

Agriculture

Budget summary

R thousand	2008/09				2009/10	2010/11
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	300 364	274 901	733	24 730	317 885	343 411
Livelihoods, Economics and Business Development	901 814	139 909	761 172	733	859 313	753 621
Bio-security and Disaster Management	311 721	302 160	6 016	3 545	353 725	401 932
Production and Resources Management	259 900	195 062	55 180	9 658	269 871	286 655
Sector Services and Partnerships	760 872	109 753	650 237	882	826 964	965 536
Total expenditure estimates	2 534 671	1 021 785	1 473 338	39 548	2 627 758	2 751 155
Executive authority	Minister of Agriculture and Land Affairs					
Accounting officer	Director-General of Agriculture					
Website address	www.nda.agric.za					

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 agriculture; maximising growth, employment and income in the sector; improving the sustainable management of natural agricultural resources and ecological systems; ensuring effective and efficient governance; and ensuring knowledge and information management.

Programme purposes, objectives and measures

Programme 1: Administration

Purpose: Provide the department with political and strategic leadership and management, and manage capital investments.

Programme 2: Livelihoods, Economics and Business Development

Purpose: Develop and facilitate the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector to promote shared growth and the commercial viability of emerging farmers and ensure household food security. Facilitate market access for South African agricultural products nationally and internationally. Promote broad-based black economic empowerment in the agricultural sector. Provide economic and statistical services to support economic growth and development. Monitor the economic performance of the sector.

Objectives and measures:

- Create employment by increasing the number of jobs per AgriBEE deal by 10 per cent per year compared to the 309 jobs created in the 6 deals in 2006/07.
- Build capacity in the agricultural sector through the small medium and micro enterprises (SMME) excellence model by establishing 9 provincial centres of excellence at higher learning institutions and agricultural colleges by 2010 at a rate of 3 per year and training 100 agricultural development facilitators in 2008/09 and a further 110 by the end of 2010.

- Improve access to finance by increasing the number of emerging black farmers receiving production loans from 4 000 in 2007/08 to 7 000 per year over the MTEF period.
- Improve the knowledge base in agricultural economic trends by publishing 16 economic reviews, 8 topical reports and 6 statistical reports by March 2009.
- Create market access by increasing the number of emerging black farmers trained in agricultural marketing from 300 to 2 250 during the MTEF period.

Programme 3: Bio-security and Disaster Management

Purpose: Manage the risks associated with animal diseases, plant pests and genetically modified organisms. Ensure food safety. Develop the agricultural risk and disaster management policy framework.

Objectives and measures:

- Reduce the incidence of animal and plant diseases and ensure compliance with international and national agricultural risk and disaster management measures through improved risk management systems such as :
 - compiling and implementing a plant health policy by March 2009
 - accrediting an inspection training manual regarding the entry and exit of illegal agricultural products in South Africa by March 2009
 - approving and implementing biosafety regulatory guidelines by March 2009
 - developing a national agricultural food risk management strategy by March 2009
 - approving veterinary biosecurity guidelines by March 2009
 - approving an agricultural climate change sector plan by March 2009
 - approving a primary animal health care programme by March 2009.

Programme 4: Production and Resources Management

Purpose: Identify opportunities and develop strategies to optimise agricultural productivity and profitability through the sustainable use and protection of land and water resources.

Objectives and measures:

- Increase agricultural production by emerging black farmers both for crops and livestock by implementing sustainable plant and animal production systems by an aggregate of 10 per cent in the next 5 years.
- Improve irrigation development for the benefit of emerging black farmers through drilling boreholes by 10 per cent over the MTEF period.
- Improve the rehabilitation of degraded agricultural resources by implementing proper land use measures by 10 per cent over the MTEF period.

Programme 5: Sector Services and Partnerships

Purpose: Manage and co-ordinate intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services, and scientific research and technology development.

Objectives and measures:

- Increase the number of trained black entrepreneurs in the agricultural sector by providing a package of support services to prospective farmers from 3 000 in 2008 to 10 000 in 2011.
- Strengthen delivery capacity on the agrarian and land reform process by overseeing the recruitment of 670 extension and advisory services personnel by March 2011.
- Improve the quality of the extension service by putting 980 extension and advisory services personnel through a skills upgrading programme by March 2011.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of reports published on the economic performance of the sector	12	14	16	18	24	24	24
Number of beneficiaries accessing CASP	–	89 000	67 000	80 000	80 000	80 000	80 000
Number of farmers awarded production loans	–	–	5 109	4 000	7 000	7 000	7 000
Number of additional personnel at ports of entry	–	–	–	–	35	40	40
Number of compliance guidelines developed:							
-Biosafety	–	–	–	2	2	2	2
-Plant health	–	–	–	3	3	2	2
-Agricultural product inspection services	–	–	–	2	2	3	3
Number of community gene sample bank projects established	–	–	–	–	2	4	6
Number of animal genetic samples distributed nationally	–	–	–	–	500	600	700
Number of power hoes distributed to food security projects to mechanise agriculture	–	330	–	200	200	250	200
Number of community seed production schemes established	–	–	–	–	3	5	9
Number of hectares under irrigation	–	–	–	1.3 million	1.4 million	1.5 million	1.6 million
Number of trainees on industry focused farmer training programme	282	671	803	800	1 000	2 000	3 000
Number of trainees on commodity master mentorship programme	–	–	6 500	7 000	7 500	8 000	10 000
Number of protocol agreements signed	3	3	5	7	8	9	10

Strategic overview and key policy developments: 2004/05 – 2010/11

The Department of Agriculture plays a key role in the development of South African agriculture and its profitability and international competitiveness, and so aims to lead and support sustainable agriculture and promote rural development.

The land and agrarian reform project (LARP) will be a focus area for the Department of Agriculture in 2008/09, with improved alignment and sharing of resources between national and provincial departments of Agriculture and Land Affairs to ensure optimal support to newly settled emerging black farmers. The project will respond to the presidential priorities regarding land reform by:

- increasing the number of black entrepreneurs in the agribusiness industry by 10 per cent
- providing universal access to agricultural support services to emerging black farmers
- increasing the agricultural production of emerging black farmers by 10 per cent under the Letsema/Ilima special delivery campaign
- increasing agricultural trade by 10 to 15 per cent for previously disadvantaged people.

To further the goals of AgriBEE, the department strives to incorporate the SMME excellence model into higher learning institutions and agricultural colleges, moving towards the creation of centres of excellence for changing mindsets and for capacity building in the sector. In addition, the department intends to transform the agricultural sector through value chain commodity and empowerment strategies.

Key policy developments

As a result of South Africa's accession to the Cartagena Protocol on Biosafety in 2003 and the implementation of the Biodiversity Act (2004), it was necessary to amend the GMO Act (1997).

The Sustainable Utilisation and Protection of Agricultural Resources (SUPAR) Bill is being finalised to ensure that South Africa's limited agricultural resources are protected and used sustainably and that natural resources are conserved for agricultural production and the development of livelihoods.

To support beneficiaries of land reform and other black farmers, norms and standards for extension and advisory services were developed. Education and training, and research and development strategies were also

developed. Following a study in all the provinces an extension recovery plan will see to it that more extension officers will be employed and current extension officials given the opportunity to improve their qualifications.

Recent achievements

67 000 emerging black farmers and 1 100 projects were supported through the comprehensive agricultural support programme (CASP) in 2006/07.

A partnership programme was developed with the red meat industry to fast-track the graduation of emerging farmers to become commercial farmers. 500 emerging red meat producers were mobilised, a farmer's training manual was developed, and extension officers from all provinces were trained to provide better services. Some of the farmers were linked to markets and others participated in cattle improvement programmes. A highlight is the emergence of a group of 200 farmers from Vhembe Livestock Farmers Association who won the 2006 ABSA-Agricultural Research Council (ARC) emerging farmers of the year award and the 2007 Limpopo National Emergent Red Meat Producers Organisation (NERPO) livestock farmers of the year award. Some of their members have graduated to become Bonsmara stud breeders.

Micro-Agricultural Financial Institutions of South Africa (MAFISA), the government financial scheme targeting emerging farmers, has disbursed R635 million to the Land Bank from 2005/06 to 2007/08, with further planned allocations of R247 million in 2008/09 and R146 million in 2009/10. This scheme has been rolled out in KwaZulu-Natal, Limpopo and Eastern Cape and its extension to all provinces is being considered. To date, 5 054 loans for cotton and cash crop production (R31.9 million), 52 loans for poultry production (R341 000), 14 loans for small farming equipment (R20 600) and 91 loans for ostrich production (R9.8 million) have been disbursed.

Border control inspections were bolstered by the acquisition of a further six sniffer dogs for the OR Tambo International Airport's Sedupe K9 Unit. They will speed up the detection of illegal imports of agricultural products.

Access to international markets for local producers was expanded with the conclusion of four bilateral export agreements that allow the export of table grapes and tobacco leaf to China, clementines to Japan and persimmons to Israel. Agricultural trade between China and South Africa was further strengthened through the approval of imports of apples and pears from China.

