiency of controls [Treasury regulation 3.2.11].
  - The internal audit function did not evaluate the reliability and integrity of financial and operational information [Treasury regulation 3.2.11(b)].
  - The internal audit function did not evaluate the compliance with laws and regulations [Treasury regulation 3.2.5.11(e)].

### Procurement and contract management

29. Goods and services with a transaction value below R500 000 were procured without obtaining the required price quotations, as required by Treasury regulation 16A6.1.

30. Quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, which is prescribed in order to comply with Treasury regulation 16A8.3.

#### Expenditure management

31. Effective steps were not taken to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and Treasury regulation 9.1.1.

#### Transfer of funds

32. The expenditure for the programmes funded by the comprehensive agricultural support programme grant was not monitored in accordance with the framework for the allocation, as required by section 9(1)(b) of the Division of Revenue Act.

#### Internal control

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on non-compliance with legislation included in this report.

#### Leadership

34. Management did not exercise sufficient oversight of reporting and internal controls. Although action plans were implemented, limited or no progress was made to address the root causes, with the result that repeat findings were raised.
35. Management did not ensure that key functions (internal audit, regional offices and various senior management positions) within the department are properly resourced and skilled thus affecting the audit outcomes on both predetermined objectives and compliance areas.

#### Financial and performance management

36. The quarterly monitoring reports (QMRs) and annual performance report prepared by the department were not adequately reviewed by the Organisation Performance directorate to ensure validity, accuracy and completeness of reported performance information before finalisation and approval by the deputy director generals and finally the accounting officer. The internal audit function also did not execute its function of reviewing the QMRs and annual performance report.
37. Compliance with laws and regulations relating to procurement and contract management was not properly reviewed and monitored at the regional office of GADI and over payments processed through sundry payments.

#### Governance

38. The department did not conduct a risk assessment as required by Treasury regulation 3.2.1 and a risk management strategy, which includes the fraud prevention plan, was also not prepared.
39. Critical components within finance, performance information and compliance were not covered by the internal audit function due to inadequate resources and skill (insufficient positions and ineffective leadership).
40. An audit committee was not in place, as required by sections 38(1)(a)(ii) and 77 of the PFMA and Treasury regulation 3.1.1. Only one member was appointed from April 2013 to December 2013, which does not constitute an audit committee, therefore the roles and responsibilities of an audit committee were not performed. Consequently there was no audit committee to provide oversight of the internal audit function.

Auditor-General

Pretoria

30 July 2014



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Appropriation Statement

for the year ended 31 March 2014

| Appropriation per programme                               | 2013/14                |                   |          |                     |                    |          |                                           | 2012/13             |                    |
|-----------------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|-------------------------------------------|---------------------|--------------------|
|                                                           | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                           | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000    | %                                         | R'000               | R'000              |
| <b>1. Administration</b>                                  |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                                           | 649 462                | (5 651)           | 31 499   | 675 310             | 657 245            | 18 065   | 97,3                                      | 632 477             | 622 818            |
| Transfers and subsidies                                   | 8 783                  | 169               | 280      | 9 232               | 9 214              | 18       | 99,8                                      | 8 052               | 7 935              |
| Payment for capital assets                                | 12 635                 | 5 482             | 1 930    | 20 047              | 15 045             | 5 002    | 75,0                                      | 19 895              | 16 459             |
| Payment for financial assets                              | –                      | –                 | 82       | 82                  | 79                 | 3        | 96,3                                      | 29                  | 28                 |
| <b>2. Agricultural Production, Health and Food Safety</b> |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                                           | 508 941                | (10 987)          | (27 316) | 470 638             | 461 323            | 9 315    | 98,0                                      | 474 418             | 474 147            |
| Transfers and subsidies                                   | 1 494 559              | 96                | 297      | 1 494 952           | 1 494 937          | 15       | 100,0                                     | 1 368 744           | 1 368 721          |
| Payment for capital assets                                | 33 019                 | 10 891            | (373)    | 43 537              | 43 496             | 41       | 99,9                                      | 30 898              | 30 836             |
| Payment for financial assets                              | –                      | –                 | 1 193    | 1 193               | 1 190              | 3        | 99,7                                      | 1 129               | 1 128              |
| <b>3. Food Security and Agrarian Reform</b>               |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                                           | 228 224                | (24 379)          | 2 572    | 206 417             | 199 374            | 7 043    | 96,6                                      | 184 168             | 180 872            |
| Transfers and subsidies                                   | 1 333 315              | 106               | 457      | 1 333 878           | 1 326 876          | 7 002    | 99,5                                      | 1 168 363           | 1 160 160          |
| Payment for capital assets                                | 37 777                 | 24 273            | 2 246    | 64 296              | 63 851             | 445      | 99,3                                      | 62 951              | 61 845             |
| Payment for financial assets                              | –                      | –                 | 1        | 1                   | –                  | 1        | –                                         | –                   | –                  |
| <b>4. Trade Promotion and Market Access</b>               |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                                           | 138 777                | (683)             | (2 665)  | 135 429             | 135 330            | 99       | 99,9                                      | 113 193             | 113 117            |
| Transfers and subsidies                                   | 118 628                | 16                | 556      | 119 200             | 119 194            | 6        | 100,0                                     | 98 258              | 98 010             |
| Payment for capital assets                                | 803                    | 667               | 353      | 1 823               | 1 810              | 13       | 99,3                                      | 1 055               | 1 042              |
| <b>5. Forestry</b>                                        |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                                           | 690 239                | (11 971)          | (17 370) | 660 898             | 640 668            | 20 230   | 96,9                                      | 607 084             | 591 947            |
| Transfers and subsidies                                   | 430 499                | 4 385             | 2 314    | 437 198             | 433 598            | 3 600    | 99,2                                      | 554 420             | 540 475            |
| Payment for capital assets                                | 62 885                 | 7 586             | (78)     | 70 393              | 70 347             | 46       | 99,9                                      | 59 340              | 59 264             |
| Payment for financial assets                              | –                      | –                 | 90       | 90                  | 86                 | 4        | 95,6                                      | 101                 | 99                 |

## Appropriation Statement

for the year ended 31 March 2014

| Appropriation per programme  | 2013/14                |                   |          |                     |                    |               |                                           | 2012/13             |                    |
|------------------------------|------------------------|-------------------|----------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                              | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                              | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>6. Fisheries</b>          |                        |                   |          |                     |                    |               |                                           |                     |                    |
| Current payment              | 180 171                | –                 | (2 293)  | 177 878             | 177 863            | 15            | 100,0                                     | 166 694             | 166 678            |
| Transfers and subsidies      | 253 565                | –                 | 567      | 254 132             | 254 130            | 2             | 100,0                                     | 317 658             | 317 652            |
| Payment for capital assets   | –                      | –                 | 5 657    | 5 657               | 5 657              | –             | 100,0                                     | –                   | –                  |
| Payment for financial assets | –                      | –                 | 1        | 1                   | –                  | 1             | –                                         | –                   | –                  |
| <b>Total</b>                 | <b>6 182 282</b>       | <b>–</b>          | <b>–</b> | <b>6 182 282</b>    | <b>6 111 313</b>   | <b>70 969</b> | <b>98,9</b>                               | <b>5 868 927</b>    | <b>5 813 233</b>   |

Reconciliation with statement of financial performance

Add:

Departmental receipts (AFS) Note 2

Aid assistance Annexure 1J

**Actual amounts per statement of financial performance (total revenue)**

Add:

Aid assistance

**Actual amounts per statement of financial performance (total expenditure)**

809 584

138

**6 992 004**

8 890

**6 120 203**

198 029

21 624

**6 088 580**

1 326

**5 814 559**

## Appropriation Statement

for the year ended 31 March 2014

| Appropriation per economic classification           | 2013/14                |                   |          |                     |                    |               |                                           | 2012/13             |                    |
|-----------------------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                                     | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                     | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>Current payments</b>                             |                        |                   |          |                     |                    |               |                                           |                     |                    |
| Compensation of employees                           | 1 603 256              | (22 233)          | (46 631) | 1 534 392           | 1 525 024          | 9 368         | 99,4                                      | 1 425 212           | 1 419 116          |
| Goods and services                                  | 791 397                | (30 662)          | 31 090   | 791 825             | 746 426            | 45 399        | 94,3                                      | 751 948             | 729 591            |
| Interest and rent on land                           | 1 161                  | (776)             | (32)     | 353                 | 353                | –             | 100,0                                     | 874                 | 872                |
| <b>Transfers and subsidies</b>                      |                        |                   |          |                     |                    |               |                                           |                     |                    |
| Provinces and municipalities                        | 2 152 315              | 58                | 23       | 2 152 396           | 2 149 201          | 3 195         | 99,9                                      | 2 066 942           | 2 062 818          |
| Departmental agencies and accounts                  | 1 269 617              | 3                 | 25       | 1 269 645           | 1 266 644          | 3 001         | 99,8                                      | 1 311 819           | 1 310 004          |
| Higher education institutions                       | 5 808                  | –                 | –        | 5 808               | 2 807              | 3 001         | 48,3                                      | 8 977               | 4 677              |
| Foreign governments and international organisations | 43 919                 | –                 | 529      | 44 448              | 44 445             | 3             | 100,0                                     | 32 245              | 32 001             |
| Public corporations and private enterprises         | 139 399                | –                 | 728      | 140 127             | 140 111            | 16            | 100,0                                     | 39 862              | 39 849             |
| Non-profit institutions                             | 20 318                 | –                 | –        | 20 318              | 19 026             | 1 292         | 93,6                                      | 13 251              | 11 154             |
| Households                                          | 4 323                  | 4 711             | 3 166    | 12 200              | 12 165             | 35            | 99,7                                      | 41 161              | 31 402             |
| Gifts and donations                                 | 3 650                  | –                 | –        | 3 650               | 3 550              | 100           | 97,3                                      | 1 238               | 1 048              |
| <b>Payment for capital assets</b>                   |                        |                   |          |                     |                    |               |                                           |                     |                    |
| Buildings and other fixed structures                | 37 698                 | 13 407            | 9 546    | 60 651              | 55 694             | 4 957         | 91,8                                      | 61 138              | 57 778             |
| Machinery and equipment                             | 107 638                | 35 501            | 466      | 143 605             | 143 017            | 588           | 99,6                                      | 112 617             | 111 285            |
| Biological assets                                   | 504                    | (334)             | (94)     | 76                  | 76                 | –             | 100,0                                     | –                   | –                  |
| Intangible assets                                   | 1 279                  | 325               | (183)    | 1 421               | 1 419              | 2             | 99,9                                      | 384                 | 383                |
| Payment for financial assets                        | –                      | –                 | 1 367    | 1 367               | 1 355              | 12            | 99,1                                      | 1 259               | 1 255              |
| <b>Total</b>                                        | <b>6 182 282</b>       | <b>–</b>          | <b>–</b> | <b>6 182 282</b>    | <b>6 111 313</b>   | <b>70 969</b> | <b>98,9</b>                               | <b>5 868 927</b>    | <b>5 813 233</b>   |

## Details per programme

### 1: Administration

for the year ended 31 March 2014

| Subprogramme                        | 2013/14                |                   |          |                     |                    |          |                                           | 2012/13             |                    |
|-------------------------------------|------------------------|-------------------|----------|---------------------|--------------------|----------|-------------------------------------------|---------------------|--------------------|
|                                     | Adjusted appropriation | Shifting of funds | Virement | Final appropriation | Actual expenditure | Variance | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                     | R'000                  | R'000             | R'000    | R'000               | R'000              | R'000    | %                                         | R'000               | R'000              |
| <b>1.1 Ministry</b>                 |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                     | 30 210                 | (135)             | (1 810)  | 28 265              | 28 254             | 11       | 100,0                                     | 27 977              | 27 967             |
| Transfers and subsidies             | 5                      | 55                | 63       | 123                 | 121                | 2        | 98,4                                      | 139                 | 136                |
| Payment for capital assets          | 249                    | 80                | (92)     | 237                 | 235                | 2        | 99,2                                      | 331                 | 329                |
| Payment for financial assets        | –                      | –                 | 2        | 2                   | 1                  | 1        | 50,0                                      | –                   | –                  |
| <b>1.2 Departmental Management</b>  |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                     | 20 562                 | (192)             | (2 080)  | 18 290              | 18 276             | 14       | 99,9                                      | 38 922              | 38 900             |
| Transfers and subsidies             | 2                      | 8                 | 51       | 61                  | 60                 | 1        | 98,4                                      | 4 940               | 4 935              |
| Payment for capital assets          | 464                    | 84                | (19)     | 529                 | 526                | 3        | 99,4                                      | 623                 | 618                |
| <b>1.3 Financial Administration</b> |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                     | 142 190                | (6 938)           | (4 268)  | 130 984             | 130 940            | 44       | 100,0                                     | 122 266             | 122 215            |
| Transfers and subsidies             | 67                     | 92                | 36       | 195                 | 191                | 4        | 97,9                                      | 566                 | 559                |
| Payment for capital assets          | 1 749                  | 283               | (100)    | 1 932               | 1 924              | 8        | 99,6                                      | 2 117               | 2 100              |
| Payment for financial assets        | –                      | –                 | 59       | 59                  | 57                 | 2        | 96,6                                      | 15                  | 14                 |
| <b>1.4 Internal Audit</b>           |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                     | 8 121                  | (1 254)           | (2 026)  | 4 841               | 4 838              | 3        | 99,9                                      | 5 879               | 5 873              |
| Transfers and subsidies             | –                      | –                 | –        | –                   | –                  | –        | –                                         | 60                  | 60                 |
| Payment for capital assets          | 136                    | 54                | (64)     | 126                 | 125                | 1        | 99,2                                      | 148                 | 142                |
| <b>1.5 Corporate Services</b>       |                        |                   |          |                     |                    |          |                                           |                     |                    |
| Current payment                     | 146 453                | (2 008)           | 17 050   | 161 495             | 161 443            | 52       | 100,0                                     | 138 599             | 138 546            |
| Transfers and subsidies             | 1 707                  | 14                | 72       | 1 793               | 1 785              | 8        | 99,6                                      | 1 859               | 1 854              |
| Payment for capital assets          | 3 509                  | 2 424             | 1 117    | 7 050               | 7 039              | 11       | 99,8                                      | 8 055               | 8 045              |
| Payment for financial assets        | –                      | –                 | 18       | 18                  | 18                 | –        | 100,0                                     | –                   | –                  |

## Details per programme

### 1: Administration

for the year ended 31 March 2014

| Subprogramme                                                       | 2013/14                |                   |               |                     |                    |               |                                           | 2012/13             |                    |
|--------------------------------------------------------------------|------------------------|-------------------|---------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                                                    | Adjusted appropriation | Shifting of funds | Virement      | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                                    | R'000                  | R'000             | R'000         | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>1.6 Stakeholder Relations, Communication and Legal Services</b> |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Current payment                                                    | 69 638                 | 9 256             | 13 298        | 92 192              | 92 165             | 27            | 100,0                                     | 55 510              | 55 484             |
| Transfers and subsidies                                            | 2                      | –                 | 25            | 27                  | 25                 | 2             | 92,6                                      | 146                 | 142                |
| Payment for capital assets                                         | 537                    | 177               | (121)         | 593                 | 587                | 6             | 99,0                                      | 700                 | 667                |
| Payment for financial assets                                       | –                      | –                 | –             | –                   | –                  | –             | –                                         | 14                  | 14                 |
| <b>1.7 Policy, Planning, Monitoring and Evaluation</b>             |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Current payment                                                    | 72 665                 | (2 485)           | (10 343)      | 59 837              | 57 831             | 2 006         | 96,6                                      | 71 797              | 71 757             |
| Transfers and subsidies                                            | 7 000                  | –                 | 33            | 7 033               | 7 032              | 1             | 100,0                                     | 342                 | 249                |
| Payment for capital assets                                         | 991                    | 485               | (423)         | 1 053               | 1 031              | 22            | 97,9                                      | 573                 | 562                |
| Payment for financial assets                                       | –                      | –                 | 3             | 3                   | 3                  | –             | 100,0                                     | –                   | –                  |
| <b>1.8 Office Accommodation</b>                                    |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Current payment                                                    | 159 623                | (1 895)           | 21 678        | 179 406             | 163 498            | 15 908        | 91,1                                      | 171 527             | 162 076            |
| Payment for capital assets                                         | 5 000                  | 1 895             | 1 632         | 8 527               | 3 578              | 4 949         | 42,0                                      | 7 348               | 3 996              |
| <b>Total</b>                                                       | <b>670 880</b>         | <b>–</b>          | <b>33 791</b> | <b>704 671</b>      | <b>681 583</b>     | <b>23 088</b> | <b>96,7</b>                               | <b>660 453</b>      | <b>647 240</b>     |

## Details per programme

### 1: Administration

for the year ended 31 March 2014

| Economic classification                     | 2013/14                |                   |               |                     |                    |               |                                           | 2012/13             |                    |
|---------------------------------------------|------------------------|-------------------|---------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                             | Adjusted appropriation | Shifting of funds | Virement      | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                             | R'000                  | R'000             | R'000         | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>Current payments</b>                     |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Compensation of employees                   | 326 852                | (12 467)          | (2 746)       | 311 639             | 311 579            | 60            | 100,0                                     | 283 084             | 283 021            |
| Goods and services                          | 322 610                | 6 816             | 34 245        | 363 671             | 345 666            | 18 005        | 95,0                                      | 349 384             | 339 790            |
| Interest and rent on land                   | –                      | –                 | –             | –                   | –                  | –             | –                                         | 9                   | 7                  |
| <b>Transfers and subsidies</b>              |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Provinces and municipalities                | 56                     | 5                 | (6)           | 55                  | 50                 | 5             | 90,9                                      | 49                  | 45                 |
| Departmental agencies and accounts          | 8 672                  | –                 | 25            | 8 697               | 8 697              | –             | 100,0                                     | 1 598               | 1 593              |
| Public corporations and private enterprises | –                      | –                 | 186           | 186                 | 180                | 6             | 96,8                                      | 177                 | 169                |
| Households                                  | 55                     | 164               | 75            | 294                 | 287                | 7             | 97,6                                      | 6 065               | 6 055              |
| Gifts and donations                         | –                      | –                 | –             | –                   | –                  | –             | –                                         | 163                 | 73                 |
| <b>Payment for capital assets</b>           |                        |                   |               |                     |                    |               |                                           |                     |                    |
| Buildings and other fixed structures        | 5 000                  | 1 795             | 1 603         | 8 398               | 3 450              | 4 948         | 41,1                                      | 6 867               | 3 515              |
| Machinery and equipment                     | 6 520                  | 3 563             | 479           | 10 562              | 10 510             | 52            | 99,5                                      | 12 644              | 12 561             |
| Intangible assets                           | 1 115                  | 124               | (152)         | 1 087               | 1 085              | 2             | 99,8                                      | 384                 | 383                |
| Payment for financial assets                | –                      | –                 | 82            | 82                  | 79                 | 3             | 96,3                                      | 29                  | 28                 |
| <b>Total</b>                                | <b>670 880</b>         | <b>–</b>          | <b>33 791</b> | <b>704 671</b>      | <b>681 583</b>     | <b>23 088</b> | <b>96,7</b>                               | <b>660 453</b>      | <b>647 240</b>     |

## Details per programme

### 2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2014

| Subprogramme                                  | 2013/14                |                   |                 |                     |                    |              |                                           | 2012/13             |                    |
|-----------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|-------------------------------------------|---------------------|--------------------|
|                                               | Adjusted appropriation | Shifting of funds | Virement        | Final appropriation | Actual expenditure | Variance     | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                               | R'000                  | R'000             | R'000           | R'000               | R'000              | R'000        | %                                         | R'000               | R'000              |
| <b>2.1 Management</b>                         |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Current payment                               | 2 822                  | (26)              | (437)           | 2 359               | 2 355              | 4            | 99,8                                      | 985                 | 983                |
| Payments for capital assets                   | 110                    | 26                | (81)            | 55                  | 54                 | 1            | 98,2                                      | –                   | –                  |
| <b>2.2 Inspection and Laboratory Services</b> |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Current payment                               | 293 469                | 4 428             | (13 485)        | 284 412             | 284 263            | 149          | 99,9                                      | 268 636             | 268 486            |
| Transfers and subsidies                       | 183                    | 83                | 369             | 635                 | 630                | 5            | 99,2                                      | 623                 | 611                |
| Payment for capital assets                    | 3 552                  | 9 331             | (1 173)         | 11 710              | 11 681             | 29           | 99,8                                      | 3 457               | 3 416              |
| Payment for financial assets                  | –                      | –                 | 17              | 17                  | 16                 | 1            | 94,1                                      | 95                  | 95                 |
| <b>2.3 Plant Production and Health</b>        |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Current payment                               | 60 559                 | 2 072             | (2 621)         | 60 010              | 59 955             | 55           | 99,9                                      | 65 278              | 65 212             |
| Transfers and subsidies                       | 446 146                | 1                 | 37              | 446 184             | 446 179            | 5            | 100,0                                     | 423 129             | 423 124            |
| Payment for capital assets                    | 900                    | 127               | (151)           | 876                 | 872                | 4            | 99,5                                      | 619                 | 610                |
| Payment for financial assets                  | –                      | –                 | 3               | 3                   | 3                  | –            | 100,0                                     | –                   | –                  |
| <b>2.4 Animal Production and Health</b>       |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Current payment                               | 152 091                | (17 461)          | (10 773)        | 123 857             | 114 750            | 9 107        | 92,6                                      | 139 519             | 139 466            |
| Transfers and subsidies                       | 97 976                 | 12                | (109)           | 97 879              | 97 874             | 5            | 100,0                                     | 1 966               | 1 960              |
| Payment for capital assets                    | 28 457                 | 1 407             | 1 032           | 30 896              | 30 889             | 7            | 100,0                                     | 26 822              | 26 810             |
| Payment for financial assets                  | –                      | –                 | 1 173           | 1 173               | 1 171              | 2            | 99,8                                      | 1 034               | 1 033              |
| <b>2.5 Agricultural Research</b>              |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Transfers and subsidies                       | 950 254                | –                 | –               | 950 254             | 950 254            | –            | 100,0                                     | 943 026             | 943 026            |
| <b>Total</b>                                  | <b>2 036 519</b>       | <b>–</b>          | <b>(26 199)</b> | <b>2 010 320</b>    | <b>2 000 946</b>   | <b>9 374</b> | <b>99,5</b>                               | <b>1 875 189</b>    | <b>1 874 832</b>   |

