

Economic Services and Infrastructure

Vote 26

Agriculture

Amount to be appropriated	Main appropriation R1 306 228 000	Adjusted appropriation R1 449 391 000	Decrease	Increase R143 163 000
Responsible minister	Minister of Agriculture			
Administering department	Department of Agriculture			
Accounting officer	Director-General of Agriculture			

Aim

The Department of Agriculture aims to lead and support sustainable agriculture and promote rural development through: ensuring access to sufficient, safe and nutritious food; eliminating skewed participation and inequity in the sector; maximising growth, employment and income in agriculture; enhancing the sustainable management of natural agricultural resources and ecological systems; ensuring effective and efficient governance; and ensuring knowledge and information management.

Changes to programme purposes and measurable objectives

Programme 5: Agricultural Production

Changed purpose: Promote agricultural research, productivity and sustainability as well as the monitoring and control of genetically modified organisms.

Programme 7: National Regulatory Services

Changed purpose: Develop and monitor risk management policies for the control of animal and plant diseases and food safety.

Adjusted 2004 Estimates of National Expenditure

Table 26.1: Agriculture

Programme	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	157 798	5 163	–	8 567	–	13 730	171 528
2 Farmer Support and Development	260 936	–	–	336	100 000	100 336	361 272
3 Agricultural Trade and Business Development	43 137	–	–	(4 218)	–	(4 218)	38 919
4 Economic Research and Analysis	22 486	–	–	1 161	–	1 161	23 647
5 Agricultural Production	371 653	–	–	4 654	–	4 654	376 307
6 Sustainable Resources Management and Use	165 469	–	–	(4 872)	–	(4 872)	160 597
7 National Regulatory Services	194 656	–	38 000	(10 159)	–	27 841	222 497
8 Communication and Information Management	82 797	–	–	5 508	–	5 508	88 305
9 Programme Planning, Monitoring and Evaluation	7 296	–	–	(977)	–	(977)	6 319
Total	1 306 228	5 163	38 000	–	100 000	143 163	1 449 391

R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Economic classification							
Current payments	678 407	–	5 000	(38 051)	–	(33 051)	645 356
Compensation of employees	360 299	–	5 000	(10 330)	–	(5 330)	354 969
Goods and services	318 108	–	–	(27 721)	–	(27 721)	290 387
Interest and rent on land	–	–	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Unauthorised expenditure	–	–	–	–	–	–	–
Transfers and subsidies	594 600	–	33 000	29 359	100 000	162 359	756 959
Provinces and municipalities	228 181	–	–	17 700	100 000	117 700	345 881
Departmental agencies and accounts	351 234	–	–	2 372	–	2 372	353 606
Universities and technikons	–	–	–	–	–	–	–
Foreign governments and international organisations	14 385	–	–	1 524	–	1 524	15 909
Public corporations and private enterprises	800	–	–	1 967	–	1 967	2 767
Non-profit institutions	–	–	–	2 683	–	2 683	2 683
Households	–	–	33 000	3 113	–	36 113	36 113
Payments for capital assets	33 221	5 163	–	8 692	–	13 855	47 076
Buildings and other fixed structures	16 260	3 718	–	8 300	–	12 018	28 278
Machinery and equipment	13 273	1 445	–	482	–	1 927	15 200
Cultivated assets	–	–	–	–	–	–	–
Software and other intangible assets	3 688	–	–	(90)	–	(90)	3 598
Land and subsoil assets	–	–	–	–	–	–	–
Total		1 306 228	5 163	38 000	–	100 000	143 163
Total		1 306 228	5 163	38 000	–	100 000	1 449 391

Details of adjustments to 2004 Estimates of National Expenditure

Roll-overs – R5,163 million

Programme 1: Administration

R5,163 million has been rolled over to finalise the building of a new analytical laboratory at Stellenbosch and for refurbishing the Maize Board building. Building delays and late deliveries of equipment made the roll-over necessary.

Unforeseeable and unavoidable expenditure – R38 million

Programme 7: National Regulatory Services

R5 million has been allocated for activities to contain outbreaks of foot and mouth disease.

R33 million has been allocated for activities to contain outbreaks of avian influenza.

