

# Vote 24

## Agriculture, Forestry and Fisheries

### Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>6 332 965</b>	<b>6 514 965</b>	<b>–</b>	<b>182 000</b>
<b>of which:</b>				
Current payments	2 716 051	2 837 633	–	121 582
Transfers and subsidies	3 496 087	3 510 179	–	14 092
Payments for capital assets	120 827	167 153	–	46 326
Executive authority	Minister of Agriculture, Forestry and Fisheries			
Accounting officer	Director-General of Agriculture, Forestry and Fisheries			
Website address	www.daff.gov.za			

### Vote purpose

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

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of animal and plant improvement schemes for prioritised value chain commodities monitored per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	4	2	–
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	1	–
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	0	–
Number of mobile veterinary clinics provided to improve animal health in rural areas per year	Agricultural Production, Health and Food Safety		10	0	32
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety		140	129	–
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		145 000	0	–
Number of hectares in underutilised areas cultivated in communal areas per year	Food Security and Agrarian Reform		120 000ha	0	–
Number of jobs created through the comprehensive agricultural support programme and Ilima/Letsema funded projects per year	Food Security and Agrarian Reform		20 000	1 213	–

Indicator	Programme	Outcome	Annual performance		
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access	Outcome 7: Comprehensive rural development and land reform	12	16	-
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management		16 300ha	1 330.49ha	-
Number of jobs created through the refurbishment of category B and C plantations for the expanded public works programme per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive economic growth	2 400	593	-
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	1 725ha	0	-
Number of full time equivalent LandCare jobs created per year	Forestry and Natural Resources Management	Outcome 4: Decent employment through inclusive economic growth	800	319	-

#### Changes to indicators and targets published in the 2016 ENE

The annual target for the number of mobile veterinary clinics provided to improve animal health in rural areas has been revised upwards from 10 to 32. The revised target will be funded through a virement of R10.2 million from vacant posts in compensation of employees to transport and equipment in capital assets, within the *Animal Production and Health* subprogramme in the *Agricultural Production, Health and Food Safety* programme for the procurement of mobile veterinary clinics.

#### Mid-year progress

Although the prevailing drought has played a role in affecting performance for most of the indicators, it is mostly the seasonal nature of agriculture that negatively affected all production and related activities in the first half of 2016/17. The affected indicators include the number of mobile veterinary clinics provided to improve animal health in rural areas, the support for subsistence and smallholder producers, and the cultivation of hectares in underutilised communal areas. Surveillances on plant diseases are scheduled to be conducted in the second half of 2016/17 when the expected rain season will kick-start agricultural production.

The low level of agricultural activities and production in the first half of 2016/17 impacted negatively on the performance of some indicators: the number of hectares of land restored through reforestation and land rehabilitation; the number of jobs created in food production generated by the comprehensive agricultural support programme; and the number of jobs created in the refurbishment of plantations through the expanded public works programme.

The department conducted training to more agro-processing entrepreneurs than expected in 2016/17, as higher than expected interest was shown by the provinces.

The throughput target for compulsory in-service training of students of veterinarian science will not be met as the number of students attaining their academic qualifications was lower than anticipated.

## Adjusted Estimates of National Expenditure 2016

Programme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Administration	788 053	-	-	(874)	(5 821)	-	(6 695)	781 358
Agricultural Production, Health and Food Safety	1 953 418	-	-	(2 516)	(6 292)	-	(8 808)	1 944 610
Food Security and Agrarian Reform	1 889 738	-	-	3 168	(4 209)	-	(1 041)	1 888 697
Trade Promotion and Market Access	297 596	-	-	6 400	-	-	6 400	303 996
Forestry and Natural Resources Management	945 562	-	-	(6 178)	(13 678)	212 000	192 144	1 137 706
Fisheries	458 598	-	-	-	-	-	-	458 598
<b>Total</b>	<b>6 332 965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>212 000</b>	<b>182 000</b>	<b>6 514 965</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>2 716 051</b>	<b>-</b>	<b>-</b>	<b>(60 418)</b>	<b>(30 000)</b>	<b>212 000</b>	<b>121 582</b>	<b>2 837 633</b>
Compensation of employees	2 055 382	-	-	(32 783)	(30 000)	-	(62 783)	1 992 599
Goods and services	659 656	-	-	(27 690)	-	212 000	184 310	843 966
Interest and rent on land	1 013	-	-	55	-	-	55	1 068
<b>Transfers and subsidies</b>	<b>3 496 087</b>	<b>-</b>	<b>-</b>	<b>14 092</b>	<b>-</b>	<b>-</b>	<b>14 092</b>	<b>3 510 179</b>
Provinces and municipalities	2 203 533	-	-	152	-	-	152	2 203 685
Departmental agencies and accounts	1 129 602	-	-	(520)	-	-	(520)	1 129 082
Higher education institutions	8 529	-	-	-	-	-	-	8 529
Foreign governments and international organisations	34 525	-	-	7 920	-	-	7 920	42 445
Public corporations and private enterprises	98 334	-	-	-	-	-	-	98 334
Non-profit institutions	19 384	-	-	(900)	-	-	(900)	18 484
Households	2 180	-	-	7 440	-	-	7 440	9 620
<b>Payments for capital assets</b>	<b>120 827</b>	<b>-</b>	<b>-</b>	<b>46 326</b>	<b>-</b>	<b>-</b>	<b>46 326</b>	<b>167 153</b>
Buildings and other fixed structures	67 396	-	-	10 915	-	-	10 915	78 311
Machinery and equipment	53 261	-	-	35 222	-	-	35 222	88 483
Biological assets	120	-	-	(20)	-	-	(20)	100
Software and other intangible assets	50	-	-	209	-	-	209	259
<b>Total</b>	<b>6 332 965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30 000)</b>	<b>212 000</b>	<b>182 000</b>	<b>6 514 965</b>