## Details per programme

### 2: Agricultural Production, Health and Food Safety

for the year ended 31 March 2014

| Economic classification                     | 2013/14                |                   |                 |                     |                    |              |                                           | 2012/13             |                    |
|---------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|--------------|-------------------------------------------|---------------------|--------------------|
|                                             | Adjusted appropriation | Shifting of funds | Virement        | Final appropriation | Actual expenditure | Variance     | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                             | R'000                  | R'000             | R'000           | R'000               | R'000              | R'000        | %                                         | R'000               | R'000              |
| <b>Current payments</b>                     |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Compensation of employees                   | 387 288                | (1 694)           | (24 215)        | 361 379             | 361 316            | 63           | 100,0                                     | 347 554             | 347 481            |
| Goods and services                          | 121 653                | (9 293)           | (3 101)         | 109 259             | 100 007            | 9 252        | 91,5                                      | 126 864             | 126 666            |
| <b>Transfers and subsidies</b>              |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Provinces and municipalities                | 438 580                | 4                 | 17              | 438 601             | 438 594            | 7            | 100,0                                     | 415 896             | 415 891            |
| Departmental agencies and accounts          | 950 254                | –                 | –               | 950 254             | 950 254            | –            | 100,0                                     | 943 058             | 943 052            |
| Public corporations and private enterprises | 97 500                 | –                 | 104             | 97 604              | 97 602             | 2            | 100,0                                     | 341                 | 339                |
| Non-profit institutions                     | 7 649                  | –                 | –               | 7 649               | 7 649              | –            | 100,0                                     | 7 251               | 7 251              |
| Households                                  | 576                    | 92                | 176             | 844                 | 838                | 6            | 99,3                                      | 2 198               | 2 188              |
| <b>Payment for capital assets</b>           |                        |                   |                 |                     |                    |              |                                           |                     |                    |
| Machinery and equipment                     | 32 906                 | 10 909            | (361)           | 43 454              | 43 413             | 41           | 99,9                                      | 30 898              | 30 836             |
| Intangible assets                           | 113                    | (18)              | (12)            | 83                  | 83                 | –            | 100,0                                     | –                   | –                  |
| Payment for financial assets                | –                      | –                 | 1 193           | 1 193               | 1 190              | 3            | 99,7                                      | 1 129               | 1 128              |
| <b>Total</b>                                | <b>2 036 519</b>       | <b>–</b>          | <b>(26 199)</b> | <b>2 010 320</b>    | <b>2 000 946</b>   | <b>9 374</b> | <b>99,5</b>                               | <b>1 875 189</b>    | <b>1 874 832</b>   |

## Details per programme

### 3: Food Security and Agrarian Reform

for the year ended 31 March 2014

| Subprogramme                                   | 2013/14                |                   |              |                     |                    |               |                                           | 2012/13             |                    |
|------------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                                | Adjusted appropriation | Shifting of funds | Virement     | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>3.1 Management</b>                          |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Current payment                                | 2 614                  | 1 998             | 141          | 4 753               | 4 749              | 4             | 99,9                                      | 2 159               | 2 158              |
| Payment for capital assets                     | 52                     | 2                 | (1)          | 53                  | 53                 | –             | 100,0                                     | 8                   | 7                  |
| <b>3.2 Food Security</b>                       |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Current payment                                | 67 173                 | 8 071             | 4 119        | 79 363              | 79 335             | 28            | 100,0                                     | 65 209              | 65 188             |
| Transfers and subsidies                        | 917 733                | 73                | 352          | 918 158             | 912 153            | 6 005         | 99,3                                      | 774 344             | 768 242            |
| Payment for capital assets                     | 34 351                 | 483               | (883)        | 33 951              | 33 939             | 12            | 100,0                                     | 32 410              | 32 399             |
| <b>3.3 Sector Capacity Development</b>         |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Current payment                                | 128 179                | (34 448)          | (156)        | 93 575              | 86 620             | 6 955         | 92,6                                      | 90 298              | 87 039             |
| Transfers and subsidies                        | 75 655                 | 33                | 102          | 75 790              | 74 793             | 997           | 98,7                                      | 71 813              | 69 712             |
| Payment for capital assets                     | 3 147                  | 23 788            | 3 132        | 30 067              | 29 636             | 431           | 98,6                                      | 30 204              | 29 113             |
| Payment for financial assets                   | –                      | –                 | 1            | 1                   | –                  | 1             | –                                         | –                   | –                  |
| <b>3.4 National Extension Support Services</b> |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Current payment                                | 30 258                 | –                 | (1 532)      | 28 726              | 28 670             | 56            | 99,8                                      | 26 502              | 26 487             |
| Transfers and subsidies                        | 339 927                | –                 | 3            | 339 930             | 339 930            | –             | 100,0                                     | 322 206             | 322 206            |
| Payment for capital assets                     | 227                    | –                 | (2)          | 225                 | 223                | 2             | 99,1                                      | 329                 | 326                |
| <b>Total</b>                                   | <b>1 599 316</b>       | <b>–</b>          | <b>5 276</b> | <b>1 604 592</b>    | <b>1 590 101</b>   | <b>14 491</b> | <b>99,1</b>                               | <b>1 415 482</b>    | <b>1 402 877</b>   |

## Details per programme

### 3: Food Security and Agrarian Reform

for the year ended 31 March 2014

| Economic classification                     | 2013/14                |                   |              |                     |                    |               |                                           | 2012/13             |                    |
|---------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                             | Adjusted appropriation | Shifting of funds | Virement     | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                             | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>Current payments</b>                     |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Compensation of employees                   | 117 760                | (872)             | (4 595)      | 112 293             | 112 278            | 15            | 100,0                                     | 98 893              | 98 878             |
| Goods and services                          | 110 464                | (23 507)          | 7 167        | 94 124              | 87 096             | 7 028         | 92,5                                      | 85 275              | 81 994             |
| <b>Transfers and subsidies</b>              |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Provinces and municipalities                | 1 301 339              | 31                | 8            | 1 301 378           | 1 301 376          | 2             | 100,0                                     | 1 137 058           | 1 137 055          |
| Departmental agencies and accounts          | 18 327                 | 3                 | –            | 18 330              | 15 329             | 3 001         | 83,6                                      | 16 378              | 14 577             |
| Higher education institutions               | 3 616                  | –                 | –            | 3 616               | 616                | 3 000         | 17,0                                      | 4 960               | 660                |
| Public corporations and private enterprises | 5 021                  | –                 | 328          | 5 349               | 5 346              | 3             | 99,9                                      | 4 995               | 4 994              |
| Non-profit institutions                     | 2 500                  | –                 | –            | 2 500               | 1 508              | 992           | 60,3                                      | 2 500               | 403                |
| Households                                  | 1 462                  | 72                | 121          | 1 655               | 1 651              | 4             | 99,8                                      | 1 672               | 1 671              |
| Gifts and donations                         | 1 050                  | –                 | –            | 1 050               | 1 050              | –             | 100,0                                     | 800                 | 800                |
| <b>Payment for capital assets</b>           |                        |                   |              |                     |                    |               |                                           |                     |                    |
| Buildings and other fixed structures        | 32 678                 | 11 622            | 2 280        | 46 580              | 46 572             | 8             | 100,0                                     | 54 147              | 54 140             |
| Machinery and equipment                     | 5 091                  | 12 332            | (34)         | 17 389              | 16 952             | 437           | 97,5                                      | 8 804               | 7 705              |
| Biological assets                           | –                      | 76                | –            | 76                  | 76                 | –             | 100,0                                     | –                   | –                  |
| Intangible assets                           | 8                      | 243               | –            | 251                 | 251                | –             | 100,0                                     | –                   | –                  |
| Payment for financial assets                | –                      | –                 | 1            | 1                   | –                  | 1             | –                                         | –                   | –                  |
| <b>Total</b>                                | <b>1 599 316</b>       | <b>–</b>          | <b>5 276</b> | <b>1 604 592</b>    | <b>1 590 101</b>   | <b>14 491</b> | <b>99,1</b>                               | <b>1 415 482</b>    | <b>1 402 877</b>   |

## Details per programme

### 4: Trade Promotion and Market Access

for the year ended 31 March 2014

| Subprogramme                                             | 2013/14                |                   |                |                     |                    |            |                                           | 2012/13             |                    |
|----------------------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|------------|-------------------------------------------|---------------------|--------------------|
|                                                          | Adjusted appropriation | Shifting of funds | Virement       | Final appropriation | Actual expenditure | Variance   | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                          | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000      | %                                         | R'000               | R'000              |
| <b>4.1 Management</b>                                    |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Current payment                                          | 2 672                  | (500)             | (797)          | 1 375               | 1 373              | 2          | 99,9                                      | 1 813               | 1 811              |
| Payment for capital assets                               | –                      | –                 | –              | –                   | –                  | –          | –                                         | 19                  | 18                 |
| <b>4.2 International Relations and Trade</b>             |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Current payment                                          | 77 711                 | 259               | 8 804          | 86 774              | 86 707             | 67         | 99,9                                      | 70 830              | 70 779             |
| Transfers and subsidies                                  | 45 921                 | –                 | 529            | 46 450              | 46 446             | 4          | 100,0                                     | 32 342              | 32 097             |
| Payment for capital assets                               | 224                    | 641               | 462            | 1 327               | 1 319              | 8          | 99,4                                      | 721                 | 713                |
| <b>4.3 Cooperatives and Rural Enterprise Development</b> |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Current payment                                          | 24 006                 | (22)              | (2 589)        | 21 395              | 21 384             | 11         | 99,9                                      | 26 807              | 26 799             |
| Transfers and subsidies                                  | 38 888                 | –                 | 27             | 38 915              | 38 914             | 1          | 100,0                                     | 34 470              | 34 468             |
| Payment for capital assets                               | 242                    | 22                | (73)           | 191                 | 188                | 3          | 98,4                                      | 233                 | 231                |
| <b>4.4 Agro-processing and Marketing</b>                 |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Current payment                                          | 34 388                 | (420)             | (8 083)        | 25 885              | 25 866             | 19         | 99,9                                      | 13 743              | 13 728             |
| Transfers and subsidies                                  | 33 819                 | 16                | –              | 33 835              | 33 834             | 1          | 100,0                                     | 31 446              | 31 445             |
| Payment for capital assets                               | 337                    | 4                 | (36)           | 305                 | 303                | 2          | 99,3                                      | 82                  | 80                 |
| <b>Total</b>                                             | <b>258 208</b>         | <b>–</b>          | <b>(1 756)</b> | <b>256 452</b>      | <b>256 334</b>     | <b>118</b> | <b>100,0</b>                              | <b>212 506</b>      | <b>212 169</b>     |

## Details per programme

### 4: Trade Promotion and Market Access

for the year ended 31 March 2014

| Economic classification                             | 2013/14                |                   |                |                     |                    |            |                                           | 2012/13             |                    |
|-----------------------------------------------------|------------------------|-------------------|----------------|---------------------|--------------------|------------|-------------------------------------------|---------------------|--------------------|
|                                                     | Adjusted appropriation | Shifting of funds | Virement       | Final appropriation | Actual expenditure | Variance   | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                     | R'000                  | R'000             | R'000          | R'000               | R'000              | R'000      | %                                         | R'000               | R'000              |
| <b>Current payments</b>                             |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Compensation of employees                           | 80 990                 | (16)              | (1 459)        | 79 515              | 79 492             | 23         | 100,0                                     | 67 474              | 67 452             |
| Goods and services                                  | 57 787                 | (667)             | (1 206)        | 55 914              | 55 838             | 76         | 99,9                                      | 45 719              | 45 665             |
| <b>Transfers and subsidies</b>                      |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Provinces and municipalities                        | 10                     | –                 | (7)            | 3                   | 3                  | –          | 100,0                                     | 3                   | 2                  |
| Departmental agencies and accounts                  | 35 819                 | –                 | –              | 35 819              | 35 819             | –          | 100,0                                     | 31 409              | 31 409             |
| Foreign governments and international organisations | 43 919                 | –                 | 529            | 44 448              | 44 445             | 3          | 100,0                                     | 32 245              | 32 001             |
| Public corporations and private enterprises         | 36 878                 | –                 | 4              | 36 882              | 36 881             | 1          | 100,0                                     | 34 279              | 34 279             |
| Households                                          | 2                      | 16                | 30             | 48                  | 46                 | 2          | 95,8                                      | 147                 | 144                |
| Gifts and donations                                 | 2 000                  | –                 | –              | 2 000               | 2 000              | –          | 100,0                                     | 175                 | 175                |
| <b>Payment for capital assets</b>                   |                        |                   |                |                     |                    |            |                                           |                     |                    |
| Building and other fixed structures                 | –                      | 10                | (10)           | –                   | –                  | –          | –                                         | –                   | –                  |
| Machinery and equipment                             | 773                    | 666               | 384            | 1 823               | 1 810              | 13         | 99,3                                      | 1 055               | 1 042              |
| Biological assets                                   | 5                      | –                 | (5)            | –                   | –                  | –          | –                                         | –                   | –                  |
| Intangible assets                                   | 25                     | (9)               | (16)           | –                   | –                  | –          | –                                         | –                   | –                  |
| <b>Total</b>                                        | <b>258 208</b>         | <b>–</b>          | <b>(1 756)</b> | <b>256 452</b>      | <b>256 334</b>     | <b>118</b> | <b>100,0</b>                              | <b>212 506</b>      | <b>212 169</b>     |

## Details per programme

### 5: Forestry

for the year ended 31 March 2014

| Subprogramme                                  | 2013/14                |                   |                 |                     |                    |               |                                           | 2012/13             |                    |
|-----------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                               | Adjusted appropriation | Shifting of funds | Virement        | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                               | R'000                  | R'000             | R'000           | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>5.1 Management</b>                         |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Current payment                               | 2 897                  | 1 580             | (293)           | 4 184               | 4 179              | 5             | 99,9                                      | 1 954               | 1 951              |
| Transfers and subsidies                       | –                      | –                 | –               | –                   | –                  | –             | –                                         | 3                   | 2                  |
| Payment for capital assets                    | 110                    | 86                | (77)            | 119                 | 117                | 2             | 98,3                                      | –                   | –                  |
| <b>5.2 Forestry Operations</b>                |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Current payment                               | 406 700                | (4 039)           | (5 451)         | 397 210             | 397 098            | 112           | 100,0                                     | 377 025             | 376 398            |
| Transfers and subsidies                       | 5 951                  | 4 327             | 1 352           | 11 630              | 11 617             | 13            | 99,9                                      | 5 446               | 5 411              |
| Payment for capital assets                    | 52 787                 | 5 818             | 879             | 59 484              | 59 462             | 22            | 100,0                                     | 47 558              | 47 515             |
| Payment for financial assets                  | –                      | –                 | 32              | 32                  | 29                 | 3             | 90,6                                      | 101                 | 99                 |
| <b>5.3 Forestry Oversight and Regulations</b> |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Current payment                               | 45 832                 | (2 074)           | (4 359)         | 39 399              | 39 353             | 46            | 99,9                                      | 38 060              | 38 030             |
| Transfers and subsidies                       | 8 890                  | –                 | 16              | 8 906               | 8 503              | 403           | 95,5                                      | 7 633               | 7 531              |
| Payment for capital assets                    | 636                    | 74                | (205)           | 505                 | 502                | 3             | 99,4                                      | 666                 | 660                |
| <b>5.4 Natural Resources Management</b>       |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Current payment                               | 234 810                | (7 438)           | (7 267)         | 220 105             | 200 038            | 20 067        | 90,9                                      | 190 045             | 175 568            |
| Transfers and subsidies                       | 415 658                | 58                | 946             | 416 662             | 413 478            | 3 184         | 99,2                                      | 541 338             | 527 531            |
| Payment for capital assets                    | 9 352                  | 1 608             | (675)           | 10 285              | 10 266             | 19            | 99,8                                      | 11 116              | 11 089             |
| Payment for financial assets                  | –                      | –                 | 58              | 58                  | 57                 | 1             | 98,3                                      | –                   | –                  |
| <b>Total</b>                                  | <b>1 183 623</b>       | <b>–</b>          | <b>(15 044)</b> | <b>1 168 579</b>    | <b>1 144 699</b>   | <b>23 880</b> | <b>98,0</b>                               | <b>1 220 945</b>    | <b>1 191 785</b>   |

## Details per programme

### 5: Forestry

for the year ended 31 March 2014

| Economic classification                     | 2013/14                |                   |                 |                     |                    |               |                                           | 2012/13             |                    |
|---------------------------------------------|------------------------|-------------------|-----------------|---------------------|--------------------|---------------|-------------------------------------------|---------------------|--------------------|
|                                             | Adjusted appropriation | Shifting of funds | Virement        | Final appropriation | Actual expenditure | Variance      | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                             | R'000                  | R'000             | R'000           | R'000               | R'000              | R'000         | %                                         | R'000               | R'000              |
| <b>Current payments</b>                     |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Compensation of employees                   | 510 195                | (7 184)           | (11 323)        | 491 688             | 482 496            | 9 192         | 98,1                                      | 461 513             | 455 606            |
| Goods and services                          | 178 883                | (4 011)           | (6 015)         | 168 857             | 157 819            | 11 038        | 93,5                                      | 144 706             | 135 476            |
| Interest and rent on land                   | 1 161                  | (776)             | (32)            | 353                 | 353                | –             | 100,0                                     | 865                 | 865                |
| <b>Transfers and subsidies</b>              |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Provinces and municipalities                | 412 330                | 18                | 11              | 412 359             | 409 178            | 3 181         | 99,2                                      | 513 936             | 509 825            |
| Departmental agencies and accounts          | 3 000                  | –                 | –               | 3 000               | 3 000              | –             | 100,0                                     | 3 011               | 3 008              |
| Higher education institutions               | 2 192                  | –                 | –               | 2 192               | 2 191              | 1             | 100,0                                     | 4 017               | 4 017              |
| Public corporations and private enterprises | –                      | –                 | 106             | 106                 | 102                | 4             | 96,2                                      | 70                  | 68                 |
| Non-profit institutions                     | 10 169                 | –                 | –               | 10 169              | 9 869              | 300           | 97,0                                      | 3 500               | 3 500              |
| Households                                  | 2 208                  | 4 367             | 2 197           | 8 772               | 8 758              | 14            | 99,8                                      | 29 786              | 20 057             |
| Gifts and donations                         | 600                    | –                 | –               | 600                 | 500                | 100           | 83,3                                      | 100                 | –                  |
| <b>Payment for capital assets</b>           |                        |                   |                 |                     |                    |               |                                           |                     |                    |
| Buildings and other fixed structures        | 20                     | (20)              | 16              | 16                  | 15                 | 1             | 93,8                                      | 124                 | 123                |
| Machinery and equipment                     | 62 348                 | 8 031             | (2)             | 70 377              | 70 332             | 45            | 99,9                                      | 59 216              | 59 141             |
| Biological assets                           | 499                    | (410)             | (89)            | –                   | –                  | –             | –                                         | –                   | –                  |
| Intangible assets                           | 18                     | (15)              | (3)             | –                   | –                  | –             | –                                         | –                   | –                  |
| Payment for financial assets                | –                      | –                 | 90              | 90                  | 86                 | 4             | 95,6                                      | 101                 | 99                 |
| <b>Total</b>                                | <b>1 183 623</b>       | <b>–</b>          | <b>(15 044)</b> | <b>1 168 579</b>    | <b>1 144 699</b>   | <b>23 880</b> | <b>98,0</b>                               | <b>1 220 945</b>    | <b>1 191 785</b>   |

## Details per programme

### 6: Fisheries

for the year ended 31 March 2014

| Subprogramme                                    | 2013/14                |                   |              |                     |                    |           |                                           | 2012/13             |                    |
|-------------------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|-----------|-------------------------------------------|---------------------|--------------------|
|                                                 | Adjusted appropriation | Shifting of funds | Virement     | Final appropriation | Actual expenditure | Variance  | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                                 | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000     | %                                         | R'000               | R'000              |
| <b>6.1 Management</b>                           |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Current payment                                 | 1 607                  | –                 | (858)        | 749                 | 748                | 1         | 99,9                                      | 926                 | 925                |
| <b>6.2 Aquaculture</b>                          |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Current payment                                 | 29 737                 | –                 | 349          | 30 086              | 30 082             | 4         | 100,0                                     | 28 621              | 28 619             |
| Transfers and subsidies                         | 10                     | –                 | 73           | 83                  | 83                 | –         | 100,0                                     | 122                 | 120                |
| Payment for capital assets                      | –                      | –                 | 5 657        | 5 657               | 5 657              | –         | 100,0                                     | –                   | –                  |
| Payment for financial assets                    | –                      | –                 | 1            | 1                   | –                  | 1         | –                                         | –                   | –                  |
| <b>6.3 Monitoring, Control and Surveillance</b> |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Current payment                                 | 73 594                 | –                 | (1 420)      | 72 174              | 72 171             | 3         | 100,0                                     | 67 875              | 67 871             |
| Transfers and subsidies                         | 3                      | –                 | 398          | 401                 | 400                | 1         | 99,8                                      | 356                 | 355                |
| <b>6.4 Marine Resources Management</b>          |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Current payment                                 | 17 627                 | –                 | 345          | 17 972              | 17 968             | 4         | 100,0                                     | 17 127              | 17 123             |
| Transfers and subsidies                         | 7                      | –                 | –            | 7                   | 7                  | –         | 100,0                                     | 260                 | 259                |
| <b>6.5 Fisheries Research and Development</b>   |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Current payment                                 | 57 606                 | –                 | (709)        | 56 897              | 56 894             | 3         | 100,0                                     | 52 145              | 52 140             |
| Transfers and subsidies                         | –                      | –                 | 96           | 96                  | 95                 | 1         | 99,0                                      | 555                 | 553                |
| <b>6.6 Marine Living Resources Fund</b>         |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Transfers and subsidies                         | 253 545                | –                 | –            | 253 545             | 253 545            | –         | 100,0                                     | 316 365             | 316 365            |
| <b>Total</b>                                    | <b>433 736</b>         | <b>–</b>          | <b>3 932</b> | <b>437 668</b>      | <b>437 650</b>     | <b>18</b> | <b>100,0</b>                              | <b>484 352</b>      | <b>484 330</b>     |

## Details per programme

### 6: Fisheries

for the year ended 31 March 2014

| Economic classification              | 2013/14                |                   |              |                     |                    |           |                                           | 2012/13             |                    |
|--------------------------------------|------------------------|-------------------|--------------|---------------------|--------------------|-----------|-------------------------------------------|---------------------|--------------------|
|                                      | Adjusted appropriation | Shifting of funds | Virement     | Final appropriation | Actual expenditure | Variance  | Expenditure as a % of final appropriation | Final appropriation | Actual expenditure |
|                                      | R'000                  | R'000             | R'000        | R'000               | R'000              | R'000     | %                                         | R'000               | R'000              |
| <b>Current payments</b>              |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Compensation of employees            | 180 171                | –                 | (2 293)      | 177 878             | 177 863            | 15        | 100,0                                     | 166 694             | 166 678            |
| Transfers and subsidies              |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Departmental agencies and accounts   | 253 545                | –                 | –            | 253 545             | 253 545            | –         | 100,0                                     | 316 365             | 316 365            |
| Households                           | 20                     | –                 | 567          | 587                 | 585                | 2         | 99,7                                      | 1 293               | 1 287              |
| <b>Payment for capital assets</b>    |                        |                   |              |                     |                    |           |                                           |                     |                    |
| Buildings and other fixed structures | –                      | –                 | 5 657        | 5 657               | 5 657              | –         | 100,0                                     | –                   | –                  |
| Payments for financial assets        | –                      | –                 | 1            | 1                   | –                  | 1         | –                                         | –                   | –                  |
| <b>Total</b>                         | <b>433 736</b>         | <b>–</b>          | <b>3 932</b> | <b>437 668</b>      | <b>437 650</b>     | <b>18</b> | <b>100,0</b>                              | <b>484 352</b>      | <b>484 330</b>     |

## Notes to the Appropriation Statement

for the year ended 31 March 2014

### 1. DETAILS OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT)

Details of these transactions can be viewed in the Note on Transfers and Subsidies, disclosure notes and Annexure 1 (A–H) to the Annual Financial Statements.