Virement

Table 26.2: Agriculture

From programme	Amount	To programme	Amount
R thousand			
1 Administration	3 613	1 Administration	12 180
2 Farmer Support and Development	9 664	2 Farmer Support and Development	10 000
3 Agricultural Trade and Business Development	4 218	4 Economic Research and Analysis	3 036
4 Economic Research and Analysis	1 875	5 Agricultural Production	12 337
5 Agricultural Production	3 983	7 National Regulatory Services	2 437
6 Sustainable Resources Management and Use	8 572	8 Communication and Information Management	9 190
7 National Regulatory Services	12 596		
8 Communication and Information Management	3 682		
9 Programme Planning, Monitoring and Evaluation	977		

Details of savings realised on the above programmes

Programme 1: Administration

Savings of R3,613 million are due to restructuring and unfilled vacant posts.

Programme 2: Farmer Support and Development

Although in the process of being filled, vacant posts resulted in savings of R9,664 million.

Programme 3: Agricultural Trade and Business Development

Savings of R4,218 million are due to unfilled vacant posts, which in addition led to savings on other expenditure.

Programme 4: Economic Research and Analysis

Savings of R1,875 million are due to unfilled vacant posts.

Programme 5: Agricultural Production

Agricultural Production is a new programme and some of the functions and activities are still in the process of being phased in. Savings of R3,983 million are due to unfilled vacant posts.

Programme 6: Sustainable Resources Management and Use

Activities linked to the control of the department's helicopter have been relocated to *Programme 1: Administration* (R1,880 million). Research activities have been relocated to *Programme 5: Agricultural Production* (R3,586 million). A further saving of R3,106 million has been realised due to unfilled vacancies.

Programme 7: National Regulatory Services

Savings of R12,596 million are due to unfilled vacant posts. Many of the posts require scarce qualifications and skills. The department's transformation process has also resulted in delays.

Programme 8: Communication and Information Management

Savings of R3,682 million are due to unfilled vacant posts.

Programme 9: Programme Planning Monitoring and Evaluation

Some activities under this programme are still in the process of being phased in. This has an impact on overall expenditure, which has led to a saving of R977 000.

Utilisation of savings to augment the above programmes

Programme 1: Administration

R2 million will be used for additional functions in the director-general's office.

R1,880 is for the department's helicopter, control of which has been relocated in programme 1 from programme 6.

R8,300 million will be used for activities such as the maintenance of the air conditioning system at Harvest House building and other priority capital projects.

Programme 2: Farmer Support and Development

R10 million will be used for rural development projects which were previously not provided for.

Programme 4: Economic Research and Analysis

R131 000 will be used for assistance to the organisers of the International Conference of Agricultural Economists.

R2,905 million will be used to pay Statistics South Africa, which is conducting a survey on the department's behalf.

Programme 5: Agricultural Production

R5 million will be used for a once-off research project.

R3,586 million will be used for research activities relocated from programme 6.

R3,751 million will be provided for once-off assistance to Intergis 2000 under control of the Agricultural Research Council.

Programme 7: National Regulatory Services

R2 million will be used for compensating farmers whose pigs were slaughtered to prevent the spread of porcine respiratory and reproductive syndrome in the Western Cape.

R437 000 will be used for the activities of the registrar of the Animal Improvement Act (62 of 1998), which have been transferred to this programme.

Programme 8: Communication and Information Management

R800 000 will be used for buses at the Grootfontein Agricultural Development Institute.

R6 million will be used for the internship programme.

R2,390 million will be used for communication activities which have been transferred to this programme from *Programme 1: Administration*.

Funds shifted within a programme**Programme 6: Sustainable Resources Management and Use**

R16,700 million has been shifted from goods and services to the LandCare project conditional grant to contract non-governmental organisations to use participatory methodologies to ensure community ownership of projects prior to implementation.

Other adjustments - R100 million**Expenditure announced in the 2004 Budget but not allocated****Programme 6: Sustainable Resources Management and Use**

R100 million has been allocated for drought relief, which will be used for drilling new and resuscitating old boreholes and purchasing and transporting fodder to assist farmers in the affected areas.

