

Vote 26

Agriculture, Forestry and Fisheries

Adjusted budget summary

2011/12				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	4 719 741	4 964 449	–	244 708
<i>of which:</i>				
Current payments	2 039 393	2 033 575	(5 818)	–
Transfers and subsidies	2 567 811	2 785 304	–	217 493
Payments for capital assets	112 537	145 570	–	33 033
Executive authority	Minister of Agriculture, Forestry and Fisheries			
Accounting officer	Director-General of Agriculture, Forestry and Fisheries			
Website address	www.daff.gov.za			

Aim

Lead, support and promote agricultural, forestry and fisheries resources management through policies, strategies and programmes to enhance their sustainable use, and to achieve economic growth, job creation, food security, rural development and transformation.

Mid-year performance status

Indicator	Programme	Annual performance		
		Projected for 2011/12 as published in the 2011 ENE	Achieved in the first six months of 2011/12 (April to September)	Changed estimate for 2011/12
As published in the 2011 ENE	Programme linked to the indicator			
Number of trainees on industry focused farmer training programmes per year	Food Security and Agrarian Reform	3 000	1 859	
Number of beneficiaries accessing the comprehensive agricultural support programme per year	Food Security and Agrarian Reform	33 000	15 000	
Number of farmers awarded production loans under the Micro Agricultural Financial Institutions of South Africa scheme per year	Agricultural Production, Health and Food Safety	6 000	2 297	
Number of smallholder farmers supported per year to increase production	Agricultural Production, Health and Food Safety	18 026	8 258	
Number of new smallholder farmers established per year	Food Security and Agrarian Reform	10 000	3 611	
Number of new jobs created in agro processing per year	Trade Promotion and Market Access	32 567	0	
Number of smallholders grouped into commodity associations and cooperatives per year	Trade Promotion and Market Access	15 000	617	1 300
Number of hectares revitalised for irrigation per year	Forestry	250ha	125ha	
Number of trees planted in the Million Trees programme	Forestry	100 000	41 505	
Number of jobs created through community works programme and expanded public works programme in rural areas per year	Forestry	1 300	14	65
Number of hectares of degraded indigenous forests and woodlands rehabilitated (3 200ha by 2015)	Forestry	800ha	274ha	
Number of hectares of land under rehabilitation	Forestry	150 000ha	112 835ha	

Indicator	Programme	Annual performance		
		Projected for 2011/12 as published in the 2011 ENE	Achieved in the first six months of 2011/12 (April to September)	Changed estimate for 2011/12
As published in the 2011 ENE	Programme linked to the indicator			
Number of annual assessments conducted per year to determine the state of resources in the fisheries sector	Fisheries	21	10	
Number of research projects conducted per year on the feasibility of South Africa's aquaculture (fish farming) species	Fisheries	3	3	
Number of aquaculture (fish farming) pilot projects launched per year	Fisheries	5	3	
Number of jobs created through the alternative livelihoods programme	Fisheries	1 100	546	

Changes to indicators and targets published in the 2011 ENE

The estimate for the number of jobs created through the community works programme and expanded public works programme in rural areas could not be reached as planned as the targets were set based on the business plan and budget request. The target was not revised when funds were not allocated. The estimate has now been revised downwards to 65, with amid-year achievement of 14 full-time jobs, which is equivalent to 3 220 job opportunities. The slow achievement of targets is due to delays in procurement processes and the seasonality of agricultural operations in the provinces.

The estimate for the number of smallholders grouped into commodity associations and cooperatives has been revised downwards based on the results for the mid-year performance and the fact that the target was overestimated, as it meant that about 1 000 cooperatives with a membership of 15 each would have to be established. Hence, the target set for 2011/12 has been adjusted downwards to 1 300.

Mid-year progress

The number of farmers awarded loans under the Micro Agricultural Financial Institutions of South Africa in the first half of 2011/12 is less than the estimate for the whole year because the performance of some of the intermediaries is not satisfactory. The department is considering recalling the funds from farmers whose performance is not up to standard.

The number of new smallholder farmers established in the first half of 2011/12 is less than half of the estimate for the whole year because procurement systems were still in the process of being set up in the provinces during the first quarter of the year.

The target set for the number of new jobs created in agro-processing per year will not be met, as the agro-processing sector lost 17 000 jobs between the end of March 2011 and the end of June 2011.

The number of hectares of degraded indigenous forests and woodlands rehabilitated in the first half of 2011/12 is significantly less than half the estimate for the whole year because the rehabilitation programme was suspended temporarily due to fire break activities in the fire season.

