



**VOTE
24**

**AGRICULTURE, FORESTRY
AND FISHERIES**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Vote 24

Agriculture, Forestry and Fisheries

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	923.2	879.7	20.4	23.1	931.5	938.0
Agricultural Production, Health and Food Safety	2 367.1	746.6	1 598.3	22.2	2 507.7	2 596.2
Food Security and Agrarian Reform	2 037.9	252.9	1 746.9	38.1	2 305.0	2 369.1
Trade Promotion and Market Access	273.9	144.6	128.9	0.5	291.3	309.6
Forestry and Natural Resources Management	1 075.1	787.6	242.8	44.8	1 046.0	1 047.4
Fisheries	487.8	228.1	259.7	–	519.7	553.2
Total expenditure estimates	7 165.0	3 039.4	3 997.0	128.6	7 601.3	7 813.4

Executive authority Minister of Agriculture, Forestry and Fisheries
 Accounting officer Director General of Agriculture, Forestry and Fisheries
 Website address www.daff.gov.za

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

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.

Mandate

The mandate of the Department of Agriculture, Forestry and Fisheries includes value chains, inputs, production and consumption in the agriculture, forestry and fishery sectors. The department's mandate is derived from a range of legislation, including the Sea Fishery Act (1988), the National Forests Act (1998), the Agricultural Products Standards Act (1990), and the Conservation of Agricultural Resources Act (1983).

Selected performance indicators

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
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	4	4	4	4	4	4
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	2	2	2	2	2	2
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	1	1	1	1	1	1
Number of mobile veterinary clinics provided to improve animal health in rural areas per year	Agricultural Production, Health and Food Safety		41	49	29	–1	–1	–1	–1
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety		–2	126	127	150	150	150	150
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		156 500	30 679 ³	36 795 ³	145 000	145 000	145 000	145 000

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of hectares cultivated in underutilised communal areas per year	Food Security and Agrarian Reform	Outcome 7: Comprehensive rural development and land reform	107 151 ha	0 ³	35 213 ha	120 000 ha	120 000 ha	120 000 ha	120 000 ha
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access		– ²	– ²	16	14	45	60	85
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	30 500 ha	25 207 ha ⁴	26 311 ha	16 300 ha	16 300 ha	16 300 ha	16 300 ha
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management		2 300 ha	2 279 ha	1 992 ha ⁴	1 725 ha	550 ha	550 ha	550 ha

1. Target achieved.

2. No historical data available.

3. Target not achieved in 2015/16 and 2016/17 due to drought.

4. Hectares of temporary unplanted areas decrease as targets have been achieved.

Expenditure analysis

The National Development Plan sets out a broad vision of eliminating poverty and reducing inequality by 2030. This vision is supported by outcome 4 (decent employment through inclusive economic growth), outcome 7 (comprehensive rural development and land reform) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework. The work of the Department of Agriculture, Forestry and Fisheries is closely aligned with these outcomes. As such, over the MTEF period, the department intends to focus on improving food security; creating jobs; increasing the contribution of the agriculture, forestry and fisheries sectors to GDP; enhancing primary animal health care services; and enabling trade in the global economy. The department also expects to implement the agriculture policy action plan, which focuses on value chains with high potential for food security, job creation and economic contribution; the revitalisation of the agricultural and agro-processing value chain; and Operation Phakisa.

The department's total budget is expected to increase at an average annual rate of 4.5 per cent, from R6.8 billion in 2017/18 to R7.8 billion in 2020/21. Transfers to entities and conditional grants to provinces account for an estimated 55.9 per cent of this expenditure, increasing at an average annual rate of 4.6 per cent, from R3.8 billion in 2017/18 to R4.4 billion in 2020/21. Compensation of employees is the second largest spending item, accounting for a projected 31 per cent (R7 billion) of the department's total budget over the medium term.

The department receives an additional allocation of R40 million over the MTEF period to upgrade infrastructure and equipment for the analytical services laboratories in Stellenbosch and Pretoria. This is expected to strengthen global market access to South African agricultural products by providing assurance to global trading partners that the country's products meet technical standards for human safety and food quality. The allocation will also be used to obtain laboratory accreditation to ensure analytical test results are internationally recognised, and thereby facilitate unhindered trade in agricultural products. A further R70 million over the medium term is provided for inspection services to increase and strengthen capacity at ports of entry to improve plant and animal quarantine services.

Improving food security

Over the MTEF period, the department aims to promote food security through the Fetsa Tlala programme, which forms part of the national policy on food and nutrition. The programme focuses on assisting vulnerable households and subsistence and smallholder producers to produce their own food by ensuring that 1 million hectares of land are used for production by 2030. Through the *Ilima/Letsema conditional grant*, which is set to receive an estimated R1.8 billion over the medium term, rural households are expected to benefit from food production initiatives, including the provision of production inputs such as fertilisers, seeds, seedlings, breeding animals, and machinery and equipment.

The comprehensive agricultural support programme aims to provide support to subsistence, smallholder and black commercial producers within areas that are strategically identified for the production of grains, livestock, horticulture and aquaculture. The department expects to spend R5.6 billion on the programme over the MTEF period. Through the *Ilima/Letsema conditional grant* and the comprehensive agricultural support programme, the department expects to support 145 000 black commercial, subsistence and smallholder producers per year. The programme will also be used for providing production inputs and farm infrastructure, and piloting the blended funding model in partnership with commercial and development funding institutions such as the Land and Agricultural Development Bank of South Africa.

In line with the outcomes of Operation Phakisa, the department aims to create and support 450 sustainable and profitable black commercial producers participating in prioritised value chains over a five-year period through the reprioritisation of funds from the *comprehensive agricultural support programme grant*. An estimated R581.7 million is expected to be used in the black producer commercialisation programme, which is intended to support investment that will unlock and enhance the output of black producers through targeted interventions. Further concessionary loans to emerging farmers will be accessed from the Micro Agricultural Finance Institution of South Africa, which aims to address the financial services needs of smallholder farmers and agribusinesses.

The implementation of the agriculture policy action plan and the revitalisation of agriculture and agro-processing value chains policy is expected to focus on the production of high value crops such as macadamia nuts. Over the MTEF period, implementation is expected to extend to fruit production, the fast-tracking of poultry production, and the expansion of red meat production schemes or initiatives such as the Kaonafatso ya Dikgomo and grass-fed beef initiatives to improve animal production in rural areas.

In 2013, the department identified fisheries as key to addressing food security, while recognising the need for transformation in the sector. In this regard, the small-scale fisheries policy and the Marine Living Resources Amendment Act (2014) support food security and transformation as key priorities in the sector. Over the medium term, R128.7 million is allocated to the *Aquaculture* subprogramme in the *Fisheries* programme for aquaculture projects aimed at providing technical, advisory services and compliance assessment, and conducting research on reproduction and nutrition fish species. These projects are expected to increase the production of fish from the current 4 000 tonnes per year to 20 000 tonnes per year over the MTEF period.

Creating decent jobs

Over the medium term, the department plans to create 3 481 full-time equivalent jobs through Working for Fisheries projects. This is expected to be achieved through allocations amounting to R250.5 million over the medium term to the Marine Living Resources Fund. The *Land Care* programme, which has a total allocation of R246.9 million over the medium term, aims to promote sustainable land and soil management practices, prevent land degradation and desertification in rural areas, and contribute to job creation. The programme expects to create 2 400 full-time equivalent jobs and contribute to the rehabilitation of 48 900 hectares of land through restoration and reforestation over the MTEF period. In addition, 3 300 jobs are expected to be created over the medium term for planting trees on 1 650 hectares of state-owned forests.

Increasing the contribution of the agriculture sector to GDP

The primary agriculture sector's contribution to GDP has decreased from 3.5 per cent over the past 20 years to the current 2.5 per cent of GDP. However, the broader agro-food production chain accounts for about 12 per cent of GDP. As such, over the medium term, the department plans to focus on promoting agro-processing, market access and trade to smallholder and commercial producers. This is expected to be achieved through the implementation of the South African good agricultural practices certification programme for smallholder producers of fresh produce, which seeks to ensure compliance with market requirements on mandatory food safety and quality standards. Interventions aimed at improving market access will focus on training in agro-processing, providing marketing information, revitalising agro-processing infrastructure and addressing barriers to trade. The department expects to spend R874.8 million over the MTEF period in the *Trade Promotion and Market Access* programme to carry out these activities.

Enhancing primary animal health care services

The department's primary animal health care programme is aimed at improving the accessibility and affordability of veterinary services, and improving awareness on animal health and welfare. In rolling out the programme over the medium term, spending will be geared towards the recapitalisation and revitalisation of veterinary infrastructure to create an enabling environment for the deployment of newly qualified veterinarians. The department plans to deploy 150 veterinary graduates in rural areas per year over the MTEF period, at an estimated cost of R425.8 million over the medium term.

Major outbreaks of avian influenza and foot and mouth disease resulted in additional spending for the department in 2017/18. To contain the outbreaks, mobile veterinary clinics and associated equipment for laboratories were procured to strengthen veterinary public health in rural areas across all provinces. The department received an additional allocation of R40 million from the fiscus for combatting the outbreak of highly pathogenic avian influenza in 2017/18.

Over the medium term, the department expects to receive an additional allocation of R120 million to address biosecurity issues at South Africa's 16 land border posts; acquire 2 additional plant quarantine stations and 2 additional animal quarantine stations; and strengthen pest surveillance and control, and inspection and laboratory services.

Enabling trade in the global economy

The department has identified that for South Africa to trade on common footing in the global economy, it needs to migrate from the current paper-based certification and permit system. In this regard, the South African Revenue Service has pledged technical support to the department towards the development of an internationally recognised and interphase ready import and export system, at a projected cost of R80 million over the medium term.

Expenditure trends

Table 24.2 Vote expenditure trends by programme and economic classification

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														
Programme	Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)									
R million	2014/15	Adjusted appropriation	Audited outcome	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Audited outcome	2017/18	Adjusted appropriation	Revised estimate	2014/15 - 2017/18	
Programme 1	694.6	718.9	738.4	729.9	739.4	785.8	788.1	781.4	828.5	902.5	906.8	906.8	104.6%	103.6%
Programme 2	2 199.8	2 187.1	2 183.7	2 134.8	2 144.5	2 143.0	1 953.4	1 944.6	1 927.0	2 197.2	2 236.9	2 236.9	100.1%	99.7%
Programme 3	1 711.1	1 711.7	1 656.3	1 930.3	1 919.4	1 906.8	1 889.7	1 888.7	1 879.0	1 946.8	1 944.1	1 944.1	98.8%	99.0%
Programme 4	294.2	298.3	307.0	238.2	233.9	236.8	297.6	304.0	310.5	261.7	261.7	261.7	102.2%	101.6%
Programme 5	1 364.9	1 348.7	1 303.6	906.6	906.2	862.3	945.6	1 137.7	1 077.7	1 016.7	1 015.7	1 015.7	100.6%	96.6%
Programme 6	427.8	427.8	439.8	443.3	465.3	465.9	458.6	458.6	468.1	482.2	481.9	481.9	102.4%	101.2%
Total	6 692.4	6 692.4	6 628.9	6 383.0	6 408.8	6 400.5	6 333.0	6 515.0	6 490.8	6 807.0	6 847.0	6 847.0	100.6%	99.6%
Change to 2017 Budget estimate										40.0				
Economic classification														
Current payments	2 562.4	2 516.3	2 397.0	2 594.1	2 540.2	2 479.2	2 724.6	2 846.2	2 826.0	2 921.5	2 906.2	2 906.2	98.2%	98.1%
Compensation of employees	1 697.9	1 698.4	1 661.6	1 737.8	1 763.0	1 761.1	2 055.4	1 992.6	1 938.3	2 105.8	2 100.2	2 100.2	98.2%	98.8%
Goods and services	863.3	816.5	735.1	854.8	775.6	718.1	668.2	852.5	887.3	814.4	804.1	804.1	98.2%	96.8%
Interest and rent on land	1.2	1.4	0.3	1.5	1.5	-	1.0	1.1	0.3	1.3	1.9	1.9	49.7%	42.9%

Table 24.2 Vote expenditure trends by programme and economic classification

R million	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	2014/15 - 2017/18
Transfers and subsidies	4 028.4	4 040.7	4 025.7	3 692.7	3 691.6	3 701.5	3 487.6	3 501.7	3 510.1	3 774.6	3 821.3	3 821.3	100.5%	100.0%
Provinces and municipalities	2 390.1	2 390.1	2 363.3	2 189.2	2 172.6	2 172.7	2 203.5	2 203.7	2 203.7	2 242.8	2 242.9	2 242.9	99.5%	99.7%
Departmental agencies and accounts	1 354.6	1 354.6	1 338.3	1 132.5	1 138.1	1 125.4	1 113.7	1 110.2	1 110.2	1 300.3	1 300.0	1 300.0	-	-
Foreign governments and international organisations	34.7	38.7	38.8	29.5	32.4	31.9	34.5	42.4	42.3	36.3	36.6	36.6	110.8%	99.6%
Public corporations and private enterprises	220.2	222.0	222.3	312.9	314.7	314.8	98.3	98.3	98.5	150.8	150.8	150.8	100.5%	100.1%
Non-profit institutions	26.9	26.8	24.4	26.7	25.9	23.7	17.2	17.0	17.0	19.8	20.1	20.1	94.0%	94.8%
Households	1.9	8.4	38.6	1.9	7.9	33.0	20.2	30.0	38.4	24.6	70.8	70.8	371.3%	154.3%
Payments for capital assets	101.6	135.4	206.0	96.2	176.9	218.5	120.8	167.2	153.8	111.0	119.5	119.5	162.4%	116.5%
Buildings and other fixed structures	42.7	41.3	48.0	42.5	48.6	40.3	67.4	78.3	51.7	63.8	69.2	69.2	96.7%	88.1%
Machinery and equipment	58.2	93.9	157.5	53.2	128.2	178.0	53.3	88.5	99.8	47.0	49.8	49.8	229.2%	134.6%
Biological assets	0.8	0.2	-	0.5	0.2	-	0.1	0.1	0.2	0.1	0.2	0.2	22.4%	57.3%
Software and other intangible assets	0.0	0.1	0.4	-	-	0.2	0.1	0.3	2.2	0.1	0.4	0.4	2 554.4%	455.5%
Payments for financial assets	-	-	0.2	-	-	1.4	-	-	0.9	-	-	-	-	-
Total	6 692.4	6 692.4	6 628.9	6 383.0	6 408.8	6 400.5	6 333.0	6 515.0	6 490.8	6 807.0	6 847.0	6 847.0	100.6%	99.6%

Expenditure estimates

Table 24.3 Vote expenditure estimates by programme and economic classification

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								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Programme 1	906.8	8.0%	12.4%	923.2	931.5	938.0	1.1%	12.6%
Programme 2	2 236.9	0.8%	32.2%	2 367.1	2 507.7	2 596.2	5.1%	33.0%
Programme 3	1 944.1	4.3%	28.0%	2 037.9	2 305.0	2 369.1	6.8%	29.4%
Programme 4	261.7	-4.3%	4.2%	273.9	291.3	309.6	5.8%	3.9%
Programme 5	1 015.7	-9.0%	16.2%	1 075.1	1 046.0	1 047.4	1.0%	14.2%
Programme 6	481.9	4.0%	7.0%	487.8	519.7	553.2	4.7%	6.9%
Total	6 847.0	0.8%	100.0%	7 165.0	7 601.3	7 813.4	4.5%	100.0%
Change to 2017 Budget estimate				25.6	24.5	(37.4)		
Economic classification								
Current payments	2 906.2	4.9%	40.2%	3 039.4	3 195.2	3 321.1	4.5%	42.3%
Compensation of employees	2 100.2	7.3%	28.3%	2 182.3	2 348.2	2 519.0	6.2%	31.1%
Goods and services	804.1	-0.5%	11.9%	855.7	845.5	800.5	-0.1%	11.2%
Interest and rent on land	1.9	12.3%	0.0%	1.4	1.5	1.6	-6.2%	0.0%
Transfers and subsidies	3 821.3	-1.8%	57.1%	3 997.0	4 269.2	4 368.1	4.6%	55.9%
Provinces and municipalities	2 242.9	-2.1%	34.1%	2 382.3	2 542.8	2 705.2	6.4%	33.6%
Departmental agencies and accounts	1 300.0	-1.4%	18.5%	1 357.3	1 433.2	1 511.9	5.2%	19.0%
Foreign governments and international organisations	36.6	-1.8%	0.6%	38.5	39.7	41.9	4.5%	0.5%
Public corporations and private enterprises	150.8	-12.1%	3.0%	173.8	206.8	59.9	-26.5%	2.0%
Non-profit institutions	20.1	-9.1%	0.3%	20.1	20.4	21.4	2.1%	0.3%
Households	70.8	103.3%	0.7%	25.2	26.4	27.8	-26.7%	0.5%
Payments for capital assets	119.5	-4.1%	2.6%	128.6	136.9	124.2	1.3%	1.7%
Buildings and other fixed structures	69.2	18.8%	0.8%	55.4	69.2	64.8	-2.1%	0.9%
Machinery and equipment	49.8	-19.1%	1.8%	73.1	67.7	59.3	6.0%	0.8%
Biological assets	0.2	-2.4%	0.0%	0.0	0.0	0.0	-46.1%	0.0%
Software and other intangible assets	0.4	98.7%	0.0%	-	-	-	-100.0%	0.0%
Total	6 847.0	0.8%	100.0%	7 165.0	7 601.3	7 813.4	4.5%	100.0%

Goods and services expenditure trends and estimates

Table 24.4 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administrative fees	3 547	10 647	9 576	7 761	29.8%	1.0%	7 885	8 421	9 054	5.3%	1.0%
Advertising	26 480	8 104	7 514	7 669	-33.8%	1.6%	5 870	6 059	6 465	-5.5%	0.8%
Minor assets	6 851	7 178	3 697	7 474	2.9%	0.8%	3 638	3 370	3 539	-22.1%	0.5%
Audit costs: External	10 362	10 816	10 146	12 867	7.5%	1.4%	13 424	15 204	16 060	7.7%	1.7%
Bursaries: Employees	2 724	2 417	2 671	5 212	24.1%	0.4%	4 839	4 991	5 223	0.1%	0.6%
Catering: Departmental activities	813	740	837	693	-5.2%	0.1%	362	382	403	-16.5%	0.1%
Communication	27 791	29 115	29 846	22 253	-7.1%	3.5%	29 264	29 998	29 500	9.9%	3.4%
Computer services	35 424	11 530	28 869	50 980	12.9%	4.0%	50 772	52 437	55 852	3.1%	6.4%
Consultants: Business and advisory services	20 540	22 985	22 974	15 332	-9.3%	2.6%	11 517	12 122	11 424	-9.3%	1.5%
Infrastructure and planning services	6 957	3 708	2 069	336	-63.6%	0.4%	500	649	619	22.6%	0.1%
Laboratory services	232	219	206	346	14.3%	-	189	211	213	-14.9%	-
Legal services	8 519	5 334	6 139	5 572	-13.2%	0.8%	6 387	7 243	7 097	8.4%	0.8%
Contractors	24 249	9 505	15 459	19 429	-7.1%	2.2%	8 102	8 440	8 674	-23.6%	1.4%
Agency and support/outsourced services	30 695	24 636	22 995	131 460	62.4%	6.7%	148 841	105 080	55 861	-24.8%	13.3%
Entertainment	776	306	287	354	-23.0%	0.1%	336	337	338	-1.5%	-
Fleet services (including government motor transport)	18 459	21 936	17 575	19 709	2.2%	2.5%	30 942	33 580	25 277	8.6%	3.3%
Inventory: Clothing material and accessories	-	823	3 095	6 829	-	0.3%	12 654	12 957	9 145	10.2%	1.3%
Inventory: Farming supplies	7 708	17 959	219 753	30 636	58.4%	8.8%	34 524	32 688	33 739	3.3%	4.0%
Inventory: Food and food supplies	474	1 132	1 437	2 324	69.9%	0.2%	1 234	1 299	1 364	-16.3%	0.2%
Inventory: Fuel, oil and gas	266	952	1 211	1 149	62.9%	0.1%	2 344	2 479	2 097	22.2%	0.2%
Inventory: Materials and supplies	36	922	210	1 129	215.4%	0.1%	228	256	283	-36.9%	0.1%
Inventory: Medical supplies	-	31	89	602	-	-	1 002	1 078	660	3.1%	0.1%
Inventory: Medicine	970	49	1 307	3 152	48.1%	0.2%	2 775	3 481	4 109	9.2%	0.4%
Inventory: Other supplies	121	1 123	719	2 112	159.4%	0.1%	6 489	6 724	3 420	17.4%	0.6%
Consumable supplies	42 602	20 814	7 989	26 354	-14.8%	3.1%	18 648	19 495	15 422	-16.4%	2.4%
Consumables: Stationery, printing and office supplies	10 707	8 826	8 901	19 305	21.7%	1.5%	20 752	22 609	20 545	2.1%	2.5%
Operating leases	84 510	90 460	108 384	41 465	-21.1%	10.3%	37 016	27 144	16 207	-26.9%	3.7%
Rental and hiring	69	10	-	1 449	175.9%	-	1 524	1 530	1 311	-3.3%	0.2%
Property payments	144 315	155 660	145 341	178 557	7.4%	19.8%	184 897	205 281	228 410	8.6%	24.1%
Transport provided: Departmental activity	-	-	-	15	-	-	20	21	22	13.6%	-
Travel and subsistence	128 554	131 940	120 095	104 514	-6.7%	15.4%	132 185	142 819	146 463	11.9%	15.9%
Training and development	39 370	30 372	37 577	41 557	1.8%	4.7%	44 595	47 708	50 784	6.9%	5.6%
Operating payments	20 289	18 420	17 475	20 417	0.2%	2.4%	16 790	16 689	17 563	-4.9%	2.2%
Venues and facilities	30 685	69 393	32 889	15 084	-21.1%	4.7%	15 201	12 684	13 380	-3.9%	1.7%
Total	735 095	718 062	887 332	804 097	3.0%	100.0%	855 746	845 466	800 523	-0.1%	100.0%

Expenditure trends and estimates for significant spending items

Table 24.5 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Agricultural Research Council	1 029 151	804 133	813 189	974 783	-1.8%	13.7%	1 031 109	1 088 851	1 148 740	5.6%	14.4%
Ilima/Letsema projects grant	460 625	466 713	491 363	522 139	4.3%	7.4%	552 423	583 359	615 444	5.6%	7.7%
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	6.2%	16.5%	1 164 766	1 350 209	1 509 021	10.7%	17.5%
Comprehensive agricultural support programme grant: Extension recovery planning service	352 708	343 873	346 149	337 906	-1.4%	5.2%	355 648	380 544	404 881	6.2%	5.0%
Comprehensive agricultural support programme grant: Disasters: (flood damaged infrastructure)	493 761	58 601	76 734	139 071	-34.4%	2.9%	155 935	65 631	-	-100.0%	1.2%
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	3.8%	259 733	274 278	289 363	3.4%	3.7%
Total	3 517 105	3 099 722	3 117 309	3 347 703	-25.7%	49.5%	3 519 614	3 742 872	3 967 449	-68.5%	49.5%