Early warning climate advisories were issued monthly to the sector to help farmers manage climatic risks. Weather and climate awareness campaigns were run in six provinces and a short course on agro-meteorology for on-farm decision-making was presented. At least 62 000 farmers participated in the drought relief scheme and more than 500 farmers benefited from flood disaster assistance in 2006/07.

The department transferred R55.7 million in 2006/07 to the nine provincial departments for LandCare projects. The projects involved 15 258 beneficiaries and resulted in 2 428 hectares of soil protected from soil erosion, 4 358 hectares of range land brought under improved management and 794 hectares of weeds and alien plants controlled. LandCare awareness was promoted through 12 891 activities and events, including around capacity building and partnerships with stakeholders and involving learners and other young people.

To improve the accuracy of crop estimates, a new producer independent crop estimation system was developed and implemented. The system, partially funded by the Maize Trust, will complement the existing point frame sampling system. An annual amount of R7.7 million is ring-fenced for this purpose.

More than 66 000 households suffering from food insecurity have been reached through agricultural production packages. In collaboration with the National Agricultural Marketing Council, quarterly food price trends reports are published to inform the public on food consumer prices. The department launched a web-based system to disseminate agricultural marketing information to farmers.

Animal improvement schemes and a list of breeds used in South Africa for agriculture and food were approved and gazetted. The Kaonafatso ya Dikgomo programme (for improving cattle breeding) was implemented.

Targeting emerging farmers, it currently operates in Gauteng, Limpopo, Mpumalanga and North West and will be expanded to other provinces.

The programme to rehabilitate degraded land is being implemented in Eastern Cape with other provinces to follow. An irrigation development strategy, which emphasises the governance of agricultural water, was finalised. The strategy also prioritises implementation options, namely the revitalisation of existing irrigation schemes and the efficient use of irrigation water.

The biofuels industrial strategy that will unlock the potential for this in agricultural production is being finalised. An infrastructure inventory programme will follow this for the purposes of crop handling for biofuel production.

Expenditure estimates

Table 23.1 Agriculture

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
1. Administration	213 482	219 649	232 561	285 029	285 029	300 364	317 885	343 411
2. Livelihoods, Economics and Business Development	268 880	628 582	680 562	1 559 958	1 484 958	901 814	859 313	753 621
3. Bio-security and Disaster Management	343 173	388 365	434 622	732 673	557 673	311 721	353 725	401 932
4. Production and Resources Management	162 143	195 191	217 244	243 483	243 483	259 900	269 871	286 655
5. Sector Services and Partnerships	423 764	477 212	658 967	652 341	652 341	760 872	826 964	965 536
Total	1 411 442	1 908 999	2 223 956	3 473 484	3 223 484	2 534 671	2 627 758	2 751 155
Change to 2007 Budget estimate				1 192 318	942 318	149 715	227 344	362 861
Economic classification								
Current payments	584 954	718 078	871 808	883 071	883 071	1 021 785	1 111 567	1 207 715
Compensation of employees	322 065	358 716	434 392	480 310	480 310	585 811	639 420	702 497
Goods and services	261 952	358 643	435 932	402 761	402 761	435 974	472 147	505 218
<i>of which:</i>								
Communication	11 251	16 009	13 639	13 954	13 954	15 990	16 603	17 260
Computer services	13 142	20 022	15 976	18 783	18 783	25 235	33 185	35 832
Consultants, contractors and special services	57 452	113 931	119 800	101 594	101 594	118 195	128 179	123 883
Inventory	43 129	39 414	50 651	45 824	45 824	35 695	36 581	38 724
Maintenance, repairs and running costs	12 249	16 633	11 531	12 746	12 746	13 051	12 637	14 412
Operating leases	23 714	26 337	31 393	35 943	35 943	11 557	12 086	13 468
Travel and subsistence	63 851	68 105	107 080	71 529	71 529	74 887	76 298	83 154
Advertising	4 930	6 504	11 605	7 569	7 569	5 101	5 198	5 505
Municipal services	6 560	6 984	8 555	9 494	9 494	9 569	10 526	11 579
Audit fees	1 923	3 592	5 102	3 968	3 968	4 875	5 094	5 400
Assets < R5 000	7 627	7 967	5 412	8 452	8 452	9 827	9 064	10 020
Financial transactions in assets and liabilities	937	719	1 484	–	–	–	–	–
Transfers and subsidies	761 858	1 134 310	1 292 075	2 524 239	2 274 239	1 473 338	1 478 553	1 503 546
Provinces and municipalities	345 012	411 336	401 805	762 088	552 088	584 301	680 277	812 104
Departmental agencies and accounts	358 905	385 711	532 790	518 469	518 469	548 627	558 021	591 437
Universities and technikons	–	–	–	3 806	3 806	7 604	4 240	4 496
Public corporations and private enterprises	2 383	146 785	245 523	965 765	955 765	299 442	201 600	59 033
Foreign governments and international organisations	12 998	155 074	9 974	28 915	28 915	26 618	27 360	29 002
Non-profit institutions	2 628	779	7 664	4 640	4 640	6 400	6 694	7 094
Households	39 932	34 625	94 319	240 556	210 556	346	361	380
Payments for capital assets	64 630	56 611	60 073	66 174	66 174	39 548	37 638	39 894
Buildings and other fixed structures	36 892	17 780	23 427	31 319	31 319	23 104	21 009	22 270
Machinery and equipment	24 383	33 423	34 842	33 373	33 373	15 828	15 944	16 906
Cultivated assets	175	11	79	540	540	–	–	–
Software and other intangible assets	3 180	5 397	1 725	942	942	616	685	718
<i>of which: Capitalised compensation</i>	17 462	21 329	22 223	30 271	30 271	15 667	16 762	17 934
Total	1 411 442	1 908 999	2 223 956	3 473 484	3 223 484	2 534 671	2 627 758	2 751 155

Expenditure trends

Total expenditure increased at an average annual rate of 35 per cent, from R1.4 billion in 2004/05 to R3.5 billion in 2007/08. Expenditure is then set to decline to R2.8 billion in 2010/11, representing an average annual decline in spending of 7.5 per cent. The decline after 2007/08 reflects the removal of additional funds provided to the department during the course of 2007/08 for a once-off allocation to the Land Bank for the purpose of recapitalisation.

Transfer payments account for an average of 60 per cent of the department's budget, apart from in 2007/08, when they topped 73 per cent due to the additional once-off amounts mentioned above. In 2007/08, R488.5 million was transferred to the Agricultural Research Council, R461.7 million to the provincial departments of agriculture for the comprehensive agricultural support programme (CASP) and the LandCare programme, and R248 million to the Land Bank for the Micro-Agricultural Financial Institutions of South Africa (MAFISA). The allocation to CASP has seen a particularly steep increase, rising from R200 million in 2004/05 to R415 million in 2007/08 at a rate of 27.5 per cent per annum. The allocation to CASP reaches R507.1 million in 2010/11 as expenditure growth moderates over the next three years to an average annual rate of 6.9 per cent. The allocation to MAFISA increased from R144 million in 2005/06 to R248 million in 2007/08, an increase of 31.2 per cent. Further allocations of R250 million in 2008/09 and R150 million in 2009/10 are provided for and there is no allocation for the outer year. The increase was due to an anticipated increase in the need for more funds by the emerging farmers as the MAFISA pilot progresses.

The department has identified efficiency savings of R45 million over the MTEF period under goods and services (including consultants, communication, and travel and subsistence items). These are to curb unnecessary expenditure on strategic planning sessions, bosberade, lekgotlas, team building events, seminars and year end functions. These kinds of meetings have been limited to a maximum of four per directorate in any financial year, with concomitant reductions in budgets. Workshops and meetings will, as far as possible, be arranged at departmental venues to further save costs. Savings will also be realised on subsistence and travelling allowances, venue hiring, consultancy services and catering for meals and refreshments.

For infrastructure spending, the provisional infrastructure account represents 2 per cent (R70.1 million) of the total budget in 2007/08. This amount was spent on the maintenance of the foot and mouth disease border fence (R31.8 million), siting and drilling of boreholes (R12.6 million), construction of priority soil conservation works (R1.2 million), the relocation of the Durban quarantine station (R12 million) and the repair and maintenance of existing office buildings (R12.5 million).

Departmental receipts

A significant portion of revenue is derived from the sale of goods and services, including statutory services such as registering fertilizers, farm feeds, agricultural remedies and brands; drilling boreholes; analysing soil; issuing import and export certificates for agricultural products; issuing liquor control permits and providing quarantine and inspection services. Other receipts come from interest payments.

Table 23.2 Departmental receipts

R thousand	Audited outcome			Estimate	Medium-term receipts estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Departmental receipts	100 620	76 136	94 614	59 151	72 030	65 429	69 353
Sales of goods and services produced by department	62 729	63 479	59 168	56 231	59 232	62 194	65 925
Sales of scrap, waste and other used current goods	3	8 216	43	5	5	5	5
Transfers received	–	300	–	–	–	–	–
Fines, penalties and forfeits	16	54	3	3	3	3	3
Interest, dividends and rent on land	14 193	1 596	1 391	166	306	183	194
Sales of capital assets	11 865	208	211	380	10 000	436	462
Financial transactions in assets and liabilities	11 814	2 283	33 798	2 366	2 484	2 608	2 764
Total	100 620	76 136	94 614	59 151	72 030	65 429	69 353

Programme 1: Administration

Purpose: Provide the department with political and strategic leadership and management, and manage capital investments.