Adjusted Estimates of National Expenditure 2011

Programme	2011/12							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
R thousand								
Administration	1 296 958	19 509	–	10 831	2 684	33 024	1 329 982	
Agricultural Production, Health and Food Safety	891 923	5 000	33 609	3 715	–	42 324	934 247	
Food Security and Agrarian Reform	1 244 195	13 002	–	(3 257)	–	9 745	1 253 940	
Trade Promotion and Market Access	191 766	–	–	13 632	–	13 632	205 398	
Forestry	770 711	–	149 560	(24 921)	–	124 639	895 350	
Fisheries	324 188	–	10 674	–	10 670	21 344	345 532	
Total	4 719 741	37 511	193 843	–	13 354	244 708	4 964 449	

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Economic classification							
Current payments	2 039 393	19 509	33 609	(72 290)	13 354	(5 818)	2 033 575
Compensation of employees	1 273 000	3 000	2 866	7 233	10 670	23 769	1 296 769
Goods and services	764 707	16 509	30 743	(79 662)	2 684	(29 726)	734 981
Interest and rent on land	1 686	–	–	139	–	139	1 825
Transfers and subsidies	2 567 811	15 076	160 234	42 183	–	217 493	2 785 304
Provinces and municipalities	1 487 476	15 076	149 560	71	–	164 707	1 652 183
Departmental agencies and accounts	994 919	–	10 674	2 250	–	12 924	1 007 843
Universities and technikons	1 400	–	–	1 312	–	1 312	2 712
Foreign governments and international organisations	35 238	–	–	–	–	–	35 238
Public corporations and private enterprises	32 969	–	–	6 954	–	6 954	39 923
Non-profit institutions	14 256	–	–	(2 050)	–	(2 050)	12 206
Households	1 553	–	–	33 646	–	33 646	35 199
Payments for capital assets	112 537	2 926	–	30 107	–	33 033	145 570
Buildings and other fixed structures	42 114	2 926	–	(2 008)	–	918	43 032
Machinery and equipment	69 640	–	–	32 536	–	32 536	102 176
Software and other intangible assets	783	–	–	(421)	–	(421)	362
Total	4 719 741	37 511	193 843	–	13 354	244 708	4 964 449

Programme 1: Administration**Subprogramme**

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Economic classification							
Current payments	531 544	19 509	–	(1 899)	2 684	20 294	551 838
Compensation of employees	283 546	3 000	–	(9 958)	–	(6 958)	276 588
Goods and services	247 729	16 509	–	8 059	2 684	27 252	274 981
Interest and rent on land	269	–	–	–	–	–	269
Transfers and subsidies	759 191	–	–	135	–	135	759 326
Provinces and municipalities	100	–	–	1	–	1	101
Departmental agencies and accounts	756 783	–	–	–	–	–	756 783
Public corporations and private enterprises	–	–	–	2 308	–	2 308	2 308
Non-profit institutions	2 308	–	–	(2 308)	–	(2 308)	–
Households	–	–	–	134	–	134	134
Payments for capital assets	6 223	–	–	12 595	–	12 595	18 818
Buildings and other fixed structures	3 000	–	–	4 057	–	4 057	7 057
Machinery and equipment	3 176	–	–	8 455	–	8 455	11 631
Software and other intangible assets	47	–	–	83	–	83	130
Total	1 296 958	19 509	–	10 831	2 684	33 024	1 329 982

Programme 2: Agricultural Production, Health and Food Safety

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Management	1 878	–	–	–	–	–	1 878
Inspection and Laboratory Services	249 172	–	–	3 773	–	3 773	252 945
Plant Production and Health	477 939	5 000	–	942	–	5 942	483 881
Animal Production and Health	162 934	–	33 609	(1 000)	–	32 609	195 543
Total	891 923	5 000	33 609	3 715	–	42 324	934 247
Economic classification							
Current payments	442 884	–	33 609	1 578	–	35 187	478 071
Compensation of employees	294 493	–	2 866	3 969	–	6 835	301 328
Goods and services	148 331	–	30 743	(2 544)	–	28 199	176 530
Interest and rent on land	60	–	–	153	–	153	213
Transfers and subsidies	406 966	5 000	–	291	–	5 291	412 257
Provinces and municipalities	400 000	5 000	–	10	–	5 010	405 010
Public corporations and private enterprises	–	–	–	281	–	281	281
Non-profit institutions	6 906	–	–	–	–	–	6 906
Households	60	–	–	–	–	–	60
Payments for capital assets	42 073	–	–	1 846	–	1 846	43 919
Buildings and other fixed structures	639	–	–	(634)	–	(634)	5
Machinery and equipment	40 934	–	–	2 879	–	2 879	43 813
Software and other intangible assets	500	–	–	(399)	–	(399)	101
Total	891 923	5 000	33 609	3 715	–	42 324	934 247