Transfers and subsidies expenditure trends and estimates

Table 24.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average: Expenditure/ Total (%)
Households											
Social benefits											
Current	19 268	14 131	16 302	6 201	-31.5%	0.4%	652	692	733	-50.9%	0.1%
Employee social benefits	19 268	14 131	16 302	6 201	-31.5%	0.4%	652	692	733	-50.9%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 230 590	1 012 771	991 596	1 175 425	-1.5%	29.3%	1 225 477	1 293 999	1 365 046	5.1%	30.7%
Public Service Sector Education and Training Authority	–	370	–	–	–	–	–	–	–	–	–
Primary Agriculture Sector Education and Training Authority	901	937	1 175	1 207	10.2%	–	1 223	1 314	1 409	5.3%	–
National Research Foundation	15 000	20 841	15 697	17 310	4.9%	0.5%	18 647	19 691	20 774	6.3%	0.5%
Communication	26	27	24	29	3.7%	–	28	29	30	1.1%	–
Fibre Processing and Manufacturing Sector Education and Training Authority	446	429	462	464	1.3%	–	468	504	541	5.3%	–
Agricultural Research Council	921 456	691 484	694 570	850 232	-2.6%	21.0%	899 554	949 938	1 002 173	5.6%	22.5%
Perishable Products Export Control Board	600	600	600	600	–	–	585	585	584	-0.9%	–
National Agricultural Marketing Council	36 005	34 635	35 005	41 917	5.2%	1.0%	43 239	45 660	48 172	4.7%	1.1%
Small Enterprise Development Agency	1 825	1 825	304	–	-100.0%	–	–	–	–	–	–
Water Research Commission	3 000	3 000	2 000	2 000	-12.6%	0.1%	2 000	2 000	2 000	–	–
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	6.7%	259 733	274 278	289 363	3.4%	6.6%
Capital	107 695	112 649	118 619	124 551	5.0%	3.1%	131 775	139 155	146 809	5.6%	3.3%
Agricultural Research Council	107 695	112 649	118 619	124 551	5.0%	3.1%	131 775	139 155	146 809	5.6%	3.3%
Households											
Other transfers to households											
Current	19 332	18 852	22 062	64 555	49.5%	0.8%	24 521	25 698	27 112	-25.1%	0.9%
Claims against the state	626	511	301	–	-100.0%	–	–	–	–	–	–
Avian Influenza	–	–	–	40 000	–	0.3%	–	–	–	-100.0%	0.2%
Agricultural colleges	788	1 905	1 499	1 800	31.7%	–	1 800	1 900	2 005	3.7%	–
Grootfontein Agricultural Development Institute: Studies	1 391	1 391	1 400	1 500	2.5%	–	1 600	1 690	1 783	5.9%	–
Female entrepreneur of the year awards	600	550	–	1 000	18.6%	–	500	500	528	-19.2%	–
National Student Financial Aid Scheme	15 927	14 495	18 862	19 955	7.8%	0.5%	20 621	21 608	22 796	4.5%	0.5%
Youth in Agriculture, Forestry and Fisheries award ceremony	–	–	–	300	–	–	–	–	–	-100.0%	–
Provinces and municipalities											
Municipal bank accounts											
Current	1 188	1 273	1 276	1 249	1.7%	–	1 182	1 200	1 220	-0.8%	–
Vehicle licences	688	773	776	649	-1.9%	–	582	600	620	-1.5%	–
National Arbor City Awards	500	500	500	600	6.3%	–	600	600	600	–	–
Non-profit institutions											
Current	24 362	23 685	16 984	20 125	-6.2%	0.6%	20 056	20 350	21 448	2.1%	0.5%
Deciduous Fruit Producers' Trust	10 000	10 000	12 100	14 410	13.0%	0.3%	14 410	14 410	15 203	1.8%	0.4%
Annual Beef Cattle Improvement Scheme Awards	200	–	–	–	-100.0%	–	–	–	–	–	–
Citrus Growers' Association of Southern Africa	–	986	–	–	–	–	–	–	–	–	–
Wine and Spirit Board	–	–	–	300	–	–	–	–	–	-100.0%	–
Forestry South Africa	6 024	4 418	4 684	4 965	-6.2%	0.1%	5 246	5 540	5 845	5.6%	0.1%
Centre for International Forestry Research	100	–	–	–	-100.0%	–	–	–	–	–	–
Food and Trees for Africa	200	200	200	400	26.0%	–	400	400	400	–	–
Lima Rural Development Foundation	7 838	8 081	–	–	-100.0%	0.1%	–	–	–	–	–
Institute for Commercial Forestry Research	–	–	–	50	–	–	–	–	–	-100.0%	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	322	86	173	1	-85.4%	–	1	1	1	–	–
Claims against the state	322	85	173	–	-100.0%	–	–	–	–	–	–
Red Meat Industry Forum	–	1	–	1	–	–	1	1	1	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	221 976	314 714	98 333	150 828	-12.1%	5.2%	173 776	206 789	59 912	-26.5%	3.6%
Onderstepoort Biological Products	127 500	268 400	–	–	-100.0%	2.6%	–	–	–	–	–
Ncera Farms	5 420	5 622	5 935	6 246	4.8%	0.2%	6 608	6 978	7 362	5.6%	0.2%
Land and Agricultural Development Bank of South Africa	85 348	36 762	88 232	140 166	18.0%	2.3%	162 496	194 876	47 344	-30.4%	3.3%
Forest Sector Charter Council	3 708	3 930	4 166	4 416	6.0%	0.1%	4 672	4 935	5 206	5.6%	0.1%

Table 24.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20			2020/21
	2014/15 - 2017/18	2018/19	2019/20				2020/21	2017/18 - 2020/21				
Provinces and municipalities												
Provincial revenue funds												
Current	2 362 161	2 171 450	2 202 452	2 241 689	-1.7%	59.6%	2 381 106	2 541 649	2 703 953	6.4%	60.0%	
Ilima/Letsema projects grant	460 625	466 713	491 363	522 139	4.3%	12.9%	552 423	583 359	615 444	5.6%	13.8%	
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	6.2%	28.9%	1 164 766	1 350 209	1 509 021	10.7%	31.2%	
Comprehensive agricultural support programme grant: Extension recovery planning services	352 708	343 873	346 149	337 906	-1.4%	9.2%	355 648	380 544	404 881	6.2%	9.0%	
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	57 701	69 473	70 826	56 831	-0.5%	1.7%	74 461	79 672	87 850	15.6%	1.8%	
Land care programme grant	67 837	65 011	69 265	73 604	2.8%	1.8%	77 873	82 234	86 757	5.6%	1.9%	
Comprehensive agricultural support programme grant: Disasters: Flood damaged infrastructure	493 761	58 601	76 734	139 071	-34.4%	5.1%	155 935	65 631	-	-100.0%	2.2%	
Foreign governments and international organisations												
Current	38 784	31 911	42 306	36 637	-1.9%	1.0%	38 466	39 689	41 861	4.5%	1.0%	
Consultative Group on International Agricultural Research	7 140	6 375	7 020	7 000	-0.7%	0.2%	7 300	8 400	8 527	6.8%	0.2%	
International Union for the Protection of New Varieties of Plants	638	677	789	745	5.3%	-	880	890	980	9.6%	-	
Commonwealth Agricultural Bureau International	263	276	337	269	0.8%	-	280	300	350	9.2%	-	
International Commission of Agricultural Engineering	32	-	21	20	-14.5%	-	20	20	20	-	-	
Food and Agriculture Organisation of the United Nations	24 600	21 029	30 140	24 363	-0.3%	0.7%	24 800	25 500	26 800	3.2%	0.6%	
Foreign rates and taxes	329	306	457	411	7.7%	-	593	674	761	22.8%	-	
International Fund for Agricultural Development	2 163	-	-	-	-100.0%	-	-	-	-	-	-	
International Cotton Advisory Council	769	301	374	285	-28.2%	-	290	300	330	5.0%	-	
International Dairy Federation	50	50	50	50	-	-	50	50	50	-	-	
International Grains Council	200	215	212	193	-1.2%	-	200	212	250	9.0%	-	
International Seed Testing Association	94	97	120	159	19.1%	-	180	200	330	27.6%	-	
International Organisation of Vine and Wine	807	789	977	800	-0.3%	-	852	830	880	3.2%	-	
World Organisation for Animal Health	1 349	1 624	1 616	1 973	13.5%	-	1 700	1 852	2 000	0.5%	-	
Organisation for Economic Cooperation and Development	342	161	183	359	1.6%	-	1 311	450	571	16.7%	-	
International Union of Forest Research Organisations	8	11	10	10	7.7%	-	10	11	12	6.3%	-	
Total	4 025 678	3 701 522	3 510 103	3 821 261	-1.7%	100.0%	3 997 012	4 269 222	4 368 095	4.6%	100.0%	

Personnel information

Table 24.7 Vote personnel numbers and cost by salary level and programme¹

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																		
Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment									Number							
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Agriculture, Forestry and Fisheries																		
Salary level	6 548	446	5 815	1 953.0	0.3	-	2 116.3	-	-	2 198.8	-	-	2 365.7	-	-	2 537.8	-	-
1 - 6	3 443	292	3 044	472.9	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-
7 - 10	2 321	7	2 091	879.4	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-
11 - 12	621	141	540	391.2	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-
13 - 16	161	6	138	205.2	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2	-	2	4.2	2.1	-	2 116.3	-	-	2 198.8	-	-	2 365.7	-	-	2 537.8	-	-
Programme	6 548	446	5 815	1 953.0	0.3	-	2 116.3	-	-	2 198.8	-	-	2 365.7	-	-	2 537.8	-	-
Programme 1	1 143	7	1 028	409.6	0.4	-	451.7	-	-	466.1	-	-	501.7	-	-	539.5	-	-
Programme 2	1 601	175	1 479	537.3	0.4	-	606.7	-	-	631.9	-	-	679.6	-	-	725.2	-	-
Programme 3	650	239	606	157.3	0.3	-	177.9	-	-	185.1	-	-	199.2	-	-	213.7	-	-
Programme 4	165	4	151	106.4	0.7	-	105.8	-	-	110.1	-	-	118.3	-	-	127.4	-	-
Programme 5	2 404	-	2 052	516.3	0.3	-	554.4	-	-	577.6	-	-	621.5	-	-	668.1	-	-
Programme 6	585	21	499	226.1	0.5	-	219.8	-	-	228.1	-	-	245.4	-	-	263.9	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 24.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20		
Departmental receipts	191 652	212 414	202 706	246 223	246 223	8.7%	100.0%	258 524	271 452	285 025	5.0%	100.0%
Sales of goods and services produced by department	163 186	185 974	190 625	225 793	225 793	11.4%	89.8%	237 073	248 928	261 375	5.0%	91.7%
Sales by market establishments	2 370	2 347	2 279	2 185	2 185	-2.7%	1.1%	2 295	2 410	2 531	5.0%	0.9%
<i>of which:</i>												
Dwellings	1 959	1 748	1 677	1 827	1 827	-2.3%	0.8%	1 918	2 014	2 115	5.0%	0.7%
Rental parking: Covered and open	313	322	323	339	339	2.7%	0.2%	356	374	393	5.1%	0.1%
Wool and skin	98	277	279	19	19	-42.1%	0.1%	21	22	23	6.6%	-
Administrative fees	129 749	149 966	134 822	163 132	163 132	7.9%	67.7%	171 278	179 843	188 835	5.0%	66.3%
<i>of which:</i>												
Farm feeds registration	6 485	12 600	8 970	10 680	10 680	18.1%	4.5%	11 214	11 775	12 364	5.0%	4.3%
Plant breeders right	2 834	3 713	2 889	5 878	5 878	27.5%	1.8%	6 161	6 469	6 792	4.9%	2.4%
Stock remedy	8 045	1 260	861	1 114	1 114	-48.3%	1.3%	1 170	1 229	1 290	5.0%	0.5%
Inspection fees: Statutory services	73 190	85 216	76 306	98 339	98 339	10.3%	39.0%	103 256	108 419	113 840	5.0%	39.9%
Other	39 195	47 177	45 796	47 121	47 121	6.3%	21.0%	49 477	51 951	54 549	5.0%	19.1%
Other sales	31 067	33 661	53 524	60 476	60 476	24.9%	21.0%	63 500	66 675	70 009	5.0%	24.6%
<i>of which:</i>												
Service rendered: Boarding services (private)	1 736	1 285	1 625	1 969	1 969	4.3%	0.8%	2 067	2 170	2 279	5.0%	0.8%
Service rendered: Commission on insurance	1 425	1 432	1 442	1 537	1 537	2.6%	0.7%	1 614	1 695	1 780	5.0%	0.6%
Service rendered: Course fees	1 036	1 823	2 011	1 997	1 997	24.5%	0.8%	2 097	2 202	2 312	5.0%	0.8%
Laboratory services: Plant	629	905	884	1 015	1 015	17.3%	0.4%	1 066	1 119	1 175	5.0%	0.4%
Other	26 241	28 216	47 562	53 958	53 958	27.2%	18.3%	56 656	59 489	62 463	5.0%	21.9%
Sales of scrap, waste, arms and other used current goods	44	53	124	713	713	153.1%	0.1%	748	785	824	4.9%	0.3%
<i>of which:</i>												
Waste paper	44	53	8	25	25	-17.2%	-	26	27	28	3.8%	-
Sales scrap	-	-	116	688	688	-	0.1%	722	758	796	5.0%	0.3%
Transfers received	727	355	274	446	446	-15.0%	0.2%	468	491	516	5.0%	0.2%
Fines, penalties and forfeits	33	270	45	49	49	14.1%	-	52	55	57	5.2%	-
Interest, dividends and rent on land	6 727	5 143	4 738	4 926	4 926	-9.9%	2.5%	5 172	5 431	5 703	5.0%	2.0%
Interest	5 565	4 111	3 791	3 827	3 827	-11.7%	2.0%	4 018	4 219	4 430	5.0%	1.6%
Rent on land	1 162	1 032	947	1 099	1 099	-1.8%	0.5%	1 154	1 212	1 273	5.0%	0.4%
Sales of capital assets	1 034	1 720	868	1 433	1 433	11.5%	0.6%	1 505	1 580	1 659	5.0%	0.6%
Transactions in financial assets and liabilities	19 901	18 899	6 032	12 863	12 863	-13.5%	6.8%	13 506	14 182	14 891	5.0%	5.2%
Total	191 652	212 414	202 706	246 223	246 223	8.7%	100.0%	258 524	271 452	285 025	5.0%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Ministry	38.0	39.6	40.5	42.7	3.9%	4.9%	45.5	48.6	52.0	6.8%	5.1%
Department Management	22.9	19.2	32.8	28.9	8.2%	3.2%	29.0	31.1	33.3	4.7%	3.3%
Financial Administration	158.6	163.1	177.8	194.8	7.1%	21.3%	205.6	221.8	237.3	6.8%	23.2%
Internal Audit	4.0	5.0	7.1	10.1	36.1%	0.8%	10.5	11.3	12.0	5.9%	1.2%
Corporate Services	170.0	162.9	187.8	179.9	1.9%	21.5%	189.0	202.3	216.5	6.4%	21.3%
Stakeholder Relations, Communication and Legal Services	90.4	117.5	92.6	80.6	-3.8%	11.7%	68.2	73.2	78.5	-0.9%	8.1%
Policy, Planning, Monitoring and Evaluation	72.1	79.5	78.5	173.8	34.1%	12.4%	187.6	144.7	100.1	-16.8%	16.4%
Office Accommodation	182.4	199.0	211.4	196.0	2.4%	24.2%	187.8	198.6	208.3	2.1%	21.4%
Total	738.4	785.8	828.5	906.8	7.1%	100.0%	923.2	931.5	938.0	1.1%	100.0%
Change to 2017 Budget estimate				4.4			(22.5)	(22.8)	(20.2)		

Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million	701.2	743.1	791.1	851.1	6.7%	94.7%	879.7	883.9	887.7	1.4%	94.7%
Current payments	701.2	743.1	791.1	851.1	6.7%	94.7%	879.7	883.9	887.7	1.4%	94.7%
Compensation of employees	362.0	380.5	409.6	451.7	7.7%	49.2%	466.1	501.7	539.5	6.1%	53.0%
Goods and services ¹	339.2	362.6	381.4	399.2	5.6%	45.5%	413.6	382.2	348.3	-4.4%	41.7%
<i>of which:</i>											
<i>Audit costs: External</i>	9.8	9.9	10.1	12.9	9.6%	1.3%	13.4	15.2	16.1	7.7%	1.6%
<i>Computer services</i>	30.2	9.8	25.4	22.3	-9.6%	2.7%	23.0	24.6	26.5	5.9%	2.6%
<i>Agency and support/outsourced services</i>	3.4	2.7	2.9	96.0	203.1%	3.2%	104.3	55.5	4.6	-63.6%	7.0%
<i>Operating leases</i>	74.9	84.3	98.9	37.8	-20.4%	9.1%	28.1	17.3	4.6	-50.5%	2.4%
<i>Property payments</i>	111.0	117.0	116.6	138.6	7.7%	14.8%	153.0	172.2	194.0	11.9%	17.8%
<i>Travel and subsistence</i>	32.1	39.2	44.4	31.2	-1.0%	4.5%	45.5	48.7	51.5	18.2%	4.8%
<i>Interest and rent on land</i>	-	-	0.0	0.2	-	-	-	-	-	-100.0%	-
Transfers and subsidies¹	18.8	24.2	20.3	19.5	1.3%	2.5%	20.4	21.6	22.8	5.4%	2.3%
Provinces and municipalities	0.0	0.0	0.1	0.1	2.7%	-	0.0	0.0	0.0	-3.3%	-
Departmental agencies and accounts	16.4	22.6	17.4	19.0	5.1%	2.3%	20.4	21.5	22.8	6.2%	2.3%
Public corporations and private enterprises	0.1	0.1	0.0	-	-100.0%	-	-	-	-	-	-
Households	2.3	1.5	2.9	0.4	-43.1%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	18.5	18.1	17.1	36.3	25.2%	2.8%	23.1	26.0	27.5	-8.9%	3.1%
Buildings and other fixed structures	6.4	6.0	5.8	30.8	68.8%	1.5%	18.3	21.1	22.3	-10.2%	2.5%
Machinery and equipment	12.1	12.2	9.2	5.1	-24.9%	1.2%	4.8	4.9	5.2	0.4%	0.5%
Software and other intangible assets	-	0.0	2.1	0.4	-	0.1%	-	-	-	-100.0%	-
Payments for financial assets	0.0	0.3	0.0	-	-100.0%	-	-	-	-	-	-
Total	738.4	785.8	828.5	906.8	7.1%	100.0%	923.2	931.5	938.0	1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.1%	12.3%	12.8%	13.2%	-	-	12.9%	12.3%	12.0%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	16.3	22.2	17.3	19.0	5.1%	2.3%	20.3	21.5	22.7	6.2%	2.3%
Primary Agriculture Sector Education and Training Authority	0.9	0.9	1.2	1.2	10.2%	0.1%	1.2	1.3	1.4	5.3%	0.1%
National Research Foundation	15.0	20.8	15.7	17.3	4.9%	2.1%	18.6	19.7	20.8	6.3%	2.1%
Fibre Processing and Manufacturing Sector Education and Training Authority	0.4	0.4	0.5	0.5	1.3%	0.1%	0.5	0.5	0.5	5.3%	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 2: Agricultural Production, Health and Food Safety

Programme purpose

Manage the risks associated with animal diseases, plant pests and genetically modified organisms. Register products used in agriculture. Promote food safety and create an enabling environment for increased and sustainable agricultural production.

Objectives

- Promote productivity for prioritised value chains by:
 - implementing 6 animal improvement schemes, such as Kaonafatso ya Dikgomo, a programme that assists farmers without resources by providing breeding technical support; and the poultry scheme, which assists poultry farmers to identify and manage risks associated with poultry diseases by March 2021
 - implementing 6 plant improvement and seeds schemes, ensuring that all categories of producers have access to quality propagating material by March 2021.
- Manage biosecurity and related sector risks effectively by:
 - conducting 3 countrywide surveys of plant pests, in particular the exotic fruit fly, to manage the spread and/or incursion of these pests and eradicate them by March 2021.
- Implement national plans to conserve the diversity of plant genetic resources through the collection of 2 prioritised crops, namely calabash and bambara groundnut, on an ongoing basis.

- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by implementing national plans to conserve the diversity of the animal genetic resources, in particular through promoting the sustainable use of indigenous animal breeds in the country, by March 2021.
- Enforce an agricultural animal disease regulatory framework to reduce the level of disease outbreaks and interception at export channels in production areas to a minimum level by conducting 2 planned animal risk surveillance exercises per year on foot and mouth disease and goat plague over the medium term.
- Implement regulatory compliance and monitoring interventions to prevent plant and animal pest and disease outbreaks through quarantine inspections, surveillance and testing by March 2021.
- Ensure access to primary animal health care services through the implementation of the animal diseases and management plan, and compulsory community services by deploying 450 veterinary graduates to rural areas by March 2021.

Subprogrammes

- *Management* oversees and manages the programme.
- *Inspection and Laboratory Services* provides leadership, guidance and support to ensure compliance with agricultural legislation and regulatory frameworks; and oversees the effective implementation of risk management strategies and plans for regulated agricultural products.
- *Plant Production and Health* focuses on increasing agricultural productivity with emphasis on a sustainable plant production system, the efficient use of genetic resources for food and agriculture, and the management of risks associated with plant pests and diseases, and genetically modified organisms.
- *Animal Production and Health* improves livestock production, and the health and safety of animal products. This entails implementing strategies, projects and programmes for animal production, health and public health that are founded on effective animal health and production management principles, an informed extension service, and sustainable natural resources management.
- *Agriculture Research* manages monthly transfers to the Agricultural Research Council.