### 2. DETAILS OF SPECIFICALLY AND EXCLUSIVELY APPROPRIATED AMOUNTS VOTED (AFTER VIREMENT)

Details of these transactions can be viewed in Note 1 (Annual Appropriation) to the Annual Financial Statements.

### 3. DETAILS ON PAYMENTS FOR FINANCIAL ASSETS

Details of these transactions per programme can be viewed in the Note on Payments for Financial Assets to the Annual Financial Statements.

### 4. EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT)

#### 4.1 Per programme

|                                                 | Final<br>appropriation | Actual expenditure | Variance      | Variance as<br>a % of final<br>appropriation |
|-------------------------------------------------|------------------------|--------------------|---------------|----------------------------------------------|
|                                                 | R'000                  | R'000              | R'000         | R'000                                        |
| Administration                                  | 704 671                | 681 583            | 23 088        | 3,28                                         |
| Agricultural Production, Health and Food Safety | 2 010 320              | 2 000 946          | 9 374         | 0,47                                         |
| Food Security and Agrarian Reform               | 1 604 592              | 1 590 101          | 14 491        | 0,90                                         |
| Trade Promotion and Market Access               | 256 452                | 256 334            | 118           | 0,05                                         |
| Forestry                                        | 1 168 579              | 1 144 699          | 23 880        | 2,04                                         |
| Fisheries                                       | 437 668                | 437 650            | 18            | –                                            |
| <b>Total</b>                                    | <b>6 182 282</b>       | <b>6 111 313</b>   | <b>70 969</b> | <b>1,15</b>                                  |

#### Administration

Expenditure in respect of Capital Works was not incurred as anticipated owing to projects not completed through the Department of Public Works' processes.

#### Agricultural Production, Health and Food Safety

Expenditure in respect of Primary Animal Health Care Programme was not incurred as anticipated as procurement processes were not completed.

#### Food Security and Agrarian Reform

Expenditure in respect of the Economic Competitiveness Support Package for colleges of agriculture was not incurred as anticipated as procurement processes in the provinces were not completed. Furthermore, transfer payments did not realise owing to a memorandum of understanding not completed and a project that was stopped.

#### Forestry

Payments in respect of the prevention and mitigation of disasters were not incurred as anticipated owing to controls for migratory pests and construction of fire breaks that were disrupted by persisted rains. Furthermore, transfer payments in respect of LandCare to the Eastern Cape Province were withheld owing to underspending by the province.

## Notes to the Appropriation Statement

for the year ended 31 March 2014

### 4.2 Per economic classification

|                                                     | Final<br>appropriation | Actual expenditure | Variance      | Variance as<br>a % of final<br>appropriation |
|-----------------------------------------------------|------------------------|--------------------|---------------|----------------------------------------------|
|                                                     | R'000                  | R'000              | R'000         | R'000                                        |
| <b>Current payments</b>                             |                        |                    |               |                                              |
| Compensation of employees                           | 1 534 392              | 1 525 024          | 9 368         | 0,61                                         |
| Goods and services                                  | 791 825                | 746 426            | 45 399        | 5,73                                         |
| Interest and rent on land                           | 353                    | 353                | –             | –                                            |
| <b>Subtotal</b>                                     | <b>2 326 570</b>       | <b>2 271 803</b>   | <b>54 767</b> | <b>2,35</b>                                  |
| <b>Transfers and subsidies</b>                      |                        |                    |               |                                              |
| Provinces and municipalities                        | 2 152 396              | 2 149 201          | 3 195         | 0,15                                         |
| Departmental agencies and accounts                  | 1 269 645              | 1 266 644          | 3 001         | 0,24                                         |
| Higher education institutions                       | 5 808                  | 2 807              | 3 001         | 51,67                                        |
| Public corporations and private enterprises         | 140 127                | 140 111            | 16            | 0,01                                         |
| Foreign governments and international organisations | 44 448                 | 44 445             | 3             | 0,01                                         |
| Non-profit institutions                             | 20 318                 | 19 026             | 1 292         | 6,36                                         |
| Households                                          | 12 200                 | 12 165             | 35            | 0,29                                         |
| Gifts and donations                                 | 3 650                  | 3 550              | 100           | 2,74                                         |
| <b>Subtotal</b>                                     | <b>3 648 592</b>       | <b>3 637 949</b>   | <b>10 643</b> | <b>0,29</b>                                  |
| <b>Payments for capital assets</b>                  |                        |                    |               |                                              |
| Buildings and other fixed structures                | 60 651                 | 55 694             | 4 957         | 8,17                                         |
| Machinery and equipment                             | 143 605                | 143 017            | 588           | 0,41                                         |
| Biological assets                                   | 76                     | 76                 | –             | –                                            |
| Intangible assets                                   | 1 421                  | 1 419              | 2             | 0,14                                         |
| <b>Subtotal</b>                                     | <b>205 753</b>         | <b>200 206</b>     | <b>5 547</b>  | <b>2,70</b>                                  |
| Payments for financial assets                       | 1 367                  | 1 355              | 12            | 0,88                                         |
| <b>Total</b>                                        | <b>6 182 282</b>       | <b>6 111 313</b>   | <b>70 969</b> | <b>1,15</b>                                  |

### 4.3 Per conditional grant

|                                                          |                  |                  |              |             |
|----------------------------------------------------------|------------------|------------------|--------------|-------------|
| <b>Agriculture, Forestry and Fisheries</b>               |                  |                  |              |             |
| Ilima/Letsema projects                                   | 438 456          | 438 456          | –            | –           |
| Infrastructure development and poverty relief (LandCare) | 108 997          | 105 823          | 3 174        | 2,91        |
| Comprehensive Agricultural Support Programme             | 1 604 315        | 1 604 315        | –            | –           |
| <b>Total</b>                                             | <b>2 151 768</b> | <b>2 148 594</b> | <b>3 174</b> | <b>0,15</b> |

LandCare funds for Eastern Cape were withheld.

## Statement of Financial Performance

for the year ended 31 March 2014

|                                                             | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------------|------|------------------|------------------|
| <b>Revenue</b>                                              |      |                  |                  |
| Annual appropriation                                        | 1    | 6 182 282        | 5 868 927        |
| Departmental revenue                                        | 2    | 809 584          | 198 029          |
| Aid assistance                                              | 3    | 138              | 21 624           |
| <b>Total revenue</b>                                        |      | <b>6 992 004</b> | <b>6 088 580</b> |
| <b>Expenditure</b>                                          |      |                  |                  |
| <b>Current expenditure</b>                                  |      |                  |                  |
| Compensation of employees                                   | 4    | 1 525 024        | 1 419 116        |
| Goods and services                                          | 5    | 746 426          | 729 591          |
| Interest and rent on land                                   | 6    | 353              | 872              |
| Aid assistance                                              | 3    | 8 752            | 1 109            |
| <b>Total current expenditure</b>                            |      | <b>2 280 555</b> | <b>2 150 688</b> |
| <b>Transfers and subsidies</b>                              |      |                  |                  |
| Transfers and subsidies                                     | 8    | 3 637 949        | 3 492 953        |
| Aid assistance                                              | 3    | 138              | 217              |
| <b>Total transfers and subsidies</b>                        |      | <b>3 638 087</b> | <b>3 493 170</b> |
| <b>Expenditure for capital assets</b>                       |      |                  |                  |
| Tangible assets                                             | 9    | 198 787          | 169 063          |
| Intangible assets                                           | 9    | 1 419            | 383              |
| <b>Total expenditure for capital assets</b>                 |      | <b>200 206</b>   | <b>169 446</b>   |
| Payments for financial assets                               | 7    | 1 355            | 1 255            |
| <b>Total expenditure</b>                                    |      | <b>6 120 203</b> | <b>5 814 559</b> |
| <b>Surplus for the year</b>                                 |      | <b>871 801</b>   | <b>274 021</b>   |
| <b>Reconciliation of net surplus/(deficit) for the year</b> |      |                  |                  |
| Voted funds                                                 |      | 70 969           | 55 694           |
| Annual appropriation                                        |      | 70 969           | 55 694           |
| Departmental revenue and NRF receipts                       | 15   | 809 584          | 198 029          |
| Aid assistance (Annexure 1J)                                | 3    | (8 752)          | 20 298           |
| <b>Surplus for the year</b>                                 |      | <b>871 801</b>   | <b>274 021</b>   |

## Statement of Financial Position

for the year ended 31 March 2014

|                                                                             | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-----------------------------------------------------------------------------|------|------------------|------------------|
| <b>Assets</b>                                                               |      |                  |                  |
| <b>Current assets</b>                                                       |      | 96 313           | 86 644           |
| Cash and cash equivalents                                                   | 10   | 84 509           | 75 503           |
| Prepayments and advances                                                    | 11   | 3 475            | 7 277            |
| Receivables                                                                 | 12   | 8 329            | 3 864            |
| <b>Non-current assets</b>                                                   |      | 280 031          | 235 723          |
| Investments                                                                 | 13   | 280 031          | 235 723          |
| <b>Total assets</b>                                                         |      | 376 344          | 322 367          |
| <b>Liabilities</b>                                                          |      |                  |                  |
| <b>Current liabilities</b>                                                  |      | 94 823           | 85 540           |
| Voted funds to be surrendered to the Revenue Fund                           | 14   | 70 969           | 55 694           |
| Departmental revenue and NRF receipts to be surrendered to the Revenue Fund | 15   | 14 100           | 11 824           |
| Payables                                                                    | 16   | 1 037            | 553              |
| Aid assistance unutilised                                                   | 3    | 8 717            | 17 469           |
| <b>Non-current liabilities</b>                                              |      |                  |                  |
| Payables                                                                    | 17   | 280 034          | 235 726          |
| <b>Total liabilities</b>                                                    |      | 374 857          | 321 266          |
| <b>Net assets</b>                                                           |      | 1 487            | 1 101            |
| <b>Represented by:</b>                                                      |      |                  |                  |
| Recoverable revenue                                                         |      | 1 487            | 1 101            |
| <b>Total</b>                                                                |      | 1 487            | 1 101            |

## Statement of Changes in Net Assets

for the year ended 31 March 2014

|                                                     | <i>Note</i> | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-----------------------------------------------------|-------------|------------------|------------------|
| <b>Recoverable revenue</b>                          |             |                  |                  |
| Opening balance                                     |             | 1 101            | 1 004            |
| Transfers:                                          |             | 386              | 97               |
| Irrecoverable amounts written off                   | 7.1         | (151)            | (33)             |
| Debts recovered (included in departmental receipts) |             | (1 352)          | (1 430)          |
| Debts raised                                        |             | 1 889            | 1 560            |
| Closing balance                                     |             | 1 487            | 1 101            |
| <b>Total</b>                                        |             | 1 487            | 1 101            |

## Cash Flow Statement

for the year ended 31 March 2014

|                                                                          | Note      | 2013/14<br>R'000 | 2012/13<br>R'000 |
|--------------------------------------------------------------------------|-----------|------------------|------------------|
| <b>Cash flows from operating activities</b>                              |           |                  |                  |
| Receipts                                                                 |           | 6 991 247        | 6 081 562        |
| Annual appropriated funds received                                       | 1.1       | 6 182 282        | 5 868 927        |
| Departmental revenue received                                            | 2         | 801 835          | 182 863          |
| Interest received                                                        | 2.3       | 6 992            | 8 148            |
| Aid assistance received                                                  | 3         | 138              | 21 624           |
| Net increase/decrease in working capital                                 |           | (179)            | (5 237)          |
| Surrendered to Revenue Fund                                              |           | (863 002)        | (240 878)        |
| Surrendered to Reconstruction and Development Programme (RDP) Fund/donor |           | –                | (5 907)          |
| Current payments                                                         |           | (2 280 553)      | (2 150 678)      |
| Interest paid                                                            | 6         | (2)              | (10)             |
| Payments for financial assets                                            |           | (1 355)          | (1 255)          |
| Transfers and subsidies paid                                             |           | (3 638 087)      | (3 493 170)      |
| <b>Net cash flow available from operating activities</b>                 | <b>18</b> | <b>208 069</b>   | <b>184 427</b>   |
| <b>Cash flows from investing activities</b>                              |           |                  |                  |
| Payments for capital assets                                              | 9         | (200 206)        | (169 446)        |
| Proceeds from sale of capital assets                                     | 2.4       | 757              | 7 018            |
| Increase/decrease in investments                                         |           | (44 308)         | (54 760)         |
| <b>Net cash flows from investing activities</b>                          |           | <b>(243 757)</b> | <b>(217 188)</b> |
| <b>Cash flows from financing activities</b>                              |           |                  |                  |
| Increase/decrease in net assets                                          |           | 386              | 97               |
| Increase/decrease in non-current payables                                |           | 44 308           | 54 760           |
| <b>Net cash flows from financing activities</b>                          |           | <b>44 694</b>    | <b>54 857</b>    |
| Net increase/decrease in cash and cash equivalents                       |           | 9 006            | 22 096           |
| Cash and cash equivalents at beginning of period                         |           | 75 503           | 53 407           |
| <b>Cash and cash equivalents at end of period</b>                        | <b>19</b> | <b>84 509</b>    | <b>75 503</b>    |

## Accounting policies

for the year ended 31 March 2014

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements, and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act No. 1 of 1999 (as amended by Act No. 29 of 1999), and the Treasury Regulations, issued in terms of the PFMA and the annual Division of Revenue Act (DoRA).

### 1. PRESENTATION OF THE FINANCIAL STATEMENTS

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standards.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis.

#### 1.3 Presentation currency

Amounts have been presented in the currency of the South African Rand (R), which is also the functional currency of the department.

#### 1.4 Rounding

Unless otherwise stated, all financial figures have been rounded to the nearest one thousand Rand (R'000).

#### 1.5 Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the exchange rates prevailing at the date of payment/receipt unless stated otherwise.

#### 1.6 Comparative figures

Comparative information from a prior period has been presented in the current year's financial statements. Where necessary, figures included in the financial statements from a prior period have been reclassified to ensure that the format in which the information has been presented is consistent with the format of the current year's financial statements.

#### 1.7 Current year's comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

### 2. REVENUE

#### 2.1 Appropriated funds

Appropriated funds comprise the departmental allocations, as well as direct charges against revenue funds (i.e. statutory appropriation).

## Accounting policies

for the year ended 31 March 2014

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustment budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds owing to/from the relevant revenue fund at the reporting date is recognised as a payable/receivable in the statement of financial position.

### 2.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received, and is subsequently paid into the National Revenue Fund (NRF), unless stated otherwise.

Any amount owing to the NRF at the reporting date is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the period under review. These amounts are, however, disclosed in the disclosure note to the annual financial statements.

## 3. AID ASSISTANCE

### 3.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received.

In-kind aid assistance is disclosed in the annexures to the annual financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

### 3.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial position on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

## 4. EXPENDITURE

### 4.1 Compensation of employees

#### 4.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

Other employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the disclosure notes to the financial statements at face value.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of the expenditure for capital assets in the Statement of Financial Performance.

#### 4.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

## Accounting policies

for the year ended 31 March 2014

No provision is made for retirement benefits in the department's financial statements. Any potential liabilities are disclosed in the financial statements of the NRF.

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.

### 4.1.3 Termination benefits

Termination benefits such as severance packages are recognised in the statement of financial performance as a transfer to households on the date of payment.

### 4.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer to households on the date of payment.

Long-term employee benefits, which give rise to a present legal or constructive obligation, are disclosed in the disclosure notes to the financial statements.

## 4.2 Goods and services

Payments made for goods and/or services are recognised in the statement of financial performance on the date of payment.

The expense is classified as capital expense if the goods and services were acquired for a capital project, or the total consideration paid is more the capitalisation threshold (currently R5 000).

## 4.3 Interest and rent on land

Interest and rental payments are recognised in the statement of financial performance on the date of payment.

This expenditure excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and for the fixed structures on it, the total amount is classified under goods and services.

## 4.4 Financial transactions in assets and liabilities

Debts are written off when they are identified as irrecoverable. Debts written off are limited to the amount of savings and/or underspending of appropriated funds, with the exception of debt transferred to the department from the Agricultural Debt Account, after the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001) had been repealed during the 2008/09 financial year.

Debt written off is recorded in the disclosure notes to the financial statements.

No provision is made for irrecoverable amounts, but an estimate is included in the disclosure notes to the financial statements. The estimate in respect of the Agricultural Debt Account debtors is based on the calculation of impairments on financial instruments in accordance with Generally Accepted Accounting Practice (GAAP).

All other losses are recognised once authorisation has been granted for the recognition thereof.

## 4.5 Transfers and subsidies

Transfers and subsidies are recognised in the statement of financial performance on the date of payment.

## Accounting policies

for the year ended 31 March 2014

### 4.6 Unauthorised expenditure

Unauthorised expenditure is recognised in the Statement of Financial Position until such time as the expenditure is either:

- Approved by the relevant authority with funding and the related funds are received; or
- Approved by the relevant authority without funding and is written off against the appropriation in the statement of financial performance; or
- Transferred to receivables for recovery.

Unauthorised expenditure is measured against the amount of the confirmed unauthorised expenditure.

### 4.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the disclosure notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the disclosure notes to the financial statements when it is resolved or transferred to receivables for recovery.

Fruitless and wasteful expenditure receivables are measured and the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.

### 4.8 Irregular expenditure

Irregular expenditure is recorded in the disclosure notes to the financial statements when confirmed. The amount recorded is equal to the total value of the irregularity unless it is impracticable to determine, in which case reasons therefore are provided in the note.

Irregular expenditure is removed from the note when it is either condoned by the relevant authority or transferred to receivables for recovery.

Irregular expenditure receivables are measured against the amount that is expected to be recoverable and are de-recognised when settled or subsequently written off as irrecoverable.

## 5. ASSETS

### 5.1 Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

### 5.2 Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured against cost.

### 5.3 Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written off.

## Accounting policies

for the year ended 31 March 2014

### 5.4 Investments

Investments are recognised in the statement of financial position at cost.

### 5.5 Inventory

Inventory is recorded in the notes to the financial statements at cost.

### 5.6 Capital assets

#### 5.6.1 Movable assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined accurately, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the movable asset is recorded by another department/entity in which case the completed project costs are transferred to that department.

Repairs and maintenance are expensed as current "goods and services" in the Statement of Financial Performance.

#### 5.6.2 Immovable assets

Immovable capital assets are initially recorded in the notes to the financial statements at cost. Immovable capital assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Where the cost of immovable capital assets cannot be determined accurately, the immovable capital assets are measured at R1 unless the fair value of the asset has been reliably estimated, in which case the fair value is used.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Immovable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Repairs and maintenance are expensed as current "goods and services" in the Statement of Financial Performance.

#### 5.6.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

## Accounting policies

for the year ended 31 March 2014

Where the cost of intangible assets cannot be determined accurately, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) are recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature is added to the cost of the asset at the end of the capital project unless the intangible asset is recorded by another department/entity, in which case the completed project costs are transferred to that department.

### 5.6.4 *Biological assets: Forestry*

Plantations are measured at standing value. The standing value is the value of the standing, marketable timber that is present in a stand at the age when the value is computed. The standing value is determined with reference to the market volume, obtained from a growth model or yield table, which is applicable to a specific species, site and silvicultural regime. The Forestry Branch uses the Computerised Plantation Analysis System (COMPAS) for managing the growing stock database.

The evaluation is performed annually and is not recognised in the Statement of Financial Performance or the Statement of Financial Position, but is disclosed in the disclosure notes to the Financial Statements.

### 5.6.5 *Heritage assets: Forestry*

Indigenous forests are valued at R1 per hectare and are demarcated as state forests in terms of chapter 3 of the National Forests Act, 1998 (Act No. 84 of 1998).

The evaluation is performed annually and is not recognised in the Statement of Financial Performance or the Statement of Financial Position, but is disclosed in the disclosure notes to the Financial Statements.

## 6. LIABILITIES AND PROVISIONS

### 6.1 Payables

Payables are recognised in the statement of financial position at cost.

### 6.2 Contingent liabilities

Contingent liabilities are recorded in the disclosure notes to the financial statements when there is a possible obligation that arises from past events, and the existence of which 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 determined reliably.

### 6.3 Contingent assets

Contingent assets are recorded in the disclosure notes to the financial statements when a possible asset arises from past events, and the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

## Accounting policies

for the year ended 31 March 2014

### 6.4 Commitments

Commitments are recorded at cost in the disclosure 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 out-flow of cash.

### 6.5 Accrued expenditure

Accrued expenditure payable is recorded in the disclosure notes to the financial statements when the goods are received or, in the case of services, when they are rendered to the department.

Accrued expenditure payable is measured at cost.

### 6.6 Employee benefits

Short-term employee benefits, which give rise to a present legal or constructive obligation, are recorded in the disclosure notes to the financial statements.

### 6.7 Leases

#### 6.7.1 Finance leases

Finance lease payments made during the period under review are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the disclosure notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

#### 6.7.2 Operating lease

Operating lease payments made during the period under review are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the disclosure notes to the financial statements.

### 6.8 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the disclosure notes to the financial statements.

An assessment of whether there is an indication of possible impairment is done at each reporting date.

### 6.9 Provisions

Provisions are recorded in the disclosure notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of past events in the past and it is probable

## Accounting policies

for the year ended 31 March 2014

that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

### 7. RECEIVABLES FOR DEPARTMENTAL REVENUE

Receivables for departmental revenue are recorded in the disclosure notes to the financial statements.

### 8. NET ASSETS

#### 8.1 Capitalisation reserve

The capitalisation reserve comprises financial assets and/or liabilities originating from the prior period of review, which are recognised for the first time in the Statement of Financial Position in the current period under review. Amounts are recognised in the capitalisation reserves when identified in the current period, and are transferred to the NRF when the underlying asset is disposed of and the related funds are received.