Administration conducts the overall management of the department, and provides centralised corporate services such as financial management, human resource management, legal and security services, and internal audit. It also supplies project management and support to the department.

Expenditure estimates

Table 23.3 Administration

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Minister ¹	791	837	582	908	973	1 023	1 075
Deputy Minister ²	643	685	721	773	828	871	916
Management	67 721	74 784	79 673	89 186	96 532	102 156	106 920
Corporate Services	80 478	97 284	103 059	124 172	134 017	138 737	149 911
Capital Works	36 870	17 236	16 453	31 183	23 104	21 009	22 270
Property Management	26 979	28 823	32 073	38 807	44 910	54 089	62 319
Total	213 482	219 649	232 561	285 029	300 364	317 885	343 411
Change to 2007 Budget estimate				1 694	9 934	7 469	16 938

1. Payable as from 1 April 2007. Salary: R726 465. Car allowance: R181 616.

2. Payable as from 1 April 2007. Salary: R618 566. Car allowance: R154 641.

Economic classification

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Current payments	167 418	193 972	204 175	248 042	274 901	294 381	318 473
Compensation of employees	84 135	92 279	97 823	121 417	139 217	149 154	159 930
Goods and services	82 528	101 407	106 285	126 625	135 684	145 227	158 543
<i>of which:</i>							
Communication	6 531	10 450	8 126	8 837	10 492	10 850	11 228
Computer services	10 950	16 806	13 382	16 368	19 189	19 915	20 914
Consultants, contractors and special services	8 487	9 810	9 165	8 106	10 518	6 876	7 306
Inventory	8 017	6 773	8 723	6 993	4 845	5 146	5 513
Maintenance, repairs and running costs	2 808	2 908	1 289	4 404	743	783	838
Operating leases	21 378	23 212	25 588	31 757	7 849	8 235	9 351
Travel and subsistence	7 419	9 041	13 808	17 011	15 348	16 480	17 672
Advertising	1 349	2 192	2 290	1 461	1 099	1 215	1 398
Municipal services	6 560	6 984	7 628	8 801	9 569	10 526	11 579
Audit fees	1 923	3 592	5 040	3 775	4 875	5 094	5 400
Assets less than R5 000	2 769	2 196	1 786	2 223	1 993	1 933	1 965
Financial transactions in assets and liabilities	755	286	67	–	–	–	–
Transfers and subsidies	900	1 479	1 349	772	733	795	867
Provinces and municipalities	330	363	191	105	100	105	111
Departmental agencies and accounts	360	420	540	500	586	640	703
Public corporations and private enterprises	95	326	56	97	47	50	53
Households	115	370	562	70	–	–	–
Payments for capital assets	45 164	24 198	27 037	36 215	24 730	22 709	24 071
Buildings and other fixed structures	36 870	17 236	16 453	31 227	23 104	21 009	22 270
Machinery and equipment	5 626	6 659	9 835	4 572	1 589	1 661	1 760
Software and other intangible assets	2 668	303	749	416	37	39	41
Total	213 482	219 649	232 561	285 029	300 364	317 885	343 411

Expenditure trends

Expenditure rises steadily over the period under review, from R213 million in 2004/05 to R343 million in 2010/11, at an average annual rate of 8.2 per cent. Between 2006/07 and 2007/08, the growth rate of

22.6 per cent is considerably higher due to an increase in expenditure for capital works and property management.

Programme 2: Livelihoods, Economics and Business Development

Purpose: Develop and facilitate the implementation of appropriate policies and targeted programmes aimed at promoting equitable access to the agricultural sector to promote shared growth and the commercial viability of emerging farmers and ensure household food security. Facilitate market access for South African agricultural products nationally and internationally. Promote broad-based black economic empowerment in the agricultural sector. Provide economic and statistical services to support economic growth and development. Monitor the economic performance of the sector.

- Management.
- *Livelihoods Development Support* provides post-settlement support to emerging farmers; promotes farmer co-operatives, agricultural development finance and village banks; and is responsible for food security policies and legislation, programmes and information.
- *Trade and Business Development* facilitates international and domestic market access for South African agricultural products and promotes BEE in the sector.
- *Economic and Statistical Services* provides for the collection and analysis of agricultural statistics, monitors and evaluates the economic performance of the sector and produces quarterly reports on sector trends. It also interacts with Statistics South Africa.
- *National Agricultural Marketing Council (NAMC)* provides for transfers to the NAMC. The NAMC advises the minister on the efficacy of the national food and agricultural marketing systems.

Expenditure estimates

Table 23.4 Livelihoods, Economics and Business Development

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	1 486	600	1 456	1 998	2 044	2 084	2 209
Livelihoods Development Support	224 529	571 458	551 153	1 432 442	744 783	689 003	573 525
Trade and Business Development	16 157	24 803	100 155	87 313	110 341	119 486	126 483
Economic and Statistical Services	16 107	17 760	15 088	24 885	22 187	23 722	26 348
National Agricultural Marketing Council	10 601	13 961	12 710	13 320	22 459	25 018	25 056
Total	268 880	628 582	680 562	1 559 958	901 814	859 313	753 621
Change to 2007 Budget estimate				673 007	(15 846)	(24 165)	11 033
Economic classification							
Current payments	52 409	73 633	94 273	113 404	139 909	150 197	156 714
Compensation of employees	31 161	41 255	50 934	57 339	67 743	73 674	78 482
Goods and services	21 222	32 373	43 283	56 065	72 166	76 523	78 232
<i>of which:</i>							
Communication	261	411	557	625	660	708	720
Computer services	203	140	573	726	715	777	811
Consultants, contractors and special services	6 433	6 516	18 105	23 615	40 618	42 392	44 185
Inventory	1 561	1 367	2 419	2 876	3 074	3 416	3 246
Maintenance, repairs and running costs	1 148	4 831	2 650	2 491	562	623	628
Operating leases	153	616	253	524	491	553	562
Travel and subsistence	7 179	8 999	11 788	14 467	11 736	12 538	12 513
Advertising	1 045	1 194	840	1 057	875	1 074	1 040
Municipal services	–	–	190	271	–	–	–
Audit fees	–	–	–	17	–	–	–
Assets less than R5 000	1 019	1 705	656	1 406	1 710	1 833	1 761
Financial transactions in assets and liabilities	26	5	56	–	–	–	–

Table 23.4 Livelihoods, Economics and Business Development (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Transfers and subsidies	215 298	550 644	580 513	1 445 070	761 172	708 346	596 095
Provinces and municipalities	200 100	250 127	300 037	415 000	434 918	478 410	507 115
Departmental agencies and accounts	10 601	13 961	12 710	13 320	22 459	23 722	25 056
Universities and technikons	–	–	–	–	4 000	4 240	4 496
Public corporations and private enterprises	2 247	146 376	245 204	965 666	299 395	201 550	58 980
Foreign governments and international organisations	–	140 000	–	–	–	–	–
Non-profit institutions	2 269	179	2 549	–	400	424	448
Households	81	1	20 013	51 084	–	–	–
Payments for capital assets	1 173	4 305	5 776	1 484	733	770	812
Buildings and other fixed structures	22	–	–	–	–	–	–
Machinery and equipment	1 151	2 505	5 776	1 255	541	570	608
Software and other intangible assets	–	1 800	–	229	192	200	204
Total	268 880	628 582	680 562	1 559 958	901 814	859 313	753 621

Details of major transfers and subsidies

Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	200 000	250 000	300 000	415 000	434 918	478 410	507 115
Comprehensive agricultural support programme grant	200 000	250 000	300 000	415 000	434 918	478 410	507 115
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	10 601	13 961	12 710	13 320	22 459	23 722	25 056
National Agricultural Marketing Council	10 601	13 961	12 710	13 320	22 459	23 722	25 056
Universities and technikons							
Current	–	–	–	–	4 000	4 240	4 496
Fort Hare University: Community development centres	–	–	–	–	1 000	1 060	1 124
Free State University: Capacity building SMME development	–	–	–	–	1 000	1 060	1 124
Timpi Seleke Agricultural Training Centre: Capacity building SMME development	–	–	–	–	1 000	1 060	1 124
Owen Sithole Agricultural College: Capacity building SMME development	–	–	–	–	1 000	1 060	1 124
Public corporations and private enterprises							
Public corporations							
Other transfers							
Current	2 240	146 372	245 177	965 666	299 395	201 550	58 980
Land and Agricultural Bank of SA: MAFISA	–	144 000	196 000	248 000	247 000	146 000	–
Ncera Farms (Pty) Ltd	2 240	2 372	2 177	1 866	2 395	2 550	2 800
Khula Enterprises	–	–	–	15 800	–	–	–
Land and Agricultural Bank of SA: AgriBEE	–	–	47 000	–	50 000	53 000	56 180
Land and Agricultural Bank of SA: Recapitalisation	–	–	–	700 000	–	–	–
Foreign governments and international organisations							
Current	–	140 000	–	–	–	–	–
World Food Programme	–	140 000	–	–	–	–	–
Households							
Other transfers to households							
Current	–	–	20 000	51 000	–	–	–
Broad-based black economic empowerment programme for Agriculture (AgriBEE)	–	–	20 000	50 000	–	–	–
Rural women	–	–	–	1 000	–	–	–

Expenditure trends

Expenditure rose sharply from R268.9 million in 2004/05 to R628.6 million in 2005/06, and then again from R680.6 million in 2006/07 to R1.6 billion in 2007/08. Between 2004/05 and 2007/08, expenditure registered

average annual growth of 79.7 per cent. The significant increase in 2005/06 of 134 per cent included additional allocations to CASP (R50 million), the inception of MAFISA, (R150 million) and a once-off allocation of R140 million for the World Food Programme. In 2007/08 the allocation increased by 129 per cent from 2006/07 to R1.6 billion. This primarily reflects the once-off R700 million allocation to recapitalise the Land Bank and also an increase in the allocation to CASP of R415 million. Expenditure declines to R754 million in 2010/11, representing an annual decline of 8.6 per cent.