Expenditure trends and estimates

Table 24.10 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average: Expenditure/ Total (%)
R million											
Management	1.6	2.2	3.1	2.9	21.9%	0.1%	3.0	3.2	3.5	6.0%	0.1%
Inspection and Laboratory Services	317.5	322.5	330.1	372.4	5.5%	15.8%	444.9	472.6	442.8	5.9%	17.8%
Plant Production and Health	536.4	543.9	575.8	610.8	4.4%	26.7%	644.3	681.0	720.0	5.6%	27.4%
Animal Production and Health	299.1	470.5	205.1	276.2	-2.6%	14.7%	243.7	262.0	281.2	0.6%	11.0%
Agriculture Research	1 029.2	803.9	813.0	974.6	-1.8%	42.6%	1 031.1	1 088.9	1 148.7	5.6%	43.7%
Total	2 183.7	2 143.0	1 927.0	2 236.9	0.8%	100.0%	2 367.1	2 507.7	2 596.2	5.1%	100.0%
Change to 2017 Budget estimate				39.7			61.2	61.2	-		
Economic classification											
Current payments	490.6	509.0	584.4	682.4	11.6%	26.7%	746.6	798.5	814.2	6.1%	31.3%
Compensation of employees	401.7	444.4	537.3	606.7	14.7%	23.4%	631.9	679.6	725.2	6.1%	27.2%
Goods and services ¹	88.9	64.6	47.0	75.7	-5.2%	3.3%	114.7	118.9	88.9	5.5%	4.1%
of which:											
Communication	4.0	4.0	3.6	4.2	2.0%	0.2%	6.8	7.0	5.6	10.0%	0.2%
Computer services	0.4	0.2	0.5	25.0	282.5%	0.3%	25.0	25.0	26.4	1.8%	1.0%
Fleet services (including government motor transport)	7.3	8.0	6.1	4.4	-15.3%	0.3%	15.2	15.4	5.1	5.0%	0.4%
Inventory: Other supplies	0.1	1.1	0.5	1.8	209.5%	-	6.4	6.7	3.4	24.2%	0.2%
Consumables: Stationery, printing and office supplies	3.1	2.3	2.4	3.6	5.5%	0.1%	7.4	7.4	4.2	4.8%	0.2%
Travel and subsistence	29.4	25.5	15.3	16.0	-18.3%	1.0%	19.9	21.2	17.6	3.2%	0.8%

Table 24.10 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21	
Transfers and subsidies¹	1 629.2	1 551.3	1 318.2	1 551.8	-1.6%	71.3%	1 598.3	1 687.0	1 779.7	4.7%	68.2%
Provinces and municipalities	460.7	466.9	491.5	522.2	4.3%	22.9%	552.4	583.4	615.5	5.6%	23.4%
Departmental agencies and accounts	1 029.2	804.1	813.2	974.8	-1.8%	42.7%	1 031.3	1 089.1	1 149.0	5.6%	43.7%
Public corporations and private enterprises	127.7	268.4	0.0	–	-100.0%	4.7%	–	–	–	–	–
Non-profit institutions	10.2	10.0	12.1	14.4	12.2%	0.6%	14.4	14.4	15.2	1.8%	0.6%
Households	1.4	1.9	1.3	40.4	204.2%	0.5%	0.1	0.1	0.1	-86.7%	0.4%
Payments for capital assets	63.8	82.4	24.4	2.7	-65.1%	2.0%	22.2	22.2	2.3	-6.0%	0.5%
Buildings and other fixed structures	–	–	–	–	–	–	–	8.5	–	–	0.1%
Machinery and equipment	63.8	82.4	24.4	2.7	-65.1%	2.0%	22.2	13.7	2.3	-6.0%	0.4%
Payments for financial assets	0.1	0.4	0.1	–	-100.0%	–	–	–	–	–	–
Total	2 183.7	2 143.0	1 927.0	2 236.9	0.8%	100.0%	2 367.1	2 507.7	2 596.2	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	32.9%	33.5%	29.7%	32.7%	–	–	33.0%	33.0%	33.2%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	921.5	691.5	694.6	850.2	-2.6%	37.2%	899.3	949.7	1 001.9	5.6%	38.1%
Agricultural Research Council	921.5	691.5	694.6	850.2	-2.6%	37.2%	899.3	949.7	1 001.9	5.6%	38.1%
Capital	107.7	112.6	118.6	124.6	5.0%	5.5%	131.8	139.2	146.8	5.6%	5.6%
Agricultural Research Council	107.7	112.6	118.6	124.6	5.0%	5.5%	131.8	139.2	146.8	5.6%	5.6%
Households											
Other transfers to households											
Current	–	–	–	40.0	–	0.5%	–	–	–	-100.0%	0.4%
Avian Influenza	–	–	–	40.0	–	0.5%	–	–	–	-100.0%	0.4%
Non-profit institutions											
Current	10.0	10.0	12.1	14.4	13.0%	0.5%	14.4	14.4	15.2	1.8%	0.6%
Deciduous Fruit Producers' Trust	10.0	10.0	12.1	14.4	13.0%	0.5%	14.4	14.4	15.2	1.8%	0.6%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	127.5	268.4	–	–	-100.0%	4.7%	–	–	–	–	–
Onderstepoort Biological Products	127.5	268.4	–	–	-100.0%	4.7%	–	–	–	–	–
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	460.6	466.7	491.4	522.1	4.3%	22.9%	552.4	583.4	615.4	5.6%	23.4%
Ilima/Letsema projects grant	460.6	466.7	491.4	522.1	4.3%	22.9%	552.4	583.4	615.4	5.6%	23.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 3: Food Security and Agrarian Reform

Programme purpose

Facilitate and promote food security and agrarian reform programmes and initiatives.

Objectives

- Coordinate the implementation of the national policy on food and nutrition security by:
 - providing production inputs such as seeds and fertilisers to increase the number of households benefitting from food production initiatives to 200 000 by March 2021
 - cultivating 360 000 hectares of underutilised land in communal areas and land reform projects for food production by March 2021.
- Improve delivery capacity in support of sustainable growth in the sector by:
 - implementing sector capacity development policies, such as the national agriculture, forestry and fisheries training and education strategy and national policy on extension and advisory services on an ongoing basis

- facilitating collaborations with commodity organisations to build the capacity of 183 extension practitioners over the medium term.
- providing strategic leadership and support, such as research, training and extension services to targeted subsistence and smallholder producers in the agriculture, forestry and fisheries sectors by transforming all agricultural colleges into agricultural training institutions by March 2021.
- Coordinate comprehensive support systems and programmes provided to producers by:
 - providing support to 145 000 subsistence and smallholder producers per year
 - supporting the commercialisation of 1 350 smallholder producers by March 2021
 - placing 255 unemployed agricultural graduates in farms annually
 - providing support through access to resources for agribusiness development on an ongoing basis.

Subprogrammes

- *Management* oversees and manages the programme.
- *Food Security* provides national frameworks to promote the sustainable household food security programme by improving the production systems of subsistence and smallholder producers in the agriculture, forestry and fishery sectors; and facilitates the provision of production inputs, tools and infrastructure support.
- *Sector Capacity Development* provides education and training to promote the transformation of colleges of agriculture into centres of excellence. This is achieved by implementing the agriculture, forestry and fisheries national education and training strategy; promoting the development of agriculture training institutes as centres of excellence; and implementing a coordinated plan to track sector transformation in line with government objectives.
- *National Extension Support Services* develops and coordinates the implementation of national extension policies, and norms and standards on the transfer of technology. This subprogramme also provides strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector.

Expenditure trends and estimates

Table 24.11 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Management	2.5	4.0	4.7	3.7	14.1%	0.2%	15.4	16.4	17.3	67.3%	0.6%
Food Security	1 037.5	1 270.8	1 250.2	1 342.0	9.0%	66.3%	1 422.0	1 646.8	1 665.4	7.5%	70.2%
Sector Capacity Development	232.8	260.2	247.4	230.9	-0.3%	13.2%	213.7	228.3	246.4	2.2%	10.6%
National Extension Support Services	383.5	371.8	376.8	367.4	-1.4%	20.3%	386.8	413.6	439.9	6.2%	18.6%
Total	1 656.3	1 906.8	1 879.0	1 944.1	5.5%	100.0%	2 037.9	2 305.0	2 369.1	6.8%	100.0%
Change to 2017				(2.7)			2.1	2.2	69.2		
Budget estimate											
Economic classification											
Current payments	214.1	229.3	218.3	266.7	7.6%	12.6%	252.9	270.5	288.8	2.7%	12.5%
Compensation of employees	120.9	131.1	142.6	161.9	10.2%	7.5%	168.5	181.6	194.9	6.4%	8.2%
Goods and services ¹	93.3	98.1	75.7	104.8	4.0%	5.0%	84.4	88.8	93.9	-3.6%	4.3%
<i>of which:</i>											
<i>Communication</i>	1.8	2.0	1.8	3.0	17.9%	0.1%	2.0	2.2	2.3	-8.9%	0.1%
<i>Fleet services (including government motor transport)</i>	2.1	2.0	1.8	1.8	-6.0%	0.1%	1.7	1.9	2.1	5.5%	0.1%
<i>Inventory: Farming supplies</i>	0.2	1.3	1.9	1.9	113.2%	0.1%	1.8	2.1	2.3	7.6%	0.1%
<i>Travel and subsistence</i>	16.9	18.8	15.9	16.9	0.1%	0.9%	24.0	25.2	26.1	15.6%	1.1%
<i>Training and development</i>	26.7	22.8	30.0	30.9	5.0%	1.5%	32.9	35.1	37.5	6.7%	1.6%
<i>Venues and facilities</i>	2.3	1.2	2.1	0.9	-27.5%	0.1%	12.0	12.7	13.4	147.5%	0.4%

Table 24.11 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R million											
Transfers and subsidies¹	1 366.0	1 606.9	1 594.8	1 639.5	6.3%	84.0%	1 746.9	1 994.1	2 037.2	7.5%	85.7%
Provinces and municipalities	1 340.3	1 581.4	1 565.4	1 507.2	4.0%	81.2%	1 595.2	1 810.8	2 002.1	9.9%	79.9%
Departmental agencies and accounts	0.6	0.6	0.6	0.6	–	–	0.6	0.6	0.6	-0.9%	–
Public corporations and private enterprises	5.5	5.6	6.0	106.2	168.9%	1.7%	126.6	157.0	7.4	-58.9%	4.6%
Households	19.7	19.2	22.9	25.5	9.0%	1.2%	24.6	25.7	27.1	2.1%	1.2%
Payments for capital assets	76.2	70.3	65.5	37.8	-20.8%	3.4%	38.1	40.5	43.1	4.5%	1.8%
Buildings and other fixed structures	41.6	34.3	43.3	35.0	-5.5%	2.1%	34.1	36.6	39.1	3.7%	1.7%
Machinery and equipment	34.2	35.9	22.0	2.7	-57.1%	1.3%	3.9	4.0	4.0	14.1%	0.2%
Biological assets	–	–	0.2	0.0	–	–	–	–	–	-100.0%	–
Software and other intangible assets	0.4	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	0.0	0.3	0.4	–	-100.0%	–	–	–	–	–	–
Total	1 656.3	1 906.8	1 879.0	1 944.1	5.5%	100.0%	2 037.9	2 305.0	2 369.1	6.8%	100.0%
Proportion of total programme expenditure to vote expenditure	25.0%	29.8%	28.9%	28.4%	–	–	28.4%	30.3%	30.3%	–	–
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	18.7	18.3	21.8	24.3	9.0%	1.1%	24.5	25.7	27.1	3.8%	1.2%
Agricultural colleges	0.8	1.9	1.5	1.8	31.7%	0.1%	1.8	1.9	2.0	3.7%	0.1%
Grootfontein Agricultural Development Institute: Studies	1.4	1.4	1.4	1.5	2.5%	0.1%	1.6	1.7	1.8	5.9%	0.1%
Female entrepreneur of the year awards	0.6	0.6	–	1.0	18.6%	–	0.5	0.5	0.5	-19.2%	–
National Student Financial Aid Scheme	15.9	14.5	18.9	20.0	7.8%	0.9%	20.6	21.6	22.8	4.5%	1.0%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	5.4	5.6	5.9	106.2	169.6%	1.7%	126.6	157.0	7.4	-58.9%	4.6%
Ncera Farms	5.4	5.6	5.9	6.2	4.8%	0.3%	6.6	7.0	7.4	5.6%	0.3%
Land and Agricultural Development Bank of South Africa	–	–	–	100.0	–	1.4%	120.0	150.0	–	-100.0%	4.3%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	1 339.9	1 581.1	1 565.1	1 506.9	4.0%	81.1%	1 594.9	1 810.4	2 001.8	9.9%	79.9%
Comprehensive agricultural support programme grant: Infrastructure	929.5	1 167.8	1 148.1	1 112.1	6.2%	59.0%	1 164.8	1 350.2	1 509.0	10.7%	59.3%
Comprehensive agricultural support programme grant: Extension recovery planning services	352.7	343.9	346.1	337.9	-1.4%	18.7%	355.6	380.5	404.9	6.2%	17.1%
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	57.7	69.5	70.8	56.8	-0.5%	3.5%	74.5	79.7	87.9	15.6%	3.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 4: Trade Promotion and Market Access

Programme purpose

Promote economic development, trade and market access for agricultural, forestry and fisheries products; and foster international relations for the sector.

Objectives

- Promote and facilitate market access and the processing of agriculture, forestry and fisheries products by:
 - certifying and accrediting 27 producers of fresh produce for exports through South African good agriculture practices certification and accreditation programme by March 2021
 - providing training to 190 agro-processing entrepreneurs on norms and standards for agro-processing by March 2021

- monitoring the implementation of the AgriBEE Sector Charter and forest sector code on an ongoing basis.
- Provide technical sector leadership in trade negotiations and implement trade agreements to improve market access by linking producers to high value markets on an ongoing basis.
- Implement the building of national skills capabilities in international market research by providing for the transfer of marketing skills to small and medium agro-processing entrepreneurs by March 2021.
- Implement the comprehensive Africa agriculture development programme by March 2021 by:
 - redrafting and presenting the comprehensive Africa agriculture development programme compact to the economic cluster
 - collecting data and drafting the biannual review report, which will include state-owned entities, commodity groups and some national departments.

Subprogrammes

- *Management* oversees and manages the programme.
- *International Relations and Trade* facilitates and coordinates international relations and trade through negotiations, and the development and implementation of appropriate policies and programmes.
- *Cooperatives and Rural Enterprise Development* facilitates and supports the development of businesses to ensure the transformation of the agriculture, forestry and fisheries sectors.
- *Agro-Processing and Marketing* develops and implements support programmes to promote market access and value addition for agriculture, forestry and fisheries products.

Expenditure trends and estimates

Table 24.12 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Management	2.6	3.1	3.3	5.1	24.3%	1.3%	5.3	5.7	6.0	5.9%	1.9%
International Relations and Trade	133.8	114.0	136.5	121.9	-3.0%	45.4%	127.2	135.6	144.5	5.8%	46.6%
Cooperatives and Rural Enterprise Development	112.6	64.3	114.8	70.8	-14.3%	32.5%	74.5	79.1	83.9	5.8%	27.1%
Agro-Processing and Marketing	57.9	55.3	55.9	63.9	3.3%	20.9%	66.9	70.9	75.1	5.5%	24.4%
Total	307.0	236.8	310.5	261.7	-5.2%	100.0%	273.9	291.3	309.6	5.8%	100.0%
Change to 2017 Budget estimate				-			(0.3)	(0.4)	(1.2)		
Economic classification											
Current payments	139.4	125.8	139.6	137.7	-0.4%	48.6%	144.6	155.8	166.6	6.6%	53.2%
Compensation of employees	97.8	94.4	106.4	105.8	2.6%	36.2%	110.1	118.3	127.4	6.4%	40.6%
Goods and services ¹	41.6	31.5	33.3	31.9	-8.5%	12.4%	34.5	37.5	39.2	7.1%	12.6%
of which:											
Communication	1.1	1.0	1.4	1.2	3.4%	0.4%	1.3	1.4	1.5	6.7%	0.5%
Agency and support/outsourced services	4.7	1.7	0.7	2.8	-15.6%	0.9%	8.8	10.2	10.7	56.0%	2.9%
Consumables: Stationery, printing and office supplies	0.5	0.6	0.6	1.0	25.9%	0.2%	1.3	1.4	1.5	14.1%	0.5%
Operating leases	9.4	6.0	9.3	2.0	-40.7%	2.4%	1.2	2.3	1.8	-2.7%	0.6%
Travel and subsistence	11.5	11.4	11.0	11.6	0.2%	4.1%	13.5	14.6	15.2	9.5%	4.8%
Operating payments	5.0	6.8	6.7	2.9	-16.8%	1.9%	4.2	3.3	3.6	7.6%	1.2%
Transfers and subsidies¹	166.7	110.3	170.2	123.7	-9.5%	51.2%	128.9	135.2	142.6	4.8%	46.7%
Departmental agencies and accounts	37.8	36.5	35.3	41.9	3.5%	13.6%	43.2	45.7	48.2	4.7%	15.7%
Foreign governments and international organisations	38.8	31.9	42.3	36.6	-1.9%	13.4%	38.5	39.7	41.9	4.5%	13.8%
Public corporations and private enterprises	89.1	40.7	92.4	44.6	-20.6%	23.9%	47.2	49.8	52.6	5.6%	17.1%
Non-profit institutions	-	1.0	-	0.3	-	0.1%	-	-	-	-100.0%	-
Households	1.0	0.3	0.2	0.3	-37.2%	0.2%	-	-	-	-100.0%	-

Table 24.12 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million											
Payments for capital assets	0.9	0.6	0.6	0.4	-25.8%	0.2%	0.5	0.3	0.4	1.4%	0.1%
Machinery and equipment	0.9	0.6	0.6	0.4	-25.8%	0.2%	0.5	0.3	0.4	1.4%	0.1%
Payments for financial assets	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total	307.0	236.8	310.5	261.7	-5.2%	100.0%	273.9	291.3	309.6	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	4.6%	3.7%	4.8%	3.8%	-	-	3.8%	3.8%	4.0%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	37.8	36.5	35.3	41.9	3.5%	13.6%	43.2	45.7	48.2	4.7%	15.7%
National Agricultural Marketing Council	36.0	34.6	35.0	41.9	5.2%	13.2%	43.2	45.7	48.2	4.7%	15.7%
Small Enterprise Development Agency	1.8	1.8	0.3	-	-100.0%	0.4%	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	89.1	40.7	92.4	44.6	-20.6%	23.9%	47.2	49.8	52.6	5.6%	17.1%
Land and Agricultural Development Bank of South Africa	85.3	36.8	88.2	40.2	-22.2%	22.4%	42.5	44.9	47.3	5.6%	15.4%
Forest Sector Charter Council	3.7	3.9	4.2	4.4	6.0%	1.5%	4.7	4.9	5.2	5.6%	1.7%
Foreign governments and international organisations											
Current	38.7	31.9	42.2	36.6	-1.9%	13.4%	38.4	39.6	41.8	4.6%	13.8%
Consultative Group on International Agricultural Research	7.1	6.4	7.0	7.0	-0.7%	2.5%	7.3	8.4	8.5	6.8%	2.7%
International Union for the Protection of New Varieties of Plants	0.6	0.7	0.8	0.7	5.3%	0.3%	0.9	0.9	1.0	9.6%	0.3%
Commonwealth Agricultural Bureau International	0.3	0.3	0.3	0.3	0.8%	0.1%	0.3	0.3	0.4	9.2%	0.1%
Food and Agriculture Organisation of the United Nations	24.6	21.0	30.1	24.4	-0.3%	9.0%	24.8	25.5	26.8	3.2%	8.9%
Foreign rates and taxes	0.3	0.3	0.5	0.4	7.7%	0.1%	0.6	0.7	0.8	22.8%	0.2%
International Fund for Agricultural Development	2.2	-	-	-	-100.0%	0.2%	-	-	-	-	-
International Cotton Advisory Council	0.8	0.3	0.4	0.3	-28.2%	0.2%	0.3	0.3	0.3	5.0%	0.1%
International Grains Council	0.2	0.2	0.2	0.2	-1.2%	0.1%	0.2	0.2	0.3	9.0%	0.1%
International Seed Testing Association	0.1	0.1	0.1	0.2	19.1%	-	0.2	0.2	0.3	27.6%	0.1%
International Organisation of Vine and Wine	0.8	0.8	1.0	0.8	-0.3%	0.3%	0.9	0.8	0.9	3.2%	0.3%
World Organisation for Animal Health	1.3	1.6	1.6	2.0	13.5%	0.6%	1.7	1.9	2.0	0.5%	0.7%
Organisation for Economic Cooperation and Development	0.3	0.2	0.2	0.4	1.6%	0.1%	1.3	0.5	0.6	16.7%	0.2%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 5: Forestry and Natural Resources Management

Programme purpose

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

Objectives

- Ensure increased production and productivity in prioritised areas (Eastern Cape, KwaZulu-Natal, Limpopo, and Mpumalanga) and value chains by replanting 1 650 hectares of unplanted areas by March 2021.
- Lead and coordinate food security initiatives by implementing the agro-forestry strategy framework to contribute towards food security initiatives by March 2021.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources over the medium term by:
 - restoring and rehabilitating 2 550 hectares of state eucalyptus plantations
 - restoring and rehabilitating 48 900 hectares
 - restoring and rehabilitating 900 hectares of state indigenous forests and woodlands
 - implementing 3 projects to support the revitalisation of irrigation schemes.
- Ensure the adaptation and mitigation to climate change through the effective implementation of prescribed frameworks by:
 - implementing and reviewing the climate change mitigation and adaptation plan for agriculture, forestry and fisheries by March 2021
 - monitoring the implementation of the climate smart agriculture strategic framework for agriculture, forestry and fisheries on an ongoing basis.

Subprogrammes

- *Management* oversees and manages the programme.
- *Forestry Operations* ensures sustainable management of state forests and other assets, such as state nurseries, to optimise social and economic benefits in rural areas and promote the sector's growth throughout South Africa.
- *Forestry Oversight and Regulation* provides leadership, advice and direction in the formulation of forestry development and regulation policies, strategies and frameworks; and ensures the effective promotion and development of small-scale and commercial forestry.
- *Natural Resources Management* facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests, and the efficient development and revitalisation of irrigation schemes and water use. This subprogramme also facilitates climate change mitigation and adaptation, and risk and disaster management; and promotes, regulates and coordinates the sustainable use of natural resources, particularly land and water.