#### 8.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made during a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the NRF when recovered, or transferred to the statement of financial performance when written off.

### 9. RELATED PARTY TRANSACTIONS

Specific information with regard to related party transactions is included in the disclosure notes to the financial statements.

### 10. KEY MANAGEMENT PERSONNEL

Compensation paid to key management personnel, including their family members where relevant, is included in the disclosure notes to the financial statements.

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 1. ANNUAL APPROPRIATION

#### 1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for national departments (voted funds) and provincial departments:

|                                                 | Final appro-<br>piation | Actual<br>funds<br>received | Appropri-<br>ation<br>received<br>2012/13 |
|-------------------------------------------------|-------------------------|-----------------------------|-------------------------------------------|
|                                                 | R'000                   | R'000                       | R'000                                     |
| Administration                                  | 704 671                 | 704 671                     | 660 453                                   |
| Agricultural Production, Health and Food Safety | 2 010 320               | 2 010 320                   | 1 875 189                                 |
| Food Security and Agrarian Reform               | 1 604 592               | 1 604 592                   | 1 415 482                                 |
| Trade Promotion and Market Access               | 256 452                 | 256 452                     | 212 506                                   |
| Forestry                                        | 1 168 579               | 1 168 579                   | 1 220 945                                 |
| Fisheries                                       | 437 668                 | 437 668                     | 484 352                                   |
| <b>Total</b>                                    | <b>6 182 282</b>        | <b>6 182 282</b>            | <b>5 868 927</b>                          |

### 2. DEPARTMENTAL REVENUE

|                                                       | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------|------|------------------|------------------|
| Sales of goods and services other than capital assets | 2.1  | 153 718          | 153 689          |
| Fines, penalties and forfeits                         | 2.2  | 49               | 44               |
| Interest, dividends and rent on land                  | 2.3  | 8 236            | 8 871            |
| Sales of capital assets                               | 2.4  | 757              | 7 018            |
| Transactions in financial assets and liabilities      | 2.5  | 646 651          | 28 238           |
| Transfers received                                    | 2.6  | 173              | 169              |
| Total revenue collected                               |      | 809 584          | 198 029          |
| <b>Departmental revenue collected</b>                 |      | <b>809 584</b>   | <b>198 029</b>   |

Note 2.5 Financial transactions in assets and liabilities included an amount of R637,208 million being refunds of unspent conditional grants and projects received from the provincial departments and the Land Bank, compared to R17,176 million refunded during the 2012/13 financial year.

#### 2.1 Sales of goods and services other than capital assets

2

|                                                        |                |                |
|--------------------------------------------------------|----------------|----------------|
| Sales of goods and services produced by the department | 153 690        | 153 648        |
| Sales by market establishment                          | 2 953          | 3 224          |
| Administrative fees                                    | 114 491        | 110 464        |
| Other sales                                            | 36 246         | 39 960         |
| Sales of scrap, waste and other used current goods     | 28             | 41             |
| <b>Total</b>                                           | <b>153 718</b> | <b>153 689</b> |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                             | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------------|------|------------------|------------------|
| <b>2.2 Fines, penalties and forfeits</b>                    | 2    |                  |                  |
| Penalties                                                   |      | 49               | 44               |
| <b>Total</b>                                                |      | <b>49</b>        | <b>44</b>        |
| <b>2.3 Interest, dividends and rent on land</b>             | 2    |                  |                  |
| Interest                                                    |      | 6 992            | 8 148            |
| Rent on land                                                |      | 1 244            | 723              |
| <b>Total</b>                                                |      | <b>8 236</b>     | <b>8 871</b>     |
| <b>2.4 Sales of capital assets</b>                          | 2    |                  |                  |
| Tangible assets                                             |      | 757              | 7 018            |
| Machinery and equipment                                     | 32.2 | 757              | 7 018            |
| <b>Total</b>                                                |      | <b>757</b>       | <b>7 018</b>     |
| <b>2.5 Transactions in financial assets and liabilities</b> | 2    |                  |                  |
| Receivables                                                 |      | 7 695            | 8 768            |
| Stale cheques written back                                  |      | –                | 1                |
| Other receipts including recoverable revenue                |      | 638 956          | 19 469           |
| <b>Total</b>                                                |      | <b>646 651</b>   | <b>28 238</b>    |
| <b>2.6 Transfers received</b>                               | 2    |                  |                  |
| Public corporations and private enterprises                 |      | 173              | 169              |
| <b>Total</b>                                                |      | <b>173</b>       | <b>169</b>       |
| <b>3. AID ASSISTANCE</b>                                    |      |                  |                  |
| <b>3.1 Aid assistance received in cash from RDP</b>         | 3    |                  |                  |
| Foreign                                                     |      |                  |                  |
| Revenue                                                     |      | 138              | 217              |
| Expenditure                                                 |      | (138)            | (217)            |
| Transfers                                                   |      | (138)            | (217)            |
| <b>Closing balance</b>                                      |      | <b>–</b>         | <b>–</b>         |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                               | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|---------------------------------------------------------------|------|------------------|------------------|
| <b>3.2 Aid assistance received in cash from other sources</b> |      |                  |                  |
| Local                                                         |      |                  |                  |
| Revenue                                                       |      | –                | 5 907            |
| Surrendered to the donor                                      |      | –                | (5 907)          |
| <b>Closing balance</b>                                        |      | <b>–</b>         | <b>–</b>         |
| Foreign                                                       |      |                  |                  |
| Opening balance                                               |      | 17 469           | 3 078            |
| Revenue                                                       |      | –                | 15 500           |
| Expenditure                                                   |      | (8 752)          | (1 109)          |
| Current                                                       |      | (8 752)          | (1 109)          |
| <b>Closing balance</b>                                        |      | <b>8 717</b>     | <b>17 469</b>    |
| <b>3.3 Total assistance</b>                                   |      |                  |                  |
| Opening balance                                               |      | 17 469           | 3 078            |
| Revenue                                                       |      | 138              | 21 624           |
| Expenditure                                                   |      | (8 890)          | (1 326)          |
| Current                                                       |      | (8 752)          | (1 109)          |
| Transfers                                                     |      | (138)            | (217)            |
| Surrendered to RDP Fund                                       |      | –                | (5 907)          |
| <b>Closing balance</b>                                        |      | <b>8 717</b>     | <b>17 469</b>    |
| <b>3.4 Analysis of balance</b>                                | 3.2  |                  |                  |
| Aid assistance unutilised                                     |      | 8 717            | 17 469           |
| Other sources                                                 |      | 8 717            | 17 469           |
| <b>Closing balance</b>                                        |      | <b>8 717</b>     | <b>17 469</b>    |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                     | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------|------|------------------|------------------|
| <b>4. COMPENSATION OF EMPLOYEES</b> |      |                  |                  |
| <b>4.1 Salaries and wages</b>       | 4    |                  |                  |
| Basic salary                        |      | 1 032 071        | 948 850          |
| Performance award                   |      | 20 622           | 25 253           |
| Service based                       |      | 3 830            | 2 416            |
| Compensative/circumstantial         |      | 27 570           | 22 223           |
| Periodic payments                   |      | 283              | 11 403           |
| Other non-pensionable allowances    |      | 236 219          | 218 635          |
| <b>Total</b>                        |      | <b>1 320 595</b> | <b>1 228 780</b> |

The compensation of the trainees for the prior year was reclassified from "Periodic payments" to "Compensative/Circumstantial". The prior year's figure for "Periodic payments" was therefore decreased with R11,892 million.

|                                        |   |                  |                  |
|----------------------------------------|---|------------------|------------------|
| <b>4.2 Social contributions</b>        | 4 |                  |                  |
| Employer contributions                 |   |                  |                  |
| Pension                                |   | 133 763          | 122 643          |
| Medical                                |   | 70 253           | 67 260           |
| Bargaining council                     |   | 363              | 330              |
| Insurance                              |   | 50               | 103              |
| <b>Total</b>                           |   | <b>204 429</b>   | <b>190 336</b>   |
| <b>Total compensation of employees</b> |   | <b>1 525 024</b> | <b>1 419 116</b> |
| Average number of employees            |   | 6 124            | 6 146            |

The average number (6124) of employees includes the Minister, Deputy Minister and the components of Agriculture, Forestry and Fisheries.

Compensation of employees—excluding R13,812 million disclosed as project costs (refer to Note 9).

## 5. GOODS AND SERVICES

|                                                         |     |         |         |
|---------------------------------------------------------|-----|---------|---------|
| Administrative fees                                     |     | 3 247   | 2 397   |
| Advertising                                             |     | 22 189  | 19 153  |
| Minor assets                                            | 5.1 | 6 673   | 2 745   |
| Bursaries (employees)                                   |     | 2 680   | 3 045   |
| Catering                                                |     | 1 296   | 3 093   |
| Communication                                           |     | 26 555  | 26 611  |
| Computer services                                       | 5.2 | 43 296  | 40 925  |
| Consultants, contractors and agency/outsourced services | 5.3 | 128 262 | 125 350 |
| Entertainment                                           |     | 503     | 383     |
| Audit cost—external                                     | 5.4 | 9 917   | 8 592   |
| Fleet services                                          |     | 18 505  | 16 252  |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                      | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|--------------------------------------|------|------------------|------------------|
| <b>5. GOODS AND SERVICES (cont.)</b> |      |                  |                  |
| Inventory                            | 5.5  | 21 245           | 26 668           |
| Consumables                          | 5.6  | 54 226           | 39 509           |
| Operating leases                     |      | 85 733           | 85 923           |
| Property payments                    | 5.7  | 112 592          | 95 771           |
| Rental and hiring                    |      | 5 027            | 93               |
| Travel and subsistence               | 5.8  | 119 283          | 143 525          |
| Venues and facilities                |      | 37 832           | 43 113           |
| Training and development             |      | 31 868           | 29 031           |
| Other operating expenditure          | 5.9  | 15 497           | 17 412           |
| <b>Total</b>                         |      | <b>746 426</b>   | <b>729 591</b>   |

Goods and services—excluding R18,070 million disclosed as project costs (refer to Note 9). Inventory and consumable items are split into two separate sub-notes for the 2013/14 period.

Administrative fees for 2012/13 were restated from R60,047 million to R2,397 million. The difference of R57,650 million is reported under Note 5.7—Property management fees.

|                                      |   |              |              |
|--------------------------------------|---|--------------|--------------|
| <b>5.1 Minor assets</b>              | 5 |              |              |
| Tangible assets                      |   | 6 666        | 2 739        |
| Buildings and other fixed structures |   | 5            | –            |
| Biological assets                    |   | 422          | –            |
| Machinery and equipment              |   | 6 211        | 2 739        |
| Transport assets                     |   | 28           | –            |
| Intangible assets                    |   | 7            | 6            |
| <b>Total</b>                         |   | <b>6 673</b> | <b>2 745</b> |

|                                     |   |               |               |
|-------------------------------------|---|---------------|---------------|
| <b>5.2 Computer services</b>        | 5 |               |               |
| SITA computer services              |   | 23 556        | 17 941        |
| External computer service providers |   | 19 740        | 22 984        |
| <b>Total</b>                        |   | <b>43 296</b> | <b>40 925</b> |

|                                                                    |   |                |                |
|--------------------------------------------------------------------|---|----------------|----------------|
| <b>5.3 Consultants, contractors and agency/outsourced services</b> | 5 |                |                |
| Business and advisory services                                     |   | 33 953         | 29 952         |
| Infrastructure and planning                                        |   | 13 045         | 12 451         |
| Laboratory services                                                |   | 567            | 1 290          |
| Legal costs                                                        |   | 3 739          | 2 389          |
| Contractors                                                        |   | 23 610         | 9 677          |
| Agency and support/outsourced services                             |   | 53 348         | 69 591         |
| <b>Total</b>                                                       |   | <b>128 262</b> | <b>125 350</b> |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                         | Note  | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-----------------------------------------|-------|------------------|------------------|
| <b>5.4 Audit cost—external</b>          | 5     |                  |                  |
| Regularity audits                       |       | 9 917            | 8 592            |
| <b>Total</b>                            |       | <b>9 917</b>     | <b>8 592</b>     |
| <b>5.5 Inventory</b>                    | 5     |                  |                  |
| Farming supplies                        |       | 14 607           | 18 994           |
| Food and food supplies                  |       | 389              | 911              |
| Fuel, oil and gas                       |       | 54               | 233              |
| Learning, teaching and support material |       | 51               | 494              |
| Medicine                                |       | 6 143            | 6 030            |
| Other supplies                          | 5.5.1 | 1                | 6                |
| <b>Total</b>                            |       | <b>21 245</b>    | <b>26 668</b>    |
| <b>5.5.1 Other supplies</b>             | 5.5   |                  |                  |
| Ammunition and security supplies        |       | 1                | 6                |
| <b>Total</b>                            |       | <b>1</b>         | <b>6</b>         |

The expenditure for the inventory for the prior year was restated from R66,142 million to R26,668 million owing to a reclassification of the SCOA inventory and consumable items.

|                                          |   |               |               |
|------------------------------------------|---|---------------|---------------|
| <b>5.6 Consumables</b>                   | 5 |               |               |
| Consumable supplies                      |   | 41 623        | 28 936        |
| Uniforms and clothing                    |   | 5 750         | 5 706         |
| Household supplies                       |   | 2 614         | 2 977         |
| Building material and supplies           |   | 3 523         | 5 621         |
| Communication accessories                |   | 7             | –             |
| IT consumables                           |   | 225           | 208           |
| Other consumables                        |   | 29 504        | 14 424        |
| Stationery, printing and office supplies |   | 12 603        | 10 573        |
| <b>Total</b>                             |   | <b>54 226</b> | <b>39 509</b> |

The expenditure for consumables for the prior year was restated from R39,121 million to R39,509 million owing to a reclassification of the SCOA inventory and consumable items. The expenditure for gifts for the prior year was reclassified from "Other operating expenditure" to "Consumables: other consumables". The prior year for "Other operating expenditure" was therefore restated with R35 000.

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                                                                                                                                                                             | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------|------------------|
| <b>5.7 Property payments</b>                                                                                                                                                                                                | 5    |                  |                  |
| Municipal services                                                                                                                                                                                                          |      | 23 400           | 20 375           |
| Property management fees                                                                                                                                                                                                    |      | 66 299           | 58 996           |
| Property maintenance and repairs                                                                                                                                                                                            |      | 3 795            | 4 205            |
| Other                                                                                                                                                                                                                       |      | 19 098           | 12 195           |
| <b>Total</b>                                                                                                                                                                                                                |      | <b>112 592</b>   | <b>95 771</b>    |
| Property management fees for 2012/13 were restated from R1,346 million to R58,996 million. The difference of R57,650 million was previously reported under Note 5—Administrative fees.                                      |      |                  |                  |
| <b>5.8 Travel and subsistence</b>                                                                                                                                                                                           | 5    |                  |                  |
| Local                                                                                                                                                                                                                       |      | 104 735          | 127 666          |
| Foreign                                                                                                                                                                                                                     |      | 14 548           | 15 859           |
| <b>Total</b>                                                                                                                                                                                                                |      | <b>119 283</b>   | <b>143 525</b>   |
| <b>5.9 Other operating expenditure</b>                                                                                                                                                                                      | 5    |                  |                  |
| Professional bodies, membership and subscription fees                                                                                                                                                                       |      | 913              | 1 065            |
| Resettlement costs                                                                                                                                                                                                          |      | 3 040            | 2 893            |
| Other                                                                                                                                                                                                                       |      | 11 544           | 13 454           |
| <b>Total</b>                                                                                                                                                                                                                |      | <b>15 497</b>    | <b>17 412</b>    |
| The expenditure for gifts for the prior year was reclassified from "Other operating expenditure" to "Consumables: Other Consumables". The prior year for "Other operating expenditure" was therefore restated with R35 000. |      |                  |                  |
| <b>6. INTEREST AND RENT ON LAND</b>                                                                                                                                                                                         |      |                  |                  |
| Interest paid                                                                                                                                                                                                               | 6    | 2                | 10               |
| Rent on land                                                                                                                                                                                                                |      | 351              | 862              |
| <b>Total</b>                                                                                                                                                                                                                |      | <b>353</b>       | <b>872</b>       |
| <b>7. PAYMENTS FOR FINANCIAL ASSETS</b>                                                                                                                                                                                     |      |                  |                  |
| Debts written off                                                                                                                                                                                                           | 7.1  | 1 355            | 1 255            |
| <b>Total</b>                                                                                                                                                                                                                |      | <b>1 355</b>     | <b>1 255</b>     |
| <b>7.1 Debts written off</b>                                                                                                                                                                                                | 7    |                  |                  |
| <b>Recoverable revenue written off</b>                                                                                                                                                                                      |      |                  |                  |
| Irrecoverable/uneconomical (trade debt)                                                                                                                                                                                     |      | 34               | 1 122            |
| Claims settled or waived to the advantage of the state (trade debt)                                                                                                                                                         |      | 1 170            | –                |
| Irrecoverable (staff debt)                                                                                                                                                                                                  |      | 148              | 33               |
| Irrecoverable/uneconomical (dishonoured cheques)                                                                                                                                                                            |      | –                | 100              |
| Recovery would cause undue problems (staff debt)                                                                                                                                                                            |      | 3                | –                |
| <b>Total debt written off</b>                                                                                                                                                                                               |      | <b>1 355</b>     | <b>1 255</b>     |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                                              | Note         | 2013/14<br>R'000   | 2012/13<br>R'000 |
|----------------------------------------------------------------------------------------------|--------------|--------------------|------------------|
| <b>8. TRANSFERS AND SUBSIDIES</b>                                                            |              |                    |                  |
| Provinces and municipalities                                                                 | 36, Annex 1B | 2 149 201          | 2 062 818        |
| Departmental agencies and accounts                                                           | Annex 1C     | 1 266 644          | 1 310 004        |
| Higher education institutions                                                                | Annex 1D     | 2 807              | 4 677            |
| Foreign governments and international organisations                                          | Annex 1F     | 44 445             | 32 001           |
| Public corporations and private enterprises                                                  | Annex 1E     | 140 111            | 39 849           |
| Non-profit institutions                                                                      | Annex 1G     | 19 026             | 11 154           |
| Households                                                                                   | Annex 1H     | 12 165             | 31 402           |
| Gifts, donations and sponsorships                                                            | Annex 1K     | 3 550              | 1 048            |
| <b>Total</b>                                                                                 |              | <b>3 637 949</b>   | <b>3 492 953</b> |
| Unspent funds transferred to the above beneficiaries                                         |              | 39 690             | 340 910          |
| <b>9. EXPENDITURE FOR CAPITAL ASSETS</b>                                                     |              |                    |                  |
| <i>Tangible assets</i>                                                                       |              | 198 787            | 169 063          |
| Buildings and other fixed structures                                                         | 34.1         | 55 694             | 57 778           |
| Machinery and equipment                                                                      | 32.1         | 143 017            | 111 285          |
| Biological assets                                                                            | 32.1         | 76                 | –                |
| <i>Intangible assets</i>                                                                     |              | 1 419              | 383              |
| Software                                                                                     | 33.1         | 1 419              | 383              |
| <b>Total</b>                                                                                 |              | <b>200 206</b>     | <b>169 446</b>   |
| The following amounts have been included as project costs in expenditure for capital assets: |              |                    |                  |
| Compensation of employees                                                                    |              | 13 812             | 13 913           |
| Goods and services                                                                           |              | 18 070             | 17 302           |
| <b>Total</b>                                                                                 |              | <b>31 882</b>      | <b>31 215</b>    |
|                                                                                              |              | <b>Voted funds</b> | <b>Total</b>     |
|                                                                                              |              | <b>R'000</b>       | <b>R'000</b>     |
| <b>9.1 Analysis of funds utilised to acquire capital assets—2013/14</b>                      |              |                    |                  |
| <i>Tangible assets</i>                                                                       |              | 198 787            | 198 787          |
| Buildings and other fixed structures                                                         |              | 55 694             | 55 694           |
| Machinery and equipment                                                                      |              | 143 017            | 143 017          |
| Biological assets                                                                            |              | 76                 | 76               |
| <i>Intangible assets</i>                                                                     |              | 1 419              | 1 419            |
| Software                                                                                     |              | 1 419              | 1 419            |
| <b>Total</b>                                                                                 |              | <b>200 206</b>     | <b>200 206</b>   |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                                   |                 | Voted funds<br>R'000     | Total<br>R'000           |
|-----------------------------------------------------------------------------------|-----------------|--------------------------|--------------------------|
| <b>9.2 Analysis of funds utilised to acquire capital assets—2012/13</b>           |                 |                          |                          |
| <i>Tangible assets</i>                                                            |                 | 169 063                  | 169 063                  |
| Buildings and other fixed structures                                              |                 | 57 778                   | 57 778                   |
| Machinery and equipment                                                           |                 | 111 285                  | 111 285                  |
| <i>Intangible assets</i>                                                          |                 | 383                      | 383                      |
| Software                                                                          |                 | 383                      | 383                      |
| <b>Total</b>                                                                      |                 | <b>169 446</b>           | <b>169 446</b>           |
| <b>9.3 Financial lease expenditure included in expenditure for capital assets</b> |                 |                          |                          |
| <i>Tangible assets</i>                                                            |                 |                          | 54 987                   |
| Machinery and equipment                                                           |                 |                          | 54 987                   |
| <b>Total</b>                                                                      |                 |                          | <b>54 987</b>            |
|                                                                                   | <b>Note</b>     | <b>2013/14<br/>R'000</b> | <b>2012/13<br/>R'000</b> |
| <b>10. CASH AND CASH EQUIVALENTS</b>                                              | <b>10</b>       |                          |                          |
| Consolidated Paymaster General Account                                            |                 | 84 239                   | 74 100                   |
| Cash receipts                                                                     |                 | 24                       | 1 187                    |
| Cash on hand                                                                      |                 | 246                      | 216                      |
| <b>Total</b>                                                                      |                 | <b>84 509</b>            | <b>75 503</b>            |
| <b>11. PREPAYMENTS AND ADVANCES</b>                                               |                 |                          |                          |
| Travel and subsistence                                                            |                 | 1 408                    | 1 306                    |
| Advances paid                                                                     | <b>11.1</b>     | 2 067                    | 5 971                    |
| <b>Total</b>                                                                      |                 | <b>3 475</b>             | <b>7 277</b>             |
| <b>11.1 Advances paid</b>                                                         | <b>11</b>       |                          |                          |
| National departments                                                              | <i>Annex 8A</i> | 2 067                    | 5 971                    |
| <b>Total</b>                                                                      |                 | <b>2 067</b>             | <b>5 971</b>             |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 12. RECEIVABLES