Programme 3: Food Security and Agrarian Reform

Subprogramme	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Management	2 064	–	–	–	–	–	2 064
Food Security	777 200	10 975	–	(6 446)	–	4 529	781 729
Sector Capacity Development	125 124	–	–	14 327	–	14 327	139 451
National Extension Support Services	339 807	2 027	–	(11 138)	–	(9 111)	330 696
Total	1 244 195	13 002	–	(3 257)	–	9 745	1 253 940
Economic classification							
Current payments	157 179	–	–	(5 381)	–	(5 381)	151 798
Compensation of employees	88 537	–	–	2 392	–	2 392	90 929
Goods and services	68 595	–	–	(7 785)	–	(7 785)	60 810
Interest and rent on land	47	–	–	12	–	12	59
Transfers and subsidies	1 049 684	10 076	–	4 739	–	14 815	1 064 499
Provinces and municipalities	1 029 584	10 076	–	4	–	10 080	1 039 664
Departmental agencies and accounts	11 738	–	–	2 100	–	2 100	13 838
Universities and technikons	1 400	–	–	1 312	–	1 312	2 712
Foreign governments and international organisations	500	–	–	–	–	–	500
Public corporations and private enterprises	2 969	–	–	1 323	–	1 323	4 292
Non-profit institutions	2 000	–	–	–	–	–	2 000
Households	1 493	–	–	–	–	–	1 493
Payments for capital assets	37 332	2 926	–	(2 615)	–	311	37 643
Buildings and other fixed structures	37 020	2 926	–	(6 341)	–	(3 415)	33 605
Machinery and equipment	312	–	–	3 726	–	3 726	4 038
Total	1 244 195	13 002	–	(3 257)	–	9 745	1 253 940

Programme 4: Trade Promotion and Market Access

Subprogramme		2011/12					
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Management	2 344	–	–	–	–	–	2 344
International Relations and Trade	81 846	–	–	–	–	–	81 846
Co-operatives and Rural Business Development	60 165	–	–	12 452	–	12 452	72 617
Agro-processing and Marketing	47 411	–	–	1 180	–	1 180	48 591
Total	191 766	–	–	13 632	–	13 632	205 398
Economic classification							
Current payments	90 518	–	–	13 133	–	13 133	103 651
Compensation of employees	52 475	–	–	4 259	–	4 259	56 734
Goods and services	38 031	–	–	8 867	–	8 867	46 898
Interest and rent on land	12	–	–	7	–	7	19
Transfers and subsidies	100 637	–	–	150	–	150	100 787
Departmental agencies and accounts	35 899	–	–	150	–	150	36 049
Foreign governments and international organisations	34 738	–	–	–	–	–	34 738
Public corporations and private enterprises	30 000	–	–	–	–	–	30 000
Payments for capital assets	611	–	–	349	–	349	960
Machinery and equipment	606	–	–	325	–	325	931
Software and other intangible assets	5	–	–	24	–	24	29
Total	191 766	–	–	13 632	–	13 632	205 398

Programme 5: Forestry

Subprogramme		2011/12					
		Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Management	3 968	–	–	–	–	–	3 968
Forestry Operations	369 487	–	–	19 065	–	19 065	388 552
Forestry Oversight and Regulation	78 171	–	–	(20 910)	–	(20 910)	57 261
Natural Resources Management	319 085	–	149 560	(23 076)	–	126 484	445 569
Total	770 711	–	149 560	(24 921)	–	124 639	895 350
Economic classification							
Current payments	683 579	–	–	(79 721)	–	(79 721)	603 858
Compensation of employees	420 260	–	–	6 571	–	6 571	426 831
Goods and services	262 021	–	–	(86 259)	–	(86 259)	175 762
Interest and rent on land	1 298	–	–	(33)	–	(33)	1 265
Transfers and subsidies	60 834	–	149 560	36 868	–	186 428	247 262
Provinces and municipalities	57 792	–	149 560	56	–	149 616	207 408
Public corporations and private enterprises	–	–	–	3 042	–	3 042	3 042
Non-profit institutions	3 042	–	–	258	–	258	3 300
Households	–	–	–	33 512	–	33 512	33 512
Payments for capital assets	26 298	–	–	17 932	–	17 932	44 230
Buildings and other fixed structures	1 455	–	–	910	–	910	2 365
Machinery and equipment	24 612	–	–	17 151	–	17 151	41 763
Software and other intangible assets	231	–	–	(129)	–	(129)	102
Total	770 711	–	149 560	(24 921)	–	124 639	895 350

Programme 6: Fisheries

Subprogramme

2011/12

	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
R thousand							
Management	264	-	-	-	-	-	264
Aquaculture	24 620	-	-	-	-	-	24 620
Administrative support services	108 805	-	-	-	10 670	10 670	119 475
Marine Living Resources Fund	190 499	-	10 674	-	-	10 674	201 173
Total	324 188	-	10 674	-	10 670	21 344	345 532
Economic classification							
Current payments	133 689	-	-	-	10 670	10 670	144 359
Compensation of employees	133 689	-	-	-	10 670	10 670	144 359
Transfers and subsidies	190 499	-	10 674	-	-	10 674	201 173
Departmental agencies and accounts	190 499	-	10 674	-	-	10 674	201 173
Total	324 188	-	10 674	-	10 670	21 344	345 532

Details of adjustments to Estimates of National Expenditure 2011**Roll-overs – R37.511 million**

Programme 1: Administration

R19.509 million has been rolled over for a project to register all smallholder farmers in South Africa.