## Programme 1: Administration

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	39 610	-	-	(80)	-	-	(80)	39 530
Department Management	29 912	-	-	(20)	(2 210)	-	(2 230)	27 682
Financial Administration	196 384	-	-	(8 644)	-	-	(8 644)	187 740
Internal Audit	9 413	-	-	20	(935)	-	(915)	8 498
Corporate Services	171 216	-	-	4 000	(2 067)	-	1 933	173 149
Stakeholder Relations, Communication and Legal Services	74 704	-	-	1 500	(609)	-	891	75 595
Policy, Planning, Monitoring and Evaluation	81 699	-	-	-	-	-	-	81 699
Office Accommodation	185 115	-	-	2 350	-	-	2 350	187 465
<b>Total</b>	<b>788 053</b>	<b>-</b>	<b>-</b>	<b>(874)</b>	<b>(5 821)</b>	<b>-</b>	<b>(6 695)</b>	<b>781 358</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>731 812</b>	<b>-</b>	<b>-</b>	<b>(6 530)</b>	<b>(5 821)</b>	<b>-</b>	<b>(12 351)</b>	<b>719 461</b>
Compensation of employees	434 619	-	-	(1 436)	(5 821)	-	(7 257)	427 362
Goods and services	297 193	-	-	(5 108)	-	-	(5 108)	292 085
Interest and rent on land	-	-	-	14	-	-	14	14
<b>Transfers and subsidies</b>	<b>18 402</b>	<b>-</b>	<b>-</b>	<b>364</b>	<b>-</b>	<b>-</b>	<b>364</b>	<b>18 766</b>
Provinces and municipalities	40	-	-	8	-	-	8	48
Departmental agencies and accounts	18 362	-	-	(1 000)	-	-	(1 000)	17 362
Households	-	-	-	1 356	-	-	1 356	1 356
<b>Payments for capital assets</b>	<b>37 839</b>	<b>-</b>	<b>-</b>	<b>5 292</b>	<b>-</b>	<b>-</b>	<b>5 292</b>	<b>43 131</b>
Buildings and other fixed structures	34 185	-	-	199	-	-	199	34 384
Machinery and equipment	3 604	-	-	4 958	-	-	4 958	8 562
Software and other intangible assets	50	-	-	135	-	-	135	185
<b>Total</b>	<b>788 053</b>	<b>-</b>	<b>-</b>	<b>(874)</b>	<b>(5 821)</b>	<b>-</b>	<b>(6 695)</b>	<b>781 358</b>

**Programme 2: Agricultural Production, Health and Food Safety**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 810	-	-	-	-	-	-	2 810
Inspection and Laboratory Services	335 322	-	-	(572)	(1 892)	-	(2 464)	332 858
Plant Production and Health	575 849	-	-	(2)	(441)	-	(443)	575 406
Animal Production and Health	226 448	-	-	(1 942)	(3 959)	-	(5 901)	220 547
Agriculture Research	812 989	-	-	-	-	-	-	812 989
<b>Total</b>	<b>1 953 418</b>	<b>-</b>	<b>-</b>	<b>(2 516)</b>	<b>(6 292)</b>	<b>-</b>	<b>(8 808)</b>	<b>1 944 610</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>634 585</b>	<b>-</b>	<b>-</b>	<b>(14 204)</b>	<b>(6 292)</b>	<b>-</b>	<b>(20 496)</b>	<b>614 089</b>
Compensation of employees	591 793	-	-	(21 560)	(6 292)	-	(27 852)	563 941
Goods and services	42 792	-	-	7 356	-	-	7 356	50 148
<b>Transfers and subsidies</b>	<b>1 316 779</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>-</b>	<b>-</b>	<b>544</b>	<b>1 317 323</b>
Provinces and municipalities	491 370	-	-	29	-	-	29	491 399
Departmental agencies and accounts	813 189	-	-	-	-	-	-	813 189
Non-profit institutions	12 100	-	-	-	-	-	-	12 100
Households	120	-	-	515	-	-	515	635
<b>Payments for capital assets</b>	<b>2 054</b>	<b>-</b>	<b>-</b>	<b>11 144</b>	<b>-</b>	<b>-</b>	<b>11 144</b>	<b>13 198</b>
Machinery and equipment	2 054	-	-	11 144	-	-	11 144	13 198
<b>Total</b>	<b>1 953 418</b>	<b>-</b>	<b>-</b>	<b>(2 516)</b>	<b>(6 292)</b>	<b>-</b>	<b>(8 808)</b>	<b>1 944 610</b>