Expenditure trends and estimates

Table 24.13 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	Average: Expenditure/ Total (%)
R million											
Management	6.0	25.4	4.8	5.2	-4.3%	1.0%	9.1	9.6	10.2	25.0%	0.8%
Forestry Operations	454.8	440.2	438.8	479.2	1.8%	42.6%	502.2	538.1	575.6	6.3%	50.1%
Forestry Oversight and Regulation	49.3	52.9	52.9	60.2	6.9%	5.1%	59.2	63.1	67.3	3.8%	6.0%
Natural Resources Management	793.5	343.7	581.2	471.1	-16.0%	51.4%	504.7	435.1	394.2	-5.8%	43.1%
Total	1 303.6	862.3	1 077.7	1 015.7	-8.0%	100.0%	1 075.1	1 046.0	1 047.4	1.0%	100.0%
Change to 2017				(1.0)			1.7	1.8	(66.7)		
Budget estimate											

Table 24.13 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21
Current payments	663.7	664.9	866.5	748.6	4.1%	69.1%	787.6	841.1	899.9	6.3%	78.3%
Compensation of employees	491.2	503.7	516.3	554.4	4.1%	48.5%	577.6	621.5	668.1	6.4%	57.9%
Goods and services ¹	172.2	161.3	349.9	192.5	3.8%	20.6%	208.6	218.1	230.2	6.1%	20.3%
<i>of which:</i>											
<i>Agency and support/outsourced services</i>	19.8	17.7	18.2	24.3	7.2%	1.9%	34.3	38.0	39.7	17.7%	3.3%
<i>Fleet services (including government motor transport)</i>	5.3	8.1	6.3	10.1	23.8%	0.7%	10.8	13.0	14.6	12.9%	1.2%
<i>Inventory: Farming supplies</i>	6.5	16.2	217.7	28.6	64.2%	6.3%	32.0	29.8	31.1	2.8%	2.9%
<i>Consumable supplies</i>	25.4	10.9	3.8	9.8	-27.1%	1.2%	9.2	9.9	10.6	2.4%	0.9%
<i>Property payments</i>	20.7	13.5	20.1	34.9	19.0%	2.1%	28.7	29.2	29.8	-5.1%	2.9%
<i>Travel and subsistence</i>	38.7	37.0	33.5	28.8	-9.4%	3.2%	29.3	33.2	36.0	7.8%	3.0%
Interest and rent on land	0.3	-	0.3	1.7	81.0%	0.1%	1.4	1.5	1.6	-2.5%	0.1%
Transfers and subsidies¹	593.3	150.0	164.7	224.7	-27.6%	26.6%	242.8	157.2	96.4	-24.6%	17.2%
Provinces and municipalities	562.3	124.3	146.8	213.5	-27.6%	24.6%	234.6	148.7	87.6	-25.7%	16.4%
Departmental agencies and accounts	3.0	3.0	2.0	2.0	-12.6%	0.2%	2.0	2.0	2.0	-	0.2%
Public corporations and private enterprises	0.0	0.0	0.1	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	14.2	12.7	4.9	5.4	-27.4%	0.9%	5.6	5.9	6.2	4.9%	0.6%
Households	13.8	9.9	10.9	3.8	-34.9%	0.9%	0.5	0.6	0.6	-45.9%	0.1%
Payments for capital assets	46.7	47.0	46.2	42.4	-3.2%	4.3%	44.8	47.8	51.0	6.4%	4.4%
Buildings and other fixed structures	0.1	-	2.6	3.4	229.5%	0.1%	3.0	3.0	3.5	1.0%	0.3%
Machinery and equipment	46.6	47.0	43.6	38.9	-5.9%	4.1%	41.7	44.7	47.5	6.9%	4.1%
Biological assets	-	-	-	0.1	-	-	0.0	0.0	0.0	-40.9%	-
Software and other intangible assets	-	-	0.1	-	-	-	-	-	-	-	-
Payments for financial assets	0.0	0.4	0.3	-	-100.0%	-	-	-	-	-	-
Total	1 303.6	862.3	1 077.7	1 015.7	-8.0%	100.0%	1 075.1	1 046.0	1 047.4	1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	19.7%	13.5%	16.6%	14.8%	-	-	15.0%	13.8%	13.4%	-	-
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	13.7	9.6	10.8	3.7	-35.4%	0.9%	0.5	0.6	0.6	-45.2%	0.1%
Employee social benefits	13.7	9.6	10.8	3.7	-35.4%	0.9%	0.5	0.6	0.6	-45.2%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3.0	3.0	2.0	2.0	-12.6%	0.2%	2.0	2.0	2.0	-	0.2%
Water Research Commission	3.0	3.0	2.0	2.0	-12.6%	0.2%	2.0	2.0	2.0	-	0.2%
Non-profit institutions											
Current	14.1	12.7	4.9	5.4	-27.5%	0.9%	5.6	5.9	6.2	5.2%	0.6%
Forestry South Africa	6.0	4.4	4.7	5.0	-6.2%	0.5%	5.2	5.5	5.8	5.6%	0.5%
Food and Trees for Africa	0.2	0.2	0.2	0.4	26.0%	-	0.4	0.4	0.4	-	-
Lima Rural Development Foundation	7.8	8.1	-	-	-100.0%	0.4%	-	-	-	-	-
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	561.6	123.6	146.0	212.7	-27.7%	24.5%	233.8	147.9	86.8	-25.8%	16.3%
Land care programme grant	67.8	65.0	69.3	73.6	2.8%	6.5%	77.9	82.2	86.8	5.6%	7.7%
Comprehensive agricultural support programme grant: Disasters: Flood damaged infrastructure	493.8	58.6	76.7	139.1	-34.4%	18.0%	155.9	65.6	-	-100.0%	8.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 6: Fisheries

Programme purpose

Promote the development, management, monitoring and sustainable use of marine living resources and the development of the fisheries sector.

Objectives

- Ensure increased production and productivity in prioritised areas and value chains over the medium term by:
 - supporting 36 Operation Phakisa aquaculture projects

- conducting 2 new research studies on the reproduction of species used in aquaculture
- implementing the Aquaculture Development Act.
- Lead and coordinate government food security initiatives over the medium term by:
 - developing sector-specific policies and allocating rights in the abalone sector
 - reviewing policies and application forms for 12 fishing sectors
 - allocating rights to registered small-scale fisheries cooperatives.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by:
 - developing recovery plans in priority fish stocks, such as abalone and the West Coast rock lobster, by March 2021
 - compiling 2 research reports on the conservation, protection and rehabilitation of fish stocks for 2 sectors, abalone and the West Coast rock lobster, by March 2021
 - conducting 4 500 compliance and enforcement measures in the 6 prioritised fisheries sectors (abalone, the West Coast rock lobster, line fish, deep water hake, pelagic and squid) over the medium term
 - conducting 40 joint operations with partners identified in Operation Phakisa aquaculture initiatives over the medium term
 - conducting 280 investigations on rights and non-rights holders in terms of the Marine Living Resources Act (1998) over the medium term
 - creating 3 481 job opportunities in the Working for Fisheries programme by March 2021.

Subprogrammes

- *Management* oversees and manages the programme.
- *Aquaculture* ensures the growth and economic development of the aquaculture and fisheries industries for sustainable livelihoods by providing public support and an integrated platform for the management of aquaculture.
- *Monitoring Control and Surveillance* ensures the protection, promotion and sustainable use of marine living resources by intensifying enforcement and compliance.
- *Marine Resources Management* ensures the sustainable, equitable and orderly use of and access to marine living resources through improved management and regulation.
- *Fisheries Research and Development* ensures the promotion of the sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.
- *Marine Living Resources Fund* receives transfers for the management and sustainable use of marine living resources to supplement the revenue received from levies on fish and fish products, permits, licences and application fees, as well as proceeds from the sale of confiscated fish and fish products.

Expenditure trends and estimates

Table 24.14 Fisheries expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million					2014/15 - 2017/18					2017/18 - 2020/21	
Management	3.2	2.1	2.8	3.1	-0.4%	0.6%	3.2	3.5	3.7	6.2%	0.7%
Aquaculture	30.0	33.8	40.7	38.5	8.7%	7.7%	39.8	42.8	46.1	6.2%	8.2%
Monitoring Control and Surveillance	78.1	87.2	93.3	86.2	3.4%	18.6%	89.2	96.0	103.2	6.2%	18.3%
Marine Resources Management	19.2	20.3	21.4	22.7	5.7%	4.5%	23.5	25.3	27.2	6.2%	4.8%
Fisheries Research and Development	58.1	63.8	68.2	69.8	6.3%	14.0%	72.3	77.8	83.7	6.2%	14.9%
Marine Living Resources Fund	251.3	258.6	241.8	261.7	1.4%	54.6%	259.7	274.3	289.4	3.4%	53.1%
Total	439.8	465.9	468.1	481.9	3.1%	100.0%	487.8	519.7	553.2	4.7%	100.0%
Change to 2017 Budget estimate				(0.3)			(16.6)	(17.6)	(18.5)		

Table 24.14 Fisheries expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
Current payments	188.0	207.0	226.1	219.8	5.3%	45.3%	228.1	245.4	263.9	6.3%	46.9%
Compensation of employees	188.0	207.0	226.1	219.8	5.3%	45.3%	228.1	245.4	263.9	6.3%	46.9%
Transfers and subsidies¹	251.7	258.8	241.9	262.1	1.4%	54.7%	259.7	274.3	289.4	3.4%	53.1%
Departmental agencies and accounts	251.3	258.6	241.8	261.7	1.4%	54.6%	259.7	274.3	289.4	3.4%	53.1%
Households	0.4	0.2	0.2	0.4	0.2%	0.1%	–	–	–	-100.0%	–
Payments for financial assets	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Total	439.8	465.9	468.1	481.9	3.1%	100.0%	487.8	519.7	553.2	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	6.6%	7.3%	7.2%	7.0%	–	–	6.8%	6.8%	7.1%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	251.3	258.6	241.8	261.7	1.4%	54.6%	259.7	274.3	289.4	3.4%	53.1%
Marine Living Resources Fund	251.3	258.6	241.8	261.7	1.4%	54.6%	259.7	274.3	289.4	3.4%	53.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Entity¹

Agricultural Research Council

Mandate

The Agricultural Research Council was established in terms of the Agricultural Research Act (1990) as the main agricultural research institution in South Africa. In terms of the act, the council's primary mandate is to conduct research and development, and effect the transfer of technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure the conservation of natural resources.

Selected performance indicators

Table 24.15 Agricultural Research Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of peer reviewed scientific publications in crop production per year	Crop production, improvement and protection	Outcome 7: Comprehensive rural development and land reform	110	94	160	87	90	90	90
Number of cultivars registered per year	Crop production, improvement and protection		12	12	5	13	6	6	6
Number of diagnostic and analytical services rendered per year	Crop production, improvement and protection		922	664	741	589	594	594	594
Number of technical reports produced per year	Agro-processing, food technology and safety		– ¹	30	100	25	23	23	23
Number of peer reviewed scientific publications in smallholder agricultural development per year	Smallholder agricultural development		0 ²	4	0 ²	8	8	8	8
Number of smallholder farmers supported per year	Smallholder agricultural development		9 991	1 506	1 577	588	668	668	668
Number of smallholder farmers participating in the Kaonafatso ya Dikgomo animal improvement scheme per year	Smallholder agricultural development		– ³	7 500	8 404	8 500	9 000	9 500	9 500

1. No historical data available.

2. No new discoveries made in these years.

3. Project at pilot stage.

Expenditure analysis

Over the medium term, the Agricultural Research Council intends to focus on the management of natural resources, and research and development. In line with its mandate, the council provides training, transfers

¹ This section has been compiled with the latest available information from the entity concerned.

technological innovations and shares the knowledge it generates through research with farmers to enhance crop production, animal production and animal health. The council's work is aligned with outcome 4 (decent employment through inclusive growth) and outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

The council's total projected expenditure over the MTEF period is R4.5 billion. In this period, the council aims to support 28 000 farmers participating in animal health improvement schemes through developing efficient and cost effective feeding strategies; conduct 1 782 diagnostic and analytical services such as diagnostic research and genetic analysis, and produce 270 peer reviewed scientific publications in natural resource management. In response to the effects of climate change, the council is working on 56 research studies into new cultivars. As such, in each year over the medium term, 6 cultivars in vegetables, grain crops, industrial crops and fruits are to be registered. Through genetic improvement and modification, the crops are made more resistant to drought and are expected to benefit South Africa and the Southern African Development Community.

The work of the council is labour intensive, requiring research and technical experts. As such, compensation of employees is the largest cost driver, accounting for 60.8 per cent (R2.7 billion) of total estimated expenditure over the MTEF period, for 3 297 permanent and contract personnel. Over the medium term, the council intends to explore incentives such as retrenchments, early retirements and voluntary severance packages to reduce fixed costs arising from compensation of employees.

Since 2013/14, the council's transfers from departments have been steadily decreasing in line with budget reductions. To generate more of its own income over the MTEF period, the council intends exploring a variety of collaborations and partnerships in the agriculture industry, and with universities, farmer organisations and communities.

Over the medium term, transfers from the Department of Agriculture, Forestry and Fisheries and the Department of Science and Technology, amounting to R3 billion, comprise 66.2 per cent of the total projected revenue of R4.5 billion. The council generates the remainder of its revenue through sales of publications, analytical and research services, sale of farm products, and rental income.

Programmes/Objectives/Activities

Table 24.16 Agricultural Research Council expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21
Administration	172.5	171.0	188.0	202.9	5.6%	13.9%	207.6	216.9	226.6	3.8%	14.6%
Crop production, improvement and protection	292.9	360.5	344.3	373.4	8.4%	25.9%	385.1	401.2	421.8	4.1%	27.0%
Animal health, improvement and protection	288.9	299.0	309.3	332.2	4.8%	23.2%	342.7	361.7	379.7	4.6%	24.2%
Natural resource management	175.7	160.3	136.2	138.4	-7.6%	11.5%	152.6	165.7	174.2	8.0%	10.8%
Mechanisation and engineering	14.3	15.9	18.8	20.1	12.1%	1.3%	20.8	21.7	22.8	4.2%	1.5%
Agro-processing, food technology and safety	59.7	53.8	57.1	60.5	0.4%	4.4%	62.3	65.1	68.5	4.2%	4.4%
Smallholder agricultural development	137.2	145.1	148.3	155.5	4.3%	11.1%	161.3	168.6	177.4	4.5%	11.3%
Agricultural economics and commercialisation	31.1	48.6	53.2	56.4	22.0%	3.6%	58.1	60.7	63.9	4.2%	4.1%
Training and extension	17.7	25.3	27.1	29.5	18.5%	1.9%	30.5	31.8	33.4	4.3%	2.1%
Other projects	135.0	37.6	-	-	-100.0%	3.3%	-	-	-	-	-
Total	1 325.0	1 317.2	1 282.2	1 369.0	1.1%	100.0%	1 421.1	1 493.3	1 568.3	4.6%	100.0%

Statements of historical financial performance and position

Table 24.17 Agricultural Research Council statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Revenue									
Non-tax revenue	391.2	439.1	413.6	461.5	445.3	438.0	462.5	432.5	103.4%
Sale of goods and services other than capital assets	364.8	386.5	386.7	411.7	409.9	421.6	434.5	389.2	100.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	364.8	386.5	386.7	411.7	409.9	421.6	434.5	389.2	100.8%
Other non-tax revenue	26.4	52.6	27.0	49.8	35.4	16.3	28.0	43.3	138.7%
Transfers received	956.8	919.3	744.7	787.4	739.5	758.6	882.5	882.5	100.7%
Total revenue	1 348.0	1 358.4	1 158.3	1 248.9	1 184.7	1 196.6	1 345.0	1 315.0	101.6%
Expenses									
Current expenses	1 269.1	1 325.0	1 075.7	1 317.2	1 290.5	1 282.2	1 253.7	1 369.0	108.3%
Compensation of employees	738.9	760.4	779.3	766.9	818.3	744.5	859.2	826.0	96.9%
Goods and services	496.7	517.7	261.4	509.8	432.0	495.2	353.5	498.3	130.9%
Depreciation	33.5	47.0	35.0	40.4	40.2	42.5	41.0	44.7	116.6%
Total expenses	1 269.1	1 325.0	1 075.7	1 317.2	1 290.5	1 282.2	1 253.7	1 369.0	108.3%
Surplus/(Deficit)	79.0	33.0	83.0	(68.0)	(106.0)	(86.0)	91.0	(54.0)	
Statement of financial position									
Carrying value of assets	992.3	944.3	991.8	1 006.4	1 104.0	1 049.1	1 155.7	1 150.7	97.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	(150.4)	(111.1)	(141.0)	(103.3)	(87.0)	(86.6)	(91.3)	(90.3)	83.3%
Investments	2.0	5.3	4.3	5.0	4.3	5.2	4.3	4.3	132.1%
Inventory	13.9	12.4	14.7	7.5	15.4	15.4	16.5	16.5	85.7%
Receivables and prepayments	93.6	121.4	98.8	273.3	151.5	258.5	176.0	176.0	159.5%
Cash and cash equivalents	401.5	508.2	316.9	301.5	187.6	97.4	235.8	9.1	80.2%
Total assets	1 503.4	1 591.6	1 426.4	1 593.7	1 462.8	1 425.6	1 588.2	1 356.5	99.8%
Accumulated surplus/(deficit)	875.8	870.0	888.9	851.1	739.0	765.1	830.3	684.5	95.1%
Capital and reserves	2.4	2.6	2.4	2.6	2.4	2.4	2.4	2.4	105.8%
Capital reserve fund	109.6	112.0	109.6	112.0	112.0	112.0	112.0	112.0	101.1%
Deferred income	192.6	192.6	192.6	138.1	192.6	132.9	192.6	192.6	85.2%
Trade and other payables	248.0	275.2	163.9	375.8	348.8	328.9	379.0	293.1	111.7%
Taxation	-	12.8	-	5.7	-	5.3	-	-	-
Provisions	75.0	126.4	69.1	108.4	68.1	79.1	71.9	71.9	135.8%
Total equity and liabilities	1 503.4	1 591.6	1 426.4	1 593.7	1 462.8	1 425.6	1 588.2	1 356.5	99.8%

Statements of estimates of financial performance and position

Table 24.18 Agricultural Research Council statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expend- iture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expend- iture/ Total (%)
R million	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Non-tax revenue	432.5	-0.5%	34.7%	489.0	509.2	530.2	7.0%	33.8%
Sale of goods and services other than capital assets	389.2	0.2%	31.6%	456.0	475.0	494.7	8.3%	31.3%
<i>of which:</i>								
<i>Sales by market establishment</i>	389.2	0.2%	31.6%	456.0	475.0	494.7	8.3%	31.3%
Other non-tax revenue	43.3	-6.3%	3.1%	32.9	34.1	35.5	-6.4%	2.5%
Transfers received	882.5	-1.4%	65.3%	932.1	984.1	1 038.1	5.6%	66.2%
Total revenue	1 315.0	-1.1%	100.0%	1 421.1	1 493.3	1 568.3	6.0%	100.0%
Expenses								
Current expenses	1 369.0	1.1%	100.0%	1 421.1	1 493.3	1 568.3	4.6%	100.0%
Compensation of employees	826.0	2.8%	58.5%	867.3	910.7	956.2	5.0%	60.8%
Goods and services	498.3	-1.3%	38.2%	508.2	536.2	565.7	4.3%	36.0%
Depreciation	44.7	-1.7%	3.3%	45.6	46.5	46.5	1.3%	3.1%
Total expenses	1 369.0	1.1%	100.0%	1 421.1	1 493.3	1 568.3	4.6%	100.0%
Surplus/(Deficit)	(54.0)			-	-	-		
Statement of financial position								
Carrying value of assets	1 150.7	6.8%	70.2%	1 201.5	1 256.3	1 317.9	4.6%	86.7%
<i>of which:</i>								
<i>Acquisition of assets</i>	(90.3)	-6.7%	-6.5%	(95.9)	(102.1)	(107.7)	6.0%	-7.0%
Investments	4.3	-6.3%	0.3%	4.3	4.6	4.3	-	0.3%
Inventory	16.5	9.9%	0.9%	16.5	17.4	19.0	4.8%	1.2%
Receivables and prepayments	176.0	13.2%	14.0%	164.0	152.4	162.3	-2.7%	11.6%
Cash and cash equivalents	9.1	-73.9%	14.6%	-	-	-	-100.0%	0.2%
Total assets	1 356.5	-5.2%	100.0%	1 386.2	1 430.7	1 503.5	3.5%	100.0%

Table 24.18 Agricultural Research Council statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
R million	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2017/18 - 2020/21	
Accumulated surplus/(deficit)	684.5	-7.7%	53.0%	684.5	684.5	684.5	-	48.3%
Capital and reserves	2.4	-3.5%	0.2%	2.4	2.5	2.4	0.1%	0.2%
Capital reserve fund	112.0	-	7.5%	112.0	112.0	112.0	-	7.9%
Borrowings	-	-	-	72.7	128.2	189.4	-	6.7%
Deferred income	192.6	0.0%	11.1%	112.6	102.6	92.6	-21.7%	8.9%
Trade and other payables	293.1	2.1%	21.4%	333.8	330.1	354.5	6.5%	23.1%
Provisions	71.9	-17.1%	6.4%	68.3	70.7	68.1	-1.8%	4.9%
Total equity and liabilities	1 356.5	-5.2%	100.0%	1 386.2	1 430.7	1 503.5	3.5%	100.0%

Personnel information

Table 24.19 Agricultural Research Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment										Number								
Number of funded posts	Number of posts on approved establishment	Actual		Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average Salary level/Total (%)							
		2016/17	Unit cost	2017/18	Unit cost	2018/19	Unit cost	2019/20	Unit cost	2020/21	Unit cost			2017/18 - 2020/21						
Agricultural Research Council		3 297	3 297	3 169	744.5	0.2	3 297	826.0	0.3	3 297	867.3	0.3	3 297	910.7	0.3	3 297	956.2	0.3	5.0%	100.0%
Salary level																				
1 – 6	2 063	2 063	1 963	174.0	0.1	2 063	204.5	0.1	2 063	214.7	0.1	2 063	225.4	0.1	2 063	236.7	0.1	5.0%	62.6%	
7 – 10	1 071	1 071	1 043	416.9	0.4	1 071	458.7	0.4	1 071	481.7	0.4	1 071	505.8	0.5	1 071	531.1	0.5	5.0%	32.5%	
11 – 12	117	117	117	93.0	0.8	117	98.5	0.8	117	103.5	0.9	117	108.7	0.9	117	114.1	1.0	5.0%	3.5%	
13 – 16	44	44	44	55.2	1.3	44	58.6	1.3	44	61.5	1.4	44	64.6	1.5	44	67.8	1.5	5.0%	1.3%	
17 – 22	2	2	2	5.3	2.7	2	5.7	2.8	2	6.0	3.0	2	6.3	3.1	2	6.6	3.3	5.0%	0.1%	

1. Rand million.

Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at www.treasury.gov.za under the budget information link.

- The **Marine Living Resources Fund** was established in terms of the Marine Living Resources Act (1998). The fund's mandate is to manage the development and sustainable use of South Africa's marine resources, and to protect the integrity and quality of the marine ecosystem. The fund's total budget for 2018/19 is R475.2 million.
- The **National Agricultural Marketing Council** was established in terms of section 3 and section 4 of the Marketing of Agricultural Products Act (1996). The council is mandated to investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; and evaluate the desirability, necessity or efficiency of these statutory measures. It is also mandated to, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and to report to and advise the minister accordingly. The entity's total budget for 2018/19 is R43.2 million.
- **Ncera Farms** is a schedule 3B public company, with the Department of Agriculture, Forestry and Fisheries its sole shareholder. The company's mandate is to provide extension, mechanical, and training and agricultural support services to the farmers settled on Ncera farmland and neighbouring communities. The entity's total budget for 2018/19 is R6.8 million.
- **Onderstepoort Biological Products** was established as a public company in terms of the Onderstepoort Biological Products Incorporation Act (1999), with government as its sole shareholder. The company's mandate is to prevent and control animal diseases that impact on food security, human health and livelihoods through the continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products. The entity's total budget for 2018/19 is R295.8 million.
- The **Perishable Products Export Control Board** is an independent service provider of quality assurance, food safety, and cold chain management services, for producers and exporters of perishable food products.

It is mandated by government in terms of the Perishable Products Export Control Act (1983), which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports. It also derives its mandate from the Agricultural Products Standards Act (1990), which broadly requires the board to monitor the minimum quality standards of perishable exports, as required by government and bilateral agreements with importing countries. The entity's total budget for 2018/19 is R399 million.