|                         | <i>Note</i>            | Less than<br>one year<br>R'000 | One to<br>three years<br>R'000 | Older than<br>three years<br>R'000 | 2013/14<br>Total<br>R'000 | 2012/13<br>Total<br>R'000 |
|-------------------------|------------------------|--------------------------------|--------------------------------|------------------------------------|---------------------------|---------------------------|
| Claims recoverable      | 12.1<br><i>Annex 4</i> | 3 330                          | –                              | –                                  | 3 330                     | 303                       |
| Recoverable expenditure | 12.2                   | 1 128                          | 53                             | 99                                 | 1 280                     | 318                       |
| Staff debt              | 12.3                   | –                              | –                              | –                                  | –                         | 19                        |
| Other debtors           | 12.4                   | 575                            | 3 144                          | –                                  | 3 719                     | 3 224                     |
| <b>Total</b>            |                        | <b>5 033</b>                   | <b>3 197</b>                   | <b>99</b>                          | <b>8 329</b>              | <b>3 864</b>              |

|                                                             | <i>Note</i> | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------------|-------------|------------------|------------------|
| <b>12.1 Claims recoverable</b>                              | 12          |                  |                  |
| National departments                                        |             | 3 285            | 254              |
| Provincial departments                                      |             | 45               | 49               |
| <b>Total</b>                                                |             | <b>3 330</b>     | <b>303</b>       |
| <b>12.2 Recoverable expenditure (disallowance accounts)</b> | 12          |                  |                  |
| Disallowance dishonoured cheques                            |             | 18               | 60               |
| Disallowance: miscellaneous                                 |             | 1 262            | 258              |
| <b>Total</b>                                                |             | <b>1 280</b>     | <b>318</b>       |
| <b>12.3 Staff debt</b>                                      | 12          |                  |                  |
| Salaries: Deduction disallowance account                    |             | –                | 6                |
| Salaries: Tax debt                                          |             | –                | 11               |
| Salaries: Medical aid                                       |             | –                | 2                |
| <b>Total</b>                                                |             | <b>–</b>         | <b>19</b>        |
| <b>12.4 Other debtors</b>                                   | 12          |                  |                  |
| Debt account                                                |             | 3 719            | 3 224            |
| <b>Total</b>                                                |             | <b>3 719</b>     | <b>3 224</b>     |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                                        | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|----------------------------------------------------------------------------------------|------|------------------|------------------|
| <b>13. INVESTMENTS</b>                                                                 |      |                  |                  |
| <b>Non-current</b>                                                                     | 13   |                  |                  |
| <b>Shares and other equity</b>                                                         |      |                  |                  |
| Ncera Farms (Pty) Ltd                                                                  |      | 1                | 1                |
| Onderstepoort Biological Products Ltd                                                  |      | 1                | 1                |
| Abattoir Industry Fund                                                                 |      | 16 372           | 16 430           |
| National Forestry Recreation and Access Trust                                          |      | 5 627            | 5 345            |
| Forestry Lease Rental Trust Fund                                                       |      | 258 030          | 213 946          |
| <b>Total non-current</b>                                                               |      | <b>280 031</b>   | <b>235 723</b>   |
| <b>Analysis of non-current investments</b>                                             |      |                  |                  |
| Opening balance                                                                        |      | 235 723          | 180 963          |
| Additions in cash                                                                      |      | 45 208           | 56 035           |
| Disposals for cash                                                                     |      | (900)            | (1 275)          |
| <b>Closing balance</b>                                                                 |      | <b>280 031</b>   | <b>235 723</b>   |
| <b>14. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND</b>                           |      |                  |                  |
| Opening balance                                                                        | 14   | 55 694           | 36 176           |
| Transfer from statement of financial performance (as restated)                         |      | 70 969           | 55 694           |
| Paid during the year                                                                   |      | (55 694)         | (36 176)         |
| <b>Closing balance</b>                                                                 |      | <b>70 969</b>    | <b>55 694</b>    |
| <b>15. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND</b> |      |                  |                  |
| Opening balance                                                                        | 15   | 11 824           | 18 497           |
| Transfer from Statement of Financial Performance (as restated)                         |      | 809 584          | 198 029          |
| Paid during the year                                                                   |      | (807 308)        | (204 702)        |
| <b>Closing balance</b>                                                                 |      | <b>14 100</b>    | <b>11 824</b>    |
| <b>16. PAYABLES—CURRENT</b>                                                            |      |                  |                  |
| Advances received                                                                      | 16.1 | 10               | 111              |
| Clearing accounts                                                                      | 16.2 | 986              | 442              |
| Other payables                                                                         | 16.3 | 41               | –                |
| <b>Total</b>                                                                           |      | <b>1 037</b>     | <b>553</b>       |

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                               | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------|------|------------------|------------------|
| <b>16.1 Advances received</b> | 16   |                  |                  |
| Other institutions            |      | 10               | 111              |
| <b>Total</b>                  |      | <b>10</b>        | <b>111</b>       |
| <b>16.2 Clearing accounts</b> | 16   |                  |                  |
| Salary: ACB recalls           |      | 98               | 43               |
| Salary: Income tax            |      | 628              | 349              |
| Salary: Pension fund          |      | 5                | –                |
| Salary: Reversal account      |      | 252              | 50               |
| Salary: Tax debt              |      | 1                | –                |
| Salary: Medical aid           |      | 2                | –                |
| <b>Total</b>                  |      | <b>986</b>       | <b>442</b>       |
| <b>16.3 Other payables</b>    | 16   |                  |                  |
| Sport fees                    |      | 41               | –                |
| <b>Total</b>                  |      | <b>41</b>        | <b>–</b>         |

### 17. PAYABLES—NON-CURRENT

|                | Note | One to two<br>years<br>R'000 | Two to three<br>years<br>R'000 | More than<br>three years<br>R'000 | 2013/14<br>Total<br>R'000 | 2012/13<br>Total<br>R'000 |
|----------------|------|------------------------------|--------------------------------|-----------------------------------|---------------------------|---------------------------|
| Other payables | 17.1 | 99 068                       | (45 409)                       | 226 375                           | 280 034                   | 235 726                   |
| <b>Total</b>   |      | <b>99 068</b>                | <b>(45 409)</b>                | <b>226 375</b>                    | <b>280 034</b>            | <b>235 726</b>            |

|                                               | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-----------------------------------------------|------|------------------|------------------|
| <b>17.1 Other payables</b>                    | 17   |                  |                  |
| Ncera Farms (Pty) Ltd                         |      | 1                | 1                |
| Onderstepoort Biological Products Ltd         |      | 1                | 1                |
| Abattoir Industry Fund                        |      | 16 372           | 16 430           |
| National Forestry Recreation and Access Trust |      | 5 627            | 5 345            |
| Forestry Lease Rental Trust Fund              |      | 258 033          | 213 949          |
| <b>Total</b>                                  |      | <b>280 034</b>   | <b>235 726</b>   |

The Abattoir Industry Fund, National Forestry Recreation and Access Trust and the Forestry Lease Rental Trust Fund are managed separately from DAFF's voted funds.

## Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                               | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------------------------------|------------------|------------------|
| <b>18. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES</b>                  |                  |                  |
| Net surplus as per Statement of Financial Performance                         | 871 801          | 274 021          |
| Add back non-cash/cash movements not regarded as operating activities         | (663 732)        | (89 594)         |
| (Increase)/decrease in receivables—current                                    | (4 465)          | (203)            |
| (Increase)/decrease in prepayments and advances                               | 3 802            | (4 359)          |
| Increase/(decrease) in payables—current                                       | 484              | (675)            |
| Proceeds from sale of capital assets                                          | (757)            | (7 018)          |
| Expenditure on capital assets                                                 | 200 206          | 169 446          |
| Surrenders to Revenue Fund                                                    | (863 002)        | (240 878)        |
| Surrenders to RDP Fund/donor                                                  | –                | (5 907)          |
| <b>Net cash flow generated by operating activities</b>                        | <b>208 069</b>   | <b>184 427</b>   |
| <b>19. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES</b> |                  |                  |
| Consolidated Paymaster General account                                        | 84 239           | 74 100           |
| Cash receipts                                                                 | 24               | 1 187            |
| Cash on hand                                                                  | 246              | 216              |
| <b>Total</b>                                                                  | <b>84 509</b>    | <b>75 503</b>    |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

|                                                   | <i>Note</i>   | 2013/14<br>R'000       | 2012/13<br>R'000 |
|---------------------------------------------------|---------------|------------------------|------------------|
| <b>20. CONTINGENT LIABILITIES</b>                 |               |                        |                  |
| <b>20.1 Contingent liabilities</b>                |               |                        |                  |
| <b>Liable to</b>                                  | <b>Nature</b> |                        |                  |
| Housing loan guarantees                           | Employees     | <i>Annex 3A</i> 125    | 293              |
| Claims against the department                     |               | <i>Annex 3B</i> 25 187 | 64 226           |
| Intergovernmental payables (unconfirmed balances) |               | <i>Annex 5</i> –       | 74               |
| <b>Total</b>                                      |               | <b>25 312</b>          | <b>64 593</b>    |

The cases reported under contingent liabilities in Annexure 3A represent housing loan guarantees that were issued to employees still in the employment of DAFF. Any possible outflow of funds will firstly be recovered from the salary/service benefits of the employee before any debt is raised.

The cases reported under contingent liabilities in Annexure 3B represent legal cases instituted against DAFF which are in various stages of investigation/legal actions.

## 21. COMMITMENTS

|                                 |                |                |
|---------------------------------|----------------|----------------|
| <b>Current expenditure</b>      | <b>150 706</b> | <b>129 730</b> |
| Approved and contracted         | 141 545        | 129 730        |
| Approved but not contracted yet | 9 161          | –              |
| <b>Capital expenditure</b>      | <b>15 100</b>  | <b>4 215</b>   |
| Approved and contracted         | 10 279         | 4 215          |
| Approved but not contracted yet | 4 821          | –              |
| <b>Total commitments</b>        | <b>165 806</b> | <b>133 945</b> |

## 22. ACCRUALS

|                                          | 30 days       | 30+ days      | 2013/14<br>Total<br>R'000 | 2012/13<br>Total<br>R'000 |
|------------------------------------------|---------------|---------------|---------------------------|---------------------------|
| <b>Listed by economic classification</b> |               |               |                           |                           |
| Goods and services                       | 18 187        | 15 780        | 33 967                    | 29 454                    |
| Capital assets                           | 5 341         | 386           | 5 727                     | 7 351                     |
| <b>Total</b>                             | <b>23 528</b> | <b>16 166</b> | <b>39 694</b>             | <b>36 805</b>             |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                 | Note    | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------|---------|------------------|------------------|
| <b>22. ACCRUALS (cont.)</b>                     |         |                  |                  |
| <b>Listed by programme level</b>                | 22      |                  |                  |
| Administration                                  |         | 21 794           | 17 735           |
| Agricultural Production, Health and Food Safety |         | 2 723            | 3 112            |
| Food Security and Agrarian Reform               |         | 6 079            | 2 516            |
| Economic Development, Trade and Marketing       |         | 1 676            | 956              |
| Forestry                                        |         | 7 422            | 12 486           |
| <b>Total</b>                                    |         | <b>39 694</b>    | <b>36 805</b>    |
| Confirmed balances with departments             | Annex 5 | 175              | 495              |
| <b>Total</b>                                    |         | <b>175</b>       | <b>495</b>       |

### 23. EMPLOYEE BENEFITS

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| Leave entitlement                 | 53 859         | 58 449         |
| Service bonus (thirteenth cheque) | 44 039         | 40 169         |
| Performance awards                | 20 498         | 25 273         |
| Capped leave commitments          | 136 131        | 122 417        |
| <b>Total</b>                      | <b>254 527</b> | <b>246 308</b> |

### 24. LEASE COMMITMENTS

#### 24.1 Operating leases expenditure

|                                               | Land<br>R'000 | Buildings<br>and other<br>fixed<br>structures<br>R'000 | Total<br>R'000 |
|-----------------------------------------------|---------------|--------------------------------------------------------|----------------|
| <b>2013/14</b>                                |               |                                                        |                |
| Not later than 1 year                         | 1             | 163 388                                                | 163 389        |
| Later than 1 year, but not later than 5 years | 2             | 444 523                                                | 444 525        |
| Later than 5 years                            | 45            | 43 069                                                 | 43 114         |
| <b>Total lease commitments</b>                | <b>48</b>     | <b>650 980</b>                                         | <b>651 028</b> |
| <b>2012/13</b>                                |               |                                                        |                |
| Not later than 1 year                         | 1             | 123 257                                                | 123 258        |
| Later than 1 year, but not later than 5 years | 2             | 402 139                                                | 402 141        |
| Later than 5 years                            | 45            | 44 472                                                 | 44 517         |
| <b>Total lease commitments</b>                | <b>48</b>     | <b>569 868</b>                                         | <b>569 916</b> |

The projected commitments for the month to month leases are included in the above figures. The projected monthly rental tariffs are based on the last rental tariffs claimed by NDPW in the January/February 2014 leases invoice. The projected renewal periods are per DAFF's needs assessments and the procurement instruction issued by NDPW.

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

State owned accommodation over the three-year MTEF period were included for 2012/13 and 2013/14. Operating leases later than 1 year and not later than 5 years for the prior year were restated from R240,722 million to R402,139 million owing to the reporting of the full 3-year MTEF period.

Shared facilities: The following office accommodation is still being shared between DWA and DAFF (Forestry), DWA is the user department and is paying the rent: King William's Town, Port Elizabeth, Thohoyandou, Sekhukhune, Giyani (Mopani) Waterberg DWA, Capricorn DWA, Polokwane, Bronkhorstspuit and Mahikeng.

### 24.2 Finance leases expenditure

|                                               | Machinery<br>and<br>equipment | Total         |
|-----------------------------------------------|-------------------------------|---------------|
|                                               | R'000                         | R'000         |
| <b>2013/14</b>                                |                               |               |
| Not later than 1 year                         | 3 720                         | 3 720         |
| Later than 1 year, but not later than 5 years | 2 521                         | 2 521         |
| <b>Total lease commitments</b>                | <b>6 241</b>                  | <b>6 241</b>  |
| <b>2012/13</b>                                |                               |               |
| Not later than 1 year                         | 32 822                        | 32 822        |
| Later than 1 year, but not later than 5 years | 2 753                         | 2 753         |
| <b>Total lease commitments</b>                | <b>35 575</b>                 | <b>35 575</b> |

The finance leases represent 189 photo copier machines and 34 departmental cellular devices.

DAFF is currently in a process to purchase vehicles to replace the Phakisa vehicles. Until the latter process is finalised DAFF will lease Phakisa vehicles on a month-to-month basis as from 15 November 2013 until 14 November 2014, when the contract expires.

|                                                       | Note | 2013/14        | 2012/13        |
|-------------------------------------------------------|------|----------------|----------------|
|                                                       |      | R'000          | R'000          |
| <b>25. ACCRUED DEPARTMENTAL REVENUE</b>               |      |                |                |
| Sales of goods and services other than capital assets | 25   | 6 474          | 6 452          |
| Interest, dividends and rent on land                  |      | 46 075         | 59 705         |
| Transactions in financial assets and liabilities      |      | 53 241         | 70 524         |
| <b>Total</b>                                          |      | <b>105 790</b> | <b>136 681</b> |

### 25.1 Analysis of accrued departmental revenue

|                                                     | 25 |                |                |
|-----------------------------------------------------|----|----------------|----------------|
|                                                     |    | 2013/14        | 2012/13        |
|                                                     |    | R'000          | R'000          |
| Opening balance                                     |    | 136 681        | 166 205        |
| Less: Amounts received                              |    | (77 707)       | (71 062)       |
| Add: Amounts recognised                             |    | 48 020         | 42 660         |
| Less: Amounts written-off/reversed as irrecoverable |    | (1 204)        | (1 122)        |
| <b>Closing balance</b>                              |    | <b>105 790</b> | <b>136 681</b> |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                      | Note | 2013/14<br>R'000 | 2012/13<br>R'000 |
|------------------------------------------------------|------|------------------|------------------|
| <b>25.2 Accrued departmental revenue written off</b> | 25.1 |                  |                  |
| Nature of losses                                     |      |                  |                  |
| Irrecoverable/uneconomical                           |      | 1 204            | 1 122            |
| <b>Total</b>                                         |      | <b>1 204</b>     | <b>1 122</b>     |

Agriculture Debt Account debt to the amount of R17,224 million was written off during the year.

|                                                        |  |               |               |
|--------------------------------------------------------|--|---------------|---------------|
| <b>25.3 Impairment of accrued departmental revenue</b> |  |               |               |
| Estimate of impairment of accrued departmental revenue |  | 58 313        | 74 075        |
| <b>Total</b>                                           |  | <b>58 313</b> | <b>74 075</b> |

The impairment include trade debt (R154 000) and Agriculture Debt Account (R58,159 million). Agriculture Debt Account was previously reported under the Disclosure note: Provision.

## 26. IRREGULAR EXPENDITURE

### 26.1 Reconciliation of irregular expenditure

|                                                                |      |              |               |
|----------------------------------------------------------------|------|--------------|---------------|
| Opening balance                                                |      | 13 988       | 47 544        |
| Add: Irregular expenditure—relating to prior year              | 26.2 | 86           | 68            |
| Add: Irregular expenditure—relating to current year            | 26.2 | 7 402        | 1 229         |
| Less: Prior year amounts condoned                              | 26.3 | (13 895)     | (1 118)       |
| Less: Current year amounts condoned                            | 26.3 | (84)         | (33 631)      |
| Less: Amounts not recoverable (not condoned)                   | 26.4 | (108)        | (104)         |
| <b>Irregular expenditure awaiting condonation</b>              |      | <b>7 389</b> | <b>13 988</b> |
| <b>Analysis of awaiting condonation per age classification</b> |      |              |               |
| Current year                                                   | 26.5 | 7 067        | 111           |
| Prior years                                                    | 26.5 | 322          | 13 877        |
| <b>Total</b>                                                   |      | <b>7 389</b> | <b>13 988</b> |

The opening balance was restated with R1,917 million—adjustments were made to the prior year balance due to the reassessment of the results from the forensic investigation and an increase in the amount for Biz Africa (Studio 88) from R57 000 to R108 000.

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 26.2 Details of irregular expenditure—current year

| Incident                                           | Disciplinary steps taken/ criminal proceedings             | 2013/14<br>R'000 |
|----------------------------------------------------|------------------------------------------------------------|------------------|
| South African National Parks                       | No disciplinary action taken                               | 11               |
| Animal Travel Services/Sunrise Kennels             | Referred to National Treasury/no disciplinary action taken | 61               |
| Multi Locking                                      | Action taken against the officials                         | 25               |
| BKT Exhibitions and Projects CC                    | Under investigation                                        | 714              |
| Amanzingwe Lodge                                   | Action taken against the official                          | 12               |
| ARC                                                | Under investigation                                        | 3                |
| Tibane Consulting                                  | Under investigation                                        | 23               |
| Emileng Projects                                   | Under investigation                                        | 28               |
| Preview Caterers and Printing                      | Under investigation                                        | 13               |
| Agri Mega                                          | Under investigation                                        | 218              |
| Inside Lane Human Resource Development             | Under investigation                                        | 32               |
| Fenzo Projects                                     | Under investigation                                        | 58               |
| Deltamune Pty Ltd                                  | Under investigation                                        | 168              |
| Premier Hotel Regent                               | No disciplinary action taken                               | 33               |
| Sunset Trading and Project                         | Recovered                                                  | 8                |
| Various suppliers                                  | Under investigation                                        | 1 411            |
| Various suppliers                                  | Under investigation                                        | 4 584            |
| <b>Total</b>                                       |                                                            | <b>7 402</b>     |
| <b>Details of irregular expenditure—prior year</b> |                                                            |                  |
| Hasler Business Systems (2012)                     | No disciplinary action taken                               | 8                |
| Masiqhame Trading 559 CC (2012)                    | Action taken against the official                          | 45               |
| Various supplies                                   | Under investigation                                        | 33               |
| <b>Subtotal</b>                                    |                                                            | <b>86</b>        |
| <b>Total</b>                                       |                                                            | <b>7 488</b>     |

### 26.3 Details of irregular expenditure condoned—current year

| Incident                                          | Condoned by (condoning authority) | 2013/14<br>R'000 |
|---------------------------------------------------|-----------------------------------|------------------|
| Multi Locking                                     | Director-General                  | 25               |
| Amanzingwe Lodge                                  | Chief Financial Officer           | 12               |
| Sunrise Kennels                                   | Director-General                  | 33               |
| ARC                                               | Director-General                  | 3                |
| South African National Parks                      | Acting Director-General           | 11               |
| <b>Total</b>                                      |                                   | <b>84</b>        |
| <b>Irregular expenditure condoned—prior years</b> |                                   |                  |
| Various: Forensic investigation (2010)            | Director-General                  | 13 680           |
| Valley of Life Suppliers (2011)                   | Director-General                  | 27               |
| IIR training (2011)                               | Director-General                  | 14               |
| Premier Hotel Regent (2012)                       | Acting Director-General           | 33               |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

| Incident                                                  | Condoned by (condoning authority) | 2013/14<br>R'000 |
|-----------------------------------------------------------|-----------------------------------|------------------|
| <b>Irregular expenditure condoned—prior years (cont.)</b> |                                   |                  |
| Masiqhame Trading 559 CC (2012)                           | Chief Financial Officer           | 45               |
| Ngaxamba Trading (2012)                                   | Acting Director-General           | 16               |
| Tshadu Logistics (21012)                                  | Acting Director-General           | 32               |
| Hasler Business Systems (2012)                            | Chief Financial Officer           | 8                |
| Eco Creations (2012)                                      | Chief Financial Officer           | 40               |
| <b>Subtotal</b>                                           |                                   | <b>13 895</b>    |
| <b>Total</b>                                              |                                   | <b>13 979</b>    |

### 26.4 Details of irregular expenditure not recoverable (not condoned)

|                              |                                                                        |            |
|------------------------------|------------------------------------------------------------------------|------------|
| Biz Africa (Studio 88)(2012) | Chief Financial Officer referred to National Treasury—<br>not condoned | 108        |
| <b>Total</b>                 |                                                                        | <b>108</b> |