**Programme 3: Food Security and Agrarian Reform**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 871	-	-	-	-	-	-	2 871
Food Security	1 273 447	-	-	(314)	(3 799)	-	(4 113)	1 269 334
Sector Capacity Development	244 122	-	-	3 482	(410)	-	3 072	247 194
National Extension Support Services	369 298	-	-	-	-	-	-	369 298
<b>Total</b>	<b>1 889 738</b>	<b>-</b>	<b>-</b>	<b>3 168</b>	<b>(4 209)</b>	<b>-</b>	<b>(1 041)</b>	<b>1 888 697</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>255 021</b>	<b>-</b>	<b>-</b>	<b>(19 603)</b>	<b>(4 209)</b>	<b>-</b>	<b>(23 812)</b>	<b>231 209</b>
Compensation of employees	156 788	-	-	74	(4 209)	-	(4 135)	152 653
Goods and services	98 233	-	-	(19 677)	-	-	(19 677)	78 556
<b>Transfers and subsidies</b>	<b>1 597 397</b>	<b>-</b>	<b>-</b>	<b>2 708</b>	<b>-</b>	<b>-</b>	<b>2 708</b>	<b>1 600 105</b>
Provinces and municipalities	1 565 339	-	-	-	-	-	-	1 565 339
Departmental agencies and accounts	16 462	-	-	3 000	-	-	3 000	19 462
Higher education institutions	5 820	-	-	-	-	-	-	5 820
Public corporations and private enterprises	5 936	-	-	-	-	-	-	5 936
Non-profit institutions	2 200	-	-	(700)	-	-	(700)	1 500
Households	1 640	-	-	408	-	-	408	2 048
<b>Payments for capital assets</b>	<b>37 320</b>	<b>-</b>	<b>-</b>	<b>20 063</b>	<b>-</b>	<b>-</b>	<b>20 063</b>	<b>57 383</b>
Buildings and other fixed structures	33 211	-	-	2 196	-	-	2 196	35 407
Machinery and equipment	4 109	-	-	17 853	-	-	17 853	21 962
Software and other intangible assets	-	-	-	14	-	-	14	14
<b>Total</b>	<b>1 889 738</b>	<b>-</b>	<b>-</b>	<b>3 168</b>	<b>(4 209)</b>	<b>-</b>	<b>(1 041)</b>	<b>1 888 697</b>

**Programme 4: Trade Promotion and Market Access**

Subprogramme	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
Management	2 799	-	-	2 300	-	-	2 300	5 099
International Relations and Trade	118 542	-	-	4 720	-	-	4 720	123 262
Cooperatives and Rural Enterprise Development	120 334	-	-	(1 520)	-	-	(1 520)	118 814
Agro-processing and Marketing	55 921	-	-	900	-	-	900	56 821
<b>Total</b>	<b>297 596</b>	<b>-</b>	<b>-</b>	<b>6 400</b>	<b>-</b>	<b>-</b>	<b>6 400</b>	<b>303 996</b>

**Programme 4: Trade Promotion and Market Access (continued)**

Economic classification	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
<b>Current payments</b>	<b>133 166</b>	-	-	(501)	-	-	(501)	<b>132 665</b>	
Compensation of employees	101 628	-	-	(198)	-	-	(198)	101 430	
Goods and services	31 538	-	-	(303)	-	-	(303)	31 235	
<b>Transfers and subsidies</b>	<b>163 863</b>	-	-	<b>6 598</b>	-	-	<b>6 598</b>	<b>170 461</b>	
Provinces and municipalities	10	-	-	-	-	-	-	10	
Departmental agencies and accounts	36 830	-	-	(1 520)	-	-	(1 520)	35 310	
Higher education institutions	100	-	-	-	-	-	-	100	
Foreign governments and international organisations	34 525	-	-	7 920	-	-	7 920	42 445	
Public corporations and private enterprises	92 398	-	-	-	-	-	-	92 398	
Households	-	-	-	198	-	-	198	198	
<b>Payments for capital assets</b>	<b>567</b>	-	-	<b>303</b>	-	-	<b>303</b>	<b>870</b>	
Machinery and equipment	567	-	-	303	-	-	303	870	
<b>Total</b>	<b>297 596</b>	-	-	<b>6 400</b>	-	-	<b>6 400</b>	<b>303 996</b>	