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
R million										
Departmental infrastructure										
Small projects (total project cost of less than R250 million over the project life cycle)										
Drilling of boreholes	Siting, drilling and testing of boreholes for small-scale farmers identified in priority projects by provinces	Various	200.0	10.6	8.9	9.2	9.6	9.8	10.6	11.2
Foot-and-mouth disease border fence	Repairs and construction of foot-and-mouth disease fences in priority areas identified by the animal health directorate	Various	250.0	29.5	25.4	24.2	25.5	24.4	26.0	27.8
KwaZulu-Natal: Durban	Site-clearance	Feasibility	17.7	0.1	-	-	-	-	-	-
Various	New guard house	Construction	-	-	-	0.7	-	-	-	-
Upington (051539)	Upgrade of offices and storerooms and construction of evaporation pan and laboratory	Feasibility	8.4	-	-	-	1.9	-	-	-
Various	Upgrade of offices	Construction	-	-	-	0.0	-	-	-	-
Grooffontein Agricultural Development Institute	Minor upgrade and repairs of institute	Handed over	1.9	0.1	-	-	-	-	-	-
Western Cape: Cape Town	Building of sniffer dog kennels	Feasibility	7.7	-	-	-	1.0	-	-	-
Gauteng: Pretoria reception (051541)	Upgrade of reception areas at: Agriculture Place, Harvest House and Séfala	Design	2.1	-	0.1	-	-	-	-	-
Limpopo: Mutale municipal district (052459)	Construction of a seed bank: Mutale (Project on-hold pending the finalisation of site-clearance for construction)	On hold	4.4	0.2	-	-	1.3	1.1	1.1	1.2
Eastern Cape: Sterkspruit	Construction of a seed bank: Mthatha (Project on-hold pending the finalisation of site-clearance for construction)	On hold	4.4	0.1	-	0.1	0.5	3.3	0.5	0.6
Western Cape: Stellenbosch (plant health laboratory)	Alterations of Polka Draai Road entrance in terms of traffic regulations	On hold	1.0	-	-	-	0.4	-	-	-
Mpumalanga: Skukuza alterations (052069)	Upgrade of existing buildings and laboratories	Design	6.7	0.1	2.3	1.6	-	-	-	-
Western Cape: Stellenbosch	Upgrade of electrical substation	Construction	0.4	-	0.4	-	-	-	-	-
Gauteng: Harvest House (052143)	Revamping of the parking area at Harvest House	Design	2.6	0.4	0.1	0.1	1.9	-	-	-
Western Cape: Cape Town	Design and construction of minor capital projects along South Africa's coastline	Design	1.2	0.4	0.3	-	-	-	-	-
KwaZulu-Natal: Durban	Construction of an animal quarantine station	Design	48.7	3.0	2.0	1.0	9.5	-	-	-
Western Cape: Stellenbosch lab (052777)	Upgrade and maintenance of building and laboratory facility (glasshouses and tunnels)	Design	24.4	2.6	0.1	0.1	3.0	3.4	-	-
Western Cape: Cape Town coastline (052552)	Repairs and maintenance of fisheries harbours along the coastline	Design	2.3	-	-	-	1.0	-	-	-
Western Cape: Stellenbosch (054896)	Rehabilitation of two irrigation dams including repairs of dam wall	Site identification	0.2	-	-	-	-	0.1	0.1	0.1
Western Cape: Stellenbosch (054896)	Rehabilitation of two irrigation dams including repairs of dam wall	Identification	0.1	-	-	-	0.1	-	-	-

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
R million										
Western Cape: Stillebosch sewerage (054350)	Upgrade of sewerage system	Pre-feasibility	0.3	-	-	-	0.3	-	-	-
Gauteng: Maizeboard (042079)	Maizeboard: Repairs and Maintenance : Status Quo	Construction	0.1	-	0.1	-	-	-	-	-
Gauteng: Roopeplaat plant genetic centre (052805)	Upgrade of Plant Genetic Centre: Roopeplaat	Complete	3.5	0.1	0.1	0.3	3.0	-	-	-
Western Cape: Milnerton	Upgrade of animal quarantine station	Complete	4.7	-	-	-	0.2	4.0	-	-
Eastern Cape: Grootfontein Agricultural Development Institute (053304)	Upgrade of infrastructure at Grootfontein Agriculture Development Institute	Feasibility	29.8	-	0.6	0.0	3.0	6.3	19.2	20.3
Eastern Cape: Sterkspruit (052458)	Site clearance of seed bank at Sterkspruit	Feasibility	0.6	-	0.0	-	-	-	-	-
Gauteng: Sefala Roof (052387)	Sefala building replacement of roof water proofing structures	Construction	3.4	-	-	1.9	3.4	-	-	-
Gauteng: Maizeboard (044038)	Maizeboard: Repairs and Maintenance : Status Quo	Hand over	0.7	-	-	-	0.3	0.2	0.2	0.2
Sectoral Colleges	Upgrading	Identification	0.4	-	-	9.9	-	-	-	-
Woodlands	Upgrading	Identification	0.1	-	-	-	-	-	-	-
Prevention and mitigation of disasters	Building of water reservoirs	Identification	8.4	-	-	2.6	3.0	3.0	3.0	3.5
Prevention and mitigation of disasters	Drilling of boreholes	Construction	0.4	-	-	-	0.4	-	-	-
Upgrade of laboratory - Stellenbosch FSQA	Upgrade of laboratory - Stellenbosch FSQA	Construction	-	-	-	-	-	-	2.0	-
Upgrade of laboratory - Pretoria FSQA	Upgrade of laboratory - Pretoria FSQA	Construction	-	-	-	-	-	-	6.5	-
Comprehensive agricultural support programme grant: Flood damaged infrastructure	Repairs of damaged infrastructure and soil rehabilitation	On-going	1 845.0	493.8	58.6	76.7	139.1	155.9	65.6	-
Onderstepoort Biological Products	Building and facilitation of vaccine production	On-going	492.4	127.5	268.4	-	-	-	-	-
Agriculture Research Council: Maintenance of infrastructure	Maintenance of building (for research and development)	On-going	120.3	15.5	16.2	17.1	17.9	19.0	20.0	21.1
Total			3 093.8	684.0	383.5	145.5	226.2	230.3	154.8	86.0

Estimates of National Expenditure

2018

National Treasury

Republic of South Africa



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RP: 02/2018

The 2018 Estimates of National Expenditure is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

When the Estimates of National Expenditure (ENE) publication was launched in 2001, we referred to it as “a significant step forward in national budget transparency”. Since then, even though the national budget has undergone many reforms, the ENE publications remain a key indicator and embodiment of the candour of the budgeting process.

The publications provide the media, civil society, the public, Parliament, departments, public entities and ministers with information about how taxpayers’ money is being spent: what it buys and for what purpose. Do not be concerned by the magnitude of this publication. Instead, let us use it as a reference to keep government institutions accountable and ensure that the expenditure of public funds achieves its intended policy outcomes to improve the welfare of citizens.

In the current economic climate, spending priorities and the sequencing of programme implementation are subject to a number of trade-offs. The focus of the 2018 Budget has solely been on the reprioritisation of existing baseline funding. The abridged ENE provides a coherent and summarised account of the priorities, spending plans and service delivery commitments of all 40 national votes and of government agencies. The e-publications for each vote contain more detail on, for example, goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

The ENE’s presentation of the detailed expenditure estimates of departments are the result of a lengthy executive and administrative process involving wide-ranging intergovernmental consultation. This process is led by a committee of senior officials in central government departments, under the political guidance of the Ministers’ Committee on the Budget. A special word of thanks is due to all our colleagues from other departments for their contributions. I also wish to express my appreciation to the National Treasury team that worked tirelessly to produce a document of which we are rightly proud.

The independent Open Budget Survey assessment of budget transparency commenced in 2006. It is conducted every two years to measure the accessibility and comprehensiveness of key budget documents and information across the world. In 2010, South Africa was ranked first out of 94 countries surveyed, scoring 92 per cent. In the latest iteration of the survey, which measured 115 countries, South Africa was ranked first again, tied with New Zealand, with a score of 89 per cent. Our country is one of only 11 that publish comprehensive, timely information in all the required budget documents.

Budgets link the outcomes targeted by government with the services that are ultimately delivered. In addition to South African budgets having become more transparent, recent efforts to increase public participation in budgeting are gaining momentum. South Africans are invited to scrutinise budget information and provide opinions on government service delivery. We rely on this participation to strengthen our budgeting system and make it even more reliable.



Dondo Mogajane

Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2018 MTEF period is from 2018/19 to 2020/21.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2018 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2018 ENE Overview contains a narrative explanation and budget-wide summary tables; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Agriculture, Forestry and Fisheries

National Treasury

Republic of South Africa



Contents

Budget summary	1
Vote purpose	1
Mandate	1
Selected performance indicators	1
Expenditure analysis	2
Expenditure trends	4
Expenditure estimates	5
Goods and services expenditure trends and estimates	6
Expenditure trends and estimates for significant spending items	7
Transfers and subsidies expenditure trends and estimates	7
Personnel information	9
Departmental receipts	9
Programme 1: Administration	10
Programme 2: Agricultural Production, Health and Food Safety	11
Programme 3: Food Security and Agrarian Reform	14
Programme 4: Trade Promotion and Market Access	17
Programme 5: Forestry and Natural Resources Management	19
Programme 6: Fisheries	22
Entities	24
Additional tables	41

Vote 24

Agriculture, Forestry and Fisheries

Budget summary

R million	2018/19				2019/20	2020/21
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	923.2	879.7	20.4	23.1	931.5	938.0
Agricultural Production, Health and Food Safety	2 367.1	746.6	1 598.3	22.2	2 507.7	2 596.2
Food Security and Agrarian Reform	2 037.9	252.9	1 746.9	38.1	2 305.0	2 369.1
Trade Promotion and Market Access	273.9	144.6	128.9	0.5	291.3	309.6
Forestry and Natural Resources Management	1 075.1	787.6	242.8	44.8	1 046.0	1 047.4
Fisheries	487.8	228.1	259.7	–	519.7	553.2
Total expenditure estimates	7 165.0	3 039.4	3 997.0	128.6	7 601.3	7 813.4
Executive authority	Minister of Agriculture, Forestry and Fisheries					
Accounting officer	Director General of Agriculture, Forestry and Fisheries					
Website address	www.daff.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

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.

Mandate

The mandate of the Department of Agriculture, Forestry and Fisheries includes value chains, inputs, production and consumption in the agriculture, forestry and fishery sectors. The department's mandate is derived from a range of legislation, including the Sea Fishery Act (1988), the National Forests Act (1998), the Agricultural Products Standards Act (1990), and the Conservation of Agricultural Resources Act (1983).

Selected performance indicators

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
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	4	4	4	4	4	4
Number of surveillances on animal diseases conducted per year	Agricultural Production, Health and Food Safety		2	2	2	2	2	2	2
Number of surveillances on plant diseases conducted per year	Agricultural Production, Health and Food Safety		1	1	1	1	1	1	1
Number of mobile veterinary clinics provided to improve animal health in rural areas per year	Agricultural Production, Health and Food Safety		41	49	29	-1	-1	-1	-1

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health and Food Safety	Outcome 7: Comprehensive rural development and land reform	- ²	126	127	150	150	150	150
Number of subsistence and smallholder producers supported per year	Food Security and Agrarian Reform		156 500	30 679 ³	36 795 ³	145 000	145 000	145 000	145 000
Number of hectares cultivated in underutilised communal areas per year	Food Security and Agrarian Reform		107 151 ha	0 ³	35 213 ha	120 000 ha	120 000 ha	120 000 ha	120 000 ha
Number of agro-processing entrepreneurs trained on processing norms and standards per year	Trade Promotion and Market Access		- ²	- ²	16	14	45	60	85
Number of hectares of land restored through reforestation and land rehabilitation per year	Forestry and Natural Resources Management	Outcome 10: Protect and enhance our environmental assets and natural resources	30 500ha	25 207 ha ⁴	26 311 ha	16 300 ha	16 300 ha	16 300 ha	16 300 ha
Number of hectares of temporary unplanted areas planted per year	Forestry and Natural Resources Management		2 300 ha	2 279 ha	1 992 ha ⁴	1 725 ha	550 ha	550 ha	550 ha

1. Target achieved.

2. No historical data available.

3. Target not achieved in 2015/16 and 2016/17 due to drought.

4. Hectares of temporary unplanted areas decrease as targets have been achieved.

Expenditure analysis

The National Development Plan sets out a broad vision of eliminating poverty and reducing inequality by 2030. This vision is supported by outcome 4 (decent employment through inclusive economic growth), outcome 7 (comprehensive rural development and land reform) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework. The work of the Department of Agriculture, Forestry and Fisheries is closely aligned with these outcomes. As such, over the MTEF period, the department intends to focus on improving food security; creating jobs; increasing the contribution of the agriculture, forestry and fisheries sectors to GDP; enhancing primary animal health care services; and enabling trade in the global economy. The department also expects to implement the agriculture policy action plan, which focuses on value chains with high potential for food security, job creation and economic contribution; the revitalisation of the agricultural and agro-processing value chain; and Operation Phakisa.

The department's total budget is expected to increase at an average annual rate of 4.5 per cent, from R6.8 billion in 2017/18 to R7.8 billion in 2020/21. Transfers to entities and conditional grants to provinces account for an estimated 55.9 per cent of this expenditure, increasing at an average annual rate of 4.6 per cent, from R3.8 billion in 2017/18 to R4.4 billion in 2020/21. Compensation of employees is the second largest spending item, accounting for a projected 31 per cent (R7 billion) of the department's total budget over the medium term.

The department receives an additional allocation of R40 million over the MTEF period to upgrade infrastructure and equipment for the analytical services laboratories in Stellenbosch and Pretoria. This is expected to strengthen global market access to South African agricultural products by providing assurance to global trading partners that the country's products meet technical standards for human safety and food quality. The allocation will also be used to obtain laboratory accreditation to ensure analytical test results are internationally recognised, and thereby facilitate unhindered trade in agricultural products. A further R70 million over the medium term is provided for inspection services to increase and strengthen capacity at ports of entry to improve plant and animal quarantine services.

Improving food security

Over the MTEF period, the department aims to promote food security through the Fetsa Tlala programme, which forms part of the national policy on food and nutrition. The programme focuses on assisting vulnerable households and subsistence and smallholder producers to produce their own food by ensuring that 1 million

hectares of land are used for production by 2030. Through the *Ilima/Letsema conditional grant*, which is set to receive an estimated R1.8 billion over the medium term, rural households are expected to benefit from food production initiatives, including the provision of production inputs such as fertilisers, seeds, seedlings, breeding animals, and machinery and equipment.

The comprehensive agricultural support programme aims to provide support to subsistence, smallholder and black commercial producers within areas that are strategically identified for the production of grains, livestock, horticulture and aquaculture. The department expects to spend R5.6 billion on the programme over the MTEF period. Through the *Ilima/Letsema conditional grant* and the comprehensive agricultural support programme, the department expects to support 145 000 black commercial, subsistence and smallholder producers per year. The programme will also be used for providing production inputs and farm infrastructure, and piloting the blended funding model in partnership with commercial and development funding institutions such as the Land and Agricultural Development Bank of South Africa.

In line with the outcomes of Operation Phakisa, the department aims to create and support 450 sustainable and profitable black commercial producers participating in prioritised value chains over a five-year period through the reprioritisation of funds from the *comprehensive agricultural support programme grant*. An estimated R581.7 million is expected to be used in the black producer commercialisation programme, which is intended to support investment that will unlock and enhance the output of black producers through targeted interventions. Further concessionary loans to emerging farmers will be accessed from the Micro Agricultural Finance Institution of South Africa, which aims to address the financial services needs of smallholder farmers and agribusinesses.

The implementation of the agriculture policy action plan and the revitalisation of agriculture and agro-processing value chains policy is expected to focus on the production of high value crops such as macadamia nuts. Over the MTEF period, implementation is expected to extend to fruit production, the fast-tracking of poultry production, and the expansion of red meat production schemes or initiatives such as the Kaonafatso ya Dikgomo and grass-fed beef initiatives to improve animal production in rural areas.

In 2013, the department identified fisheries as key to addressing food security, while recognising the need for transformation in the sector. In this regard, the small-scale fisheries policy and the Marine Living Resources Amendment Act (2014) support food security and transformation as key priorities in the sector. Over the medium term, R128.7 million is allocated to the *Aquaculture* subprogramme in the *Fisheries* programme for aquaculture projects aimed at providing technical, advisory services and compliance assessment, and conducting research on reproduction and nutrition fish species. These projects are expected to increase the production of fish from the current 4 000 tonnes per year to 20 000 tonnes per year over the MTEF period.

Creating decent jobs

Over the medium term, the department plans to create 3 481 full-time equivalent jobs through Working for Fisheries projects. This is expected to be achieved through allocations amounting to R250.5 million over the medium term to the Marine Living Resources Fund. The *Land Care* programme, which has a total allocation of R246.9 million over the medium term, aims to promote sustainable land and soil management practices, prevent land degradation and desertification in rural areas, and contribute to job creation. The programme expects to create 2 400 full-time equivalent jobs and contribute to the rehabilitation of 48 900 hectares of land through restoration and reforestation over the MTEF period. In addition, 3 300 jobs are expected to be created over the medium term for planting trees on 1 650 hectares of state-owned forests.

Increasing the contribution of the agriculture sector to GDP

The primary agriculture sector's contribution to GDP has decreased from 3.5 per cent over the past 20 years to the current 2.5 per cent of GDP. However, the broader agro-food production chain accounts for about 12 per cent of GDP. As such, over the medium term, the department plans to focus on promoting agro-processing, market access and trade to smallholder and commercial producers. This is expected to be achieved through the implementation of the South African good agricultural practices certification programme for smallholder producers of fresh produce, which seeks to ensure compliance with market requirements on

mandatory food safety and quality standards. Interventions aimed at improving market access will focus on training in agro-processing, providing marketing information, revitalising agro-processing infrastructure and addressing barriers to trade. The department expects to spend R874.8 million over the MTEF period in the *Trade Promotion and Market Access* programme to carry out these activities.

Enhancing primary animal health care services

The department's primary animal health care programme is aimed at improving the accessibility and affordability of veterinary services, and improving awareness on animal health and welfare. In rolling out the programme over the medium term, spending will be geared towards the recapitalisation and revitalisation of veterinary infrastructure to create an enabling environment for the deployment of newly qualified veterinarians. The department plans to deploy 150 veterinary graduates in rural areas per year over the MTEF period, at an estimated cost of R425.8 million over the medium term.

Major outbreaks of avian influenza and foot and mouth disease resulted in additional spending for the department in 2017/18. To contain the outbreaks, mobile veterinary clinics and associated equipment for laboratories were procured to strengthen veterinary public health in rural areas across all provinces. The department received an additional allocation of R40 million from the fiscus for combatting the outbreak of highly pathogenic avian influenza in 2017/18.

Over the medium term, the department expects to receive an additional allocation of R120 million to address biosecurity issues at South Africa's 16 land border posts; acquire 2 additional plant quarantine stations and 2 additional animal quarantine stations; and strengthen pest surveillance and control, and inspection and laboratory services.

Enabling trade in the global economy

The department has identified that for South Africa to trade on common footing in the global economy, it needs to migrate from the current paper-based certification and permit system. In this regard, the South African Revenue Service has pledged technical support to the department towards the development of an internationally recognised and interphase ready import and export system, at a projected cost of R80 million over the medium term.

Expenditure trends

Table 24.2 Vote expenditure trends by programme and economic classification

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																															
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Average: Outcome/Annual budget (%)		Average: Outcome/Adjusted appropriation (%)	
R million	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18		2014/15 - 2017/18																
Programme 1	694.6	718.9	738.4	729.9	739.4	785.8	788.1	781.4	828.5	902.5	906.8	906.8	104.6%	103.6%																	
Programme 2	2 199.8	2 187.1	2 183.7	2 134.8	2 144.5	2 143.0	1 953.4	1 944.6	1 927.0	2 197.2	2 236.9	2 236.9	100.1%	99.7%																	
Programme 3	1 711.1	1 711.7	1 656.3	1 930.3	1 919.4	1 906.8	1 889.7	1 888.7	1 879.0	1 946.8	1 944.1	1 944.1	98.8%	99.0%																	
Programme 4	294.2	298.3	307.0	238.2	233.9	236.8	297.6	304.0	310.5	261.7	261.7	261.7	102.2%	101.6%																	
Programme 5	1 364.9	1 348.7	1 303.6	906.6	906.2	862.3	945.6	1 137.7	1 077.7	1 016.7	1 015.7	1 015.7	100.6%	96.6%																	
Programme 6	427.8	427.8	439.8	443.3	465.3	465.9	458.6	458.6	468.1	482.2	481.9	481.9	102.4%	101.2%																	
Total	6 692.4	6 692.4	6 628.9	6 383.0	6 408.8	6 400.5	6 333.0	6 515.0	6 490.8	6 807.0	6 847.0	6 847.0	100.6%	99.6%																	
Change to 2017 Budget estimate												40.0																			

Table 24.2 Vote expenditure trends by programme and economic classification

Economic classification	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2014/15			2015/16			2016/17			2017/18			2014/15 - 2017/18	
Current payments	2 562.4	2 516.3	2 397.0	2 594.1	2 540.2	2 479.2	2 724.6	2 846.2	2 826.0	2 921.5	2 906.2	2 906.2	98.2%	98.1%
Compensation of employees	1 697.9	1 698.4	1 661.6	1 737.8	1 763.0	1 761.1	2 055.4	1 992.6	1 938.3	2 105.8	2 100.2	2 100.2	98.2%	98.8%
Goods and services	863.3	816.5	735.1	854.8	775.6	718.1	668.2	852.5	887.3	814.4	804.1	804.1	98.2%	96.8%
Interest and rent on land	1.2	1.4	0.3	1.5	1.5	–	1.0	1.1	0.3	1.3	1.9	1.9	49.7%	42.9%
Transfers and subsidies	4 028.4	4 040.7	4 025.7	3 692.7	3 691.6	3 701.5	3 487.6	3 501.7	3 510.1	3 774.6	3 821.3	3 821.3	100.5%	100.0%
Provinces and municipalities	2 390.1	2 390.1	2 363.3	2 189.2	2 172.6	2 172.7	2 203.5	2 203.7	2 203.7	2 242.8	2 242.9	2 242.9	99.5%	99.7%
Departmental agencies and accounts	1 354.6	1 354.6	1 338.3	1 132.5	1 138.1	1 125.4	1 113.7	1 110.2	1 110.2	1 300.3	1 300.0	1 300.0	–	–
Foreign governments and international organisations	34.7	38.7	38.8	29.5	32.4	31.9	34.5	42.4	42.3	36.3	36.6	36.6	110.8%	99.6%
Public corporations and private enterprises	220.2	222.0	222.3	312.9	314.7	314.8	98.3	98.3	98.5	150.8	150.8	150.8	100.5%	100.1%
Non-profit institutions	26.9	26.8	24.4	26.7	25.9	23.7	17.2	17.0	17.0	19.8	20.1	20.1	94.0%	94.8%
Households	1.9	8.4	38.6	1.9	7.9	33.0	20.2	30.0	38.4	24.6	70.8	70.8	371.3%	154.3%
Payments for capital assets	101.6	135.4	206.0	96.2	176.9	218.5	120.8	167.2	153.8	111.0	119.5	119.5	162.4%	116.5%
Buildings and other fixed structures	42.7	41.3	48.0	42.5	48.6	40.3	67.4	78.3	51.7	63.8	69.2	69.2	96.7%	88.1%
Machinery and equipment	58.2	93.9	157.5	53.2	128.2	178.0	53.3	88.5	99.8	47.0	49.8	49.8	229.2%	134.6%
Biological assets	0.8	0.2	–	0.5	0.2	–	0.1	0.1	0.2	0.1	0.2	0.2	22.4%	57.3%
Software and other intangible assets	0.0	0.1	0.4	–	–	0.2	0.1	0.3	2.2	0.1	0.4	0.4	2 554.4%	455.5%
Payments for financial assets	–	–	0.2	–	–	1.4	–	–	0.9	–	–	–	–	–
Total	6 692.4	6 692.4	6 628.9	6 383.0	6 408.8	6 400.5	6 333.0	6 515.0	6 490.8	6 807.0	6 847.0	6 847.0	100.6%	99.6%