Actual expenditure and revised spending projections for the remainder of the financial year**Table 26.3: Agriculture**

Programme	Adjusted appropriation	Preliminary expenditure outcome		Projected expenditure	
		April 2004 to September 2004	Percentage of adjusted appropriation	October 2004 to March 2005	Percentage of adjusted appropriation
R thousand					
1 Administration	171 528	65 937	38,4	105 591	61,6
2 Farmer Support and Development	361 272	112 692	31,2	248 580	68,8
3 Agricultural Trade and Business Development	38 919	17 327	44,5	21 592	55,5
4 Economic Research and Analysis	23 647	5 407	22,9	18 240	77,1
5 Agricultural Production	376 307	206 557	54,9	169 750	45,1
6 Sustainable Resources Management and Use	160 597	41 274	25,7	119 323	74,3
7 National Regulatory Services	222 497	96 980	43,6	125 517	56,4
8 Communication and Information Management	88 305	36 401	41,2	51 904	58,8
9 Programme Planning, Monitoring and Evaluation	6 319	647	10,2	5 672	89,8
Special Programme: Thefts and Losses	–	749	–	(749)	–
Total	1 449 391	583 971	40,3	865 420	59,7

Economic classification

Current payments	645 356	223 269	34,6	422 087	65,4
Compensation of employees	354 969	149 508	42,1	205 461	57,9
Goods and services	290 387	73 012	25,1	217 375	74,9
Interest and rent on land	–	–	–	–	–
Financial transactions in assets and liabilities	–	749	–	(749)	–
Unauthorised expenditure	–	–	–	–	–

Adjusted Estimates of National Expenditure 2004

		Preliminary expenditure outcome		Projected expenditure	
		April 2004 to September 2004	Percentage of adjusted appropriation	October 2004 to March 2005	Percentage of adjusted appropriation
R thousand	Adjusted appropriation				
Transfers and subsidies to:	756 959	351 347	46,4	405 612	53,6
Provinces and municipalities	345 881	108 274	31,3	237 607	68,7
Departmental agencies and accounts	353 606	213 289	60,3	140 317	39,7
Universities and technikons	–	–	–	–	–
Foreign governments and international organisations	15 909	10 871	68,3	5 038	31,7
Public corporations and private enterprises	2 767	989	35,7	1 778	64,3
Non-profit institutions	2 683	–	–	2 683	100,0
Households	36 113	17 924	49,6	18 189	50,4
Payments for capital assets	47 076	9 355	19,9	37 721	80,1
Buildings and other fixed structures	28 278	5 653	20,0	22 625	80,0
Machinery and equipment	15 200	3 690	24,3	11 510	75,7
Cultivated assets	–	12	–	(12)	–
Software and other intangible assets	3 598	–	–	3 598	100,0
Land and subsoil assets	–	–	–	–	–
Total	1 449 391	583 971	40,3	865 420	59,7

Table 26.4: Summary of transfers and subsidies per programme

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
1 Administration	264	-	-	193	-	193	457
Provinces and municipalities							
Municipalities							
Current	264	-	-	28	-	28	292
Regional Services Council levies	264	-	-	2	-	2	266
Vehicle licenses Municipalities	-	-	-	26	-	26	26
Private enterprises (Other transfers)							
Current	-	-	-	124	-	124	124
Non life ins prem	-	-	-	124	-	124	124
Households							
Households (Social benefits)							
Current	-	-	-	41	-	41	41
H/H Employer social benefit cash	-	-	-	41	-	41	41
2 Farmer Support and Development	202 315	-	-	232	100 000	100 232	302 547
Provinces and municipalities							
Provincial Revenue Funds							
Current	200 000	-	-	-	100 000	100 000	300 000
Comprehensive Agriculture Support Programme	200 000	-	-	-	-	-	200 000
Agricultural Disaster Management (Drought Relief)	-	-	-	-	100 000	100 000	100 000