**Programme 5: Forestry and Natural Resources Management**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	3 535	-	-	756	(187)	-	569	4 104	
Forestry Operations	477 060	-	-	(3 925)	(9 026)	-	(12 951)	464 109	
Forestry Oversight and Regulation	57 273	-	-	(328)	(844)	-	(1 172)	56 101	
Natural Resources Management	407 694	-	-	(2 681)	(3 621)	212 000	205 698	613 392	
<b>Total</b>	<b>945 562</b>	-	-	<b>(6 178)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>192 144</b>	<b>1 137 706</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>744 628</b>	-	-	<b>(19 473)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>178 849</b>	<b>923 477</b>	
Compensation of employees	553 715	-	-	(9 556)	(13 678)	-	(23 234)	530 481	
Goods and services	189 900	-	-	(9 958)	-	212 000	202 042	391 942	
Interest and rent on land	1 013	-	-	41	-	-	41	1 054	
<b>Transfers and subsidies</b>	<b>157 887</b>	-	-	<b>3 771</b>	-	-	<b>3 771</b>	<b>161 658</b>	
Provinces and municipalities	146 774	-	-	115	-	-	115	146 889	
Departmental agencies and accounts	3 000	-	-	(1 000)	-	-	(1 000)	2 000	
Higher education institutions	2 609	-	-	-	-	-	-	2 609	
Non-profit institutions	5 084	-	-	(200)	-	-	(200)	4 884	
Households	420	-	-	4 856	-	-	4 856	5 276	
<b>Payments for capital assets</b>	<b>43 047</b>	-	-	<b>9 524</b>	-	-	<b>9 524</b>	<b>52 571</b>	
Buildings and other fixed structures	-	-	-	8 520	-	-	8 520	8 520	
Machinery and equipment	42 927	-	-	964	-	-	964	43 891	
Biological assets	120	-	-	(20)	-	-	(20)	100	
Software and other intangible assets	-	-	-	60	-	-	60	60	
<b>Total</b>	<b>945 562</b>	-	-	<b>(6 178)</b>	<b>(13 678)</b>	<b>212 000</b>	<b>192 144</b>	<b>1 137 706</b>	

**Programme 6: Fisheries**

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	3 028	-	-	-	-	-	-	3 028	
Aquaculture	37 803	-	-	-	-	-	-	37 803	
Monitoring Control and Surveillance	84 940	-	-	-	-	-	-	84 940	
Marine Resources Management	22 285	-	-	-	-	-	-	22 285	
Fisheries Research and Development	68 783	-	-	-	-	-	-	68 783	
Marine Living Resources Fund	241 759	-	-	-	-	-	-	241 759	
<b>Total</b>	<b>458 598</b>	-	-	-	-	-	-	<b>458 598</b>	

**Programme 6: Fisheries (continued)**

Economic classification	2016/17						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand							
<b>Current payments</b>	<b>216 839</b>	–	–	(107)	–	–	<b>216 732</b>
Compensation of employees	216 839	–	–	(107)	–	–	216 732
<b>Transfers and subsidies</b>	<b>241 759</b>	–	–	107	–	–	<b>241 866</b>
Departmental agencies and accounts	241 759	–	–	–	–	–	241 759
Households	–	–	–	107	–	–	107
<b>Total</b>	<b>458 598</b>	–	–	–	–	–	<b>458 598</b>

**Details of adjustments to the Estimates of National Expenditure 2016****Virements and shifts within votes****Programmes**