Expenditure estimates

Table 24.3 Vote expenditure estimates by programme and economic classification

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								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R million								
Programme 1	906.8	8.0%	12.4%	923.2	931.5	938.0	1.1%	12.6%
Programme 2	2 236.9	0.8%	32.2%	2 367.1	2 507.7	2 596.2	5.1%	33.0%
Programme 3	1 944.1	4.3%	28.0%	2 037.9	2 305.0	2 369.1	6.8%	29.4%
Programme 4	261.7	-4.3%	4.2%	273.9	291.3	309.6	5.8%	3.9%
Programme 5	1 015.7	-9.0%	16.2%	1 075.1	1 046.0	1 047.4	1.0%	14.2%
Programme 6	481.9	4.0%	7.0%	487.8	519.7	553.2	4.7%	6.9%
Total	6 847.0	0.8%	100.0%	7 165.0	7 601.3	7 813.4	4.5%	100.0%
Change to 2017 Budget estimate				25.6	24.5	(37.4)		
Economic classification								
Current payments	2 906.2	4.9%	40.2%	3 039.4	3 195.2	3 321.1	4.5%	42.3%
Compensation of employees	2 100.2	7.3%	28.3%	2 182.3	2 348.2	2 519.0	6.2%	31.1%
Goods and services	804.1	-0.5%	11.9%	855.7	845.5	800.5	-0.1%	11.2%
Interest and rent on land	1.9	12.3%	0.0%	1.4	1.5	1.6	-6.2%	0.0%
Transfers and subsidies	3 821.3	-1.8%	57.1%	3 997.0	4 269.2	4 368.1	4.6%	55.9%
Provinces and municipalities	2 242.9	-2.1%	34.1%	2 382.3	2 542.8	2 705.2	6.4%	33.6%
Departmental agencies and accounts	1 300.0	-1.4%	18.5%	1 357.3	1 433.2	1 511.9	5.2%	19.0%
Foreign governments and international organisations	36.6	-1.8%	0.6%	38.5	39.7	41.9	4.5%	0.5%
Public corporations and private enterprises	150.8	-12.1%	3.0%	173.8	206.8	59.9	-26.5%	2.0%
Non-profit institutions	20.1	-9.1%	0.3%	20.1	20.4	21.4	2.1%	0.3%
Households	70.8	103.3%	0.7%	25.2	26.4	27.8	-26.7%	0.5%

Table 24.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	
R million	2017/18	2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	
Payments for capital assets	119.5	-4.1%	2.6%	128.6	136.9	124.2	1.3%	1.7%
Buildings and other fixed structures	69.2	18.8%	0.8%	55.4	69.2	64.8	-2.1%	0.9%
Machinery and equipment	49.8	-19.1%	1.8%	73.1	67.7	59.3	6.0%	0.8%
Biological assets	0.2	-2.4%	0.0%	0.0	0.0	0.0	-46.1%	0.0%
Software and other intangible assets	0.4	98.7%	0.0%	–	–	–	-100.0%	0.0%
Total	6 847.0	0.8%	100.0%	7 165.0	7 601.3	7 813.4	4.5%	100.0%

Goods and services expenditure trends and estimates

Table 24.4 Vote goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		
Administrative fees	3 547	10 647	9 576	7 761	29.8%	1.0%	7 885	8 421	9 054	5.3%	1.0%
Advertising	26 480	8 104	7 514	7 669	-33.8%	1.6%	5 870	6 059	6 465	-5.5%	0.8%
Minor assets	6 851	7 178	3 697	7 474	2.9%	0.8%	3 638	3 370	3 539	-22.1%	0.5%
Audit costs: External	10 362	10 816	10 146	12 867	7.5%	1.4%	13 424	15 204	16 060	7.7%	1.7%
Bursaries: Employees	2 724	2 417	2 671	5 212	24.1%	0.4%	4 839	4 991	5 223	0.1%	0.6%
Catering: Departmental activities	813	740	837	693	-5.2%	0.1%	362	382	403	-16.5%	0.1%
Communication	27 791	29 115	29 846	22 253	-7.1%	3.5%	29 264	29 998	29 500	9.9%	3.4%
Computer services	35 424	11 530	28 869	50 980	12.9%	4.0%	50 772	52 437	55 852	3.1%	6.4%
Consultants: Business and advisory services	20 540	22 985	22 974	15 332	-9.3%	2.6%	11 517	12 122	11 424	-9.3%	1.5%
Infrastructure and planning services	6 957	3 708	2 069	336	-63.6%	0.4%	500	649	619	22.6%	0.1%
Laboratory services	232	219	206	346	14.3%	–	189	211	213	-14.9%	–
Legal services	8 519	5 334	6 139	5 572	-13.2%	0.8%	6 387	7 243	7 097	8.4%	0.8%
Contractors	24 249	9 505	15 459	19 429	-7.1%	2.2%	8 102	8 440	8 674	-23.6%	1.4%
Agency and support/outsourced services	30 695	24 636	22 995	131 460	62.4%	6.7%	148 841	105 080	55 861	-24.8%	13.3%
Entertainment	776	306	287	354	-23.0%	0.1%	336	337	338	-1.5%	–
Fleet services (including government motor transport)	18 459	21 936	17 575	19 709	2.2%	2.5%	30 942	33 580	25 277	8.6%	3.3%
Inventory: Clothing material and accessories	–	823	3 095	6 829	–	0.3%	12 654	12 957	9 145	10.2%	1.3%
Inventory: Farming supplies	7 708	17 959	219 753	30 636	58.4%	8.8%	34 524	32 688	33 739	3.3%	4.0%
Inventory: Food and food supplies	474	1 132	1 437	2 324	69.9%	0.2%	1 234	1 299	1 364	-16.3%	0.2%
Inventory: Fuel, oil and gas	266	952	1 211	1 149	62.9%	0.1%	2 344	2 479	2 097	22.2%	0.2%
Inventory: Materials and supplies	36	922	210	1 129	215.4%	0.1%	228	256	283	-36.9%	0.1%
Inventory: Medical supplies	–	31	89	602	–	–	1 002	1 078	660	3.1%	0.1%
Inventory: Medicine	970	49	1 307	3 152	48.1%	0.2%	2 775	3 481	4 109	9.2%	0.4%
Inventory: Other supplies	121	1 123	719	2 112	159.4%	0.1%	6 489	6 724	3 420	17.4%	0.6%
Consumable supplies	42 602	20 814	7 989	26 354	-14.8%	3.1%	18 648	19 495	15 422	-16.4%	2.4%
Consumables: Stationery, printing and office supplies	10 707	8 826	8 901	19 305	21.7%	1.5%	20 752	22 609	20 545	2.1%	2.5%
Operating leases	84 510	90 460	108 384	41 465	-21.1%	10.3%	37 016	27 144	16 207	-26.9%	3.7%
Rental and hiring	69	10	–	1 449	175.9%	–	1 524	1 530	1 311	-3.3%	0.2%
Property payments	144 315	155 660	145 341	178 557	7.4%	19.8%	184 897	205 281	228 410	8.6%	24.1%
Transport provided: Departmental activity	–	–	–	15	–	–	20	21	22	13.6%	–
Travel and subsistence	128 554	131 940	120 095	104 514	-6.7%	15.4%	132 185	142 819	146 463	11.9%	15.9%
Training and development	39 370	30 372	37 577	41 557	1.8%	4.7%	44 595	47 708	50 784	6.9%	5.6%
Operating payments	20 289	18 420	17 475	20 417	0.2%	2.4%	16 790	16 689	17 563	-4.9%	2.2%
Venues and facilities	30 685	69 393	32 889	15 084	-21.1%	4.7%	15 201	12 684	13 380	-3.9%	1.7%
Total	735 095	718 062	887 332	804 097	3.0%	100.0%	855 746	845 466	800 523	-0.1%	100.0%

Expenditure trends and estimates for significant spending items

Table 24.5 Expenditure trends and estimates for significant spending items

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total Vote (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total Vote (%)	
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19			2019/20
R thousand												
Agricultural Research Council	1 029 151	804 133	813 189	974 783	-1.8%	13.7%	1 031 109	1 088 851	1 148 740	5.6%	14.4%	
Ilima/Letsema projects grant	460 625	466 713	491 363	522 139	4.3%	7.4%	552 423	583 359	615 444	5.6%	7.7%	
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	6.2%	16.5%	1 164 766	1 350 209	1 509 021	10.7%	17.5%	
Comprehensive agricultural support programme grant: Extension recovery planning service	352 708	343 873	346 149	337 906	-1.4%	5.2%	355 648	380 544	404 881	6.2%	5.0%	
Comprehensive agricultural support programme grant: Disasters: (flood damaged infrastructure)	493 761	58 601	76 734	139 071	-34.4%	2.9%	155 935	65 631	-	-100.0%	1.2%	
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	3.8%	259 733	274 278	289 363	3.4%	3.7%	
Total	3 517 105	3 099 722	3 117 309	3 347 703	-25.7%	49.5%	3 519 614	3 742 872	3 967 449	-68.5%	49.5%	

Transfers and subsidies expenditure trends and estimates

Table 24.6 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19			2019/20
R thousand												
Households												
Social benefits												
Current	19 268	14 131	16 302	6 201	-31.5%	0.4%	652	692	733	-50.9%	0.1%	
Employee social benefits	19 268	14 131	16 302	6 201	-31.5%	0.4%	652	692	733	-50.9%	0.1%	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	1 230 590	1 012 771	991 596	1 175 425	-1.5%	29.3%	1 225 477	1 293 999	1 365 046	5.1%	30.7%	
Public Service Sector Education and Training Authority	-	370	-	-	-	-	-	-	-	-	-	-
Primary Agriculture Sector Education and Training Authority	901	937	1 175	1 207	10.2%	-	1 223	1 314	1 409	5.3%	-	
National Research Foundation	15 000	20 841	15 697	17 310	4.9%	0.5%	18 647	19 691	20 774	6.3%	0.5%	
Communication	26	27	24	29	3.7%	-	28	29	30	1.1%	-	
Fibre Processing and Manufacturing Sector Education and Training Authority	446	429	462	464	1.3%	-	468	504	541	5.3%	-	
Agricultural Research Council	921 456	691 484	694 570	850 232	-2.6%	21.0%	899 554	949 938	1 002 173	5.6%	22.5%	
Perishable Products Export Control Board	600	600	600	600	-	-	585	585	584	-0.9%	-	
National Agricultural Marketing Council	36 005	34 635	35 005	41 917	5.2%	1.0%	43 239	45 660	48 172	4.7%	1.1%	
Small Enterprise Development Agency	1 825	1 825	304	-	-100.0%	-	-	-	-	-	-	
Water Research Commission	3 000	3 000	2 000	2 000	-12.6%	0.1%	2 000	2 000	2 000	-	-	
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	6.7%	259 733	274 278	289 363	3.4%	6.6%	
Capital	107 695	112 649	118 619	124 551	5.0%	3.1%	131 775	139 155	146 809	5.6%	3.3%	
Agricultural Research Council	107 695	112 649	118 619	124 551	5.0%	3.1%	131 775	139 155	146 809	5.6%	3.3%	
Households												
Other transfers to households												
Current	19 332	18 852	22 062	64 555	49.5%	0.8%	24 521	25 698	27 112	-25.1%	0.9%	
Claims against the state	626	511	301	-	-100.0%	-	-	-	-	-	-	-
Avian Influenza	-	-	-	40 000	-	0.3%	-	-	-	-100.0%	0.2%	
Agricultural colleges	788	1 905	1 499	1 800	31.7%	-	1 800	1 900	2 005	3.7%	-	
Grootfontein Agricultural Development Institute: Studies	1 391	1 391	1 400	1 500	2.5%	-	1 600	1 690	1 783	5.9%	-	
Female entrepreneur of the year awards	600	550	-	1 000	18.6%	-	500	500	528	-19.2%	-	
National Student Financial Aid Scheme	15 927	14 495	18 862	19 955	7.8%	0.5%	20 621	21 608	22 796	4.5%	0.5%	
Youth in Agriculture, Forestry and Fisheries award ceremony	-	-	-	300	-	-	-	-	-	-100.0%	-	
Provinces and municipalities												
Municipal bank accounts												
Current	1 188	1 273	1 276	1 249	1.7%	-	1 182	1 200	1 220	-0.8%	-	
Vehicle licences	688	773	776	649	-1.9%	-	582	600	620	-1.5%	-	
National Arbor City Awards	500	500	500	600	6.3%	-	600	600	600	-	-	

Table 24.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Non-profit institutions											
Current	24 362	23 685	16 984	20 125	-6.2%	0.6%	20 056	20 350	21 448	2.1%	0.5%
Deciduous Fruit Producers' Trust	10 000	10 000	12 100	14 410	13.0%	0.3%	14 410	14 410	15 203	1.8%	0.4%
Annual Beef Cattle Improvement Scheme Awards	200	-	-	-	-100.0%	-	-	-	-	-	-
Citrus Growers' Association of Southern Africa	-	986	-	-	-	-	-	-	-	-	-
Wine and Spirit Board	-	-	-	300	-	-	-	-	-	-100.0%	-
Forestry South Africa	6 024	4 418	4 684	4 965	-6.2%	0.1%	5 246	5 540	5 845	5.6%	0.1%
Centre for International Forestry Research	100	-	-	-	-100.0%	-	-	-	-	-	-
Food and Trees for Africa	200	200	200	400	26.0%	-	400	400	400	-	-
Lima Rural Development Foundation	7 838	8 081	-	-	-100.0%	0.1%	-	-	-	-	-
Institute for Commercial Forestry Research	-	-	-	50	-	-	-	-	-	-100.0%	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	322	86	173	1	-85.4%	-	1	1	1	-	-
Claims against the state	322	85	173	-	-100.0%	-	-	-	-	-	-
Red Meat Industry Forum	-	1	-	1	-	-	1	1	1	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	221 976	314 714	98 333	150 828	-12.1%	5.2%	173 776	206 789	59 912	-26.5%	3.6%
Onderstepoort Biological Products	127 500	268 400	-	-	-100.0%	2.6%	-	-	-	-	-
Ncera Farms	5 420	5 622	5 935	6 246	4.8%	0.2%	6 608	6 978	7 362	5.6%	0.2%
Land and Agricultural Development Bank of South Africa	85 348	36 762	88 232	140 166	18.0%	2.3%	162 496	194 876	47 344	-30.4%	3.3%
Forest Sector Charter Council	3 708	3 930	4 166	4 416	6.0%	0.1%	4 672	4 935	5 206	5.6%	0.1%
Provinces and municipalities											
Provincial revenue funds											
Current	2 362 161	2 171 450	2 202 452	2 241 689	-1.7%	59.6%	2 381 106	2 541 649	2 703 953	6.4%	60.0%
Ilhima/Letsema projects grant	460 625	466 713	491 363	522 139	4.3%	12.9%	552 423	583 359	615 444	5.6%	13.8%
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	6.2%	28.9%	1 164 766	1 350 209	1 509 021	10.7%	31.2%
Comprehensive agricultural support programme grant: Extension recovery planning services	352 708	343 873	346 149	337 906	-1.4%	9.2%	355 648	380 544	404 881	6.2%	9.0%
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	57 701	69 473	70 826	56 831	-0.5%	1.7%	74 461	79 672	87 850	15.6%	1.8%
Land care programme grant	67 837	65 011	69 265	73 604	2.8%	1.8%	77 873	82 234	86 757	5.6%	1.9%
Comprehensive agricultural support programme grant: Disasters: Flood damaged infrastructure	493 761	58 601	76 734	139 071	-34.4%	5.1%	155 935	65 631	-	-100.0%	2.2%
Foreign governments and international organisations											
Current	38 784	31 911	42 306	36 637	-1.9%	1.0%	38 466	39 689	41 861	4.5%	1.0%
Consultative Group on International Agricultural Research	7 140	6 375	7 020	7 000	-0.7%	0.2%	7 300	8 400	8 527	6.8%	0.2%
International Union for the Protection of New Varieties of Plants	638	677	789	745	5.3%	-	880	890	980	9.6%	-
Commonwealth Agricultural Bureau International	263	276	337	269	0.8%	-	280	300	350	9.2%	-
International Commission of Agricultural Engineering	32	-	21	20	-14.5%	-	20	20	20	-	-
Food and Agriculture Organisation of the United Nations	24 600	21 029	30 140	24 363	-0.3%	0.7%	24 800	25 500	26 800	3.2%	0.6%
Foreign rates and taxes	329	306	457	411	7.7%	-	593	674	761	22.8%	-
International Fund for Agricultural Development	2 163	-	-	-	-100.0%	-	-	-	-	-	-
International Cotton Advisory Council	769	301	374	285	-28.2%	-	290	300	330	5.0%	-
International Dairy Federation	50	50	50	50	-	-	50	50	50	-	-
International Grains Council	200	215	212	193	-1.2%	-	200	212	250	9.0%	-
International Seed Testing Association	94	97	120	159	19.1%	-	180	200	330	27.6%	-
International Organisation of Vine and Wine	807	789	977	800	-0.3%	-	852	830	880	3.2%	-
World Organisation for Animal Health	1 349	1 624	1 616	1 973	13.5%	-	1 700	1 852	2 000	0.5%	-
Organisation for Economic Cooperation and Development	342	161	183	359	1.6%	-	1 311	450	571	16.7%	-
International Union of Forest Research Organisations	8	11	10	10	7.7%	-	10	11	12	6.3%	-
Total	4 025 678	3 701 522	3 510 103	3 821 261	-1.7%	100.0%	3 997 012	4 269 222	4 368 095	4.6%	100.0%

Personnel information

Table 24.7 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment									Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost	2020/21
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Agriculture, Forestry and Fisheries																
Salary level	6 548	446	5 815	1 953.0	0.3	- 2 116.3	-	- 2 198.8	-	- 2 365.7	-	- 2 537.8	-	-	-	-
1 – 6	3 443	292	3 044	472.9	0.2	-	-	-	-	-	-	-	-	-	-	-
7 – 10	2 321	7	2 091	879.4	0.4	-	-	-	-	-	-	-	-	-	-	-
11 – 12	621	141	540	391.2	0.7	-	-	-	-	-	-	-	-	-	-	-
13 – 16	161	6	138	205.2	1.5	-	-	-	-	-	-	-	-	-	-	-
Other	2	-	2	4.2	2.1	- 2 116.3	-	- 2 198.8	-	- 2 365.7	-	- 2 537.8	-	-	-	-
Programme	6 548	446	5 815	1 953.0	0.3	- 2 116.3	-	- 2 198.8	-	- 2 365.7	-	- 2 537.8	-	-	-	-
Programme 1	1 143	7	1 028	409.6	0.4	- 451.7	-	- 466.1	-	- 501.7	-	- 539.5	-	-	-	-
Programme 2	1 601	175	1 479	537.3	0.4	- 606.7	-	- 631.9	-	- 679.6	-	- 725.2	-	-	-	-
Programme 3	650	239	606	157.3	0.3	- 177.9	-	- 185.1	-	- 199.2	-	- 213.7	-	-	-	-
Programme 4	165	4	151	106.4	0.7	- 105.8	-	- 110.1	-	- 118.3	-	- 127.4	-	-	-	-
Programme 5	2 404	-	2 052	516.3	0.3	- 554.4	-	- 577.6	-	- 621.5	-	- 668.1	-	-	-	-
Programme 6	585	21	499	226.1	0.5	- 219.8	-	- 228.1	-	- 245.4	-	- 263.9	-	-	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 24.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2014/15	2015/16	2016/17					2017/18	2018/19	2019/20		
Departmental receipts	191 652	212 414	202 706	246 223	246 223	8.7%	100.0%	258 524	271 452	285 025	5.0%	100.0%
Sales of goods and services produced by department	163 186	185 974	190 625	225 793	225 793	11.4%	89.8%	237 073	248 928	261 375	5.0%	91.7%
Sales by market establishments of which:	2 370	2 347	2 279	2 185	2 185	-2.7%	1.1%	2 295	2 410	2 531	5.0%	0.9%
<i>Dwellings</i>	1 959	1 748	1 677	1 827	1 827	-2.3%	0.8%	1 918	2 014	2 115	5.0%	0.7%
<i>Rental parking: Covered and open</i>	313	322	323	339	339	2.7%	0.2%	356	374	393	5.1%	0.1%
<i>Wool and skin</i>	98	277	279	19	19	-42.1%	0.1%	21	22	23	6.6%	-
Administrative fees of which:	129 749	149 966	134 822	163 132	163 132	7.9%	67.7%	171 278	179 843	188 835	5.0%	66.3%
<i>Farm feeds registration</i>	6 485	12 600	8 970	10 680	10 680	18.1%	4.5%	11 214	11 775	12 364	5.0%	4.3%
<i>Plant breeders right</i>	2 834	3 713	2 889	5 878	5 878	27.5%	1.8%	6 161	6 469	6 792	4.9%	2.4%
<i>Stock remedy</i>	8 045	1 260	861	1 114	1 114	-48.3%	1.3%	1 170	1 229	1 290	5.0%	0.5%
<i>Inspection fees: Statutory services</i>	73 190	85 216	76 306	98 339	98 339	10.3%	39.0%	103 256	108 419	113 840	5.0%	39.9%
<i>Other</i>	39 195	47 177	45 796	47 121	47 121	6.3%	21.0%	49 477	51 951	54 549	5.0%	19.1%
Other sales of which:	31 067	33 661	53 524	60 476	60 476	24.9%	21.0%	63 500	66 675	70 009	5.0%	24.6%
<i>Service rendered: Boarding services (private)</i>	1 736	1 285	1 625	1 969	1 969	4.3%	0.8%	2 067	2 170	2 279	5.0%	0.8%
<i>Service rendered: Commission on insurance</i>	1 425	1 432	1 442	1 537	1 537	2.6%	0.7%	1 614	1 695	1 780	5.0%	0.6%
<i>Service rendered: Course fees</i>	1 036	1 823	2 011	1 997	1 997	24.5%	0.8%	2 097	2 202	2 312	5.0%	0.8%
<i>Laboratory services: Plant</i>	629	905	884	1 015	1 015	17.3%	0.4%	1 066	1 119	1 175	5.0%	0.4%
<i>Other</i>	26 241	28 216	47 562	53 958	53 958	27.2%	18.3%	56 656	59 489	62 463	5.0%	21.9%
Sales of scrap, waste, arms and other used current goods	44	53	124	713	713	153.1%	0.1%	748	785	824	4.9%	0.3%
of which:												
<i>Waste paper</i>	44	53	8	25	25	-17.2%	-	26	27	28	3.8%	-
<i>Sales scrap</i>	-	-	116	688	688	-	0.1%	722	758	796	5.0%	0.3%