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
Municipalities							
Current	75	-	-	34	-	34	109
Regional Services Council levies	75	-	-	2	-	2	77
Vehicle licenses Municipalities	-	-	-	32	-	32	32
Departmental agencies and accounts							
Entities							
Current	2 240	-	-	(2 240)	-	(2 240)	-
Ncera Farms (Pty) Ltd	2 240	-	-	(2 240)	-	(2 240)	-
Public corporations and private enterprises							
Public corporations (Other transfers)							
Current	-	-	-	2 259	-	2 259	2 259
Ncera Farms (Pty) Ltd	-	-	-	2 240	-	2 240	2 240
Kalahari East Water Board	-	-	-	19	-	19	19
Private enterprises (Other transfers)							
Current	-	-	-	30	-	30	30
Non life ins prem	-	-	-	30	-	30	30
Non-profit institutions							
Current	-	-	-	58	-	58	58
Mankwe Financial Services Cooperative	-	-	-	30	-	30	30
Qudeni Financial Services Cooperative	-	-	-	6	-	6	6
Nkandla Financial Services Cooperative	-	-	-	12	-	12	12
Ngavuma Financial Services Cooperative	-	-	-	10	-	10	10
Households							
Households (Social benefits)							
Current	-	-	-	91	-	91	91
H/H Employer social benefit cash	-	-	-	91	-	91	91

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
3 Agricultural Trade and Business Development	11 447	-	-	1 327	-	1 327	12 774
Provinces and municipalities							
Municipalities							
Current	46	-	-	(3)	-	(3)	43
Regional Services Council levies	46	-	-	(3)	-	(3)	43
Departmental agencies and accounts							
Entities							
Current	10 601	-	-	-	-	-	10 601
National Agricultural Marketing Council	10 601	-	-	-	-	-	10 601
Private enterprises (Other transfers)							
Current	800	-	-	(800)	-	(800)	-
National Red Meat Producers Organization	-	-	-	-	-	-	-
Co-operative Development Initiative	-	-	-	-	-	-	-
Organisational Development	500	-	-	(500)	-	(500)	-
Grain Industry Project Management	300	-	-	(300)	-	(300)	-
Non-profit institutions							
Current	-	-	-	2 130	-	2 130	2 130
National Red Meat Producers Organization	-	-	-	185	-	185	185
Co-operative Development Initiative	-	-	-	-	-	-	-
Organisational Development	-	-	-	500	-	500	500
Grain Industry Project Management	-	-	-	300	-	300	300
Cotton Industry	-	-	-	645	-	645	645
Fruit Industry	-	-	-	250	-	250	250
Poultry Industry	-	-	-	250	-	250	250

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-Overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
4 Economic Research and Analysis	44	-	-	128	-	128	172
Provinces and municipalities							
Municipalities							
Current	44	-	-	(3)	-	(3)	41
Regional Services Council levies							
Non-profit institutions	44	-	-	(3)	-	(3)	41
Current	-	-	-	131	-	131	131
International Conference of Agricultural Economists	-	-	-	131	-	131	131
5 Agricultural Production	338 428	-	-	3 880	-	3 880	342 308
Provinces and municipalities							
Municipalities							
Current	35	-	-	(1)	-	(1)	34
Regional Services Council levies	35	-	-	(2)	-	(2)	33
Vehicle licenses Municipalities	-	-	-	1	-	1	1
Departmental agencies and accounts							
Entities							
Current	294 436	-	-	(1 249)	-	(1 249)	293 187
Agricultural Research Council	294 436	-	-	(1 249)	-	(1 249)	293 187
Capital	43 957	-	-	5 000	-	5 000	48 957
Agricultural Research Council	43 957	-	-	5 000	-	5 000	48 957
Private enterprises (Other transfers)							
Current	-	-	-	20	-	20	20
Non Life ins prem	-	-	-	20	-	20	20
Households							
Households (Social benefits)							
Current	-	-	-	110	-	110	110
H/H Employer social benefit cash	-	-	-	110	-	110	110