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

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(10 810)</b>	<b>Programme 1</b>		<b>5 314</b>
Goods and services	Reduced spending on travel and subsistence, property payments, external auditors, advertising, and minor assets	(4 918)	Machinery and equipment	Photocopier leases, computer servers, desktop and laptop computers, and security equipment	4 918
	Reduced spending on property payments, and advertising	(8)	Provinces and municipalities	Vehicle licences	8
	Reduced spending on external audit	(175)	Software and other intangible assets	IT software	175
	Reduced spending on property payments	(14)	Interest and rent on land	Interest charges	14
	Reduced spending on property payments	(199)	Buildings and other fixed structures	Desktop and laptop computers	199
	Reduced spending on travel and subsistence, and external audit	(3 000)	<b>Programme 3</b>		<b>3 000</b>
			Goods and services	Training and development for non-employees	3 000
			<b>Programme 1</b>		<b>1 366</b>
Machinery and equipment	Reduced spending on computers	(10)	Software and other intangible assets	IT software	10
Compensation of employees	Vacant posts <sup>1</sup>	(1 356)	Households	Leave gratuities	1 356
	Vacant posts	(80)	<b>Programme 3</b>		<b>80</b>
			Compensation of employees	Stipends for interns	80
			<b>Programme 1</b>		<b>1 050</b>
Software and other intangible assets	Reduced spending on software	(50)	Machinery and equipment	Computers and photocopier leases	50
Departmental agencies and accounts	Reduced spending on research conducted by the National Research Foundation <sup>1</sup>	(1 000)	Goods and services	Research and development initiatives	1 000
Shifts within the programme as a percentage of the programme budget		1.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.4%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 2</b>		<b>(22 927)</b>	<b>Programme 1</b>		<b>443</b>
Goods and services	Reduced spending on travel and subsistence	(443)	Goods and services	Building lease renewals	443
			<b>Programme 2</b>		<b>20 382</b>
	Reduced spending on travel and subsistence, and legal services	(895)	Machinery and equipment	Motor vehicles, photocopier leases, and desktop and laptop computers	895
	Reduced spending on travel and subsistence	(23)	Provinces and municipalities	Vehicle licences, laptop computers, photocopier leases, and vehicle licences	23
	Reduced spending on legal services	(6)	Provinces and municipalities	Vehicle licences	6
Compensation of employees	Vacant posts <sup>2</sup>	(10 249)	Machinery and equipment	Vehicles for the compulsory community service programme for veterinarians	10 249
	Vacant posts <sup>1</sup>	(32)	Households	Leave gratuities	32
	Vacant posts <sup>1</sup>	(483)	Households	Leave gratuities	483
	Vacant posts <sup>2</sup>	(8 694)	Goods and services	Inspection services by the regulator of the import and export of agricultural products	8 694
				Compulsory community service programme for veterinarians	
	Vacant posts	(402)	<b>Programme 3</b>		<b>402</b>
	Vacant posts <sup>2</sup>	(1 700)	Compensation of employees	Stipends for interns	402
			<b>Programme 4</b>		<b>1 700</b>
			Foreign governments and international organisations	Membership fees for the Food and Agriculture Organisation of the United Nations <sup>1</sup>	1 700
Shifts within the programme as a percentage of the programme budget		1.0%			
Virements to other programmes as a percentage of the programme budget		0.1%			
<b>Programme 3</b>		<b>(26 295)</b>	<b>Programme 1</b>		<b>314</b>
Goods and services	Reduced spending on travel and subsistence	(314)	Goods and services	Lease renewals	314
			<b>Programme 3</b>		<b>25 981</b>
	Reduced spending on travel and subsistence, stationery and printing, minor assets and contractors, consumable supplies	(19 663)	Machinery and equipment	Vehicle licences, photocopier leases, laptop computers, new structures, mainframe server, buses, security equipment, air conditioners, audio visual equipment, domestic equipment, agricultural farm equipment, firefighting, construction and maintenance, security equipment, workshop equipment, computer servers, and office furniture	19 663
	Reduced spending on stationery and printing, consumable supplies	(14)	Software and other intangible assets	IT software	14
	Reduction in spending on vehicles and computers	(386)	Buildings and other fixed structures	Agricultural farm equipment and laptop computers, and new buildings	386
	Reclassification of funds for training and development of non-employees	(3 000)	Departmental agencies and accounts	National Student Financial Aid Scheme <sup>1</sup>	3 000
Machinery and equipment	Reduced spending on vehicles and computers	(1 810)	Buildings and other fixed structures	Capital projects	1 810
Compensation of employees	Vacant posts <sup>1</sup>	(408)	Households	Leave gratuities	408

2016 Adjusted Estimates of National Expenditure

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Non-profit institutions	Reduced spending on school support external bursary scheme for Agricultural High Schools and Colleges students <sup>1</sup>	(700)	Goods and services	Bursary monitoring	700
Shifts within the programme as a percentage of the programme budget		1.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>		<b>(2 021)</b>	<b>Programme 4</b>		<b>2 021</b>
Goods and services	Reduced spending on infrastructure and planning, travel and subsistence, agency and outsourced services	(303)	Machinery and equipment	Photocopier leases, and software	303
Compensation of employees	Vacant posts <sup>1</sup>	(198)	Households	Leave gratuities	198
Departmental agencies and accounts	Reduced spending on transfers to small enterprise development agency <sup>1</sup>	(1 520)	Foreign governments and international organisations	International membership fees for Food and Agriculture Organisation of the United Nations <sup>1</sup>	1 520
Shifts within the programme as a percentage of the programme budget		0.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 5</b>		<b>(22 286)</b>	<b>Programme 1</b>		<b>1 449</b>
Goods and services	Reduced spending on consumable supplies, agency and outsourced services	(1 449)	Goods and services	Renewal of operating leases agreements for office accommodation	1 449
	Reduced spending on consumable supplies	(29)	<b>Programme 2</b>		<b>29</b>
	Reduced spending on consumable supplies, outsourced services, and bursaries	(1 294)	Goods and services	Operating leases	29
	Reduced spending on consumable supplies	(115)	<b>Programme 5</b>		<b>10 031</b>
	Reduced spending on administration fees	(60)	Machinery and equipment	Telecommunication infrastructure, mainframe server, agricultural farm equipment, and emergency vehicles	1 294
	Reduced spending on agency and outsourced services	(42)	Provinces and municipalities	Vehicle licences	115
	Reduced spending on consumable supplies	(7 670)	Software and other intangible assets	IT software	60
Machinery and equipment	Reduced spending on vehicles and computers	(850)	Interest and rent on land	Software and other intangible assets	42
			Buildings and other fixed structures	Buildings and other fixed structures	7 670
Compensation of employees	Vacant posts <sup>2</sup>	(4 700)	Buildings and other fixed structures	Buildings and other fixed structures	850
			<b>Programme 4</b>		<b>4 700</b>
	Vacant posts <sup>1</sup>	(152)	Foreign governments and international organisations	Membership fees for the Food and Agriculture Organisation of the United Nations <sup>1</sup>	4 700
	Vacant posts <sup>1</sup>	(4 704)	<b>Programme 5</b>		<b>6 077</b>
Departmental agencies and accounts	Reduced spending on research conducted by the Water Research Commission <sup>1</sup>	(500)	Households	Leave gratuities	152
	Reduced spending on research conducted by the Water Research Commission <sup>1</sup>	(500)	Households	Leave gratuities	4 704
Non-profit institutions	Reprioritisation of funds to Food and Trees for Africa <sup>1</sup>	(200)	Machinery and equipment	Motor vehicles	500
			Goods and services	Travel and accommodation	500
			Goods and services	Purchase of trees for arbor week <sup>1</sup>	200



FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Biological assets	Reduced spending on forest plantation, plants (product and seeds) and fruit trees	(20)	Machinery and equipment	Agricultural farm equipment	20
Interest and rent on land	Reduced spending on rent	(1)	Goods and services	Farm supplies such as seedlings and trees	1
Shifts within the programme as a percentage of the programme budget		1.7%			
Virements to other programmes as a percentage of the programme budget		0.7%			
<b>Programme 6</b>		<b>(107)</b>	<b>Programme 6</b>		<b>107</b>
Compensation of employees	Vacant posts <sup>1</sup>	(107)	Households	Leave gratuities	107
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Total</b>		<b>(84 446)</b>			<b>84 446</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

## Declared unspent funds – R30 million

R30 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R5.821 million

Programme 2: Agricultural Production, Health and Food Safety

R6.292 million

Programme 3: Food Security and Agrarian Reform

R4.209 million

Programme 5: Forestry and Natural Resources Management

R13.678 million

## Other adjustments – R212 million

### **Adjustments due to significant and unforeseeable economic and financial events – R212 million**

Programme 5: Forestry and Natural Resources Management

An additional R212 million has been allocated to the comprehensive agricultural support programme indirect grant for the procurement of fodder for animals as a mitigating measure against drought.

**Expenditure outcome for 2015/16 and actual expenditure for 2016/17**

Programme	2015/16					2016/17			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - Sep 15 % of adjusted appropriation	Apr 15 - Mar 16	Apr 15 - Mar 16 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation
Administration	739 418	436 437	59.0	785 802	106.3	781 358	12.0	474 226	60.7
Agricultural Production, Health and Food Safety	2 144 541	1 216 417	56.7	2 143 017	99.9	1 944 610	29.8	1 076 151	55.3
Food Security and Agrarian Reform	1 919 401	946 797	49.3	1 906 795	99.3	1 889 097	29.0	867 629	45.9
Trade Promotion and Market Access	233 907	147 044	62.9	236 758	101.2	303 596	4.7	238 386	78.5
Forestry and Natural Resources Management	906 216	486 452	53.7	862 280	95.2	1 137 706	17.5	477 798	42.0
Fisheries	465 267	233 822	50.3	465 890	100.1	458 598	7.0	236 218	51.5
<b>Total</b>	<b>6 408 750</b>	<b>3 466 969</b>	<b>54.1</b>	<b>6 400 542</b>	<b>99.9</b>	<b>6 514 965</b>	<b>100.0</b>	<b>3 370 408</b>	<b>51.7</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 536 868</b>	<b>1 265 134</b>	<b>49.9</b>	<b>2 475 870</b>	<b>97.6</b>	<b>2 837 633</b>	<b>43.6</b>	<b>1 398 875</b>	<b>49.3</b>
Compensation of employees	1 763 005	852 963	48.4	1 761 115	99.9	1 992 599	30.6	974 044	48.9
Goods and services	772 331	412 171	53.4	714 755	92.5	843 966	13.0	424 517	50.3
Interest and rent on land	1 532	-	-	-	-	1 068	-	314	29.4
<b>Transfers and subsidies</b>	<b>3 694 945</b>	<b>2 088 046</b>	<b>56.5</b>	<b>3 704 831</b>	<b>100.3</b>	<b>3 510 179</b>	<b>53.9</b>	<b>1 911 520</b>	<b>54.5</b>
Provinces and municipalities	2 172 640	1 120 396	51.6	2 172 723	100.0	2 203 685	33.8	1 013 238	46.0
Departmental agencies and accounts	1 138 091	746 430	65.6	1 139 915	100.2	1 129 082	17.3	743 657	65.9
Higher education institutions	3 312	3 307	99.8	3 306	99.8	8 529	0.1	8 529	100.0
Foreign governments and international organisations	32 379	20 445	63.1	31 911	98.6	42 045	0.6	35 073	83.4
Public corporations and private enterprises	314 715	172 882	54.9	314 801	100.0	98 334	1.5	91 372	92.9
Non-profit institutions	25 886	15 116	58.4	25 591	98.9	18 484	0.3	8 658	46.8
Households	7 922	9 470	119.5	16 584	209.3	10 020	0.2	10 993	109.7
<b>Payments for capital assets</b>	<b>176 937</b>	<b>113 401</b>	<b>64.1</b>	<b>218 466</b>	<b>123.5</b>	<b>167 153</b>	<b>2.6</b>	<b>59 771</b>	<b>35.8</b>
Buildings and other fixed structures	48 609	23 628	48.6	40 280	82.9	78 311	1.2	5 061	6.5
Machinery and equipment	128 160	89 773	70.0	178 029	138.9	88 483	1.4	52 559	59.4
Biological assets	168	-	-	-	-	100	-	-	-
Software and other intangible assets	-	-	-	157	-	259	-	2 151	830.5
<b>Payments for financial assets</b>	<b>-</b>	<b>388</b>	<b>-</b>	<b>1 375</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>242</b>	<b>-</b>
<b>Total</b>	<b>6 408 750</b>	<b>3 466 969</b>	<b>54.1</b>	<b>6 400 542</b>	<b>99.9</b>	<b>6 514 965</b>	<b>100.0</b>	<b>3 370 408</b>	<b>51.7</b>