Programme 2: Agricultural Production, Health and Food Safety

R5 million has been rolled over for Ilima/Letsema projects grant: Eastern Cape.

Programme 3: Food Security and Agrarian Reform

Funds have been rolled over as follows:

- R2.926 million for the construction of a border fence between South Africa and Lesotho
- R10.076 million for the comprehensive agricultural support programme grant: North West

Unforeseeable and unavoidable expenditure – R193.843 million

Programme 2: Agricultural Production, Health and Food Safety

R26.609 million has been allocated for combating the outbreak of foot-and-mouth disease in KwaZulu-Natal. R7 million is allocated for combating the H5N2 avian influenza outbreak in Western Cape.

Programme 5: Forestry

R149.560 million has been allocated for the agriculture disaster management grant: repair and replacement of flood damaged agricultural resources (infrastructure, damaged crops and animal losses).

Programme 6: Fisheries

R10.674 million has been allocated for the replacement of accidentally damaged hydro-acoustic survey equipment essential for the surveying and setting of total allowable catches for sardine and anchovy resources.

Virements and shifts

Programmes

1. Administration
2. Agricultural Production, Health and Food Safety
3. Food Security and Agrarian Reform
4. Trade Promotion and Market Access
5. Forestry
6. Fisheries

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(40 207)	Programme 1		398
Compensation of employees	Reprioritisation due to organisational restructuring	(264)	Goods and services	To compensate for a shortfall on a printing contract	264
	Reduction on compensation of employees	(134)	Households	For leave gratuity	134
	Reprioritisation due to organisational restructuring	(3 000)	Programme 2		3 000
	Reprioritisation due to organisational restructuring	(2 301)	Compensation of employees	For shortfall in compensation of employees	3 000
	Reprioritisation due to organisational restructuring	(4 259)	Programme 3		2 301
			Compensation of employees	For shortfall in compensation of employees	2 301
			Programme 4		4 259
			Compensation of employees	For shortfall in compensation of employees	4 259
			Programme 1		13 013
Goods and services	Funds shifted to payments for capital assets because items cost more than R5 000. Reprioritisation due to organisational restructuring. Reduction on travel and subsistence, stationery and catering, communication, fuel, oil and gas, venues and facilities, business and advisory services	(8 710)	Machinery and equipment	Funds shifted to payments for capital assets because items cost more than R5 000. For office furniture, printers, computers and lease of photocopiers	8 710
	Reprioritisation due to organisational restructuring. Reduction on travel and subsistence, stationery and catering, communication, fuel, oil and gas, venues and facilities, business and advisory services and audit cost.	(147)	Interest and rent on land	For interest on lease of photocopiers	147
	Reduction on audit cost	(1)	Provinces and municipalities	For vehicle licences	1
	Reduction on travel and subsistence, and bursaries	(98)	Software and other intangible assets	Upgrade of software	98
	Reduction on property payments	(4 057)	Buildings and other fixed structures	For upgrading of office buildings	4 057
	Reprioritisation due to restructuring	(50)	Programme 3		711
	Reduction on venues and facilities ¹	(661)	Goods and services	For advertising the Female Farmer of the Year competition	50
	Reduction on contractors	(1 700)	Public corporations and private enterprises	For transfer to Ncera Farms (Pty) Ltd	661
	Reduction on agency and outsourced services ¹	(3 200)	Programme 5		4 900
			Goods and services	Upgrade and renovation of houses for forestry workers in forests	1 700
			Non-profit institutions	For transfer to Forestry South Africa	3 200