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
R thousand							
6 Sustainable Resources Management and Use	27 248	-	-	18 125	-	18 125	45 373
Provinces and municipalities							
Provincial Revenue Funds							
Current	27 100	-	-	16 700	-	16 700	43 800
LandCare Programme	27 100	-	-	16 700	-	16 700	43 800
Municipalities							
Current	148	-	-	360	-	360	508
Regional Services Council levies		-	-	55	-	55	203
Vehicle licenses Municipalities	148	-	-	290	-	290	290
Municipal rates & taxes	-	-	-	15	-	15	15
Departmental agencies and accounts							
Entities							
Current	-	-	-	500	-	500	500
Water research commission	-	-	-	500	-	500	500
Private enterprises (Other transfers)							
Current	-	-	-	255	-	255	255
Non Life ins prem	-	-	-	255	-	255	255
Non-profit institutions							
Current	-	-	-	80	-	80	80
Food & Trees for Africa	-	-	-	80	-	80	80
Households							
Households (Social benefits)							
Current	-	-	-	230	-	230	230
H/H Employer social benefit cash	-	-	-	230	-	230	230

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments	Total additional appropriation	
R thousand							
7 National Regulatory Services	344	-	33 000	2 960	-	35 960	36 304
Provinces and municipalities							
Municipalities							
Current	344	-	-	7	-	7	351
Regional Services Council levies	344	-	-	(22)	-	(22)	322
Vehicle licenses Municipalities	-	-	-	29	-	29	29
Public corporations and private enterprises							
Public corporations (Other transfers)							
Current	-	-	-	29	-	29	29
Eskom	-	-	-	29	-	29	29
Private enterprises (Other transfers)							
Current	-	-	-	50	-	50	50
Non Life ins prem	-	-	-	50	-	50	50
Non-profit institutions							
Current	-	-	-	284	-	284	284
SA Wine and Vine Association	-	-	-	284	-	284	284
Households							
Households (Social benefits)							
Current	-	-	-	590	-	590	590
H/H Employer social benefit cash	-	-	-	590	-	590	590
Households (Other transfers to households)							
Current	-	-	33 000	2 000	-	35 000	35 000
Porcine respiratory and reproductive syndrome	-	-	-	2 000	-	2 000	2 000
Avian influenza	-	-	33 000	-	-	33 000	33 000

	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments	Total additional appropriation	
R thousand							
8 Communication and Information Management	14 498	-	-	2 516	-	2 516	17 014
Provinces and municipalities							
Municipalities							
Current	113	-	-	580	-	580	693
Regional Services Council levies	113	-	-	5	-	5	118
Vehicle licenses Municipalities	-	-	-	25	-	25	25
Municipal rates & taxes	-	-	-	550	-	550	550
Departmental agencies and accounts							
Entities							
Current	-	-	-	361	-	361	361
Public Service Sector Education & Training Authority	-	-	-	361	-	361	361
Foreign governments and international organisations							
Current	14 385	-	-	1 524	-	1 524	15 909
- O I E - Office International des Epizooties	510	-	-	-	-	-	510
- I S T A - International Seed Testing Association	53	-	-	-	-	-	53
- O E C D - Organisation for Economic Co-operation & Development	93	-	-	-	-	-	93
- U P O V - International Union for the protection of new varieties of Plants	280	-	-	-	-	-	280
- I G C - International Grains Council	130	-	-	-	-	-	130
- O I V - Office International de la Vigne et du Vin	380	-	-	-	-	-	380
- S P G R C - Plant Genetic Resources Centre - SADC	405	-	-	-	-	-	405
- F A O - Food & Agriculture Organisation of the United Nations	8 500	-	-	1 394	-	1 394	9 894
- C I G R - International Commission of Agricultural Engineering	50	-	-	-	-	-	50
- C G I A R - Consultative Group on International/Agricultural Research	3 200	-	-	110	-	110	3 310
- C A B I - CAB International	204	-	-	-	-	-	204
- R E W U - Regional Early Warning Unit for Food Security - SADC	330	-	-	-	-	-	330
- F S T P - Regional Food Security Training Programme - SADC	250	-	-	-	-	-	250
- I D F - International Dairy Federation	-	-	-	20	-	20	20

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments	Total additional appropriation	
Households							
Households (Social benefits)							
Current	-	-	-	51	-	51	51
H/H Employer social benefit cash		-	-	51	-	51	51
9 Programme Planning, Monitoring and Evaluation							
Provinces and municipalities	12	-	-	(2)	-	(2)	10
Municipalities							
Current	12	-	-	(2)	-	(2)	10
Regional Services Council levies	12	-	-	(2)	-	(2)	10
Total	594 600	-	33 000	29 359	100 000	162 359	756 959