**Expenditure trends for the first six months of 2016/17**

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R3.4 billion, or 51.7 per cent of the adjusted appropriation of R6.5 billion for the year. In comparison, mid-year expenditure in 2015/16 was R3.5 billion, or 54.1 per cent of the 2015/16 adjusted appropriation. In comparison to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R96.6 million, or 2.8 per cent. This was mainly due to a payment to Onderstepoort Biological Products Limited for the building and modernisation of vaccine production facilities and equipment that came to an end in 2015/16.

## Departmental receipts

R thousand	2015/16					2016/17				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 15 - Sep 15	adjusted estimate % of	Apr 15 - Mar 16	adjusted estimate % of	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	adjusted estimate % of
<b>Departmental receipts</b>	<b>206 326</b>	<b>111 509</b>	<b>54.0</b>	<b>212 414</b>	<b>103.0</b>	<b>216 643</b>	<b>227 198</b>	<b>100.0</b>	<b>108 582</b>	<b>47.8</b>
Sales of goods and services produced by department	164 632	98 519	59.8	185 974	113.0	172 863	212 403	93.5	102 702	48.4
Sales of scrap, waste, arms and other used current goods	50	29	58.0	53	106.0	53	659	0.3	503	76.3
Transfers received	400	226	56.5	355	88.8	420	420	-	151	36.0
Fines, penalties and forfeits	29	25	86.2	270	931.0	30	46	-	31	67.4
Interest, dividends and rent on land	17 629	2 146	12.2	5 143	29.2	18 511	4 634	2.0	2 059	44.4
Sales of capital assets	1 176	831	70.7	1 720	146.3	1 235	1 348	0.6	448	33.2
Transactions in financial assets and liabilities	22 410	9 733	43.4	18 899	84.3	23 531	7 688	3.4	2 688	35.0
<b>Total</b>	<b>206 326</b>	<b>111 509</b>	<b>54.0</b>	<b>212 414</b>	<b>103.0</b>	<b>216 643</b>	<b>227 198</b>	<b>100.0</b>	<b>108 582</b>	<b>47.8</b>

## Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R108.6 million, or 47.8 per cent of the adjusted revenue estimate of R227.2 million for the year. In comparison, mid-year revenue in 2015/16 was R111.5 million, or 54 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue in 2016/17 decreased by R2.9 million, or 2.6 per cent. This was mainly due to tariff adjustments on the sales of goods and services produced by the department.