Programme 3: Bio-security and Disaster Management

Purpose: Manage the risks associated with animal diseases, plant pests and genetically modified organisms. Ensure food safety. Develop the agricultural risk and disaster management policy framework.

- *Management.*
- *Plant Health and Inspection Services* focuses on sound plant health risk management frameworks, contributes to a compliance system for assessing potential risks associated with GMOs and regulates border and national inspection services on regulated agricultural products intended for import, export and local trade.
- *Food, Animal Health and Disaster Management* manages animal diseases and helps negotiate protocols for importing and exporting animals and animal products, ensures that animal products are of good quality and safe for consumption, and develops the agricultural risk management policy framework.

Expenditure estimates

Table 23.5 Bio-security and Disaster Management

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	1 658	1 751	1 778	1 981	2 027	2 118	2 245
Plant Health and Inspection Services	58 110	66 470	87 924	106 216	169 737	204 227	243 480
Food, Animal Health and Disaster Management	283 405	320 144	344 920	624 476	139 957	147 380	156 207
Total	343 173	388 365	434 622	732 673	311 721	353 725	401 932
Change to 2007 Budget estimate				489 062	50 547	79 303	80 352

Economic classification

	194 265	225 294	291 706	225 826	302 160	343 733	391 331
Current payments							
Compensation of employees	122 831	131 277	172 268	161 837	216 486	240 638	274 788
Goods and services	71 285	93 766	118 467	63 989	85 674	103 095	116 543
<i>of which:</i>							
Communication	2 504	2 809	2 794	2 596	2 601	2 766	2 876
Computer services	1 325	2 317	905	699	4 361	11 483	13 049
Consultants, contractors and special services	12 027	35 692	32 007	15 877	17 575	23 888	19 317
Inventory	11 455	9 560	14 181	9 753	8 406	8 632	9 649
Maintenance, repairs and running costs	1 948	2 123	2 273	2 522	4 126	4 483	5 586
Operating leases	924	1 343	4 070	2 088	1 714	1 733	1 976
Travel and subsistence	33 983	31 968	52 600	18 771	23 252	21 926	26 399
Advertising	1 223	1 127	1 368	3 082	555	694	727
Municipal services	–	–	39	40	–	–	–
Audit fees	–	–	–	14	–	–	–
Assets less than R5 000	2 241	1 869	1 571	2 451	3 519	3 100	4 054
Financial transactions in assets and liabilities	149	251	971	–	–	–	–
Transfers and subsidies	139 803	154 244	130 048	496 558	6 016	6 287	6 664
Provinces and municipalities	100 268	120 305	45 480	300 000	–	–	–
Departmental agencies and accounts	–	–	8 000	4 000	–	–	–
Public corporations and private enterprises	15	68	13	–	–	–	–
Non-profit institutions	279	–	4 000	3 550	6 000	6 270	6 646
Households	39 241	33 871	72 555	189 008	16	17	18

Table 23.5 Bio-security and Disaster Management (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Payments for capital assets	9 105	8 827	12 868	10 289	3 545	3 705	3 937
Buildings and other fixed structures	–	544	260	–	–	–	–
Machinery and equipment	8 687	8 198	12 378	9 749	3 545	3 705	3 937
Cultivated assets	–	–	–	540	–	–	–
Software and other intangible assets	418	85	230	–	–	–	–
Total	343 173	388 365	434 622	732 673	311 721	353 725	401 932
Details of major transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	100 000	120 000	45 403	300 000	–	–	–
Disaster management	–	–	–	300 000	–	–	–
Drought relief	100 000	120 000	–	–	–	–	–
Flood disaster	–	–	45 403	–	–	–	–
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	–	–	8 000	4 000	–	–	–
Agricultural Research Council	–	–	8 000	–	–	–	–
Perishable Products Export Control Board	–	–	–	4 000	–	–	–
Non-profit institutions							
Current	279	–	4 000	3 550	6 000	6 270	6 646
South African Wine and Vine Association	279	–	–	–	–	–	–
Entomology Congress	–	–	–	500	–	–	–
Collaborative International Pesticides Analytical Council Ltd	–	–	–	50	–	–	–
Sterile insect technique	–	–	4 000	3 000	6 000	6 270	6 646
Current	38 270	33 280	72 268	188 687	–	–	–
Claims against the state: Households	–	–	150	–	–	–	–
Avian influenza	36 270	–	12 467	–	–	–	–
Classical swine fever	–	33 280	59 624	188 687	–	–	–
Porcine respiratory and reproductive syndrome	2 000	–	–	–	–	–	–
Foot and mouth disease: KwaZulu-Natal	–	–	27	–	–	–	–

Expenditure trends

As this programme also deals with the unforeseen outbreak of animal and plant diseases and other agricultural disasters, the spending pattern is unpredictable and may be volatile. The programme shows average annual growth of 28.8 per cent between 2004/05 and 2007/08, with expenditure increasing from R343.2 million to R732.7 million. The increase was marked in 2007/08, when spending rose by 68.6 per cent due to additional allocations of R300 million for agricultural disasters and R100 million for the combating of classical swine fever in Eastern Cape. In 2008/09, programme expenditure declines by a sharp 57.5 per cent to R311.7 million as the additional allocation for disaster management is not included in the baseline over the MTEF period, but resumes an upward trend at a stable 13.6 per cent for 2009/10 and 2010/11.

Programme 4: Production and Resources Management

Purpose: Identify opportunities and develop strategies to optimise agricultural productivity and profitability through the sustainable use and protection of land and water resources.

- *Management.*

- *Agricultural Production* facilitates improvements in agricultural productivity with the emphasis on sustainable animal, plant and aquaculture production systems, and administers the Animal Improvement Act (1998), the Plant Breeders' Rights Act (1976), and the Plant Improvement Act (1976).
- *Engineering, Energy, Resource Use and Management* facilitates the development of agricultural infrastructure and the use of agricultural resources. Other activities include auditing natural resources, controlling migratory pests, rehabilitating and protecting agricultural land and running the community based LandCare programme.

Expenditure estimates

Table 23.6 Production and Resources Management

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	appropriation	2008/09	2009/10	2010/11
R thousand				2007/08			
Management	–	–	105	2 017	1 881	1 970	2 088
Agricultural Production	18 925	26 977	34 050	47 638	56 729	59 690	61 961
Engineering, Energy, Resource Use and Management	143 218	168 214	183 089	193 828	201 290	208 211	222 606
Total	162 143	195 191	217 244	243 483	259 900	269 871	286 655
Change to 2007 Budget estimate				(4 297)	1 559	4 248	4
Economic classification							
Current payments	109 370	135 254	144 821	171 693	195 062	206 266	219 226
Compensation of employees	53 909	61 418	75 046	93 527	103 594	111 725	119 723
Goods and services	55 454	73 659	69 394	78 166	91 468	94 541	99 503
<i>of which:</i>							
Communication	1 487	1 667	1 571	1 284	1 461	1 469	1 604
Computer services	501	726	1 062	816	871	908	951
Consultants, contractors and special services	14 116	29 190	11 852	23 533	35 222	40 486	41 283
Inventory	18 769	17 465	21 180	22 116	14 880	14 616	15 127
Maintenance, repairs and running costs	5 159	6 096	4 430	2 763	6 892	6 019	6 597
Operating leases	346	351	437	830	596	634	629
Travel and subsistence	11 586	12 697	21 507	14 948	17 611	18 009	18 856
Advertising	579	649	1 317	999	1 252	1 033	1 098
Municipal services	–	–	27	45	–	–	–
Audit fees	–	–	62	115	–	–	–
Assets less than R5 000	876	1 124	705	1 457	1 711	1 366	1 369
Financial transactions in assets and liabilities	7	177	381	–	–	–	–
Transfers and subsidies	45 194	43 469	60 791	55 486	55 180	54 068	57 321
Provinces and municipalities	44 222	40 434	56 062	46 973	49 272	51 750	54 865
Departmental agencies and accounts	500	2 128	2 250	3 250	2 004	2 004	2 124
Universities and technikons	–	–	–	3 806	3 604	–	–
Public corporations and private enterprises	26	9	247	–	–	–	–
Non-profit institutions	80	600	1 115	1 090	–	–	–
Households	366	298	1 117	367	300	314	332
Payments for capital assets	7 579	16 468	11 632	16 304	9 658	9 537	10 108
Buildings and other fixed structures	–	–	6 714	92	–	–	–
Machinery and equipment	7 485	13 259	4 172	16 142	9 288	9 116	9 661
Software and other intangible assets	94	3 209	746	70	370	421	447
<i>of which: Capitalised compensation</i>	17 462	21 329	22 223	30 271	15 667	16 762	17 934
Total	162 143	195 191	217 244	243 483	259 900	269 871	286 655