2011 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			Programme 4		11 146
	Reprioritisation due to organisational restructuring	(10 996)	Goods and services	For consultants: professional, business and advisory services	10 996
	Reduction on venues and facilities ¹	(150)	Departmental agencies and accounts	For the National Agricultural Marketing Council's IT infrastructure	150
			Programme 1		479
Machinery and equipment	Reduction on computers and finance leases	(317)	Goods and services	For advertising	317
Software and other intangible assets	Reduction on software	(15)	Machinery and equipment	For computers and lease of photocopiers	15
Interest and rent on land	Reduction on interest on finance leases	(100)	Goods and services	For advertising	100
	Reduction on interest on finance leases	(47)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	47
Percentage of programme budget		3.1%			
Programme 2		(6 347)	Programme 1		405
Goods and services	Reduction on travel and subsistence, communication and computer services, and reduction on operating leases	(405)	Goods and services	For advertising. For lease of office accommodation	405
			Programme 2		3 594
	Reduction on administrative fees, advertising, catering, materials, stationery, travel and subsistence and operating payments ¹	(849)	Compensation of employees	For shortfall in compensation of employees	849
	Reduction on fuel, oil and gas, property payments, stationery, training and development ¹	(2 301)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers, vehicles, laboratory equipment, and audio visual equipment.	2 301
	Reduction on bursaries, stationery, fuel, oil and gas	(153)	Interest and rent on land	For interest on lease of photocopiers	153
	Reduction on bursaries, stationery, fuel, oil and gas	(10)	Provinces and municipalities	For vehicle licences	10
	Reduction on agency and outsourced services ¹	(281)	Public corporations and private enterprises	For Grasslands group of companies' claims against the state	281
			Programme 3		1 000
	Reduction on agency and outsourced services	(1 000)	Goods and services	For bursaries	1 000
			Programme 2		1 348
Machinery and equipment	Reduction on audio visual equipment, computers, office equipment and furniture	(315)	Goods and services	For venues and facilities	315
Software and other intangible assets	Reduction on software	(140)	Goods and services	For venues and facilities	140
	Reduction on software	(259)	Machinery and equipment	For printers, computers and lease of photocopiers	259
Buildings and other fixed structures	Funds incorrectly classified in the 2011 ENE were reclassified.	(634)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	634
	Reduction on bursaries				
Percentage of programme budget		0.7%			
Programme 3		(17 684)	Programme 2		120
Compensation of employees	Reprioritisation due to organisational restructuring	(120)	Compensation of employees	Reprioritisation due to restructuring	120
			Programme 3		99
	Reduction on compensation of employees	(99)	Goods and services	For shortfall in bursaries	99
			Programme 5		2 190
	Reprioritisation due to organisational restructuring	(2 190)	Compensation of employees	Function shift from programme 3 to programme 5	2 190

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Goods and services	Reprioritisation due to organisational restructuring	(2 000)	Programme 2		2 000
			Goods and services	For contractors and inventory	2 000
			Programme 3		3 475
	Reduction on fuel, oil and gas	(1 297)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers, motor vehicles, and agricultural equipment	1 297
	Reduction on contractors, training and development ¹	(1 500)	Departmental agencies and accounts	To increase transfer to Water Research Commission. For National Student Financial Aid Scheme bursaries	1 500
	Reduction on administrative fees, fuel, oil and gas.	(12)	Interest and rent on land	For interest on lease of photocopiers	12
	Reduction on fuel, oil and gas	(4)	Provinces and municipalities	For vehicle licences	4
	Reduction on training and development ¹	(662)	Public corporations and private enterprises	For transfer to Ncera Farms Pty Ltd	662
			Programme 5		3 459
			Goods and services	Reprioritisation due to restructuring	3 459
Buildings and other fixed structures	Reduction on agricultural fences and boreholes ¹	(2 500)	Programme 3		6 341
	Reduction on border fences and boreholes. Funds incorrectly classified in the 2011 ENE were reclassified	(2 429)	Compensation of employees	For shortfall in compensation of employees	2 500
	Reduction on agricultural fences and boreholes ¹	(100)	Machinery and equipment	For motor vehicles, agricultural equipment, printers, computers and lease of photocopiers. Funds incorrectly classified in the 2011 ENE were reclassified	2 429
	Reduction on agricultural fences and boreholes ¹	(1 312)	Departmental agencies and accounts	To increase transfer to Water Research Commission	100
			Universities and technikons	To increase transfer to University of Fort Hare	1 312
Percentage of programme budget		1.4%			
Programme 4		(2 129)	Programme 1		1 773
Goods and services	Reprioritisation due to organisational restructuring	(1 773)	Goods and services	Reprioritisation due to restructuring	1 773
	Reduction on lease payments, travel and subsistence, fuel, oil and gas	(325)	Programme 4		356
	Reduction on administrative fees, travel and subsistence	(7)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	325
	Reduction on administrative fees	(24)	Interest and rent on land	For interest on lease of photocopiers	7
			Software and other intangible assets	For software	24
Percentage of programme budget		1.1%			
Programme 5		(93 985)	Programme 5		631
Compensation of employees	Reduction on compensation of employees	(631)	Households	For leave gratuity	631
Goods and services	Reduction on contractors, fuel, oil and gas, materials and supplies, lease payments, travel and subsistence, venues and facilities, and agency and outsourced services	(12 020)	Programme 1		34 970
	Reprioritisation due to organisational restructuring	(22 950)	Goods and services	For upgrade of IT services. For office accommodation leases	12 020
	Reduction on administrative fees, communication, other consumables, travel and subsistence, and training and development ¹	(500)	Goods and services	Reprioritisation due to organisational restructuring	22 950
			Programme 3		500
		Departmental agencies and accounts	For National Student Financial Aid Scheme bursaries	500	