### 26.5 Details of irregular expenditures under investigation

| Incident                                           | 2013/14<br>R'000 |
|----------------------------------------------------|------------------|
| Tibane Consulting                                  | 23               |
| BKT Exhibitions and Projects CC                    | 714              |
| Emileng Projects                                   | 28               |
| Preview Caterers and Printing                      | 13               |
| Inside Lane Human Resource Development             | 32               |
| Fenzo Projects                                     | 58               |
| Deltamune (Pty) Ltd                                | 168              |
| Animal Travel Services                             | 28               |
| Sunset Trading and Projects                        | 8                |
| Various suppliers                                  | 1 411            |
| Nepstan Construction and Supply                    | 939              |
| Pagamisa Holdings                                  | 922              |
| Yenza Trading                                      | 975              |
| Maswika General Trading                            | 1 748            |
| <b>Subtotal</b>                                    | <b>7 067</b>     |
| <b>Details of irregular expenditure—prior year</b> |                  |
| Agric Mega (2012)                                  | 218              |
| Rinetsha Florist and Deco (2012)                   | 28               |
| Travel with Flair (2013)                           | 25               |
| Secolo Consulting and Training Services (2013)     | 18               |
| Various suppliers (2012/13)                        | 33               |
| <b>Subtotal</b>                                    | <b>322</b>       |
| <b>Total</b>                                       | <b>7 389</b>     |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

|                                                                                                                                                                                   | Note                                                            | 2013/14<br>R'000         | 2012/13<br>R'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------|------------------|
| <b>27. FRUITLESS AND WASTEFUL EXPENDITURE</b>                                                                                                                                     |                                                                 |                          |                  |
| <b>27.1 Reconciliation of fruitless and wasteful expenditure</b>                                                                                                                  |                                                                 |                          |                  |
| Opening balance                                                                                                                                                                   |                                                                 | 549                      | 210              |
| Fruitless and wasteful expenditure—relating to prior year                                                                                                                         | 27.3                                                            | 777                      | 24               |
| Fruitless and wasteful expenditure—relating to current year                                                                                                                       | 27.3                                                            | 9                        | 382              |
| Less: Amounts resolved                                                                                                                                                            | 27.4                                                            | (1 271)                  | (67)             |
| <b>Fruitless and wasteful expenditure awaiting resolution</b>                                                                                                                     | <b>27.5</b>                                                     | <b>64</b>                | <b>549</b>       |
| The opening balance was restated with R11,997 million—an adjustment was made to the prior year balance owing to the re-assessment of the results from the forensic investigation. |                                                                 |                          |                  |
| <b>27.2 Analysis of awaiting resolution per economic classification</b>                                                                                                           |                                                                 |                          |                  |
| Current                                                                                                                                                                           |                                                                 | 64                       | 549              |
| <b>Total</b>                                                                                                                                                                      |                                                                 | <b>64</b>                | <b>549</b>       |
| <b>27.3 Analysis of current year's fruitless and wasteful expenditure</b>                                                                                                         |                                                                 |                          |                  |
| <b>Incident</b>                                                                                                                                                                   | <b>Disciplinary steps taken/criminal proceedings</b>            | <b>2013/14<br/>R'000</b> |                  |
| Duplicate order: Refreshments                                                                                                                                                     | No disciplinary action—based on recommendation                  | 3                        |                  |
| Penalties-Wesbank                                                                                                                                                                 | Under investigation                                             | 2                        |                  |
| Failure to attend the arbitration                                                                                                                                                 | Under investigation                                             | 3                        |                  |
| Penalties Eskom Holdings Ltd                                                                                                                                                      | Under investigation                                             | 1                        |                  |
| <b>Total</b>                                                                                                                                                                      |                                                                 | <b>9</b>                 |                  |
| <b>Details of fruitless and wasteful expenditure—prior year</b>                                                                                                                   |                                                                 |                          |                  |
| Non-compliance with supply chain management procedures (2009/10)                                                                                                                  | Disciplinary action to be taken against the D: AS and DDG: PPME | 729                      |                  |
| Late occupation: Allied building (2012/13)                                                                                                                                        | Under investigation                                             | 48                       |                  |
| <b>Subtotal</b>                                                                                                                                                                   |                                                                 | <b>777</b>               |                  |
| <b>Total</b>                                                                                                                                                                      |                                                                 | <b>786</b>               |                  |
| <b>27.4 Amounts resolved</b>                                                                                                                                                      |                                                                 |                          |                  |
| Double ordering of refreshments: DEXCO meeting                                                                                                                                    |                                                                 | 3                        |                  |
| Non-compliance with Supply Chain Management procedures                                                                                                                            |                                                                 | 729                      |                  |
| Cancellation of conference booking                                                                                                                                                |                                                                 | 318                      |                  |
| VAT paid on invalid tax certificate                                                                                                                                               |                                                                 | 12                       |                  |
| No show—training course                                                                                                                                                           |                                                                 | 9                        |                  |
| Forensic investigation: Purchase 33 GPS devices                                                                                                                                   |                                                                 | 200                      |                  |
| <b>Total</b>                                                                                                                                                                      |                                                                 | <b>1 271</b>             |                  |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 27.5 Fruitless and wasteful expenditure awaiting resolution

| Incident                          | 2013/14<br>R'000 |
|-----------------------------------|------------------|
| Penalties paid to Wesbank         | 10               |
| Penalties Eskom Holdings Ltd      | 1                |
| Late occupation: Allied building  | 48               |
| Penalties: Wesbank                | 2                |
| Failure to attend the arbitration | 3                |
| <b>Total</b>                      | <b>64</b>        |

### 28. RELATED PARTY TRANSACTIONS

#### In kind goods and services provided/received

| Ministerial portfolio               | Department                          | Schedule | Public Entity                            |
|-------------------------------------|-------------------------------------|----------|------------------------------------------|
| Agriculture, Forestry and Fisheries | Agriculture, Forestry and Fisheries | 3A       | Agricultural Research Council            |
|                                     |                                     | 3A       | National Agricultural Marketing Council  |
|                                     |                                     | 3A       | Perishable Products Export Control Board |
|                                     |                                     | 3B       | Ncera Farms (Pty) Ltd                    |
|                                     |                                     | 3B       | Onderstepoort Biological Products        |
|                                     |                                     | 3A       | Marine Living Resources Fund             |

**Note:** All departments and public entities in the National sphere of government are related parties.

### 29. KEY MANAGEMENT PERSONNEL

|                                                 | No. of individuals | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------|--------------------|------------------|------------------|
| Political office bearers (provide detail below) | 2                  | 3 841            | 3 562            |
| <b>Officials:</b>                               |                    |                  |                  |
| Levels 15 to 16                                 | 20                 | 23 016           | 23 189           |
| Level 14                                        | 36                 | 27 903           | 24 814           |
| <b>Total</b>                                    |                    | <b>54 760</b>    | <b>51 565</b>    |

### 30. IMPAIRMENT: OTHER

|              |           |           |
|--------------|-----------|-----------|
| Debtors      | 47        | 58        |
| <b>Total</b> | <b>47</b> | <b>58</b> |

### 31. NON-ADJUSTING EVENTS AFTER REPORTING DATE

Veld fires occurred at Forestry plantations in the Eastern Cape Province after the reporting date. Veld fires destroyed a total of 60,6 ha of the Etwa, Nkobongo, Mthintloni, Mnyameni, Amanzimnyama and Gomo Plantations. The estimated value of the affected hectares cannot be determined.

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 32. MOVABLE TANGIBLE CAPITAL ASSETS

*Movement in moveable tangible capital assets per asset register for the year ended 31 March 2014*

|                                               | Opening<br>balance | Current<br>year adjust-<br>ments to<br>prior year's<br>balances | Additions     | Disposals     | Closing<br>balance |
|-----------------------------------------------|--------------------|-----------------------------------------------------------------|---------------|---------------|--------------------|
|                                               | R'000              | R'000                                                           | R'000         | R'000         | R'000              |
| <b>Heritage assets</b>                        | 190                | –                                                               | –             | –             | 190                |
| Heritage assets                               | 190                | –                                                               | –             | –             | 190                |
| <b>Machinery and equipment</b>                | 307 413            | 5 201                                                           | 86 364        | 50 286        | 348 692            |
| Transport assets                              | 95 064             | 10 395                                                          | 33 671        | 22 302        | 116 828            |
| Computer equipment                            | 88 840             | 1 576                                                           | 24 321        | 17 878        | 96 859             |
| Furniture and office equipment                | 31 527             | (1 090)                                                         | 3 733         | 709           | 33 461             |
| Other machinery and equipment                 | 91 982             | (5 680)                                                         | 24 639        | 9 397         | 101 544            |
| <b>Specialised military assets</b>            | 100                | (100)                                                           | –             | –             | –                  |
| Specialised military assets                   | 100                | (100)                                                           | –             | –             | –                  |
| <b>Biological assets</b>                      | 565 182            | (7 714)                                                         | 589           | 76            | 557 981            |
| Biological assets                             | 565 182            | (7 714)                                                         | 589           | 76            | 557 981            |
| <b>Total moveable tangible capital assets</b> | <b>872 885</b>     | <b>(2 613)</b>                                                  | <b>86 953</b> | <b>50 362</b> | <b>906 863</b>     |

#### 32.1 Additions

*Additions to moveable tangible capital assets per asset register for the year ended 31 March 2014*

|                                                            | Cash           | Non-cash     | (Capital<br>work in pro-<br>gress current<br>costs and<br>finance lease<br>payments) | Received<br>current, not<br>paid (paid<br>current year,<br>received<br>prior year) | Total         |
|------------------------------------------------------------|----------------|--------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------|
|                                                            | R'000          | R'000        | R'000                                                                                | R'000                                                                              | R'000         |
| <b>Machinery and equipment</b>                             | 143 017        | 6 974        | (65 824)                                                                             | 2 197                                                                              | 86 364        |
| Transport assets                                           | 86 561         | 5 369        | (59 959)                                                                             | 1 700                                                                              | 33 671        |
| Computer equipment                                         | 23 769         | 726          | –                                                                                    | (174)                                                                              | 24 321        |
| Furniture and office equipment                             | 3 616          | 71           | –                                                                                    | 46                                                                                 | 3 733         |
| Other machinery and equipment                              | 29 071         | 808          | (5 865)                                                                              | 625                                                                                | 24 639        |
| <b>Biological assets</b>                                   | 76             | 513          | –                                                                                    | –                                                                                  | 589           |
| Biological assets                                          | 76             | 513          | –                                                                                    | –                                                                                  | 589           |
| <b>Total additions to moveable tangible capital assets</b> | <b>143 093</b> | <b>7 487</b> | <b>(65 824)</b>                                                                      | <b>2 197</b>                                                                       | <b>86 953</b> |

The finance leases are included in the Other Machinery, Equipment and Transport assets in capital work-in-progress column. An amount of R10 837 247,76 from the value of R59 959 210,53 is for the mobile clinics that are still in progress.

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 32.2 Disposals

*Disposals of moveable tangible capital assets per asset register for the year ended 31 March 2014*

|                                                           | Sold for cash | Transfer out or destroyed or scrapped | Total disposals | Cash received actual |
|-----------------------------------------------------------|---------------|---------------------------------------|-----------------|----------------------|
|                                                           | R'000         | R'000                                 | R'000           | R'000                |
| <b>Machinery and equipment</b>                            | 3 636         | 46 650                                | 50 286          | 757                  |
| Transport assets                                          | 2 769         | 19 533                                | 22 302          | 675                  |
| Computer equipment                                        | 528           | 17 350                                | 17 878          | 1                    |
| Furniture and office equipment                            | 6             | 703                                   | 709             | –                    |
| Other machinery and equipment                             | 333           | 9 064                                 | 9 397           | 81                   |
| <b>Biological assets</b>                                  | –             | 76                                    | 76              | –                    |
| Biological assets                                         | –             | 76                                    | 76              | –                    |
| <b>Total disposal of moveable tangible capital assets</b> | <b>3 636</b>  | <b>46 726</b>                         | <b>50 362</b>   | <b>757</b>           |

The ambulatory vehicles to the value of R1,589 million were transferred to Western Cape Department of Agriculture at 28 March 2013, but the asset register was only maintained in this period of review.

### 32.3 Movement for 2012/13

*Movement in moveable tangible capital assets per asset register for the year ended 31 March 2013*

|                                               | Opening balance | Current year adjustments to prior year's balances | Additions      | Disposals     | Closing balance |
|-----------------------------------------------|-----------------|---------------------------------------------------|----------------|---------------|-----------------|
|                                               | R'000           | R'000                                             | R'000          | R'000         | R'000           |
| <b>Heritage assets</b>                        | 190             | –                                                 | –              | –             | 190             |
| Heritage assets                               | 190             | –                                                 | –              | –             | 190             |
| <b>Machinery and equipment</b>                | 287 471         | 4 918                                             | 51 847         | 36 823        | 307 413         |
| Transport assets                              | 89 864          | 2 453                                             | 24 821         | 22 074        | 95 064          |
| Computer equipment                            | 79 710          | 988                                               | 15 852         | 7 710         | 88 840          |
| Furniture and office equipment                | 29 693          | (225)                                             | 3 043          | 984           | 31 527          |
| Other machinery and equipment                 | 88 204          | 1 702                                             | 8 131          | 6 055         | 91 982          |
| <b>Specialised military assets</b>            | 101             | (1)                                               | –              | –             | 100             |
| Specialised military assets                   | 101             | (1)                                               | –              | –             | 100             |
| <b>Biological assets</b>                      | 446 246         | 11                                                | 119 202        | 277           | 565 182         |
| Biological assets                             | 446 246         | 11                                                | 119 202        | 277           | 565 182         |
| <b>Total moveable tangible capital assets</b> | <b>734 008</b>  | <b>4 928</b>                                      | <b>171 049</b> | <b>37 100</b> | <b>872 885</b>  |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 32.4 Minor assets

*Movement in minor assets per the asset register for the year ended as at 31 March 2014*

|                                                    | Specialised<br>military<br>assets | Intangible<br>assets | Machinery<br>and equip-<br>ment | Biological<br>assets | Total         |
|----------------------------------------------------|-----------------------------------|----------------------|---------------------------------|----------------------|---------------|
|                                                    | R'000                             | R'000                | R'000                           | R'000                | R'000         |
| Opening balance                                    | 10                                | 4 380                | 61 029                          | 1 205                | 66 624        |
| Current year adjustments<br>to prior year balances | (10)                              | (3 632)              | 777                             | 186                  | (2 679)       |
| Additions                                          | –                                 | 6                    | 7 016                           | 1 390                | 8 412         |
| Disposals                                          | –                                 | 6                    | 2 893                           | 1 334                | 4 233         |
| <b>Total minor assets</b>                          | <b>–</b>                          | <b>748</b>           | <b>65 929</b>                   | <b>1 447</b>         | <b>68 124</b> |
| Number of R1 minor assets                          | –                                 | 12                   | 46 590                          | 1 214                | 47 816        |
| Number of minor assets at<br>cost                  | –                                 | 428                  | 46 276                          | –                    | 46 704        |
| <b>Total number of minor<br/>assets</b>            | <b>–</b>                          | <b>440</b>           | <b>92 866</b>                   | <b>1 214</b>         | <b>94 520</b> |

*Movement in minor assets per the asset register for the year ended as at 31 March 2013*

|                                                    |           |              |               |              |               |
|----------------------------------------------------|-----------|--------------|---------------|--------------|---------------|
| Opening balance                                    | 10        | 4 380        | 59 383        | 1 280        | 65 053        |
| Current year adjustments<br>to prior year balances | –         | –            | 551           | –            | 551           |
| Additions                                          | –         | 3            | 3 544         | 624          | 4 171         |
| Disposals                                          | –         | 3            | 2 449         | 699          | 3 151         |
| <b>Total minor assets</b>                          | <b>10</b> | <b>4 380</b> | <b>61 029</b> | <b>1 205</b> | <b>66 624</b> |
| Number of R1 minor assets                          | 50        | 12           | 47 036        | 6            | 47 104        |
| Number of minor assets at<br>cost                  | 8         | 2 088        | 43 349        | 1 144        | 46 589        |
| <b>Total number of minor<br/>assets</b>            | <b>58</b> | <b>2 100</b> | <b>90 385</b> | <b>1 150</b> | <b>93 693</b> |

### 32.5 Movable assets written off

*Moveable assets written off for the year ended as at 31 March 2014*

|                                          | Machinery<br>and equip-<br>ment | Biological<br>assets | Total        |
|------------------------------------------|---------------------------------|----------------------|--------------|
|                                          | R'000                           | R'000                | R'000        |
| Assets written off                       | 4 767                           | 469                  | 5 236        |
| <b>Total moveable assets written off</b> | <b>4 767</b>                    | <b>469</b>           | <b>5 236</b> |

*Moveable assets written off for the year ended as at 31 March 2013*

|                                          |               |            |               |
|------------------------------------------|---------------|------------|---------------|
| Assets written off                       | 21 622        | 975        | 22 597        |
| <b>Total moveable assets written off</b> | <b>21 622</b> | <b>975</b> | <b>22 597</b> |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 33. INTANGIBLE CAPITAL ASSETS

*Movement in intangible capital assets per register for the year ended 31 March 2014*

|                                                          | Opening<br>balance | Current year<br>adjustments<br>to prior year's<br>balances | Additions    | Disposals  | Closing<br>balance |
|----------------------------------------------------------|--------------------|------------------------------------------------------------|--------------|------------|--------------------|
|                                                          | R'000              | R'000                                                      | R'000        | R'000      | R'000              |
| Software                                                 | 7 723              | (1 760)                                                    | 6 576        | 251        | 12 288             |
| Patents, licences, copyright,<br>brand names, trademarks | 2 381              | (2 381)                                                    | –            | –          | –                  |
| <b>Total intangible capital assets</b>                   | <b>10 104</b>      | <b>(4 141)</b>                                             | <b>6 576</b> | <b>251</b> | <b>12 288</b>      |

#### 33.1 Additions

*Additions to intangible capital assets per asset register for the year ended 31 March 2014*

|                                                         | Cash         | Non-cash     | Total        |
|---------------------------------------------------------|--------------|--------------|--------------|
|                                                         | R'000        | R'000        | R'000        |
| Software                                                | 1 419        | 5 157        | 6 576        |
| <b>Total additions to<br/>intangible capital assets</b> | <b>1 419</b> | <b>5 157</b> | <b>6 576</b> |

#### 33.2 Disposals

*Disposals of intangible capital assets per asset register for the year ended 31 March 2014*

|                                                         | Transfer out<br>or destroyed<br>or scrapped | Total<br>disposals |
|---------------------------------------------------------|---------------------------------------------|--------------------|
|                                                         | R'000                                       | R'000              |
| Software                                                | 251                                         | 251                |
| <b>Total disposals of<br/>intangible capital assets</b> | <b>251</b>                                  | <b>251</b>         |

#### 33.3 Movement for 2012/13

*Movement in intangible capital assets per asset register for the year ended 31 March 2013*

|                                                         | Opening<br>balance | Current year<br>adjustments<br>to prior year's<br>balances | Additions  | Total         |
|---------------------------------------------------------|--------------------|------------------------------------------------------------|------------|---------------|
|                                                         | R'000              | R'000                                                      | R'000      | R'000         |
| Software                                                | 6 990              | (31)                                                       | 764        | 7 723         |
| Patens, licences, copyright,<br>brand names, trademarks | 2 350              | 31                                                         | –          | 2 381         |
| <b>Total intangible capital<br/>assets</b>              | <b>9 340</b>       | <b>–</b>                                                   | <b>764</b> | <b>10 104</b> |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 34. IMMOVABLE TANGIBLE CAPITAL ASSETS

*Movement in immovable tangible capital assets per asset register for the year ended 31 March 2014*

|                                                | Opening<br>balance | Current year<br>adjustments<br>to prior year<br>balances | Additions     | Disposals     | Closing<br>balance |
|------------------------------------------------|--------------------|----------------------------------------------------------|---------------|---------------|--------------------|
|                                                | R'000              | R'000                                                    | R'000         | R'000         | R'000              |
| <b>Buildings and other fixed structures</b>    | 10 345             | (9 833)                                                  | 27 597        | 27 529        | 580                |
| Dwellings                                      | 9 651              | (9 154)                                                  | 241           | 158           | 580                |
| Non-residential buildings                      | 667                | (667)                                                    | –             | –             | –                  |
| Other fixed structures                         | 27                 | (12)                                                     | 27 356        | 27 371        | –                  |
| <b>Total immovable tangible capital assets</b> | <b>10 345</b>      | <b>(9 833)</b>                                           | <b>27 597</b> | <b>27 529</b> | <b>580</b>         |

#### 34.1 Additions

*Additions to immovable tangible capital assets per asset register for the year ended 31 March 2014*

|                                                             | Cash          | Non-cash   | (Capital<br>work in pro-<br>gress current<br>costs and<br>finance lease<br>payments) | Received<br>current, not<br>paid (Paid<br>current year,<br>received<br>prior year) | Total         |
|-------------------------------------------------------------|---------------|------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------|
|                                                             | R'000         | R'000      | R'000                                                                                | R'000                                                                              | R'000         |
| <b>Buildings and other fixed structures</b>                 | 55 694        | 145        | (28 338)                                                                             | 96                                                                                 | 27 597        |
| Dwellings                                                   | –             | 145        | –                                                                                    | 96                                                                                 | 241           |
| Other fixed structures                                      | 55 694        | –          | (28 338)                                                                             | –                                                                                  | 27 356        |
| <b>Total additions to immovable tangible capital assets</b> | <b>55 694</b> | <b>145</b> | <b>(28 338)</b>                                                                      | <b>96</b>                                                                          | <b>27 597</b> |

The amount reflecting in other fixed structure is for FMD border fencing, revitalisation of sector colleges and other capital projects.

#### 34.2 Disposals

*Disposals of immovable tangible capital assets per asset register for the year ended 31 March 2014*

|                                                             | Transfer out<br>or destroyed<br>or scrapped | Total<br>disposals |
|-------------------------------------------------------------|---------------------------------------------|--------------------|
|                                                             | R'000                                       | R'000              |
| <b>Buildings and other fixed structures</b>                 | 27 529                                      | 27 529             |
| Dwelling                                                    | 158                                         | 158                |
| Other fixed structures                                      | 27 371                                      | 27 371             |
| <b>Total disposals of immovable tangible capital assets</b> | <b>27 529</b>                               | <b>27 529</b>      |

277 Immovable assets (buildings and other fixed structures) valued at cost R253 096,00 included in the fixed asset register but not included in Note 32.4.

The amount of R27 356 250,89 is capital works projects finalised in the period under review.