Table 23.6 Production and Resources Management (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Details of major transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	43 800	40 000	55 735	46 725	48 969	51 417	54 502
Land Care programme grant: Poverty relief and infrastructure development grant	43 800	40 000	55 735	46 725	48 969	51 417	54 502
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	500	2 128	2 250	3 250	2 004	2 004	2 124
Water Research Commission	500	2 128	2 250	3 250	2 004	2 004	2 124

Expenditure trends

This programme reflects a moderate spending pattern, showing average annual growth of 14.5 per cent from 2004/05 to 2007/08, with expenditure increasing from R162 million to R243.5 million. Expenditure is projected to grow at an average annual rate of 5 per cent over the MTEF period, reaching R286.7 million by 2010/11. This programme administers the LandCare initiative, which provides poverty relief and infrastructure development grants to provinces, and for which spending increases from R43.8 million in 2004/05 to R54.5 million in 2010/11 at an average annual rate of 3.7 per cent.

Programme 5: Sector Services and Partnerships

Purpose: Manage and co-ordinate intergovernmental, stakeholder and international relations, agricultural education and training, extension and advisory services, and scientific research and technology development.

- *Management.*
- *Sector Services* focuses on policy and strategy for agricultural education and training, research, extension and advisory services.
- *Intergovernmental and Stakeholder Relations* provides for leadership and co-ordination in all facets of international relations in agriculture and co-ordinates intergovernmental and stakeholder relations nationally.
- *Agricultural Research Council (ARC)* provides for transfers to the ARC. The ARC's primary mandate is to do research and develop and transfer technology that promotes agriculture and the industry.

Expenditure estimates

Table 23.7 Sector Services and Partnerships

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	1 459	1 789	1 393	2 232	2 322	2 426	2 572
Sector Services	56 937	86 085	110 017	97 786	188 264	241 837	348 388
Intergovernmental and Stakeholder Relations	23 224	28 436	47 167	63 824	55 730	59 793	60 294
Agricultural Research Council	342 144	360 902	500 390	488 499	514 556	522 908	554 282
<i>Baseline allocation</i>	312 742	333 317	465 781	434 715	455 580	486 123	515 291
<i>Leave gratuity</i>	6 901	–	–	–	–	–	–
<i>Forum for Agricultural Research in Africa General Assembly (FARAGA)</i>	–	–	10 000	–	–	–	–
<i>Intergis</i>	5 501	1 625	1 723	1 809	1 896	2 023	2 144
<i>Crop forecast</i>	5 000	5 250	5 460	5 678	5 905	6 301	6 679
<i>Diagnostic services</i>	7 000	7 210	7 426	15 797	16 171	16 719	17 722
<i>Agricultural research and infrastructure</i>	5 000	8 000	10 000	10 500	11 004	11 742	12 446
<i>Agri BEE</i>	–	5 500	–	–	–	–	–
<i>Onderstepoort Veterinary Institute upgrading of exotic diseases Onderstepoort Biological Products</i>	–	–	–	20 000	24 000	–	–
Total	423 764	477 212	658 967	652 341	760 872	826 964	965 536
Change to 2007 Budget estimate				32 852	103 521	160 489	254 534
Economic classification							
Current payments	61 492	89 925	136 833	124 106	109 753	116 990	121 971
Compensation of employees	30 029	32 487	38 321	46 190	58 771	64 229	69 574
Goods and services	31 463	57 438	98 503	77 916	50 982	52 761	52 397
<i>of which:</i>							
<i>Communication</i>	468	672	591	612	776	810	832
<i>Computer services</i>	163	33	54	174	99	102	107
<i>Consultants, contractors and special services</i>	16 389	32 723	48 671	30 463	14 262	14 537	11 792
<i>Inventory</i>	3 327	4 249	4 148	4 086	4 490	4 771	5 189
<i>Maintenance, repairs and running costs</i>	1 186	675	889	566	728	729	763
<i>Operating leases</i>	913	815	1 045	744	907	931	950
<i>Travel and subsistence</i>	3 684	5 400	7 377	6 332	6 940	7 345	7 714
<i>Advertising</i>	734	1 342	5 790	970	1 320	1 182	1 242
<i>Municipal services</i>	–	–	671	337	–	–	–
<i>Audit fees</i>	–	–	–	47	–	–	–
<i>Assets less than R5 000</i>	722	1 073	694	915	894	832	871
Financial transactions in assets and liabilities	–	–	9	–	–	–	–
Transfers and subsidies	360 663	384 474	519 374	526 353	650 237	709 057	842 599
Provinces and municipalities	92	107	35	10	100 011	150 012	250 013
Departmental agencies and accounts	347 444	369 202	509 290	497 399	523 578	531 655	563 554
Public corporations and private enterprises	–	6	3	2	–	–	–
Foreign governments and international organisations	12 998	15 074	9 974	28 915	26 618	27 360	29 002
Households	129	85	72	27	30	30	30
Payments for capital assets	1 609	2 813	2 760	1 882	882	917	966
Machinery and equipment	1 434	2 802	2 681	1 655	865	892	940
Cultivated assets	175	11	79	–	–	–	–
Software and other intangible assets	–	–	–	227	17	25	26
Total	423 764	477 212	658 967	652 341	760 872	826 964	965 536

Table 23.7 Sector Services and Partnerships (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Details of major transfers and subsidies							
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	-	-	-	-	100 000	150 000	250 000
Comprehensive agricultural support programme	-	-	-	-	100 000	150 000	250 000
Departmental agencies and accounts							
Departmental agencies (non-business entities)							
Current	298 487	316 314	452 158	437 411	460 711	464 573	492 448
National Student Financial Aid Scheme	5 300	8 300	8 300	8 300	8 422	8 747	9 272
Perishable Products Export Control Board	-	-	600	600	600	-	-
Agricultural Research Council	-	-	-	-	-	-	-
Baseline allocation - current	268 785	288 429	418 649	385 227	403 717	430 783	456 631
Leave gratuity	6 901	-	-	-	-	-	-
Forum for Agricultural Research in Africa General Assembly (FARAGA)	-	-	10 000	-	-	-	-
Intergis	5 501	1 625	1 723	1 809	1 896	2 023	2 144
Crop forecast	5 000	5 250	5 460	5 678	5 905	6 301	6 679
Diagnostic services	7 000	7 210	7 426	15 797	16 171	16 719	17 722
Agri BEE	-	5 500	-	-	-	-	-
Onderstepoort Veterinary Institute upgrading of exotic diseases Onderstepoort Biological Products	-	-	-	20 000	24 000	-	-
Capital	48 957	52 888	57 132	59 988	62 867	67 082	71 106
Agricultural Research Council baseline allocation - capital	43 957	44 888	47 132	49 488	51 863	55 340	58 660
Agricultural research and infrastructure	5 000	8 000	10 000	10 500	11 004	11 742	12 446
Public corporations and private enterprises							
Current	12 998	15 074	9 974	28 915	26 618	27 360	29 002
International Union for the Protection of New Varieties of Plants	560	257	321	-	298	313	328
Commonwealth Agricultural Bureau International	172	246	142	139	218	229	235
Consultative Group on International Agricultural Research	-	-	-	3 663	3 330	3 538	3 700
Food & Agriculture Organisation of the United Nations: Capacity building	-	-	-	15 000	12 000	12 000	12 720
Food & Agriculture Organisation of the United Nations: Membership fees	9 893	10 203	7 924	8 763	9 115	9 541	10 200
Foreign rates and taxes	30	22	6	161	169	177	186
International Commission of Agricultural Engineering	-	3 094	-	-	57	60	63
International Cotton Advisory Council	-	-	149	137	157	164	173
International Dairy Federation	20	137	30	-	31	33	34
International Grains Council	232	117	129	257	139	146	153
International Seed Testing Association	62	28	42	-	60	63	66
Office International de la Vigne et du Vin	216	375	456	-	404	424	438
Office International des Epizooties	1 547	530	703	795	540	567	595
Organisation for Economic Co-operation and Development	102	65	72	-	100	105	111
Regional Early Warning Unit for Food Security: South African Development Community	164	-	-	-	-	-	-

Expenditure trends

The programme saw 15.5 per cent average annual growth in expenditure between 2004/05 and 2007/08, with expenditure projected to grow at an average annual rate of 14 per cent from 2007/08 to 2010/11. Expenditure increased from R423.8 million in 2004/05 to R652.3 million in 2007/08 and further to R965.5 million in 2010/11. The transfer to the Agricultural Research Council (ARC) dominates this programme's budget, taking up approximately three-quarters of its total allocation. The significant increase of 38.1 per cent in 2006/07 represents an additional R103.8 million for value added tax.