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
			Programme 5		57 884
	Reduction on contractors, stationery, fuel, venues and facilities, materials, and travel and subsistence ¹	(4 912)	Compensation of employees	Periodic payments for locust outbreaks. For shortfall in compensation of employees	4 912
	Reduction on contractors, fuel, oil and gas, materials and supplies, lease payments, travel and subsistence, venues and facilities, and business and advisory services	(15 606)	Machinery and equipment	For motor vehicles, printers, computers, and motor vehicle and photocopier leases	15 606
	Reduction on contractors ¹	(32 881)	Households	Compensation to farmers for avian influenza	32 881
	Reduction on contractors and administrative fees	(95)	Interest and rent on land	For interest on lease of photocopiers	95
	Reduction on contractors, travel and subsistence	(56)	Provinces and municipalities	For vehicle licences	56
	Reduction on contractors, travel and subsistence	(2 355)	Buildings and other fixed structures	Upgrade of residential and office buildings. Upgrade and renovation of houses in forests	2 355
	Reduction on computer services and business and advisory services ¹	(100)	Non-profit institutions	Sponsorship of International Wildland Fire Conference, held in May 2011	100
Machinery and equipment	Reduction on motor vehicles ¹	(100)	Compensation of employees	For shortfall in compensation of employees	100
	Reduction on computers and office furniture	(57)	Goods and services	For travel and subsistence and other consumables	57
	Reduction on computers	(10)	Interest and rent on land	For interest on lease of photocopiers	10
Software and other intangible assets	Reduction on software	(129)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	129
Interest and rent on land	Reduction on travel and subsistence	(138)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	138
Buildings and other fixed structures	Funds incorrectly classified in the 2011 ENE were reclassified	(1 445)	Machinery and equipment	For office furniture, printers, computers and lease of photocopiers	1 445
Percentage of programme budget		12.2%			
Total		(160 352)	160 352		

1. National Treasury approval has been obtained.

Other adjustments – R13.354 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 6: Fisheries

An additional R10.670 million has been allocated for higher personnel remuneration increases than the main budget provided for.

Function shifts between votes

Programme 1: Administration

R2.684 million will be received from the Department of Water Affairs for property management in the forestry function.

Gifts, donations and sponsorships – R100 000

Programme 5: Forestry

A sponsorship for the 5th International Wildland Fire Conference.**Expenditure for 2010/11 and preliminary expenditure for 2011/12**

Programme	2010/11					2011/12		
	Expenditure outcome					Preliminary expenditure		
		Apr 10 - Sep 10		Apr 10 - Mar 11			Apr 11 - Sep 11	
R thousand	Adjusted appropriation	Apr 10 - Sep 10	% of adjusted appropriation	Apr 10 - Mar 11	% of adjusted appropriation	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation
Administration	1 117 555	618 004	55.3	1 103 494	98.7	1 329 982	754 498	56.7
Agricultural Production, Health and Food Safety	610 243	271 061	44.4	612 141	100.3	934 247	387 114	41.4
Food Security and Agrarian Reform	1 092 041	585 745	53.6	1 048 454	96.0	1 253 940	406 383	32.4
Trade Promotion and Market Access	145 553	85 443	58.7	145 333	99.8	205 398	91 266	44.4
Forestry	754 998	273 320	36.2	682 129	90.3	895 350	305 922	34.2
Fisheries	233 464	60 872	26.1	259 113	111.0	345 532	173 858	50.3
Total	3 953 854	1 894 445	47.9	3 850 664	97.4	4 964 449	2 119 041	42.7
Economic classification								
Current payments	1 849 323	759 198	41.1	1 755 364	94.9	2 033 575	851 829	41.9
Compensation of employees	1 199 569	561 687	46.8	1 189 923	99.2	1 296 769	619 857	47.8
Goods and services	648 274	197 435	30.5	564 246	87.0	734 981	231 760	31.5
Interest and rent on land	1 480	76	5.1	1 195	80.7	1 825	212	11.6
Transfers and subsidies	2 019 848	1 092 035	54.1	1 983 747	98.2	2 785 304	1 217 651	43.7
Provinces and municipalities	1 167 340	599 061	51.3	1 126 210	96.5	1 652 183	535 005	32.4
Departmental agencies and accounts	793 545	468 288	59.0	792 928	99.9	1 007 843	656 618	65.2
Universities and technikons	2 100	–	0.0	–	0.0	2 712	–	0.0
Foreign governments and international organisations	38 207	16 332	42.7	29 629	77.5	35 238	17 665	50.1
Public corporations and private enterprises	3 767	1 269	33.7	6 684	177.4	39 923	1 878	4.7
Non-profit institutions	8 784	3 298	37.5	8 349	95.0	12 206	738	6.0
Households	6 105	3 787	62.0	19 947	326.7	35 199	5 747	16.3
Payments for capital assets	84 683	43 162	51.0	111 301	131.4	145 570	49 426	34.0
Buildings and other fixed structures	44 435	20 132	45.3	47 121	106.0	43 032	23 141	53.8
Machinery and equipment	38 068	21 766	57.2	62 397	163.9	102 176	26 255	25.7
Biological assets	19	–	0.0	13	68.4	–	–	0.0
Software and other intangible assets	2 161	1 264	58.5	1 770	81.9	362	30	8.3
Payments for financial assets	–	50	–	252	–	–	135	–
Total	3 953 854	1 894 445	47.9	3 850 664	97.4	4 964 449	2 119 041	42.7