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 34.3 Movement for 2012/13

*Movement in immovable tangible capital assets per asset register for the year ended 31 March 2013*

|                                                | Opening<br>balance | Current year<br>adjustments<br>to prior year's<br>balances | Additions     | Disposals     | Closing<br>balance |
|------------------------------------------------|--------------------|------------------------------------------------------------|---------------|---------------|--------------------|
|                                                | R'000              | R'000                                                      | R'000         | R'000         | R'000              |
| <b>Buildings and other fixed structures</b>    | 10 430             | (85)                                                       | 23 872        | 23 872        | 10 345             |
| Dwellings                                      | 9 736              | (85)                                                       | –             | –             | 9 651              |
| Non-residential buildings                      | 667                | –                                                          | –             | –             | 667                |
| Other fixed structures                         | 27                 | –                                                          | 23 872        | 23 872        | 27                 |
| <b>Total immovable tangible capital assets</b> | <b>10 430</b>      | <b>(85)</b>                                                | <b>23 872</b> | <b>23 872</b> | <b>10 345</b>      |

### 34.4 Immovable assets valued at R1

|                                                                                | Buildings and<br>other fixed<br>structures | Total      |
|--------------------------------------------------------------------------------|--------------------------------------------|------------|
|                                                                                | R                                          | R          |
| <b>Immovable assets valued at R1 in the asset register as at 31 March 2014</b> |                                            |            |
| R1 immovable assets                                                            | 139                                        | 139        |
| <b>Total</b>                                                                   | <b>139</b>                                 | <b>139</b> |
| <b>Immovable assets valued at R1 in the asset register as at 31 March 2013</b> |                                            |            |
| R1 immovable assets                                                            | 147                                        | 147        |
| <b>Total</b>                                                                   | <b>147</b>                                 | <b>137</b> |

### 34.5 Immovable assets written off

*Immovable assets written off for the year ended as at 31 March 2014*

|                                           | Buildings and<br>other fixed<br>structures | Total     |
|-------------------------------------------|--------------------------------------------|-----------|
|                                           | R'000                                      | R'000     |
| Immovable assets written off              | 28                                         | 28        |
| <b>Total immovable assets written off</b> | <b>28</b>                                  | <b>28</b> |

*Immovable assets written off for the year ended as at 31 March 2013*

|                                           | Buildings and<br>other fixed<br>structures | Total    |
|-------------------------------------------|--------------------------------------------|----------|
|                                           | R'000                                      | R'000    |
| Immovable assets written off              | 3                                          | 3        |
| <b>Total immovable assets written off</b> | <b>3</b>                                   | <b>3</b> |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 34.6 Section 42 Immoveable assets

*Assets subjected to transfer in terms of Section 42 of the PFMA—2013/14*

|                                      | Number of<br>assets | Value of<br>assets<br>R'000 |
|--------------------------------------|---------------------|-----------------------------|
| Buildings and other fixed structures | 15                  | 60 820                      |
| Other fixed structure                | 15                  | 60 820                      |
| <b>Total</b>                         | <b>15</b>           | <b>60 820</b>               |

## 35. PRIOR PERIOD ERRORS

### 35.1 Correction of prior period error for secondary information

|                                                                | 2012/13<br>R'000 |
|----------------------------------------------------------------|------------------|
| Operating leases—D/N 24.1: 2012/13 increase R161,417 million   |                  |
| Irregular expenditure—D/N 26: 2012/13 decrease R1,917 million  |                  |
| Fruitless expenditure—D/N 27: 2012/13 decrease R11,997 million |                  |
| Provision (prior year—Note 31)                                 | (72 854)         |
| <b>Net effect on the note</b>                                  | <b>(72 854)</b>  |
| Impairment—D/N 25.3                                            | 72 854           |
| <b>Net effect on the note</b>                                  | <b>72 854</b>    |

For the nature and detail on the prior period's error refer to the relevant disclosure note (d/n)

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### 36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

[illegible]

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (cont.)

| Name of province/grant                                   | Grant allocation        |           |             | Transfer        |                 | Spent          |                                                           | 2012/13                       |                            |                                          |                         |
|----------------------------------------------------------|-------------------------|-----------|-------------|-----------------|-----------------|----------------|-----------------------------------------------------------|-------------------------------|----------------------------|------------------------------------------|-------------------------|
|                                                          | Division of Revenue Act | Rollovers | Adjustments | Total available | Actual transfer | Funds withheld | Reallocations by National Treasury or national department | Amount received by department | Amount spent by department | % of available funds spent by department | Division of Revenue Act |
|                                                          | R'000                   | R'000     | R'000       | R'000           | R'000           | R'000          | %                                                         | R'000                         | R'000                      | %                                        | R'000                   |
| Infrastructure development and poverty relief (LandCare) |                         |           |             |                 |                 |                |                                                           |                               |                            |                                          |                         |
| Eastern Cape                                             | 15 866                  | -         | -           | 15 866          | 12 693          | 3 173          | -                                                         | 12 693                        | 12 693                     | 100                                      | 16 823                  |
| Free State                                               | 8 571                   | -         | -           | 8 571           | 8 571           | -              | -                                                         | 8 571                         | 8 571                      | 100                                      | 8 953                   |
| Gauteng                                                  | 6 163                   | -         | -           | 6 163           | 6 163           | -              | -                                                         | 6 163                         | 6 163                      | 100                                      | 6 246                   |
| KwaZulu-Natal                                            | 18 746                  | -         | -           | 18 746          | 18 746          | -              | -                                                         | 18 746                        | 18 746                     | 100                                      | 20 304                  |
| Limpopo                                                  | 19 562                  | -         | -           | 19 562          | 19 562          | -              | -                                                         | 19 562                        | 16 155                     | 83                                       | 20 356                  |
| Mpumalanga                                               | 10 249                  | -         | -           | 10 249          | 10 249          | -              | -                                                         | 10 249                        | 10 249                     | 100                                      | 10 958                  |
| Northern Cape                                            | 12 055                  | -         | -           | 12 055          | 12 055          | -              | -                                                         | 12 055                        | 12 055                     | 100                                      | 12 724                  |
| North West                                               | 10 552                  | -         | -           | 10 552          | 10 551          | 1              | -                                                         | 10 551                        | 10 143                     | 96                                       | 11 557                  |
| Western Cape                                             | 7 233                   | -         | -           | 7 233           | 7 233           | -              | -                                                         | 7 233                         | 7 233                      | 100                                      | 7 740                   |
| Subtotal                                                 | 108 997                 | -         | -           | 108 997         | 105 823         | 3 174          | -                                                         | 105 823                       | 102 008                    | 96                                       | 115 661                 |

## Disclosure Notes to the Annual Financial Statements

for the year ended 31 March 2014

### 36. STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES (cont.)

| Name of province/grant | Grant allocation        |           |             |                 | Transfer        |                | Spent                                                     |                               | 2012/13   |                            |                                          |
|------------------------|-------------------------|-----------|-------------|-----------------|-----------------|----------------|-----------------------------------------------------------|-------------------------------|-----------|----------------------------|------------------------------------------|
|                        | Division of Revenue Act | Rollovers | Adjustments | Total available | Actual transfer | Funds withheld | Reallocations by National Treasury or national department | Amount received by department |           | Amount spent by department | % of available funds spent by department |
|                        | R'000                   | R'000     | R'000       | R'000           | R'000           | R'000          | %                                                         | R'000                         |           | R'000                      | %                                        |
| Ilima/Letsema          |                         |           |             |                 |                 |                |                                                           |                               |           |                            | R'000                                    |
| Eastern Cape           | 43 845                  | -         | -           | 43 845          | 43 845          | -              | -                                                         | 43 845                        | 43 845    | 100                        | 42 000                                   |
| Free State             | 57 999                  | -         | -           | 57 999          | 57 999          | -              | -                                                         | 57 999                        | 55 341    | 95                         | 54 600                                   |
| Gauteng                | 17 538                  | -         | -           | 17 538          | 17 538          | -              | -                                                         | 17 538                        | 17 538    | 100                        | 16 798                                   |
| KwaZulu-Natal          | 65 768                  | -         | -           | 65 768          | 65 768          | -              | -                                                         | 65 768                        | 42 768    | 65                         | 63 000                                   |
| Limpopo                | 43 845                  | -         | -           | 43 845          | 43 845          | -              | -                                                         | 43 845                        | 42 353    | 97                         | 42 000                                   |
| Mpumalanga             | 43 845                  | -         | -           | 43 845          | 43 845          | -              | -                                                         | 43 845                        | 43 845    | 100                        | 42 000                                   |
| Northern Cape          | 70 034                  | -         | -           | 70 034          | 70 034          | -              | -                                                         | 70 034                        | 70 034    | 100                        | 63 000                                   |
| North West             | 43 845                  | -         | -           | 43 845          | 43 845          | -              | -                                                         | 43 845                        | 43 068    | 98                         | 42 000                                   |
| Western Cape           | 51 737                  | -         | -           | 51 737          | 51 737          | -              | -                                                         | 51 737                        | 51 737    | 100                        | 50 400                                   |
| Subtotal               | 438 456                 | -         | -           | 438 456         | 438 456         | -              | -                                                         | 438 456                       | 410 529   | 94                         | 415 798                                  |
| Total                  | 2 151 768               | -         | -           | 2 151 768       | 2 148 594       | 3 174          | -                                                         | 2 148 594                     | 2 108 904 | 98%                        | 2 066 450                                |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1B

#### STATEMENT OF UNCONDITIONAL GRANTS AND TRANSFERS TO MUNICIPALITIES

| Name of municipality | Grant allocation |           |             | Transfer        |                 |                                  | Spent                           |                              |                                            | 2012/13         |
|----------------------|------------------|-----------|-------------|-----------------|-----------------|----------------------------------|---------------------------------|------------------------------|--------------------------------------------|-----------------|
|                      | Amount           | Rollovers | Adjustments | Total available | Actual transfer | % of available funds transferred | Amount received by municipality | Amount spent by municipality | % of available funds spent by municipality | Total available |
|                      | R'000            | R'000     | R'000       | R'000           | R'000           | %                                | R'000                           | R'000                        | %                                          | R'000           |
| City of Tshwane      | 512              | –         | 96          | 608             | 589             | 97                               | 589                             | 589                          | 100                                        | 458             |
| Inxuba Yethemba      | 4                | –         | 11          | 15              | 15              | 100                              | 15                              | 15                           | 100                                        | 13              |
| Khara Hais           | 1                | –         | –           | 1               | –               | –                                | –                               | –                            | –                                          | 2               |
| Witzenberg           | 1                | –         | –           | 1               | –               | –                                | –                               | –                            | –                                          | 8               |
| Knysna               | 29               | –         | (29)        | –               | –               | –                                | –                               | –                            | –                                          | –               |
| Mahikeng             | –                | –         | –           | –               | –               | –                                | –                               | –                            | –                                          | 11              |
| Mbombela             | –                | –         | 1           | 1               | 1               | 100                              | 1                               | 1                            | 100                                        | –               |
| Rustenburg           | –                | –         | 2           | 2               | 2               | 100                              | 2                               | 2                            | 100                                        | –               |
| <b>Total</b>         | <b>547</b>       | <b>–</b>  | <b>81</b>   | <b>628</b>      | <b>607</b>      | <b>97</b>                        | <b>607</b>                      | <b>607</b>                   | <b>100</b>                                 | <b>492</b>      |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1C

#### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

| Department/agency/<br>account                                     | Transfer allocation       |           |             |                    | Transfer           |                                        | 2012/13              |
|-------------------------------------------------------------------|---------------------------|-----------|-------------|--------------------|--------------------|----------------------------------------|----------------------|
|                                                                   | Adjusted<br>appropriation | Rollovers | Adjustments | Total<br>available | Actual<br>transfer | % of available<br>funds<br>transferred | Appropriation<br>Act |
|                                                                   | R'000                     | R'000     | R'000       | R'000              | R'000              | %                                      | R'000                |
| Primary Agriculture Sector<br>Education and Training<br>Authority | 1 672                     | –         | –           | 1 672              | 1 672              | 100                                    | 1 518                |
| Agricultural Research<br>Council                                  | 950 254                   | –         | –           | 950 254            | 950 254            | 100                                    | 943 026              |
| Marine Living Resources<br>Fund                                   | 253 545                   | –         | –           | 253 545            | 253 545            | 100                                    | 316 365              |
| National Agricultural<br>Marketing Council                        | 33 819                    | –         | –           | 33 819             | 33 819             | 100                                    | 31 409               |
| National Student Financial<br>Aid Scheme                          | 14 727                    | –         | –           | 14 727             | 14 727             | 100                                    | 13 975               |
| Perishable Products Export<br>Control Board                       | 600                       | –         | –           | 600                | 600                | 100                                    | 600                  |
| Water Research<br>Commission                                      | 6 000                     | –         | –           | 6 000              | 3 000              | 50                                     | 4 800                |
| South African Broadcasting<br>Corporation (SABC)                  | –                         | –         | 28          | 28                 | 27                 | 96                                     | 126                  |
| National Research<br>Foundation                                   | 7 000                     | –         | –           | 7 000              | 7 000              | 100                                    | –                    |
| Small Enterprise<br>Development Agency                            | 2 000                     | –         | –           | 2 000              | 2 000              | 100                                    | –                    |
| <b>Total</b>                                                      | <b>1 269 617</b>          | <b>–</b>  | <b>28</b>   | <b>1 269 645</b>   | <b>1 266 644</b>   | <b>100</b>                             | <b>1 311 819</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1D

#### STATEMENT OF TRANSFERS TO UNIVERSITIES AND UNIVERSITIES OF TECHNOLOGY

| University/university of technology | Transfer allocation    |           |             |                 | Transfer        |                        |                                  | 2012/13           |
|-------------------------------------|------------------------|-----------|-------------|-----------------|-----------------|------------------------|----------------------------------|-------------------|
|                                     | Adjusted appropriation | Rollovers | Adjustments | Total available | Actual transfer | Amount not transferred | % of available funds transferred | Appropriation Act |
|                                     | R'000                  | R'000     | R'000       | R'000           | R'000           | R'000                  | %                                | R'000             |
| University of Pretoria              | 2 192                  | –         | –           | 2 192           | 2 191           | 1                      | 100                              | 4 817             |
| University of Fort Hare             | 3 000                  | –         | –           | 3 000           | –               | 3 000                  | –                                | 3 500             |
| University of KwaZulu-Natal         | 616                    | –         | –           | 616             | 616             | –                      | 100                              | 660               |
| <b>Total</b>                        | <b>5 808</b>           | <b>–</b>  | <b>–</b>    | <b>5 808</b>    | <b>2 807</b>    | <b>3 001</b>           | <b>48</b>                        | <b>8 977</b>      |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1E

#### STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

| Name of public corporation/private enterprise | Transfer allocation        |           |             |                 | Expenditure     |                                  |          |          | 2012/13           |
|-----------------------------------------------|----------------------------|-----------|-------------|-----------------|-----------------|----------------------------------|----------|----------|-------------------|
|                                               | Adjusted Appropriation Act | Rollovers | Adjustments | Total available | Actual transfer | % of available funds transferred | Capital  | Current  | Appropriation Act |
|                                               | R'000                      | R'000     | R'000       | R'000           | R'000           | %                                | R'000    | R'000    | R'000             |
| <b>Public corporations</b>                    |                            |           |             |                 |                 |                                  |          |          |                   |
| <i>Transfers</i>                              |                            |           |             |                 |                 |                                  |          |          |                   |
| Forest Sector Charter Council                 | 3 531                      | –         | –           | 3 531           | 3 531           | 100                              | –        | –        | 3 165             |
| Land and Agri Bank of SA                      | 33 347                     | –         | –           | 33 347          | 33 347          | 100                              | –        | –        | 31 100            |
| Ncera Farms (Pty) Ltd                         | 5 020                      | –         | –           | 5 020           | 5 020           | 100                              | –        | –        | 4 989             |
| Onderstepoort Biological Products (Pty) Ltd   | 96 500                     | –         | –           | 96 500          | 96 500          | 100                              | –        | –        | –                 |
| <b>Subtotal</b>                               | <b>138 398</b>             | <b>–</b>  | <b>–</b>    | <b>138 398</b>  | <b>138 398</b>  | <b>100</b>                       | <b>–</b> | <b>–</b> | <b>39 254</b>     |
| <b>Private enterprises</b>                    |                            |           |             |                 |                 |                                  |          |          |                   |
| <i>Transfers</i>                              |                            |           |             |                 |                 |                                  |          |          |                   |
| Red Meat Industry Forum                       | 1                          | –         | –           | 1               | –               | –                                | –        | –        | 1                 |
| Claims against the state                      | –                          | –         | 728         | 728             | 713             | 98                               | –        | –        | 607               |
| National Wool Growers Association of SA       | 1 000                      | –         | –           | 1 000           | 1 000           | 100                              | –        | –        | –                 |
| <b>Subtotal</b>                               | <b>1 001</b>               | <b>–</b>  | <b>728</b>  | <b>1 729</b>    | <b>1 713</b>    | <b>99</b>                        | <b>–</b> | <b>–</b> | <b>608</b>        |
| <b>Total</b>                                  | <b>139 399</b>             | <b>–</b>  | <b>728</b>  | <b>140 127</b>  | <b>140 111</b>  | <b>100</b>                       | <b>–</b> | <b>–</b> | <b>39 862</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1F

#### STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

| Foreign government/<br>international organisation                                            | Transfer allocation              |           |             |                    | Expenditure        |                                        | 2012/13              |
|----------------------------------------------------------------------------------------------|----------------------------------|-----------|-------------|--------------------|--------------------|----------------------------------------|----------------------|
|                                                                                              | Adjusted<br>Appropriation<br>Act | Rollovers | Adjustments | Total<br>available | Actual<br>transfer | % of available<br>funds<br>transferred | Appropriation<br>Act |
|                                                                                              | R'000                            | R'000     | R'000       | R'000              | R'000              | %                                      | R'000                |
| <b>Transfers</b>                                                                             |                                  |           |             |                    |                    |                                        |                      |
| Foreign rates and taxes                                                                      | 152                              | –         | 153         | 305                | 304                | 100                                    | 136                  |
| International Union for the<br>Protection of New Varieties<br>of Plants                      | 600                              | –         | (76)        | 524                | 524                | 100                                    | 465                  |
| Office International des<br>Epizooties                                                       | 1 000                            | –         | 222         | 1 222              | 1 222              | 100                                    | 2 188                |
| Organisation for Economic<br>Co-operation and<br>Development                                 | 59                               | –         | –           | 59                 | 58                 | 98                                     | 77                   |
| International Grains Council                                                                 | 160                              | –         | 28          | 188                | 188                | 100                                    | 155                  |
| Office International de la<br>Vigne et du Vin                                                | 566                              | –         | 76          | 642                | 642                | 100                                    | 583                  |
| Food and Agriculture<br>Organization of the United<br>Nations                                | 20 083                           | –         | (1)         | 20 082             | 20 082             | 100                                    | 14 819               |
| Consultative Group on<br>International Agricultural<br>Research                              | 4 000                            | –         | (29)        | 3 971              | 3 971              | 100                                    | 4 478                |
| Commonwealth Agricul-<br>tural Bureau International                                          | 414                              | –         | (205)       | 209                | 209                | 100                                    | 163                  |
| International Dairy<br>Federation                                                            | 50                               | –         | –           | 50                 | 50                 | 100                                    | 50                   |
| International Seed Testing<br>Association                                                    | 77                               | –         | –           | 77                 | 76                 | 99                                     | 69                   |
| International Cotton<br>Advisory Council                                                     | 419                              | –         | (196)       | 223                | 223                | 100                                    | 176                  |
| Commission International<br>du Genie Rural                                                   | –                                | –         | –           | –                  | –                  | –                                      | 86                   |
| United Nations Council<br>(FAO)                                                              | 10 260                           | –         | 657         | 10 917             | 10 917             | 100                                    | 8 800                |
| Centre for Coordination of<br>Agricultural Research and<br>Development of Southern<br>Africa | 2 958                            | –         | –           | 2 958              | 2 958              | 100                                    | –                    |
| International Fund for<br>Agricultural Development                                           | 3 000                            | –         | –           | 3 000              | 3 000              | 100                                    | –                    |
| International Commission<br>of Agricultural Engineering                                      | 100                              | –         | (100)       | –                  | –                  | –                                      | –                    |
| International Union of<br>Forestry Research<br>Organizations                                 | 21                               | –         | –           | 21                 | 21                 | 100                                    | –                    |
| <b>Total</b>                                                                                 | <b>43 919</b>                    | <b>–</b>  | <b>529</b>  | <b>44 448</b>      | <b>44 445</b>      | <b>100</b>                             | <b>32 245</b>        |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1G STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

| Non-profit institutions                                    | Transfer allocation        |           |             |                 | Expenditure     |                                  | 2012/13           |
|------------------------------------------------------------|----------------------------|-----------|-------------|-----------------|-----------------|----------------------------------|-------------------|
|                                                            | Adjusted Appropriation Act | Rollovers | Adjustments | Total available | Actual transfer | % of available funds transferred | Appropriation Act |
|                                                            | R'000                      | R'000     | R'000       | R'000           | R'000           | %                                | R'000             |
| <b>Transfers</b>                                           |                            |           |             |                 |                 |                                  |                   |
| Sterile Insect Technique                                   | 7 649                      | –         | –           | 7 649           | 7 649           | 100                              | 7 251             |
| Forestry South Africa                                      | 5 788                      | –         | –           | 5 788           | 5 788           | 100                              | 3 500             |
| School Support: Agriculture students—tuition and book fees | 2 500                      | –         | –           | 2 500           | 1 508           | 60                               | 2 500             |
| Food and Trees for Africa                                  | 300                        | –         | –           | 300             | –               | –                                | –                 |
| LIMA Rural Development Foundation                          | 4 081                      | –         | –           | 4 081           | 4 081           | 100                              | –                 |
| <b>Total</b>                                               | <b>20 318</b>              | <b>–</b>  | <b>–</b>    | <b>20 318</b>   | <b>19 026</b>   | <b>94</b>                        | <b>13 251</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1H STATEMENT OF TRANSFERS TO HOUSEHOLDS

| Households                | Transfer allocation        |           |              |                 | Expenditure     |                                  | 2012/13           |
|---------------------------|----------------------------|-----------|--------------|-----------------|-----------------|----------------------------------|-------------------|
|                           | Adjusted Appropriation Act | Rollovers | Adjustments  | Total available | Actual transfer | % of available funds transferred | Appropriation Act |
|                           | R'000                      | R'000     | R'000        | R'000           | R'000           | %                                | R'000             |
| <b>Transfers</b>          |                            |           |              |                 |                 |                                  |                   |
| Social benefits           | 2 998                      | –         | 7 811        | 10 809          | 10 778          | 100                              | 11 339            |
| Claims against the state  | –                          | –         | 66           | 66              | 62              | 94                               | 4 964             |
| Bursaries (non-employees) | 1 325                      | –         | –            | 1 325           | 1 325           | 100                              | 1 325             |
| Avian influenza           | –                          | –         | –            | –               | –               | –                                | 23 533            |
| <b>Total</b>              | <b>4 323</b>               | <b>–</b>  | <b>7 877</b> | <b>12 200</b>   | <b>12 165</b>   | <b>100</b>                       | <b>41 161</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 11 STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