Public entities

National Agricultural Marketing Council

The National Agricultural Marketing Council (NAMC) was established in terms of the Marketing of Agricultural Product Act (1996) (MAP). The council provides strategic advice to the Ministers of Agriculture and Land Affairs on all agricultural and marketing issues in order to improve market efficiency and market access by all participants, optimise export earnings, and improve the viability of the agricultural sector.

Between 2004/05 and 2007/08, the NAMC transformed itself from an organisation whose functions were limited to investigations and advising on statutory measures to being the main agency for agricultural marketing. The NAMC has worked closely with industry in developing and maintaining an effective information and market intelligence system that is believed will increasingly assist in proactive strategic positioning of South African agriculture in global markets. Over the past two years, the council has developed a credible programme of economic and market research that tracks economic trends and provides valuable market intelligence, aimed at improving competitiveness and the future positioning of South African agriculture in global markets.

The NAMC's food price monitoring (FPM) initiative is a continuation of the food price monitoring project (FPMP) initiated at the request of Cabinet in 2003 in response to high food prices at that time. The NAMC published four quarterly publications on food price trends and an annual food cost review in 2007/08. Information management, especially rural food price monitoring, will receive additional funding, as this will assist government in understanding the impact of high food price inflation on the poor.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of agro-food chains and section 7 investigation reports published	4	4	3	3	3	3	3
Number of Quarterly Food Price Trends reports	4	4	4	4	4	4	4
Number of Annual Food Cost reviews	1	1	1	1	1	1	1
Number of Annual Cost Trends reports	–	–	–	1	1	1	1
Number of statutory measures (levies, registration, record and returns, registration of inspectors, conducting of pools, control of exports of agricultural products) investigations to undertake annually	6	6	8	5	9	9	9
Number of marketing schemes designed and implemented aimed at providing markets for black farmers	–	–	–	2	2	2	2
Number of black owned agribusinesses to attend local and international trade shows	–	–	–	15	30	30	45

Expenditure estimates

Table 23.8 National Agricultural Marketing Council

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	561	2 400	890	742	300	315	330
Other non-tax revenue	561	2 400	890	742	300	315	330
Transfers received	10 601	12 163	12 710	13 320	22 459	23 722	25 056
Total revenue	11 162	14 563	13 600	14 062	22 759	24 037	25 386

Table 23.8 National Agricultural Marketing Council (continued)

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Expenses							
Current expense	9 437	12 287	18 782	17 762	22 759	24 037	25 386
Compensation of employees	5 586	7 393	8 243	9 370	12 147	12 989	13 845
Goods and services	3 575	4 551	10 178	8 129	10 373	10 803	11 289
Depreciation	227	277	305	213	197	210	222
Interest, dividends and rent on land	49	66	56	50	42	35	30
Transfers and subsidies	–	194	151	–	–	–	–
Total expenses	9 437	12 481	18 933	17 762	22 759	24 037	25 386
Surplus / (Deficit)	1 725	2 082	(5 333)	(3 700)	–	–	–
Acquisition of assets	257	158	146	25	275	260	270

Expenditure trends

The funding of the NAMC amounts to R22.5 million, R23.7 million and R25 million over the MTEF period. This represents an average annual growth rate of 5.6 per cent. The budget allocation will take into account the key objectives, which will require additional funding. Attention will be given to encourage exports and provide better training of black agribusinesses in the fields of marketing and management.

The NAMC does not hold any surplus cash reserves. Debtors and creditors are mainly short term in nature. Fixed assets are mainly represented by office furniture and equipment, computers and software. As a result of the deficit of R5.3 million in 2006/07, 2007/08 began with negative accumulated funds of R136 000.

Agriculture Research Council

The Agricultural Research Council (ARC) is a public entity established under the Agriculture Research Council Act (1990). Its primary mandate is to conduct research, develop technology, transfer technology in order to promote agriculture and industry, facilitate natural resource conservation, and contribute to a better quality of life for all South Africans.

The ARC is also mandated to maintain a range of national assets and provide a set of what is commonly termed national services. These are critical elements of the ARC's daily operations, and they will continue to be maintained and provided as per mandates.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of articles published in scientific journals/publications:							
-peer reviewed	239	193	152	300	300	300	300
non-peer reviewed	818	586	974	1 200	1 200	1 200	1 200
Number of technology / solutions developed and disseminated:							
-commercial farmers	21	44	–	160	256	409	654
-resource poor farmers	21	45	72	115	184	294	470
Number of patents and other intellectual property filed for registration	–	–	30	30	30	30	30
Number of ARC personnel registered for postgraduate training	–	–	118	148	150	208	238
Number of marketable products produced and released	–	–	8	14	26	46	83
Number of requests for collaboration / materials / licensing of technology / postdoctoral attraction / referees	–	–	353	441	500	689	861

Table 23.9 Agricultural Research Council

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	237 276	208 149	254 278	313 076	262 485	267 494	267 900
Agricultural research revenue	237 276	208 149	254 278	313 076	262 485	267 494	267 900
Transfers received	320 708	457 186	429 553	488 499	514 556	522 908	554 282
Total revenue	557 984	665 335	683 831	801 575	777 041	790 402	822 182
Expenses							
Current expense	551 916	652 424	674 865	823 092	763 671	771 530	819 096
Compensation of employees	315 853	395 965	415 974	436 271	458 841	468 955	497 092
Goods and services	218 721	240 586	242 927	360 010	275 006	272 751	289 469
Depreciation	17 220	15 774	15 447	27 113	29 824	29 824	32 535
Interest, dividends and rent on land	122	99	517	(302)	–	–	–
Total expenses	551 916	652 424	674 865	823 092	763 671	771 530	819 096
Surplus / (Deficit)	6 068	12 911	8 966	(21 517)	13 370	18 872	3 086
Balance sheet data							
Carrying value of assets	380 999	396 961	521 596	551 659	578 821	609 570	637 608
<i>of which: Acquisition of assets</i>	22 692	33 254	66 767	57 486	59 786	63 373	63 373
Investments	138 890	113 935	89 909	87 000	110 000	75 522	43 755
Inventory	13 905	14 279	16 331	18 800	18 500	18 500	18 500
Receivables and prepayments	59 490	114 456	63 298	65 300	56 500	56 500	56 500
Cash and cash equivalents	14 372	40 124	8 978	9 500	18 300	18 300	18 300
Total assets	607 656	679 755	700 112	732 259	782 121	778 392	774 663
Capital and reserves	184 564	197 474	206 429	241 347	363 778	363 778	363 778
Post-retirement benefits	28 440	31 999	30 345	30 565	32 400	32 400	32 400
Trade and other payables	360 496	413 650	420 213	411 997	334 453	330 724	326 995
Provisions	34 156	36 632	43 125	48 350	51 490	51 490	51 490
Total equity and liabilities	607 656	679 755	700 112	732 259	782 121	778 392	774 663

Expenditure trends

Most of the ARC funds come from grants received from government transfers, where the excess funding over the salary bill has to be carefully used to ensure that the ARC can meet its mandates and also generate external income through the provision of research services. The transfers to the council are R514.6 million, R522.9 million and R 554.3 million over the MTEF period. The deficit of R21.5 million in 2007/08 is due to the funds expected from the department for the animal improvement scheme.

Land Bank

The aim of the Land Bank is to promote, facilitate and support agricultural development. It does this through initiatives aimed at supporting equitable ownership of agricultural land by historically disadvantaged people, agrarian reform in all its dimensions, and development and access to land by historically disadvantaged people for agricultural purposes. The Land Bank is further mandated to initiate programmes aimed at removing the legacy of racial and gender discrimination in the agricultural sector. This is done by improving productivity, profitability, investment and innovation in the agricultural and rural financial systems to stimulate the growth of the sector, and seeing that land is used in an environmentally sustainable manner, thus ensuring food security.