Main expenditure trends for the first half of 2011/12

Total expenditure for 2010/11 was 97.4 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 was R2.119 billion, or 42.7 per cent of the adjusted appropriation of R4.964 billion for the year as a whole. In comparison, mid-year expenditure in 2010/11 was R1.894 billion, or 47.9 per cent of the 2010/11 adjusted appropriation. Expenditure in the first six months of 2011/12 increased by R224.596 million or 11.9 per cent, compared to expenditure in the first six months of 2010/11.

The main expenditure increase compared to 2010/11 is due to a 21 per cent increase in payments to the Agricultural Research Council (R89.200 million), a 100 per cent increase in Ilima/Letsema payments (R100 million), and a 1 462 per cent increase in payments to the Marine Living Resources Fund (R92.100 million).

Departmental receipts

R thousand	2010/11					2011/12			
	Adjusted estimate	Audited outcome			Actual receipts				
		Apr 10 - Sep 10	Apr 10 - Sep 10 % of adjusted estimate	Apr 10 - Mar 11	Apr 10 - Mar 11 % of adjusted estimate	Budget estimate	Adjusted estimate	Apr 11 - Sep 11	Apr 11 - Sep 11 % of adjusted estimate
Departmental receipts	119 293	77 074	64.6	156 961	131.6	121 484	122 011	69 329	56.8
Sales of goods and services produced by department	88 809	63 763	71.8	126 973	143.0	93 113	93 613	59 824	63.9
Sales of scrap, waste, arms and other used current goods	5	1	20.0	28	560.0	8	8	3	37.5
Transfers received	10	8	80.0	9	90.0	-	-	-	-
Fines, penalties and forfeits	30	26	86.7	43	143.3	3	30	25	83.3
Interest, dividends and rent on land	12 213	3 624	29.7	8 130	66.6	11 930	11 930	4 218	35.4
Sales of capital assets	462	-	-	513	111.0	500	500	-	-
Transactions in financial assets and liabilities	17 764	9 652	54.3	21 265	119.7	15 930	15 930	5 259	33.0
Total	119 293	77 074	64.6	156 961	131.6	121 484	122 011	69 329	56.8

Main departmental revenue trends for the first half of 2011/12

Departmental revenue collection in the first six months of 2011/12 was R69.329 million, or 56.8 per cent of the adjusted revenue estimate of R122.011 million for the year as a whole. In comparison, mid-year revenue collection in 2010/11 was R77.074 million, or 64.6 per cent of the 2010/11 adjusted estimate. Departmental revenue collection in the first six months of 2011/12 decreased by R7.745 million or 10 per cent, compared to revenue in the first six months of 2010/11.

The main revenue decrease compared to 2010/11 is because no auction was held, resulting in no revenue generated from this source; no unspent transfers were returned to the department for the first six months of 2011/12; and less use was made of departmental services.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	2011/12						
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Administration							
Provinces and municipalities							
Municipalities							
Municipal bank accounts							
Current	100	-	-	1	-	1	101
Vehicle licences	100	-	-	1	-	1	101
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	2 308	-	2 308	2 308
Forest Sector Charter Council	-	-	-	2 308	-	2 308	2 308
Non-profit institutions							
Current	2 308	-	-	(2 308)	-	(2 308)	-
Forest Sector Charter Council	2 308	-	-	(2 308)	-	(2 308)	-

Summary of changes to transfers and subsidies per programme (continued)