## Changes to transfers and subsidies

### Summary of changes to transfers and subsidies per programme

R thousand	2016/17							Total adjustments appropriation	Adjusted appropriation	
	Main appropriation	Adjustments appropriation					Total adjustments appropriation			Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments				
<b>Administration</b>										
<b>Provinces and municipalities</b>										
<b>Municipalities</b>										
<b>Municipal bank accounts</b>										
<b>Current</b>	<b>40</b>	-	-	<b>8</b>	-	-	<b>8</b>	<b>48</b>		
Vehicle licences	40	-	-	8	-	-	8	48		
<b>Departmental agencies and accounts</b>										
<b>Departmental agencies (non-business entities)</b>										
<b>Current</b>	<b>16 697</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>15 697</b>		
National Research Foundation	16 697	-	-	(1 000)	-	-	(1 000)	15 697		
<b>Households</b>										
<b>Social benefits</b>										
<b>Current</b>	-	-	-	<b>1 356</b>	-	-	<b>1 356</b>	<b>1 356</b>		
Employee social benefits	-	-	-	1 356	-	-	1 356	1 356		
<b>Agricultural Production, Health and Food Safety</b>										
<b>Provinces and municipalities</b>										
<b>Municipalities</b>										
<b>Municipal bank accounts</b>										
<b>Current</b>	<b>7</b>	-	-	<b>29</b>	-	-	<b>29</b>	<b>36</b>		
Vehicle licences	7	-	-	29	-	-	29	36		
<b>Households</b>										
<b>Social benefits</b>										
<b>Current</b>	<b>120</b>	-	-	<b>515</b>	-	-	<b>515</b>	<b>635</b>		
Employee social benefits	120	-	-	515	-	-	515	635		

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

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
<b>Food Security and Agrarian Reform</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>15 862</b>	-	-	<b>3 000</b>	-	-	<b>3 000</b>	<b>18 862</b>
National Student Financial Aid Scheme	15 862	-	-	3 000	-	-	3 000	18 862
<b>Non-profit institutions</b>								
<b>Current</b>	<b>2 200</b>	-	-	<b>(700)</b>	-	-	<b>(700)</b>	<b>1 500</b>
Agricultural colleges	2 200	-	-	(700)	-	-	(700)	1 500
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>140</b>	-	-	<b>408</b>	-	-	<b>408</b>	<b>548</b>
Employee social benefits	140	-	-	408	-	-	408	548
<b>Households</b>								
<b>Other transfers to households</b>								
<b>Current</b>	<b>100</b>	-	-	<b>400</b>	-	-	<b>400</b>	<b>500</b>
Female entrepreneur of the year awards	100	-	-	400	-	-	400	500
<b>Trade Promotion and Market Access</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>1 825</b>	-	-	<b>(1 520)</b>	-	-	<b>(1 520)</b>	<b>305</b>
Small Enterprise Development Agency	1 825	-	-	(1 520)	-	-	(1 520)	305
<b>Foreign governments and international organisations</b>								
<b>Current</b>	<b>34 455</b>	-	-	<b>7 520</b>	-	-	<b>7 520</b>	<b>41 975</b>
Consultative Group on International Agricultural Research	6 630	-	-	516	-	-	516	7 146
International Union for the Protection of New Varieties of Plants	744	-	-	50	-	-	50	794
Commonwealth Agricultural Bureau International	295	-	-	42	-	-	42	337
Food and Agriculture Organisation of the United Nations	23 467	-	-	6 400	-	-	6 400	29 867
Foreign rates and taxes	257	-	-	16	-	-	16	273
International Cotton Advisory Council	281	-	-	108	-	-	108	389
International Grains Council	227	-	-	(28)	-	-	(28)	199
International Seed Testing Association	150	-	-	(30)	-	-	(30)	120
International Organisation of Vine and Wine	790	-	-	188	-	-	188	978
World Organisation for Animal Health	1 424	-	-	243	-	-	243	1 667
Organisation for Economic Cooperation and Development	181	-	-	13	-	-	13	194
International Union of Forestry Research Organisations	9	-	-	2	-	-	2	11
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>-</b>	-	-	<b>198</b>	-	-	<b>198</b>	<b>198</b>
Employee social benefits	-	-	-	198	-	-	198	198
<b>Forestry and Natural Resources</b>								
<b>Management</b>								
<b>Provinces and municipalities</b>								
<b>Municipalities</b>								
<b>Municipal bank accounts</b>								
<b>Current</b>	<b>175</b>	-	-	<b>115</b>	-	-	<b>115</b>	<b>290</b>
Vehicle licences	175	-	-	115	-	-	115	290
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	<b>3 000</b>	-	-	<b>(1 000)</b>	-	-	<b>(1 000)</b>	<b>2 000</b>
Water Research Commission	3 000	-	-	(1 000)	-	-	(1 000)	2 000
<b>Non-profit institutions</b>								
<b>Current</b>	<b>400</b>	-	-	<b>(200)</b>	-	-	<b>(200)</b>	<b>200</b>
Food and Trees for Africa	400	-	-	(200)	-	-	(200)	200
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	<b>420</b>	-	-	<b>4 856</b>	-	-	<b>4 856</b>	<b>5 276</b>
Employee social benefits	420	-	-	4 856	-	-	4 856	5 276

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

	2016/17							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand								
<b>Fisheries</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	107	-	-	107	107
Employee social benefits	-	-	-	107	-	-	107	107