The bank intends to contribute significantly to land reform by selling repossessed farms to development clients and the Department of Land Affairs. The bank currently has a total 21 940 hectares of repossessed farms. The bank intends to transfer 18 908 hectares of its repossessed farms to the Department of Land Affairs and development farmers and this amounts to about 80 per cent of its repossessed farms portfolio. Due to the negotiations between the Land Bank and the Department of Land Affairs, in future all repossessed farms will be transferred to the Department of Land Affairs and development farmers.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Amount disbursed to emerging farmers	R172m	R132m	R116m	R300m	R1bn	R2bn	R500m
Reposessed agricultural land transferred to emerging farmers:							
-number of farms	28	27	24	11	5	10	10
-number of hectares	9 000	5 700	7 778	2 090	6 500	7 200	5200
Number of programmes and tools developed to provide aftercare service to farmers	–	–	–	–	1	–	–
Outreach plan developed and implemented	–	–	–	–	1	–	–
Plan compiled to improve risk management and good governance	–	–	–	–	1	–	–
Sponsorship/capacity building:							
-number of students awarded bursaries	50	37	50	20	10	15	15
-amounts used for sponsoring faculties of agriculture in historically disadvantaged universities	R1 6m	R740 000	R1.7m	–	–	–	–
-number of internships	–	–	–	35	30	30	30
-amounts used for sponsoring knowledge activities (professional associations)	–	–	–	–	R400 000	R450 000	R500 000

Expenditure estimates

Table 23.10 Land and Agricultural Bank of South Africa

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	1 944 957	1 962 296	1 875 784	2 032 625	1 792 918	2 289 267	2 518 194
Sale of goods and services other than capital assets	59 784	54 029	70 635	84 887	103 963	131 027	144 130
<i>of which:</i>							
Admin fees	26 053	22 041	43 405	58 988	75 474	99 689	109 658
Sales by market establishments	32 474	31 748	26 563	25 899	28 489	31 338	34 472
Other sales	1 257	240	667	–	–	–	–
Interest on loans	1 885 173	1 908 267	1 805 149	1 947 738	1 688 955	2 158 240	2 374 064
Total revenue	1 944 957	1 962 296	1 875 784	2 032 625	1 792 918	2 289 267	2 518 194
Expenses							
Current expense	2 271 354	1 892 490	1 881 641	2 105 406	1 768 072	2 195 095	2 401 236
Compensation of employees	180 805	200 911	229 002	247 320	245 170	285 810	307 246
Goods and services	789 696	460 401	365 031	433 761	398 088	489 512	532 240
Depreciation	7 883	9 060	12 287	7 428	8 170	8 988	9 886
Interest, dividends and rent on land	1 292 970	1 222 118	1 275 321	1 416 897	1 116 644	1 410 785	1 551 864
Transfers and subsidies	3 705	4 244	4 250	4 675	5 143	5 657	6 222
Total expenses	2 275 059	1 896 734	1 885 891	2 110 081	1 773 215	2 200 752	2 407 458
Surplus / (Deficit)	(330 102)	65 562	(10 107)	(77 456)	19 703	88 515	110 736
Balance sheet data							
Carrying value of assets	241 462	230 920	271 276	267 942	264 276	260 242	255 805
<i>of which: Acquisition of assets</i>	<i>8 725</i>	<i>26 621</i>	<i>48 573</i>	<i>4 326</i>	<i>4 759</i>	<i>5 235</i>	<i>5 758</i>
Investments	1 460 955	1 204 057	1 285 278	515 049	350 925	445 759	520 796
Loans	17 101 911	14 951 852	15 598 898	16 242 486	12 760 783	14 644 326	16 108 759
Receivables and prepayments	23 648	49 916	29 841	29 134	22 838	26 215	28 837
Cash and cash equivalents	1 660 739	3 249 884	1 118 260	814 667	608 756	702 515	772 767
Total assets	20 488 715	19 686 629	18 303 553	17 869 278	14 007 578	16 079 057	17 686 964
Capital and reserves	1 496 612	1 693 786	1 696 717	936 032	1 010 181	1 162 222	1 278 445
Borrowings	18 583 995	17 589 355	16 195 598	16 293 347	12 175 114	14 050 302	15 455 332
Trade and other payables	212 822	198 267	204 194	199 349	156 268	179 377	197 315
Provisions	195 286	205 221	207 044	440 550	666 015	687 156	755 872
Total equity and liabilities	20 488 715	19 686 629	18 303 553	17 869 278	14 007 578	16 079 057	17 686 964

Expenditure trends

To deliver on its mandate, in the past five years, the Land Bank has given direct assistance to emerging farmers. An estimated R793 million in retail loans has benefited 9 600 individual farmers. The improved capital position of the Land Bank following capital injection and a guarantee by government, will enable the bank to disburse and support black farmers, thus accelerating agricultural development. In this respect the development of the new business model will enable the bank to focus on delivery, thus contributing to agricultural development. The bank has disbursed a total of R2.4 billion in support of AgriBee. The bank plans to disburse R300 million to developing farmers in 2007/08, R1 billion in 2008/09 and R2 billion in 2009/10.

The bank also intends to strengthen the systems, policies and processes for operational and strategic implementation. This includes adjusting credit policies to align with the new business model and developing partnerships with other sector players.

Ncera Farms (Pty) Ltd

The Department of Agriculture is the sole shareholder of this company, which is a schedule 3B company in terms of the Public Finance Management Act (1999) (PFMA). The company has a mandate to perform development functions on identified land that is administered by the Department of Agriculture.

The company aims to demolish redundant structures on the farm and to erect a tunnel and a shade house which will be used for training newly settled farmers and the community on the production of various crops. It will further introduce formal practical agricultural training programmes to the benefit of the surrounding community that relate to the following agricultural extension and advisory services: land layout and use, including the LandCare programme; land preparation such as contract ploughing; suitable crops; maintenance and marketing; and animal husbandry, including improvement schemes.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of people trained in life skills	-	-	-	90	100	100	100

The company is financed by the Department of Agriculture, and received transfers of R2.2 million, R2.4 million and R2.1 million for 2004/05, 2005/06 and 2006/07. The revenue is mainly from the sales of milk from the company's cattle and old farm implements. Expenditure covers the maintenance of the farm and compensation of employees. The transfer for 2007/08 was low and has resulted in the farm experiencing a deficit of R293 000. Over the MTEF period, departmental transfers increase from R2.4 million, R2.6 million and R2.8 million in 2008/09, 2009/10 and 2010/11.

Perishable Products Export Control Board

The Perishable Products Export Control Board (PPECB) is mandated by the Department of Agriculture in terms of two acts: the Perishable Products Export Control Act (1983), which requires the PPECB to ensure orderly export of perishable agricultural products and monitor the proper maintenance of a continuous cold chain for exports; and the Agricultural Products Standards Act (1990), which requires the PPECB to monitor minimum quality standards of perishable products for export.

In collaboration with the European Union (EU), which funds the project, PPECB managed to further implement the South African pesticide initiative programme, in which the chemical residue in agriculture is monitored and minimised for exporting to EU countries.

Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of activity points for packing fruit for export where 2% sample inspection services are performed	1 422	460	380	1 341	1 341	1 341	1 341
Accurate information delivered to stakeholders. Measurement: 90% accuracy as measured in terms of service level agreement requirements	–	–	90%	96%	98%	98%	98%

Expenditure estimates

Table 23.11 Perishable Products Export Control Board

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	91 227	94 851	103 336	118 675	120 390	127 612	135 269
Sale of goods and services other than capital assets of which:	86 702	79 083	85 317	97 510	100 170	106 180	112 551
Admin fees	86 702	79 083	85 317	97 510	100 170	106 180	112 551
Other non-tax revenue	4 525	15 768	18 019	21 165	20 220	21 432	22 718
Total revenue	91 227	94 851	103 336	118 675	120 390	127 612	135 269
Expenses							
Current expense	95 389	100 620	96 309	110 324	120 390	127 612	135 269
Compensation of employees	66 252	71 525	69 638	81 116	89 431	94 796	100 484
Goods and services	28 010	27 726	25 661	28 201	29 892	31 685	33 586
Depreciation	1 122	1 364	1 003	1 000	1 060	1 123	1 191
Interest, dividends and rent on land	5	5	7	7	7	8	8
Total expenses	95 389	100 620	96 309	110 324	120 390	127 612	135 269
Surplus / (Deficit)	(4 162)	(5 769)	7 027	8 351	–	–	–
Balance sheet data							
Carrying value of assets	9 645	9 032	6 096	5 810	5 910	6 010	6 110
of which: Acquisition of assets	1 601	756	86	714	1 160	1 223	1 291
Investments	24 513	16 530	23 041	23 358	27 670	32 211	32 141
Receivables and prepayments	9 676	9 928	10 832	14 499	14 899	14 799	14 699
Cash and cash equivalents	5 993	10 861	15 652	23 358	18 446	13 805	13 775
Total assets	49 827	46 351	55 621	67 025	66 925	66 825	66 725
Capital and reserves	37 876	32 107	39 135	47 486	47 486	47 486	47 486
Trade and other payables	7 077	8 435	10 104	10 753	10 653	10 553	10 453
Provisions	4 874	5 809	6 382	8 786	8 786	8 786	8 786
Total equity and liabilities	49 827	46 351	55 621	67 025	66 925	66 825	66 725

Expenditure trends

PPECB is fully financed by its own activities and income is derived from a fixed cost per carton of product exported. The budget for 2008/09 is based on break-even ratio of income and expenditure. The bulk of expenditure (R89 million) will go towards personnel costs. Accumulated reserves of R47 million on the balance sheet is represented by cash and cash equivalent investments to the same amount. This amount equals about six months of normal running expenses of the PPECB and should be sufficient to tie over any short term cash flow problems that may be experienced.

Onderstepoort Biological Products Limited

Onderstepoort Biological Products Limited (OBP) operates under the Onderstepoort Biological Products Incorporation Act (1999) (OBP Act). Its mission is to apply science to the manufacture of biological and health products, and knowledge and technology, resulting in improved animal health, food security and safety for all stakeholders.