R thousand	2011/12						Adjusted appropriation
	Main appropriation	Adjustments appropriation				Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments		
Households							
Social benefits							
Current	-	-	-	134	-	134	134
Employee social benefits	-	-	-	134	-	134	134
Agricultural Production, Health and Food Safety							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	400 000	5 000	-	-	-	5 000	405 000
Ilima Letsema projects grant	400 000	5 000	-	-	-	5 000	405 000
Municipalities							
Municipal bank accounts							
Current	-	-	-	10	-	10	10
Vehicle licences	-	-	-	10	-	10	10
Public corporations and private enterprises							
Private enterprises							
Other transfers							
Current	-	-	-	281	-	281	281
Grasslands group of companies	-	-	-	281	-	281	281
Food Security and Agrarian Reform							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	979 321	10 076	-	-	-	10 076	989 397
Comprehensive agricultural support programme grant	672 458	8 049	-	-	-	8 049	680 507
Comprehensive agricultural support programme grant: Extension	306 863	2 027	-	-	-	2 027	308 890
Municipalities							
Municipal bank accounts							
Current	250	-	-	4	-	4	254
Vehicle licences	250	-	-	4	-	4	254
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	11 738	-	-	2 100	-	2 100	13 838
Water Research Commission	600	-	-	600	-	600	1 200
National Student Financial Aid Scheme	-	-	-	12 038	-	12 038	12 038
National Student Financial Aid Scheme	10 538	-	-	(10 538)	-	(10 538)	-
Perishable Products Export Control Board	600	-	-	(600)	-	(600)	-
Perishable Products Export Control Board	-	-	-	600	-	600	600
Universities and technikons							
Current	900	-	-	1 312	-	1 312	2 212
Fort Hare university community development centres	300	-	-	1 412	-	1 412	1 712
University of Pretoria	600	-	-	(100)	-	(100)	500
Public corporations and private enterprises							
Public corporations							
Subsidies on production or products							
Current	2 969	-	-	(2 969)	-	(2 969)	-
Ncera Farms (Pty) Limited	2 968	-	-	(2 968)	-	(2 968)	-
Red Meat Industry Forum	1	-	-	(1)	-	(1)	-

Summary of changes to transfers and subsidies per programme (continued)

	2011/12						Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments	Total adjustments appropriation	
R thousand							
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	4 291	-	4 291	4 291
Ncera Farms (Pty) Limited	-	-	-	4 291	-	4 291	4 291
Private enterprises							
Other transfers							
Current	-	-	-	1	-	1	1
Red Meat Industry Forum	-	-	-	1	-	1	1
Trade Promotion and Market Access							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	35 899	-	-	150	-	150	36 049
National Agricultural Marketing Council	35 899	-	-	150	-	150	36 049
Foreign governments and international organisations							
Current	16 785	-	-	-	-	-	16 785
International Union for the Protection of New Varieties of Plants	400	-	-	30	-	30	430
Food and Agriculture Organisation of the United Nations	11 000	-	-	(420)	-	(420)	10 580
International Cotton Advisory Council	160	-	-	170	-	170	330
International Grains Council	50	-	-	120	-	120	170
International Seed Testing Association	55	-	-	60	-	60	115
Office International des Epizooties	850	-	-	200	-	200	1 050
Organisation for Economic Cooperation and Development	270	-	-	200	-	200	470
International Fund for Agricultural Development	4 000	-	-	(360)	-	(360)	3 640
Forestry							
Provinces and municipalities							
Provinces							
Provincial Revenue Funds							
Current	-	-	149 560	-	-	149 560	149 560
Agricultural disaster management grant	-	-	149 560	-	-	149 560	149 560
Municipalities							
Municipal bank accounts							
Current	20	-	-	56	-	56	76
Vehicle licences	20	-	-	56	-	56	76
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	-	-	-	3 042	-	3 042	3 042
Forest Sector Charter Council	-	-	-	3 042	-	3 042	3 042
Non-profit institutions							
Current	3 042	-	-	258	-	258	3 300
Forest Sector Charter Council	3 042	-	-	(3 042)	-	(3 042)	-
Forestry South Africa	-	-	-	3 200	-	3 200	3 200
International Wildland Fire Conference	-	-	-	100	-	100	100
Households							
Social benefits							
Current	-	-	-	631	-	631	631
Employee social benefits	-	-	-	631	-	631	631
Other transfers to households							
Current	-	-	-	32 881	-	32 881	32 881
Avian influenza	-	-	-	32 881	-	32 881	32 881
Fisheries							
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	6 300	-	10 674	-	-	10 674	16 974
Marine Living Resources Fund	6 300	-	10 674	-	-	10 674	16 974

Summary of changes to conditional grants: Provinces

		2011/12						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Other adjustments			
Agricultural Production, Health and Food Safety								
	Ilima Letsema projects grant	400 000	5 000	–	–	–	5 000	405 000
Food Security and Agrarian Reform								
	Comprehensive agricultural support programme grant	672 458	8 049	–	–	–	8 049	680 507
	Comprehensive agricultural support programme grant: Extension	306 863	2 027	–	–	–	2 027	308 890
Forestry								
	Agricultural disaster management grant	–	–	149 560	–	–	149 560	149 560