| Name of organisation                                  | Nature of gift, donation or sponsorship                                                 | 2013/14<br>R'000 | 2012/13<br>R'000 |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------|------------------|
| <b>Received in cash</b>                               |                                                                                         |                  |                  |
| <i>Current financial year: 2013/2014</i>              |                                                                                         |                  |                  |
| World Organization for Animal Health (OIE)            | OIE Council meeting                                                                     | 7                | –                |
| Interafrican Bureau for Animal Resources (AUIBAR)     | 5 <sup>th</sup> PANAFRICAN CVO's meeting                                                | 6                | –                |
| OIE                                                   | 81st Annual General Session of the OIE                                                  | 28               | –                |
| USDA-APHIS                                            | International course on Risk Analysis for Animal Health                                 | 4                | –                |
| World Bank funds                                      | Agricultural Public Expenditure Workshop                                                | 3                | –                |
| Interafrican Bureau for Animal Resources (AUIBAR)     | The Technical CVO's meeting                                                             | 8                | –                |
| The Cochran Fellowship USA                            | Short course programme offered by the Cochran Fellowship USA                            | 36               | –                |
| World Trade Organisation                              | World Trade Organization SPS Course                                                     | 24               | –                |
| OIE                                                   | Council meeting                                                                         | 33               | –                |
| NUFFIC                                                | Short course: Plant Genetic Resources and Seeds                                         | 4                | –                |
| Gaerther Exports                                      | Donation                                                                                | 1                | –                |
| SADC                                                  | 5 <sup>th</sup> SADC meeting                                                            | 8                | –                |
| OIE                                                   | Organization for Animal Health Council meeting                                          | 14               | –                |
| OIE                                                   | Conference for Asia on International movement of horses                                 | 5                | –                |
| <i>Previous financial year: 2012/13</i>               |                                                                                         |                  |                  |
| Republic of China                                     | Short training programme offered by the Chinese government                              | –                | 36               |
| Japan International Cooperation Agency (JICA)         | Seminar on Financial Support to Emerging Farmers in Tokyo Japan                         | –                | 12               |
| The Cochran Fellowship                                | Short course programme offered by the Cochran Fellowship USA                            | –                | 58               |
| Interafrican Bureau for Animal Resources (AUIBAR)     | 4 <sup>th</sup> PANAFRICAN CVO's meeting                                                | –                | 5                |
| OIE                                                   | 80 <sup>th</sup> Annual General Session of the OIE                                      | –                | 14               |
| OIE                                                   | The second Global OIE-FAO Conference on FMD Disease Control                             | –                | 2                |
| OIE                                                   | OIE Council meeting                                                                     | –                | 8                |
| United States of America government                   | The International Visitors Leadership Programme (IVLP)                                  | –                | 11               |
| Australia government                                  | Australia Awards Short Course                                                           | –                | 21               |
| FANRPAN                                               | Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) Board meeting | –                | 2                |
| <b>Subtotal</b>                                       |                                                                                         | <b>181</b>       | <b>169</b>       |
| <b>Received in kind</b>                               |                                                                                         |                  |                  |
| <i>Current financial year: 2013/14</i>                |                                                                                         |                  |                  |
| PG Bison                                              | Gift                                                                                    | 9                | –                |
| Industrial Development Corporation (IDC)              | CEO Forum                                                                               | 100              | –                |
| IOCV Organising                                       | International Citrus Virology Conference, Skukuza                                       | 13               | –                |
| McGill/ISID                                           | McGill Execute Program in Corporate Social Responsibility Strategy and Management       | 9                | –                |
| South African National Biodiversity Institute (SANBI) | Gift                                                                                    | 6                | –                |
| Summerstrand Hotel                                    | Gift                                                                                    | 2                | –                |
| Biodiversity International                            | Plant Genetic Resources <i>in situ</i> Conservation field study                         | 393              | –                |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 11

#### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED (cont.)

| Name of organisation                                         | Nature of gift, donation or sponsorship                                                          | 2013/14<br>R'000 | 2012/13<br>R'000 |
|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------|------------------|
| NUFFIC                                                       | Plant Genetic Resources and Seed Course                                                          | 77               | –                |
| Taipei Liaison Office                                        | 8 <sup>th</sup> SA-Taiwan Dialogue Group meeting                                                 | 139              | –                |
| Businesses around Eastern Cape                               | 16 Days of Activism for No Violence against Women and Children Campaign                          | 2                | –                |
| NAMC                                                         | Gift cards                                                                                       | 1                | –                |
| Various                                                      | Team-building day                                                                                | 317              | –                |
| SA Berry Producers' Association (SABPA)                      | SABPA annual general meeting                                                                     | 5                | –                |
| Foskor (Pty) Ltd                                             | CropLife Africa Middle East meeting                                                              | 22               | –                |
| Total South Africa                                           | Female Entrepreneur Awards                                                                       | 1 250            | –                |
| Xcallibre                                                    | Year-end function                                                                                | 15               | –                |
| Various                                                      | D: FIES—Gift                                                                                     | 2                | –                |
| African Centre for Biosafety and Third World Network         | Workshop on seed lawns                                                                           | 25               | –                |
| OIE                                                          | Conference for ASIA on International movement of horses                                          | 5                | –                |
| Various                                                      | D: AIC—Gift                                                                                      | 4                | –                |
| Dutch Consortium (Centre for Development Innovation)         | Donation of assets                                                                               | 1 000            | –                |
| Total South Africa                                           | Arbor Week Campaign                                                                              | 2 400            | –                |
| <i>Previous financial year: 2012/13</i>                      |                                                                                                  |                  |                  |
| Total South Africa                                           | Female Entrepreneur Awards                                                                       | –                | 1 250            |
| Republic of China                                            | Short course programme offered by the Chinese government                                         | –                | 146              |
| The Cochran Fellowship USA                                   | Short course programme offered by the Cochran Fellowship USA                                     | –                | 74               |
| Ford Foundation                                              | Grant made in kind by financing the service provider that develops the National Extension Policy | –                | 1 009            |
| Distel and Travel with Flair                                 | Gifts                                                                                            | –                | 1                |
| European Commission                                          | Short training programme: Residue of Plant Production and on Sampling                            | –                | 61               |
| Joint Management Committee                                   | Inaugural Agriculture Joint Management Committee meeting                                         | –                | 3                |
| SACU Commission and Council and OECD                         | SACU Commission and Council meeting/OECD meeting                                                 | –                | 1                |
| COMESA-SADC-EAC Tripartite Negotiation Forum (TNF)           | COMESA-SADC-EAC Tripartite Negotiation Forum meeting                                             | –                | 1                |
| South African Airways (SAA)                                  | Consolation gift                                                                                 | –                | 13               |
| Park Village Auctioneers, Dept Technology and Sizwe IT Group | Promotion gift                                                                                   | –                | 2                |
| Tidy Files                                                   | Trophy and certificates                                                                          | –                | 1                |
| FANRPAN                                                      | Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) Board meeting          | –                | 3                |
| Media 24/Times Media/Metro Files                             | Teambuilding day                                                                                 | –                | 23               |
| PPC Ltd Dwaalboom                                            | Donation of indigenous trees                                                                     | –                | 89               |
| Shawshank Construction/Capitec Bank/Bartsch Consult (Pty)    | Gifts                                                                                            | –                | 11               |
| Degesch SA                                                   | Conference                                                                                       | –                | 5                |
| Team-building day                                            | Team-building day                                                                                | –                | 126              |
| South African Breweries Limited                              | Exhibition                                                                                       | –                | 36               |
| Total South Africa                                           | Arbor Week Campaign                                                                              | –                | 2 400            |
| <b>Subtotal</b>                                              |                                                                                                  | <b>5 796</b>     | <b>5 255</b>     |
| <b>Total</b>                                                 |                                                                                                  | <b>5 977</b>     | <b>5 424</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1J STATEMENT OF AID ASSISTANCE RECEIVED

| Name of donor                                              | Purpose                                                                                                       | Opening balance | Revenue    | Expendi-<br>ture | Closing balance |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-----------------|------------|------------------|-----------------|
|                                                            |                                                                                                               | R'000           | R'000      | R'000            | R'000           |
| <b>Received in cash</b>                                    |                                                                                                               |                 |            |                  |                 |
| Department of Trade and Industry                           | Employment creation fund                                                                                      | 17 469          | –          | 8 752            | 8 717           |
| United States Agency for International Development (USAID) | Response of vegetation, soil, animal and water cycle to different management regimes: Victoria Falls Zimbabwe | –               | 98         | 98               | –               |
| National Research Foundation                               | Research of the ocean acidification of carbon dioxide increases                                               | –               | 40         | 40               | –               |
| <b>Total</b>                                               |                                                                                                               | <b>17 469</b>   | <b>138</b> | <b>8 890</b>     | <b>8 717</b>    |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 1K

#### STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

| Nature of gift, donation or sponsorship                                                                             | 2013/14<br>R'000 | 2012/13<br>R'000 |
|---------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Paid in cash</b>                                                                                                 |                  |                  |
| Donations and gifts municipalities—National Arbor City Award—Langeberg Municipality                                 | 250              | –                |
| Donations and gifts municipalities—National Arbor City Award—City of Johannesburg Municipality                      | 250              | –                |
| Donations and gifts non profit institutions—Mandulo Foundation                                                      | –                | 73               |
| Donations and gifts private enterprises—prize money National Cooperative Indaba                                     | –                | 175              |
| Donations and gifts households—Female Entrepreneur Awards                                                           | 1 050            | 800              |
| Donations and gifts foreign governments and international organisations—pledge to the African Solidarity Trust Fund | 2 000            | –                |
| <b>Subtotal</b>                                                                                                     | <b>3 550</b>     | <b>1 048</b>     |
| <b>Made in kind</b>                                                                                                 |                  |                  |
| Arbor Week—the greening projects of the department in the disadvantaged sector of the population                    | 731              | 25               |
| <b>Subtotal</b>                                                                                                     | <b>731</b>       | <b>25</b>        |
| <b>Total</b>                                                                                                        | <b>4 281</b>     | <b>1 073</b>     |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 2A

#### STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES

| Name of public entity                       | State entity's PFMA Schedule type (state year-end if not 31 March) | % held  |         | Number of shares held |         | Cost of investment R'000 |         | Net asset value of investment R'000 |         | Profit/(loss) for the year R'000 |         | Losses guaranteed |
|---------------------------------------------|--------------------------------------------------------------------|---------|---------|-----------------------|---------|--------------------------|---------|-------------------------------------|---------|----------------------------------|---------|-------------------|
|                                             |                                                                    | 2013/14 | 2012/13 | 2013/14               | 2012/13 | 2013/14                  | 2012/13 | 2013/14                             | 2012/13 | 2013/14                          | 2012/13 | Yes/No            |
| <b>National/provincial public entity</b>    |                                                                    |         |         |                       |         |                          |         |                                     |         |                                  |         |                   |
| Ncera Farms (Pty) Ltd                       | Farmer support and related activities in Kidd's Beach district     | -       | -       | 1                     | 1       | -                        | -       | -                                   | -       | -                                | -       | No                |
| Onderstepoort Biological Products (Pty) Ltd | Manufacturing of vaccines and related products                     | -       | -       | 1                     | 1       | -                        | -       | -                                   | -       | -                                | -       | No                |
| <b>Total</b>                                |                                                                    | -       | -       | 2                     | 2       | -                        | -       | -                                   | -       | -                                | -       |                   |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 3A

#### STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2014—LOCAL

| Guarantor institution              | Guarantee in respect of housing | Original guaranteed capital amount | Opening balance 1 April 2013 | Guarantees draw downs during the year | Guarantees repayments/ cancelled/ reduced/ released during the year | Revaluations | Closing balance 31 March 2014 | Guaranteed interest for year ended 31 March 2014 | Realised losses not recoverable, i.e., claims paid out |
|------------------------------------|---------------------------------|------------------------------------|------------------------------|---------------------------------------|---------------------------------------------------------------------|--------------|-------------------------------|--------------------------------------------------|--------------------------------------------------------|
|                                    |                                 | R'000                              | R'000                        | R'000                                 | R'000                                                               | R'000        | R'000                         | R'000                                            | R'000                                                  |
| Standard Bank                      | Housing                         | 687                                | 97                           | –                                     | 97                                                                  | –            | –                             | –                                                | –                                                      |
| Nedbank                            | Housing                         | 252                                | 32                           | –                                     | 17                                                                  | –            | 15                            | –                                                | –                                                      |
| Absa                               | Housing                         | 1 238                              | 80                           | –                                     | –                                                                   | –            | 80                            | –                                                | –                                                      |
| People Bank (FBC FID)              | Housing                         | 84                                 | 5                            | –                                     | 5                                                                   | –            | –                             | –                                                | –                                                      |
| Nedbank (Pty) Ltd (NBS)            | Housing                         | 216                                | 29                           | –                                     | 29                                                                  | –            | –                             | –                                                | –                                                      |
| Old Mutual (Ned/Perm)              | Housing                         | 454                                | 20                           | –                                     | 20                                                                  | –            | –                             | –                                                | –                                                      |
| Free State Development Corporation | Housing                         | 43                                 | 30                           | –                                     | –                                                                   | –            | 30                            | –                                                | –                                                      |
| <b>Total</b>                       |                                 | <b>2 974</b>                       | <b>293</b>                   | <b>–</b>                              | <b>168</b>                                                          | <b>–</b>     | <b>125</b>                    | <b>–</b>                                         | <b>–</b>                                               |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 3B STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2013

| Nature of liability           | Opening balance<br>1 April 2013 | Liabilities incurred<br>during the year | Liabilities paid/<br>cancelled/reduced<br>during the year | Liabilities recoverable<br>(provide details<br>hereunder) | Closing balance<br>31 March 2014 |
|-------------------------------|---------------------------------|-----------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|----------------------------------|
|                               | R'000                           | R'000                                   | R'000                                                     | R'000                                                     | R'000                            |
| Claims against the department |                                 |                                         |                                                           |                                                           |                                  |
| Claims against the department | 64 226                          | 11 653                                  | 50 692                                                    | –                                                         | 25 187                           |
| <b>Total</b>                  | <b>64 226</b>                   | <b>11 653</b>                           | <b>50 692</b>                                             | <b>–</b>                                                  | <b>25 187</b>                    |

| Nature of liabilities recoverable                                  | Opening<br>balance<br>1 April 2013 | Details of liability and recoverability                          | Movement<br>during year | Closing<br>balance<br>31 March 2014 |
|--------------------------------------------------------------------|------------------------------------|------------------------------------------------------------------|-------------------------|-------------------------------------|
|                                                                    | R'000                              |                                                                  | R'000                   | R'000                               |
| Vehicle accident—compensation                                      | 539                                | Claims: Motor vehicle accidents                                  | 47                      | 586                                 |
| Compensation—other                                                 | 10                                 | Claims: Private items                                            | (10)                    | –                                   |
| Fire claim—Amathole Forestry Company (High Court<br>North Gauteng) | 978                                | Fire claim                                                       | –                       | 978                                 |
| NTK Limpopo Agricultural (Pty) Ltd                                 | 227                                | Sale (goods sold and delivered)                                  | –                       | 227                                 |
| Dr R.P. Mohlahlane                                                 | 50 000                             | Claim: Damaged suffered                                          | (50 000)                | –                                   |
| Buffalo Conservation 97 (Pty) Ltd and Dr D.I. Ntshali              | 8 426                              | Prohibition of movement of animals                               | –                       | 8 426                               |
| Cape Sawmills (Pty) Ltd                                            | 4 046                              | Fire claim                                                       | –                       | 4 046                               |
| Cresta Meats (Pty) Ltd                                             | –                                  | Storage costs during the period of the<br>attachment of the meat | 9 766                   | 9 766                               |
| SC Middleton                                                       | –                                  | Claim for defamation                                             | 1 000                   | 1 000                               |
| Golden Star Agencies CC                                            | –                                  | Claim: Vehicle accident                                          | 158                     | 158                                 |
| <b>Total</b>                                                       | <b>64 226</b>                      |                                                                  | <b>(39 039)</b>         | <b>25 187</b>                       |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 4 CLAIMS RECOVERABLE

| Government entity                   | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | Total        |            | Cash in transit at year end 2013/14                    |        |
|-------------------------------------|-------------------------------|------------|---------------------------------|------------|--------------|------------|--------------------------------------------------------|--------|
|                                     | 31/03/2014                    | 31/03/2013 | 31/03/2014                      | 31/03/2013 | 31/03/2014   | 31/03/2013 | Receipt date up to six (6) working days after year end | Amount |
|                                     | R'000                         | R'000      | R'000                           | R'000      | R'000        | R'000      |                                                        | R'000  |
| <b>National department</b>          |                               |            |                                 |            |              |            |                                                        |        |
| Marine Living Resources Fund (DAFF) | 49                            | 216        | 435                             | 36         | 484          | 252        |                                                        |        |
| Department of Public Works          | 2 170                         | –          | 596                             | –          | 2 766        | –          | 03/04/2014                                             | 1 983  |
| South African Police Service        | –                             | 2          | 11                              | –          | 11           | 2          |                                                        |        |
| Department of Health                | –                             | –          | 24                              | –          | 24           | –          |                                                        |        |
| <b>Provincial departments</b>       |                               |            |                                 |            |              |            |                                                        |        |
| Limpopo                             | –                             | –          | –                               | 17         | –            | 17         |                                                        |        |
| Mpumalanga                          | –                             | –          | 45                              | –          | 45           | –          |                                                        |        |
| KwaZulu-Natal                       | –                             | –          | –                               | 32         | –            | 32         |                                                        |        |
| <b>Total</b>                        | <b>2 219</b>                  | <b>218</b> | <b>1 111</b>                    | <b>85</b>  | <b>3 330</b> | <b>303</b> |                                                        |        |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 5 INTERGOVERNMENT PAYABLES

| Government entity                                   | Confirmed balance outstanding |            | Unconfirmed balance outstanding |            | Total      |            |
|-----------------------------------------------------|-------------------------------|------------|---------------------------------|------------|------------|------------|
|                                                     | 31/03/2014                    | 31/03/2013 | 31/03/2014                      | 31/03/2013 | 31/03/2014 | 31/03/2013 |
|                                                     | R'000                         | R'000      | R'000                           | R'000      | R'000      | R'000      |
| <b>Departments</b>                                  |                               |            |                                 |            |            |            |
| <i>Current</i>                                      |                               |            |                                 |            |            |            |
| Department of Trade and Industry                    | –                             | 11         | –                               | –          | –          | 11         |
| South African Police Services                       | –                             | 125        | –                               | –          | –          | 125        |
| <b>Provincial departments</b>                       |                               |            |                                 |            |            |            |
| <i>Western Cape</i>                                 |                               |            |                                 |            |            |            |
| Agriculture                                         | –                             | 350        | –                               | –          | –          | 350        |
| <i>KwaZulu-Natal</i>                                |                               |            |                                 |            |            |            |
| Department of Agriculture and Environmental Affairs | –                             | –          | –                               | 20         | –          | 20         |
| <i>Limpopo</i>                                      |                               |            |                                 |            |            |            |
| Department of Agriculture                           | 175                           | –          | –                               | 54         | 175        | 54         |
| <i>North West</i>                                   |                               |            |                                 |            |            |            |
| Department of Health and Social Development         | –                             | 9          | –                               | –          | –          | 9          |
| <b>Total</b>                                        | <b>175</b>                    | <b>495</b> | <b>–</b>                        | <b>74</b>  | <b>175</b> | <b>569</b> |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 6 INVENTORY

| Inventory                                   | Quantity | 2013/14<br>R'000 | Quantity      | 2012/13<br>R'000 |
|---------------------------------------------|----------|------------------|---------------|------------------|
| Opening balance                             | 63 531   | 1 591            | 66 854        | 1 592            |
| (Less): Adjustments to prior year's balance | –        | –                | (35)          | (6)              |
| Add: Additions/purchases—cash               | –        | –                | 195 201       | 15 271           |
| Add: Additions—non-cash                     | –        | –                | 605           | –                |
| (Less): Disposals                           | –        | –                | (199 099)     | (15 228)         |
| Add: Issues                                 | –        | –                | 5             | 2                |
| (Less): Adjustments                         | (63 531) | (1 591)          | –             | (40)             |
| <b>Closing balance</b>                      | –        | –                | <b>63 531</b> | <b>1 591</b>     |

In the 2013/14 financial year SCoA reclassified the inventory items, reported in this annexure, to consumable items.

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 7 MOVEMENT IN CAPITAL WORK IN PROGRESS

|                                     | Opening<br>balance | Current<br>year capital<br>WIP | Completed<br>assets | Closing<br>balance |
|-------------------------------------|--------------------|--------------------------------|---------------------|--------------------|
|                                     | R'000              | R'000                          | R'000               | R'000              |
| Machinery and equipment             | –                  | 15 341                         | 4 504               | 10 837             |
| Transport assets                    | –                  | 15 341                         | 4 504               | 10 837             |
| Building and other fixed structures | 48 126             | 55 694                         | 62 177              | 41 643             |
| Other fixed structures              | 48 126             | 55 694                         | 62 177              | 41 643             |
| <b>Total</b>                        | <b>48 126</b>      | <b>71 035</b>                  | <b>66 681</b>       | <b>52 480</b>      |

## Annexures to the Annual Financial Statements

for the year ended 31 March 2014

### ANNEXURE 8A INTER-ENTITY ADVANCES PAID (NOTE 11)

|                                                       | Confirmed balance |            | Unconfirmed balance |              | Total        |              |
|-------------------------------------------------------|-------------------|------------|---------------------|--------------|--------------|--------------|
|                                                       | 31/03/2014        | 31/03/2013 | 31/03/2014          | 31/03/2013   | 31/03/2014   | 31/03/2013   |
|                                                       | R'000             | R'000      | R'000               | R'000        | R'000        | R'000        |
| <b>National departments</b>                           |                   |            |                     |              |              |              |
| Government Communication and Information System       | 1 450             | –          | –                   | 1 064        | 1 450        | 1 064        |
| Department of International Relations and Cooperation | –                 | –          | 617                 | 4 907        | 617          | 4 907        |
| <b>Total</b>                                          | <b>1 450</b>      | <b>–</b>   | <b>617</b>          | <b>5 971</b> | <b>2 067</b> | <b>5 971</b> |

### ANNEXURE 8B INTER-ENTITY ADVANCES RECEIVED (NOTE 16)

|                             | Confirmed balance |            | Unconfirmed balance |            | Total      |            |
|-----------------------------|-------------------|------------|---------------------|------------|------------|------------|
|                             | 31/03/2014        | 31/03/2013 | 31/03/2014          | 31/03/2013 | 31/03/2014 | 31/03/2013 |
|                             | R'000             | R'000      | R'000               | R'000      | R'000      | R'000      |
| <b>Other institutions</b>   |                   |            |                     |            |            |            |
| Citrus Growers' Association | 10                | –          | –                   | 111        | 10         | 111        |
| <b>Total current</b>        | <b>10</b>         | <b>–</b>   | <b>–</b>            | <b>111</b> | <b>10</b>  | <b>111</b> |



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