OBP's recent achievements include being declared a national key point (NKP) as well as receiving ISO 9000 accreditation. Planned deliverables within the coming year include upgrading facilities to comply in particular with the National Key Points Act (1980), improving production infrastructure, developing new products mainly for the export market and containing operational costs and increasing revenue.

Up until 2005, OBP saw good growth in its income derived from manufacturing animal vaccine for resale to livestock farmers. For example, it supplied vaccine to Italy and Spain and other countries when there was a blue tongue outbreak. In 2005/06 the EU recommended another vaccine, which impacted negatively on export sales. This loss of market share has caused the deficit that is forecast over the MTEF period, and the OBP is currently relying on local and other small markets in Africa.

Selected performance indicators

Indicators	Annual performance (R000s)						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of scientific articles / papers on vaccine research and animal health	-	-	-	2	2	2	2
Number of articles published in animal health and agricultural magazines on specific animal diseases	12	12	12	12	12	12	12
Number of trainees in industry focused farmer training programmes	-	-	-	-	100	100	100

Expenditure estimates

Table 23.12 Onderstepoort Biological Products

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue							
Non-tax revenue	81 494	77 360	71 424	95 459	95 489	102 173	109 325
Sale of goods and services other than capital assets	76 153	72 119	64 704	92 659	90 700	97 049	103 842
<i>of which:</i>							
<i>Sale of vaccines and related biological products</i>	76 153	72 119	64 704	92 659	90 700	97 049	103 842
Other non-tax revenue	5 341	5 241	6 720	2 800	4 789	5 124	5 483
Total revenue	81 494	77 360	71 424	95 459	95 489	102 173	109 325
Expenses							
Current expense	62 058	67 037	78 333	108 590	102 796	109 992	117 691
Compensation of employees	27 509	32 204	31 781	43 546	44 362	47 467	50 790
Goods and services	29 743	28 974	37 021	55 122	50 242	53 759	57 522
Depreciation	4 806	5 859	9 531	9 922	8 192	8 766	9 379
Total expenses	62 058	67 037	78 333	108 590	100 677	107 725	115 265
Surplus / (Deficit)	19 436	10 323	(6 909)	(13 131)	(5 188)	(5 552)	(5 940)
Tax payment	-	-	-	-	(2 119)	(2 267)	(2 426)
Balance sheet data							
Carrying value of assets	28 980	88 016	84 226	95 061	99 359	107 619	116 458
<i>of which: Acquisition of assets</i>	8 873	64 511	7 761	18 287	23 325	17 026	18 218
Investments	74 045	80 339	72 450	-	-	-	-
Inventory	13 128	12 473	15 234	15 720	25 452	26 361	27 333
Receivables and prepayments	8 837	10 549	4 382	7 721	13 377	13 377	13 377
Cash and cash equivalents	3 334	325	671	39 758	55 618	41 095	36 489
Total assets	128 324	191 702	176 963	158 260	193 806	188 452	193 657
Capital and reserves	108 456	167 663	162 588	139 069	168 067	162 516	167 510
Borrowings	1 125	2 702	840	-	-	-	-
Trade and other payables	13 946	15 902	12 136	7 407	14 240	14 240	14 241
Provisions	4 797	5 435	1 399	11 784	11 499	11 696	11 906
Total equity and liabilities	128 324	191 702	176 963	158 260	193 806	188 452	193 657

Additional tables

Table 23.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2006/07		2006/07	2007/08			2007/08
1. Administration	251 362	247 433	232 561	287 216	(2 187)	285 029	285 029
2. Livelihoods, Economics and Business Development	746 783	719 346	680 562	886 951	673 007	1 559 958	1 484 958
3. Bio-security and Disaster Management	245 939	536 964	434 622	243 611	489 062	732 673	557 673
4. Production and Resources Management	240 514	215 633	217 244	247 780	(4 297)	243 483	243 483
5. Sector Services and Partnerships	476 747	651 951	658 967	619 489	32 852	652 341	652 341
Total	1 961 345	2 371 327	2 223 956	2 285 047	1 188 437	3 473 484	3 223 484
Economic classification							
Current payments	885 851	945 563	871 808	925 175	(42 104)	883 071	883 071
Compensation of employees	472 008	492 362	434 392	502 538	(22 228)	480 310	480 310
Goods and services	413 843	453 201	435 932	422 637	(19 876)	402 761	402 761
Financial transactions in assets and liabilities	–	–	1 484	–	–	–	–
Transfers and subsidies	1 042 435	1 373 261	1 292 075	1 308 869	1 215 370	2 524 239	2 274 239
Provinces and municipalities	345 182	401 895	401 805	462 084	300 004	762 088	552 088
Departmental agencies and accounts	407 032	522 790	532 790	513 969	4 500	518 469	518 469
Universities and technikons	–	–	–	200	3 606	3 806	3 806
Public corporations and private enterprises	202 265	245 265	245 523	249 963	715 802	965 765	955 765
Foreign governments and international organisations	15 646	15 646	9 974	30 915	(2 000)	28 915	28 915
Non-profit institutions	–	2 965	7 664	1 000	3 640	4 640	4 640
Households	72 310	184 700	94 319	50 738	189 818	240 556	210 556
Payments for capital assets	33 059	52 503	60 073	51 003	15 171	66 174	66 174
Buildings and other fixed structures	19 270	28 032	23 427	31 183	136	31 319	31 319
Machinery and equipment	12 778	23 790	34 842	18 757	14 616	33 373	33 373
Cultivated assets	–	–	79	–	540	540	540
Software and intangible assets	1 011	681	1 725	1 063	(121)	942	942
Total	1 961 345	2 371 327	2 223 956	2 285 047	1 188 437	3 473 484	3 223 484

Table 23.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
A. Permanent and full-time contract employees							
Compensation (R thousand)	316 868	353 733	429 160	474 816	580 043	633 364	696 441
Unit cost (R thousand)	97	104	126	149	188	205	226
Personnel numbers (head count)	3 261	3 399	3 399	3 183	3 085	3 085	3 085
B. Part-time and temporary contract employees							
Compensation (R thousand)	1 907	1 783	1 872	1 966	2 064	2 167	2 167
Unit cost (R thousand)	106	99	104	109	28	29	29
Personnel numbers (head count)	18	18	18	18	75	75	75
C. Interns							
Compensation of interns	3 290	3 200	3 360	3 528	3 704	3 889	3 889
Unit cost (R thousand)	41	40	41	44	27	28	28
Number of interns	81	81	81	81	137	137	137
Total for department							
Compensation (R thousand)	322 065	358 716	434 392	480 310	585 811	639 420	702 497
Unit cost (R thousand)	96	103	124	146	178	194	213
Personnel numbers (head count)	3 360	3 498	3 498	3 282	3 297	3 297	3 297

Table 23.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Compensation of employees (R thousand)	322 065	358 716	434 392	480 310	585 811	639 420	702 497
Training expenditure (R thousand)	5 299	10 919	11 201	11 833	12 425	13 046	13 829
Training as percentage of compensation	2%	3%	3%	2%	2%	2%	2%
Total number trained in department (head count)	973	951	2 305	1 911			
<i>of which:</i>							
Employees receiving bursaries (head count)	146	112	140	217			
Learnerships trained (head count)	151	34	35	51			
Internships trained (head count)	138	138	168	165			

Table 23.D Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Conditional grants to provinces							
2. Livelihoods, Economics and Business Development							
Comprehensive agricultural support programme grant	200 000	250 000	300 000	415 000	434 918	478 410	507 115
3. Bio-security and Disaster Management							
Drought relief (Disaster management)	100 000	120 000	45 403	300 000	–	–	–
4. Production and Resources Management							
Land Care programme grant: Poverty relief and infrastructure development grant	43 800	40 000	55 735	46 725	48 969	51 417	54 502
5. Sector Services and Partnerships							
Comprehensive agricultural support programme grant	–	–	–	–	100 000	150 000	250 000
Total	343 800	410 000	401 138	761 725	583 887	679 827	811 617

1. Detail provided in the Division of Revenue Act (2008).

Table 23.E Summary of expenditure on infrastructure

Description	Service delivery outputs			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Groups of small projects or programmes (cost less than R50 million)							
Durban: New quarantine station	–	–	–	12 000	3 000	3 333	–
Stellenbosch: Office accommodation: Upgrading	–	–	–	–	5 000	–	–
Grootfontein: New construction	–	–	–	–	5 000	5 000	2 000
Border fence: New construction	152	25 000	19 688	31 794	19 000	19 000	19 000
Water runoff control: New construction	11 411	2 406	–	–	2 000	2 500	2 500
Ground water: Drilling of boreholes	17 879	15 298	7 149	12 595	18 000	11 000	11 000
Rain water harvesting: Installation of facilities	250	46	–	–	–	–	–
Soil conservation works	–	–	–	1 246	2 000	3 000	4 000
Maintenance on infrastructure							
Repair and maintenance	1 146	1 354	1 865	12 540	13 104	18 676	26 164
Total	30 838	44 104	28 702	70 175	67 104	62 509	64 664