Table 24.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2014/15	2015/16	2016/17					2017/18	2014/15 - 2017/18	2018/19		
Transfers received	727	355	274	446	446	-15.0%	0.2%	468	491	516	5.0%	0.2%
Fines, penalties and forfeits	33	270	45	49	49	14.1%	-	52	55	57	5.2%	-
Interest, dividends and rent on land	6 727	5 143	4 738	4 926	4 926	-9.9%	2.5%	5 172	5 431	5 703	5.0%	2.0%
Interest	5 565	4 111	3 791	3 827	3 827	-11.7%	2.0%	4 018	4 219	4 430	5.0%	1.6%
Rent on land	1 162	1 032	947	1 099	1 099	-1.8%	0.5%	1 154	1 212	1 273	5.0%	0.4%
Sales of capital assets	1 034	1 720	868	1 433	1 433	11.5%	0.6%	1 505	1 580	1 659	5.0%	0.6%
Transactions in financial assets and liabilities	19 901	18 899	6 032	12 863	12 863	-13.5%	6.8%	13 506	14 182	14 891	5.0%	5.2%
Total	191 652	212 414	202 706	246 223	246 223	8.7%	100.0%	258 524	271 452	285 025	5.0%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17	2017/18				2014/15 - 2017/18	2018/19	2019/20		
R thousand												
Ministry	38 029	39 601	40 451	42 699		3.9%	4.9%	45 477	48 645	51 978	6.8%	5.1%
Department Management	22 860	19 212	32 811	28 942		8.2%	3.2%	28 968	31 056	33 262	4.7%	3.3%
Financial Administration	158 624	163 075	177 841	194 846		7.1%	21.3%	205 621	221 808	237 289	6.8%	23.2%
Internal Audit	4 015	4 953	7 051	10 132		36.1%	0.8%	10 500	11 250	12 039	5.9%	1.2%
Corporate Services	169 990	162 885	187 782	179 893		1.9%	21.5%	189 001	202 324	216 506	6.4%	21.3%
Stakeholder Relations, Communication and Legal Services	90 410	117 535	92 593	80 558		-3.8%	11.7%	68 219	73 208	78 486	-0.9%	8.1%
Policy, Planning, Monitoring and Evaluation	72 079	79 522	78 531	173 802		34.1%	12.4%	187 569	144 673	100 109	-16.8%	16.4%
Office Accommodation	182 434	199 019	211 425	195 962		2.4%	24.2%	187 823	198 564	208 310	2.1%	21.4%
Total	738 441	785 802	828 485	906 834		7.1%	100.0%	923 178	931 528	937 979	1.1%	100.0%
Change to 2017 Budget estimate				4 361				(22 532)	(22 804)	(20 186)		
Economic classification												
Current payments	701 191	743 125	791 101	851 079		6.7%	94.7%	879 702	883 906	887 725	1.4%	94.7%
Compensation of employees	361 984	380 503	409 639	451 684		7.7%	49.2%	466 125	501 704	539 461	6.1%	53.0%
Goods and services ¹	339 207	362 622	381 449	399 184		5.6%	45.5%	413 577	382 202	348 264	-4.4%	41.7%
of which:												
Audit costs: External	9 772	9 942	10 146	12 867		9.6%	1.3%	13 424	15 204	16 060	7.7%	1.6%
Computer services	30 220	9 818	25 354	22 325		-9.6%	2.7%	22 966	24 593	26 495	5.9%	2.6%
Agency and support/outsourced services	3 445	2 719	2 944	95 973		203.1%	3.2%	104 323	55 459	4 610	-63.6%	7.0%
Operating leases	74 885	84 312	98 896	37 840		-20.4%	9.1%	28 081	17 348	4 596	-50.5%	2.4%
Property payments	110 951	117 046	116 628	138 590		7.7%	14.8%	152 993	172 191	194 046	11.9%	17.8%
Travel and subsistence	32 108	39 222	44 414	31 198		-1.0%	4.5%	45 479	48 706	51 531	18.2%	4.8%
Interest and rent on land	-	-	13	211		-	-	-	-	-	-100.0%	-
Transfers and subsidies¹	18 767	24 210	20 279	19 480		1.3%	2.5%	20 405	21 584	22 801	5.4%	2.3%
Provinces and municipalities	48	48	50	52		2.7%	-	39	46	47	-3.3%	-
Departmental agencies and accounts	16 373	22 600	17 358	19 010		5.1%	2.3%	20 366	21 538	22 754	6.2%	2.3%
Public corporations and private enterprises	76	62	9	-		-100.0%	-	-	-	-	-	-
Households	2 270	1 500	2 862	418		-43.1%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	18 479	18 145	17 056	36 275		25.2%	2.8%	23 071	26 038	27 453	-8.9%	3.1%
Buildings and other fixed structures	6 401	5 972	5 768	30 767		68.8%	1.5%	18 319	21 111	22 271	-10.2%	2.5%
Machinery and equipment	12 078	12 157	9 158	5 116		-24.9%	1.2%	4 752	4 927	5 182	0.4%	0.5%
Software and other intangible assets	-	16	2 130	392		-	0.1%	-	-	-	-100.0%	-
Payments for financial assets	4	322	49	-		-100.0%	-	-	-	-	-	-
Total	738 441	785 802	828 485	906 834		7.1%	100.0%	923 178	931 528	937 979	1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.1%	12.3%	12.8%	13.2%		-	-	12.9%	12.3%	12.0%	-	-

Table 24.9 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
				2017/18	2014/15 - 2017/18				2017/18 - 2020/21		
R thousand											
Households											
Social benefits											
Current	1 750	1 342	2 724	418	-38.0%	0.2%	-	-	-	-100.0%	-
Employee social benefits	1 750	1 342	2 724	418	-38.0%	0.2%	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	520	158	138	-	-100.0%	-	-	-	-	-	-
Claims against the state	520	158	138	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	16 373	22 600	17 358	19 010	5.1%	2.3%	20 366	21 538	22 754	6.2%	2.3%
Communication	26	23	24	29	3.7%	-	28	29	30	1.1%	-
Public Service Sector Education and Training Authority	-	370	-	-	-	-	-	-	-	-	-
Primary Agriculture Sector Education and Training Authority	901	937	1 175	1 207	10.2%	0.1%	1 223	1 314	1 409	5.3%	0.1%
National Research Foundation	15 000	20 841	15 697	17 310	4.9%	2.1%	18 647	19 691	20 774	6.3%	2.1%
Fibre Processing and Manufacturing Sector Education and Training Authority	446	429	462	464	1.3%	0.1%	468	504	541	5.3%	0.1%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	48	48	50	52	2.7%	-	39	46	47	-3.3%	-
Vehicle licences	48	48	50	52	2.7%	-	39	46	47	-3.3%	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	76	62	9	-	-100.0%	-	-	-	-	-	-
Claims against the state	76	62	9	-	-100.0%	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.10 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018	Number and cost ² of personnel posts filled / planned for on funded establishment											Number							
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate					Average growth rate (%)	Average: Salary level/Total (%)				
			2016/17		2017/18		2018/19		2019/20		2020/21								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Administration																			
Salary level	1 143	7	1 028	409.6	0.4	-	451.7	-	-	466.1	-	-	501.7	-	-	539.5	-	-	-
1 – 6	442	3	405	68.8	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 – 10	516	-	462	186.5	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 – 12	121	1	106	75.2	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 – 16	62	3	53	75.0	1.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2	-	2	4.2	2.1	-	451.7	-	-	466.1	-	-	501.7	-	-	539.5	-	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Agricultural Production, Health and Food Safety

Programme purpose

Manage the risks associated with animal diseases, plant pests and genetically modified organisms. Register products used in agriculture. Promote food safety and create an enabling environment for increased and sustainable agricultural production.

Objectives

- Promote productivity for prioritised value chains by:
 - implementing 6 animal improvement schemes, such as Kaonafatso ya Dikgomo, a programme that assists farmers without resources by providing breeding technical support; and the poultry scheme,

which assists poultry farmers to identify and manage risks associated with poultry diseases by March 2021

- implementing 6 plant improvement and seeds schemes, ensuring that all categories of producers have access to quality propagating material by March 2021.
- Manage biosecurity and related sector risks effectively by:
 - conducting 3 countrywide surveys of plant pests, in particular the exotic fruit fly, to manage the spread and/or incursion of these pests and eradicate them by March 2021.
- Implement national plans to conserve the diversity of plant genetic resources through the collection of 2 prioritised crops, namely calabash and bambara groundnut, on an ongoing basis.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by implementing national plans to conserve the diversity of the animal genetic resources, in particular through promoting the sustainable use of indigenous animal breeds in the country, by March 2021.
- Enforce an agricultural animal disease regulatory framework to reduce the level of disease outbreaks and interception at export channels in production areas to a minimum level by conducting 2 planned animal risk surveillance exercises per year on foot and mouth disease and goat plague over the medium term.
- Implement regulatory compliance and monitoring interventions to prevent plant and animal pest and disease outbreaks through quarantine inspections, surveillance and testing by March 2021.
- Ensure access to primary animal health care services through the implementation of the animal diseases and management plan, and compulsory community services by deploying 450 veterinary graduates to rural areas by March 2021.

Subprogrammes

- *Management* oversees and manages the programme.
- *Inspection and Laboratory Services* provides leadership, guidance and support to ensure compliance with agricultural legislation and regulatory frameworks; and oversees the effective implementation of risk management strategies and plans for regulated agricultural products.
- *Plant Production and Health* focuses on increasing agricultural productivity with emphasis on a sustainable plant production system, the efficient use of genetic resources for food and agriculture, and the management of risks associated with plant pests and diseases, and genetically modified organisms.
- *Animal Production and Health* improves livestock production, and the health and safety of animal products. This entails implementing strategies, projects and programmes for animal production, health and public health that are founded on effective animal health and production management principles, an informed extension service, and sustainable natural resources management.
- *Agriculture Research* manages monthly transfers to the Agricultural Research Council.

Expenditure trends and estimates

Table 24.11 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand					2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Management	1 607	2 180	3 078	2 912	21.9%	0.1%	3 025	3 243	3 473	6.0%	0.1%
Inspection and Laboratory Services	317 457	322 468	330 063	372 384	5.5%	15.8%	444 930	472 628	442 826	5.9%	17.8%
Plant Production and Health	536 377	543 925	575 759	610 779	4.4%	26.7%	644 297	680 972	719 959	5.6%	27.4%
Animal Production and Health	299 110	470 511	205 142	276 213	-2.6%	14.7%	243 717	261 985	281 157	0.6%	11.0%
Agriculture Research	1 029 151	803 933	812 989	974 583	-1.8%	42.6%	1 031 109	1 088 851	1 148 740	5.6%	43.7%
Total	2 183 702	2 143 017	1 927 031	2 236 871	0.8%	100.0%	2 367 078	2 507 679	2 596 155	5.1%	100.0%
Change to 2017 Budget estimate				39 684			61 176	61 243	-		

Table 24.11 Agricultural Production, Health and Food Safety expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Current payments	490 587	509 016	584 353	682 401	11.6%	26.7%	746 603	798 526	814 170	6.1%	31.3%
Compensation of employees	401 688	444 404	537 318	606 667	14.7%	23.4%	631 940	679 629	725 229	6.1%	27.2%
Goods and services ¹	88 899	64 612	47 035	75 734	-5.2%	3.3%	114 663	118 897	88 941	5.5%	4.1%
of which:											
Communication	3 981	4 026	3 578	4 229	2.0%	0.2%	6 751	7 002	5 624	10.0%	0.2%
Computer services	447	228	456	25 011	282.5%	0.3%	25 015	25 016	26 392	1.8%	1.0%
Fleet services (including government motor transport)	7 311	7 974	6 122	4 444	-15.3%	0.3%	15 173	15 359	5 146	5.0%	0.4%
Inventory: Other supplies	59	1 122	541	1 750	209.5%	-	6 427	6 660	3 354	24.2%	0.2%
Consumables: Stationery, printing and office supplies	3 093	2 299	2 401	3 631	5.5%	0.1%	7 359	7 389	4 182	4.8%	0.2%
Travel and subsistence	29 384	25 543	15 265	16 026	-18.3%	1.0%	19 869	21 207	17 596	3.2%	0.8%
Transfers and subsidies¹	1 629 195	1 551 296	1 318 178	1 551 753	-1.6%	71.3%	1 598 254	1 686 959	1 779 731	4.7%	68.2%
Provinces and municipalities	460 748	466 889	491 548	522 200	4.3%	22.9%	552 430	583 366	615 451	5.6%	23.4%
Departmental agencies and accounts	1 029 151	804 133	813 189	974 783	-1.8%	42.7%	1 031 329	1 089 093	1 148 982	5.6%	43.7%
Public corporations and private enterprises	127 662	268 407	27	-	-100.0%	4.7%	-	-	-	-	-
Non-profit institutions	10 200	10 000	12 100	14 410	12.2%	0.6%	14 410	14 410	15 203	1.8%	0.6%
Households	1 434	1 867	1 314	40 360	204.2%	0.5%	85	90	95	-86.7%	0.4%
Payments for capital assets	63 775	82 355	24 411	2 717	-65.1%	2.0%	22 221	22 194	2 254	-6.0%	0.5%
Buildings and other fixed structures	-	-	-	-	-	-	-	8 500	-	-	0.1%
Machinery and equipment	63 775	82 355	24 411	2 717	-65.1%	2.0%	22 221	13 694	2 254	-6.0%	0.4%
Payments for financial assets	145	350	89	-	-100.0%	-	-	-	-	-	-
Total	2 183 702	2 143 017	1 927 031	2 236 871	0.8%	100.0%	2 367 078	2 507 679	2 596 155	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	32.9%	33.5%	29.7%	32.7%	-	-	33.0%	33.0%	33.2%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1 422	1 818	1 273	360	-36.7%	0.1%	85	90	95	-35.9%	-
Employee social benefits	1 422	1 818	1 273	360	-36.7%	0.1%	85	90	95	-35.9%	-
Households											
Other transfers to households											
Current	12	49	41	40 000	1393.8%	0.5%	-	-	-	-100.0%	0.4%
Claims against the state	12	49	41	-	-100.0%	-	-	-	-	-	-
Avian Influenza	-	-	-	40 000	-	0.5%	-	-	-	-100.0%	0.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	921 456	691 484	694 570	850 232	-2.6%	37.2%	899 554	949 938	1 002 173	5.6%	38.1%
Agricultural Research Council	921 456	691 484	694 570	850 232	-2.6%	37.2%	899 554	949 938	1 002 173	5.6%	38.1%
Capital	107 695	112 649	118 619	124 551	5.0%	5.5%	131 775	139 155	146 809	5.6%	5.6%
Agricultural Research Council	107 695	112 649	118 619	124 551	5.0%	5.5%	131 775	139 155	146 809	5.6%	5.6%
Non-profit institutions											
Current	10 200	10 000	12 100	14 410	12.2%	0.6%	14 410	14 410	15 203	1.8%	0.6%
Deciduous Fruit Producers' Trust	10 000	10 000	12 100	14 410	13.0%	0.5%	14 410	14 410	15 203	1.8%	0.6%
Annual Beef Cattle Improvement Scheme Awards	200	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	127 500	268 400	-	-	-100.0%	4.7%	-	-	-	-	-
Onderstepoort Biological Products	127 500	268 400	-	-	-100.0%	4.7%	-	-	-	-	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	123	176	185	61	-	-	7	7	7	-	-
Vehicle licences	123	176	185	61	-	-	7	7	7	-	-
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	460 625	466 713	491 363	522 139	-	-	552 423	583 359	615 444	-	-
Ilima/Letsema projects grant	460 625	466 713	491 363	522 139	-	-	552 423	583 359	615 444	-	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	162	7	27	-	-	-	-	-	-	-	-
Claims against the state	162	7	27	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.12 Agricultural Production, Health and Food Safety personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018			Number and cost ² of personnel posts filled / planned for on funded establishment												Number			
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
			2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21	
Agricultural Production, Health and Food Safety			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21
Salary level	1 601	175	1 479	537.3	0.4	–	606.7	–	–	631.9	–	–	679.6	–	–	725.2	–	–
1 – 6	579	42	546	72.1	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–
7 – 10	709	–	653	267.0	0.4	–	–	–	–	–	–	–	–	–	–	–	–	–
11 – 12	297	133	263	174.8	0.7	–	–	–	–	–	–	–	–	–	–	–	–	–
13 – 16	16	–	17	23.5	1.4	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	606.7	–	–	631.9	–	–	679.6	–	–	725.2	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Food Security and Agrarian Reform

Programme purpose

Facilitate and promote food security and agrarian reform programmes and initiatives.

Objectives

- Coordinate the implementation of the national policy on food and nutrition security by:
 - providing production inputs such as seeds and fertilisers to increase the number of households benefitting from food production initiatives to 200 000 by March 2021
 - cultivating 360 000 hectares of underutilised land in communal areas and land reform projects for food production by March 2021.
- Improve delivery capacity in support of sustainable growth in the sector by:
 - implementing sector capacity development policies, such as the national agriculture, forestry and fisheries training and education strategy and national policy on extension and advisory services on an ongoing basis
 - facilitating collaborations with commodity organisations to build the capacity of 183 extension practitioners over the medium term.
 - providing strategic leadership and support, such as research, training and extension services to targeted subsistence and smallholder producers in the agriculture, forestry and fisheries sectors by transforming all agricultural colleges into agricultural training institutions by March 2021.
- Coordinate comprehensive support systems and programmes provided to producers by:
 - providing support to 145 000 subsistence and smallholder producers per year
 - supporting the commercialisation of 1 350 smallholder producers by March 2021
 - placing 255 unemployed agricultural graduates in farms annually
 - providing support through access to resources for agribusiness development on an ongoing basis.

Subprogrammes

- *Management* oversees and manages the programme.
- *Food Security* provides national frameworks to promote the sustainable household food security programme by improving the production systems of subsistence and smallholder producers in the agriculture, forestry and fishery sectors; and facilitates the provision of production inputs, tools and infrastructure support.
- *Sector Capacity Development* provides education and training to promote the transformation of colleges of agriculture into centres of excellence. This is achieved by implementing the agriculture, forestry and

fisheries national education and training strategy; promoting the development of agriculture training institutes as centres of excellence; and implementing a coordinated plan to track sector transformation in line with government objectives.

- *National Extension Support Services* develops and coordinates the implementation of national extension policies, and norms and standards on the transfer of technology. This subprogramme also provides strategic leadership and guidance for the planning, coordination and implementation of extension and advisory services in the sector.

Expenditure trends and estimates

Table 24.13 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average Expenditure/Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Management	2 492	4 031	4 657	3 697	14.1%	0.2%	15 429	16 362	17 321	67.3%	0.6%
Food Security	1 037 487	1 270 761	1 250 173	1 342 038	9.0%	66.3%	1 421 960	1 646 796	1 665 423	7.5%	70.2%
Sector Capacity Development	232 811	260 194	247 390	230 898	-0.3%	13.2%	213 700	228 262	246 435	2.2%	10.6%
National Extension Support Services	383 530	371 809	376 796	367 424	-1.4%	20.3%	386 800	413 600	439 931	6.2%	18.6%
Total	1 656 320	1 906 795	1 879 016	1 944 057	5.5%	100.0%	2 037 889	2 305 020	2 369 110	6.8%	100.0%
Change to 2017				(2 707)			2 091	2 210	69 225		
Budget estimate											
Economic classification											
Current payments	214 141	229 267	218 288	266 729	7.6%	12.6%	252 884	270 450	288 847	2.7%	12.5%
Compensation of employees	120 889	131 149	142 588	161 926	10.2%	7.5%	168 470	181 631	194 904	6.4%	8.2%
Goods and services ¹	93 252	98 118	75 700	104 802	4.0%	5.0%	84 413	88 818	93 942	-3.6%	4.3%
of which:											
Communication	1 822	1 973	1 813	2 983	17.9%	0.1%	2 008	2 170	2 257	-8.9%	0.1%
Fleet services (including government motor transport)	2 110	2 006	1 798	1 754	-6.0%	0.1%	1 735	1 878	2 058	5.5%	0.1%
Inventory: Farming supplies	191	1 333	1 906	1 851	113.2%	0.1%	1 750	2 097	2 306	7.6%	0.1%
Travel and subsistence	16 901	18 759	15 865	16 932	0.1%	0.9%	24 039	25 176	26 137	15.6%	1.1%
Training and development	26 673	22 766	29 967	30 881	5.0%	1.5%	32 861	35 060	37 495	6.7%	1.6%
Venues and facilities	2 315	1 193	2 063	882	-27.5%	0.1%	12 000	12 684	13 380	147.5%	0.4%
Interest and rent on land	-	-	-	1	-	-	1	1	1	-	-
Transfers and subsidies¹	1 365 980	1 606 922	1 594 808	1 639 547	6.3%	84.0%	1 746 949	1 994 051	2 037 179	7.5%	85.7%
Provinces and municipalities	1 340 253	1 581 446	1 565 373	1 507 204	4.0%	81.2%	1 595 203	1 810 756	2 002 085	9.9%	79.9%
Departmental agencies and accounts	600	600	600	600	-	-	585	585	584	-0.9%	-
Public corporations and private enterprises	5 464	5 631	5 950	106 247	168.9%	1.7%	126 609	156 979	7 363	-58.9%	4.6%
Households	19 663	19 245	22 885	25 496	9.0%	1.2%	24 552	25 731	27 147	2.1%	1.2%
Payments for capital assets	76 168	70 345	65 532	37 781	-20.8%	3.4%	38 056	40 519	43 084	4.5%	1.8%
Buildings and other fixed structures	41 552	34 308	43 285	35 043	-5.5%	2.1%	34 123	36 553	39 073	3.7%	1.7%
Machinery and equipment	34 193	35 896	22 032	2 699	-57.1%	1.3%	3 933	3 966	4 011	14.1%	0.2%
Biological assets	-	-	184	39	-	-	-	-	-	-100.0%	-
Software and other intangible assets	423	141	31	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	31	261	388	-	-100.0%	-	-	-	-	-	-
Total	1 656 320	1 906 795	1 879 016	1 944 057	5.5%	100.0%	2 037 889	2 305 020	2 369 110	6.8%	100.0%
Proportion of total programme expenditure to vote expenditure	25.0%	29.8%	28.9%	28.4%	-	-	28.4%	30.3%	30.3%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	950	902	1 099	941	-0.3%	0.1%	31	33	35	-66.6%	-
Employee social benefits	950	902	1 099	941	-0.3%	0.1%	31	33	35	-66.6%	-
Households											
Other transfers to households											
Current	18 713	18 343	21 786	24 555	9.5%	1.1%	24 521	25 698	27 112	3.4%	1.2%
Claims against the state	7	2	25	-	-100.0%	-	-	-	-	-	-
Agricultural colleges	788	1 905	1 499	1 800	31.7%	0.1%	1 800	1 900	2 005	3.7%	0.1%
Grootfontein Agricultural Development Institute: Studies	1 391	1 391	1 400	1 500	2.5%	0.1%	1 600	1 690	1 783	5.9%	0.1%
Female entrepreneur of the year awards	600	550	-	1 000	18.6%	-	500	500	528	-19.2%	-
National Student Financial Aid Scheme	15 927	14 495	18 862	19 955	7.8%	0.9%	20 621	21 608	22 796	4.5%	1.0%
Youth in Agriculture, Forestry and Fisheries award ceremony	-	-	-	300	-	-	-	-	-	-100.0%	-

Table 24.13 Food Security and Agrarian Reform expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
Audited outcome						2017/18	2014/15 - 2017/18	2018/19			2019/20
R thousand	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	600	600	600	600	-	-	585	585	584	-0.9%	-
Perishable Products Export Control Board	600	600	600	600	-	-	585	585	584	-0.9%	-
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	5 420	5 622	5 935	106 246	169.6%	1.7%	126 608	156 978	7 362	-58.9%	4.6%
Ncera Farms (Pty) Limited	5 420	5 622	5 935	6 246	4.8%	0.3%	6 608	6 978	7 362	5.6%	0.3%
Land and Agricultural Development Bank of South Africa	-	-	-	100 000	-	1.4%	120 000	150 000	-	-100.0%	4.3%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	315	321	283	329	1.5%	-	328	331	333	0.4%	-
Vehicle licences	315	321	283	329	1.5%	-	328	331	333	0.4%	-
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	1 339 938	1 581 125	1 565 090	1 506 875	4.0%	81.1%	1 594 875	1 810 425	2 001 752	9.9%	79.9%
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	6.2%	59.0%	1 164 766	1 350 209	1 509 021	10.7%	59.3%
Comprehensive agricultural support programme grant: Extension recovery planning services	352 708	343 873	346 149	337 906	-1.4%	18.7%	355 648	380 544	404 881	6.2%	17.1%
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	57 701	69 473	70 826	56 831	-0.5%	3.5%	74 461	79 672	87 850	15.6%	3.5%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	44	9	15	1	-71.7%	-	1	1	1	-	-
Claims against the state	44	8	15	-	-100.0%	-	-	-	-	-	-
Red Meat Industry Forum	-	1	-	1	-	-	1	1	1	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.14 Food Security and Agrarian Reform personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment									Number						
Number of funded posts	Number of posts Additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)					
		2016/17	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21										
Food Security and Agrarian Reform		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Salary level	650	239	606	157.3	0.3	-	177.9	-	-	185.1	-	-	199.2	-	-	213.7	-
1-6	433	233	406	42.8	0.1	-	-	-	-	-	-	-	-	-	-	-	-
7-10	154	1	147	63.7	0.4	-	-	-	-	-	-	-	-	-	-	-	-
11-12	46	3	41	33.3	0.8	-	-	-	-	-	-	-	-	-	-	-	-
13-16	17	2	12	17.5	1.5	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	177.9	-	-	185.1	-	-	199.2	-	-	213.7	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 4: Trade Promotion and Market Access

Programme purpose

Promote economic development, trade and market access for agricultural, forestry and fisheries products; and foster international relations for the sector.

Objectives

- Promote and facilitate market access and the processing of agriculture, forestry and fisheries products by:
 - certifying and accrediting 27 producers of fresh produce for exports through South African good agriculture practices certification and accreditation programme by March 2021
 - providing training to 190 agro-processing entrepreneurs on norms and standards for agro-processing by March 2021
 - monitoring the implementation of the AgriBEE Sector Charter and forest sector code on an ongoing basis.
- Provide technical sector leadership in trade negotiations and implement trade agreements to improve market access by linking producers to high value markets on an ongoing basis.
- Implement the building of national skills capabilities in international market research by providing for the transfer of marketing skills to small and medium agro-processing entrepreneurs by March 2021.
- Implement the comprehensive Africa agriculture development programme by March 2021 by:
 - redrafting and presenting the comprehensive Africa agriculture development programme compact to the economic cluster
 - collecting data and drafting the biannual review report, which will include state-owned entities, commodity groups and some national departments.

Subprogrammes

- Management* oversees and manages the programme.
- International Relations and Trade* facilitates and coordinates international relations and trade through negotiations, and the development and implementation of appropriate policies and programmes.
- Cooperatives and Rural Enterprise Development* facilitates and supports the development of businesses to ensure the transformation of the agriculture, forestry and fisheries sectors.
- Agro-Processing and Marketing* develops and implements support programmes to promote market access and value addition for agriculture, forestry and fisheries products.

Expenditure trends and estimates

Table 24.15 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand											
Management	2 641	3 142	3 271	5 066	24.3%	1.3%	5 300	5 652	6 019	5.9%	1.9%
International Relations and Trade	133 812	113 991	136 460	121 940	-3.0%	45.4%	127 210	135 629	144 519	5.8%	46.6%
Cooperatives and Rural Enterprise Development	112 613	64 289	114 804	70 789	-14.3%	32.5%	74 488	79 098	83 929	5.8%	27.1%
Agro-processing and Marketing	57 934	55 336	55 929	63 911	3.3%	20.9%	66 921	70 915	75 087	5.5%	24.4%
Total	307 000	236 758	310 464	261 706	-5.2%	100.0%	273 919	291 294	309 554	5.8%	100.0%
Change to 2017 Budget estimate				-			(279)	(401)	(1 235)		

Table 24.15 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Current payments	139 395	125 830	139 626	137 650	-0.4%	48.6%	144 568	155 782	166 600	6.6%	53.2%
Compensation of employees	97 826	94 374	106 359	105 779	2.6%	36.2%	110 060	118 308	127 405	6.4%	40.6%
Goods and services	41 569	31 456	33 267	31 871	-8.5%	12.4%	34 508	37 474	39 195	7.1%	12.6%
<i>of which:</i>											
Communication	1 088	1 018	1 368	1 204	3.4%	0.4%	1 297	1 380	1 463	6.7%	0.5%
Agency and support/outsourced services	4 679	1 659	740	2 817	-15.6%	0.9%	8 795	10 170	10 703	56.0%	2.9%
Consumables: Stationery, printing and office supplies	497	619	580	993	25.9%	0.2%	1 313	1 408	1 474	14.1%	0.5%
Operating leases	9 372	5 950	9 250	1 957	-40.7%	2.4%	1 218	2 338	1 804	-2.7%	0.6%
Travel and subsistence	11 507	11 371	11 038	11 584	0.2%	4.1%	13 508	14 570	15 195	9.5%	4.8%
Operating payments	4 969	6 815	6 713	2 862	-16.8%	1.9%	4 215	3 298	3 563	7.6%	1.2%
Transfers and subsidies	166 724	110 309	170 238	123 705	-9.5%	51.2%	128 877	135 165	142 588	4.8%	46.7%
Provinces and municipalities	2	3	2	11	76.5%	-	4	5	5	-23.1%	-
Departmental agencies and accounts	37 830	36 460	35 309	41 917	3.5%	13.6%	43 239	45 660	48 172	4.7%	15.7%
Foreign governments and international organisations	38 784	31 911	42 306	36 637	-1.9%	13.4%	38 466	39 689	41 861	4.5%	13.8%
Public corporations and private enterprises	89 067	40 693	92 398	44 582	-20.6%	23.9%	47 168	49 811	52 550	5.6%	17.1%
Non-profit institutions	-	986	-	300	-	0.1%	-	-	-	-100.0%	-
Households	1 041	256	223	258	-37.2%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	858	610	586	351	-25.8%	0.2%	474	347	366	1.4%	0.1%
Machinery and equipment	858	610	586	351	-25.8%	0.2%	474	347	366	1.4%	0.1%
Payments for financial assets	23	9	14	-	-100.0%	-	-	-	-	-	-
Total	307 000	236 758	310 464	261 706	-5.2%	100.0%	273 919	291 294	309 554	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	4.6%	3.7%	4.8%	3.8%	-	-	3.8%	3.8%	4.0%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1 041	256	215	258	-37.2%	0.2%	-	-	-	-100.0%	-
Employee social benefits	1 041	256	215	258	-37.2%	0.2%	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	-	-	8	-	-	-	-	-	-	-	-
Claims against the state	-	-	8	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	37 830	36 460	35 309	41 917	3.5%	13.6%	43 239	45 660	48 172	4.7%	15.7%
National Agricultural Marketing Council	36 005	34 635	35 005	41 917	5.2%	13.2%	43 239	45 660	48 172	4.7%	15.7%
Small Enterprise Development Agency	1 825	1 825	304	-	-100.0%	0.4%	-	-	-	-	-
Foreign governments and international organisations											
Current	38 784	31 911	42 306	36 637	-1.9%	13.4%	38 466	39 689	41 861	4.5%	13.8%
Consultative Group on International Agricultural Research	7 140	6 375	7 020	7 000	-0.7%	2.5%	7 300	8 400	8 527	6.8%	2.7%
International Union for the Protection of New Varieties of Plants	638	677	789	745	5.3%	0.3%	880	890	980	9.6%	0.3%
Commonwealth Agricultural Bureau International	263	276	337	269	0.8%	0.1%	280	300	350	9.2%	0.1%
International Commission of Agricultural Engineering	32	-	21	20	-14.5%	-	20	20	20	-	-
Food and Agriculture Organisation of the United Nations	24 600	21 029	30 140	24 363	-0.3%	9.0%	24 800	25 500	26 800	3.2%	8.9%
Foreign rates and taxes	329	306	457	411	7.7%	0.1%	593	674	761	22.8%	0.2%
International Fund for Agricultural Development	2 163	-	-	-	-100.0%	0.2%	-	-	-	-	-
International Cotton Advisory Council	769	301	374	285	-28.2%	0.2%	290	300	330	5.0%	0.1%
International Dairy Federation	50	50	50	50	-	-	50	50	50	-	-
International Grains Council	200	215	212	193	-1.2%	0.1%	200	212	250	9.0%	0.1%
International Seed Testing Association	94	97	120	159	19.1%	-	180	200	330	27.6%	0.1%
International Organisation of Vine and Wine	807	789	977	800	-0.3%	0.3%	852	830	880	3.2%	0.3%
World Organisation for Animal Health	1 349	1 624	1 616	1 973	13.5%	0.6%	1 700	1 852	2 000	0.5%	0.7%
Organisation for Economic Cooperation and Development	342	161	183	359	1.6%	0.1%	1 311	450	571	16.7%	0.2%
International Union of Forest Research Organisations	8	11	10	10	7.7%	-	10	11	12	6.3%	-

Table 24.15 Trade Promotion and Market Access expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies											
R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
Non-profit institutions											
Current											
Citrus Growers' Association of Southern Africa	-	986	-	300	-	0.1%	-	-	-	-100.0%	-
Wine and Spirit Board	-	-	-	300	-	-	-	-	-	-100.0%	-
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current											
Land and Agricultural Development Bank of South Africa	85 348	36 762	88 232	40 166	-22.2%	22.4%	42 496	44 876	47 344	5.6%	15.4%
Forest Sector Charter Council	3 708	3 930	4 166	4 416	6.0%	1.5%	4 672	4 935	5 206	5.6%	1.7%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current											
Vehicle licences	2	3	2	11	76.5%	-	4	5	5	-23.1%	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current											
Claims against the state	11	1	-	-	-100.0%	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.16 Trade Promotion and Market Access personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment										Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)			
		2016/17	Unit cost		2017/18	Unit cost		2018/19		2019/20		2020/21				2017/18 - 2020/21		
		Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost	Number	Cost	cost		
Trade Promotion and Market Access																		
Salary level	165	4	151	106.4	0.7	-	105.8	-	-	110.1	-	-	118.3	-	-	127.4	-	-
1-6	19	-	19	3.1	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-
7-10	97	-	89	42.4	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
11-12	30	4	27	24.2	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-
13-16	19	-	16	36.7	2.3	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	105.8	-	-	110.1	-	-	118.3	-	-	127.4	-	-

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 5: Forestry and Natural Resources Management

Programme purpose

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

Objectives

- Ensure increased production and productivity in prioritised areas (Eastern Cape, KwaZulu-Natal, Limpopo, and Mpumalanga) and value chains by replanting 1 650 hectares of unplanted areas by March 2021.
- Lead and coordinate food security initiatives by implementing the agro-forestry strategy framework to contribute towards food security initiatives by March 2021.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources over the medium term by:
 - restoring and rehabilitating 2 550 hectares of state eucalyptus plantations

- restoring and rehabilitating 48 900 hectares
- restoring and rehabilitating 900 hectares of state indigenous forests and woodlands
- implementing 3 projects to support the revitalisation of irrigation schemes.
- Ensure the adaptation and mitigation to climate change through the effective implementation of prescribed frameworks by:
 - implementing and reviewing the climate change mitigation and adaptation plan for agriculture, forestry and fisheries by March 2021
 - monitoring the implementation of the climate smart agriculture strategic framework for agriculture, forestry and fisheries on an ongoing basis.

Subprogrammes

- *Management* oversees and manages the programme.
- *Forestry Operations* ensures sustainable management of state forests and other assets, such as state nurseries, to optimise social and economic benefits in rural areas and promote the sector's growth throughout South Africa.
- *Forestry Oversight and Regulation* provides leadership, advice and direction in the formulation of forestry development and regulation policies, strategies and frameworks; and ensures the effective promotion and development of small-scale and commercial forestry.
- *Natural Resources Management* facilitates the development of infrastructure and the sustainable use of natural resources through an enabling framework for the sustainable management of woodlands and indigenous forests, and the efficient development and revitalisation of irrigation schemes and water use. This subprogramme also facilitates climate change mitigation and adaptation, and risk and disaster management; and promotes, regulates and coordinates the sustainable use of natural resources, particularly land and water.

Expenditure trends and estimates

Table 24.17 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average Expenditure/ Total (%) 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
R thousand											
Management	5 979	25 435	4 782	5 242	-4.3%	1.0%	9 079	9 648	10 237	25.0%	0.8%
Forestry Operations	454 781	440 188	438 833	479 190	1.8%	42.6%	502 197	538 114	575 560	6.3%	50.1%
Forestry Oversight and Regulation	49 336	52 944	52 911	60 188	6.9%	5.1%	59 170	63 120	67 317	3.8%	6.0%
Natural Resources Management	793 549	343 713	581 215	471 062	-16.0%	51.4%	504 677	435 149	394 246	-5.8%	43.1%
Total	1 303 645	862 280	1 077 741	1 015 682	-8.0%	100.0%	1 075 123	1 046 031	1 047 360	1.0%	100.0%
Change to 2017				(1 038)			1 747	1 844	(66 696)		
Budget estimate											
Economic classification											
Current payments	663 663	664 926	866 460	748 586	4.1%	69.1%	787 579	841 083	899 881	6.3%	78.3%
Compensation of employees	491 208	503 672	516 278	554 378	4.1%	48.5%	577 578	621 513	668 123	6.4%	57.9%
Goods and services ¹	172 168	161 254	349 881	192 506	3.8%	20.6%	208 585	218 075	230 181	6.1%	20.3%
<i>of which:</i>											
<i>Agency and support/outsourced services</i>	19 768	17 700	18 205	24 338	7.2%	1.9%	34 297	38 018	39 692	17.7%	3.3%
<i>Fleet services (including government motor transport)</i>	5 334	8 142	6 302	10 112	23.8%	0.7%	10 782	13 001	14 571	12.9%	1.2%
<i>Inventory: Farming supplies</i>	6 462	16 187	217 697	28 617	64.2%	6.3%	31 989	29 795	31 132	2.8%	2.9%
<i>Consumable supplies</i>	25 380	10 927	3 835	9 838	-27.1%	1.2%	9 246	9 903	10 560	2.4%	0.9%
<i>Property payments</i>	20 747	13 516	20 058	34 925	19.0%	2.1%	28 737	29 158	29 843	-5.1%	2.9%
<i>Travel and subsistence</i>	38 654	37 045	33 513	28 774	-9.4%	3.2%	29 290	33 160	36 004	7.8%	3.0%
<i>Interest and rent on land</i>	287	-	301	1 702	81.0%	0.1%	1 416	1 495	1 577	-2.5%	0.1%
Transfers and subsidies¹	593 268	149 955	164 686	224 694	-27.6%	26.6%	242 794	157 185	96 433	-24.6%	17.2%
Provinces and municipalities	562 298	124 337	146 755	213 471	-27.6%	24.6%	234 612	148 676	87 585	-25.7%	16.4%
Departmental agencies and accounts	3 000	3 004	2 000	2 000	-12.6%	0.2%	2 000	2 000	2 000	-	0.2%
Public corporations and private enterprises	29	7	122	-	-100.0%	-	-	-	-	-	-

Table 24.17 Forestry and Natural Resources Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand											
Non-profit institutions	14 162	12 699	4 884	5 415	-27.4%	0.9%	5 646	5 940	6 245	4.9%	0.6%
Households	13 779	9 908	10 925	3 808	-34.9%	0.9%	536	569	603	-45.9%	0.1%
Payments for capital assets	46 690	47 011	46 249	42 402	-3.2%	4.3%	44 750	47 763	51 046	6.4%	4.4%
Buildings and other fixed structures	95	–	2 610	3 399	229.5%	0.1%	3 000	3 000	3 500	1.0%	0.3%
Machinery and equipment	46 595	47 011	43 579	38 882	-5.9%	4.1%	41 735	44 738	47 521	6.9%	4.1%
Biological assets	–	–	–	121	–	–	15	25	25	-40.9%	–
Software and other intangible assets	–	–	60	–	–	–	–	–	–	–	–
Payments for financial assets	24	388	346	–	-100.0%	–	–	–	–	–	–
Total	1 303 645	862 280	1 077 741	1 015 682	-8.0%	100.0%	1 075 123	1 046 031	1 047 360	1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	19.7%	13.5%	16.6%	14.8%	–	–	15.0%	13.8%	13.4%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	13 765	9 609	10 836	3 808	-34.8%	0.9%	536	569	603	-45.9%	0.1%
Employee social benefits	13 765	9 609	10 836	3 808	-34.8%	0.9%	536	569	603	-45.9%	0.1%
Households											
Other transfers to households											
Current	14	299	89	–	-100.0%	–	–	–	–	–	–
Claims against the state	14	299	89	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 000	3 004	2 000	2 000	-12.6%	0.2%	2 000	2 000	2 000	–	0.2%
Communication	–	4	–	–	–	–	–	–	–	–	–
Water Research Commission	3 000	3 000	2 000	2 000	-12.6%	0.2%	2 000	2 000	2 000	–	0.2%
Non-profit institutions											
Current	14 162	12 699	4 884	5 415	-27.4%	0.9%	5 646	5 940	6 245	4.9%	0.6%
Forestry South Africa	6 024	4 418	4 684	4 965	-6.2%	0.5%	5 246	5 540	5 845	5.6%	0.5%
Centre for International Forestry Research	100	–	–	–	-100.0%	–	–	–	–	–	–
Food and Trees for Africa	200	200	200	400	26.0%	–	400	400	400	–	–
Lima Rural Development Foundation	7 838	8 081	–	–	-100.0%	0.4%	–	–	–	–	–
Institute for Commercial Forestry Research	–	–	–	50	–	–	–	–	–	-100.0%	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	700	725	756	796	4.4%	0.1%	804	811	828	1.3%	0.1%
Vehicle licences	200	225	256	196	-0.7%	–	204	211	228	5.2%	–
National Arbor City Awards	500	500	500	600	6.3%	–	600	600	600	–	0.1%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	561 598	123 612	145 999	212 675	-27.7%	24.5%	233 808	147 865	86 757	-25.8%	16.3%
Land care programme grant	67 837	65 011	69 265	73 604	2.8%	6.5%	77 873	82 234	86 757	5.6%	7.7%
Comprehensive agricultural support programme grant:	493 761	58 601	76 734	139 071	-34.4%	18.0%	155 935	65 631	–	-100.0%	8.6%
Disasters: Flood damaged infrastructure	–	–	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	29	7	122	–	-100.0%	–	–	–	–	–	–
Claims against the state	29	7	122	–	-100.0%	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.18 Forestry and Natural Resources Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018		Number and cost ² of personnel posts filled / planned for on funded establishment											Number								
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)						
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21				
Forestry and Natural Resources Management		2 404	–	–	2 052	516.3	0.3	–	554.4	–	–	577.6	–	–	621.5	–	–	668.1	–	–	–
1 – 6	1 862	–	–	–	1 582	264.1	0.2	–	–	–	–	–	–	–	–	–	–	–	–	–	–
7 – 10	463	–	–	–	404	189.6	0.5	–	–	–	–	–	–	–	–	–	–	–	–	–	–
11 – 12	62	–	–	–	52	44.6	0.9	–	–	–	–	–	–	–	–	–	–	–	–	–	–
13 – 16	17	–	–	–	14	18.0	1.3	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	554.4	–	–	577.6	–	–	621.5	–	–	668.1	–	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 6: Fisheries

Programme purpose

Promote the development, management, monitoring and sustainable use of marine living resources and the development of the fisheries sector.

Objectives

- Ensure increased production and productivity in prioritised areas and value chains over the medium term by:
 - supporting 36 Operation Phakisa aquaculture projects
 - conducting 2 new research studies on the reproduction of species used in aquaculture
 - implementing the Aquaculture Development Act.
- Lead and coordinate government food security initiatives over the medium term by:
 - developing sector-specific policies and allocating rights in the abalone sector
 - reviewing policies and application forms for 12 fishing sectors
 - allocating rights to registered small-scale fisheries cooperatives.
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by:
 - developing recovery plans in priority fish stocks, such as abalone and the West Coast rock lobster, by March 2021
 - compiling 2 research reports on the conservation, protection and rehabilitation of fish stocks for 2 sectors, abalone and the West Coast rock lobster, by March 2021
 - conducting 4 500 compliance and enforcement measures in the 6 prioritised fisheries sectors (abalone, the West Coast rock lobster, line fish, deep water hake, pelagic and squid) over the medium term
 - conducting 40 joint operations with partners identified in Operation Phakisa aquaculture initiatives over the medium term
 - conducting 280 investigations on rights and non-rights holders in terms of the Marine Living Resources Act (1998) over the medium term
 - creating 3 481 job opportunities in the Working for Fisheries programme by March 2021.

Subprogrammes

- *Management* oversees and manages the programme.

- *Aquaculture* ensures the growth and economic development of the aquaculture and fisheries industries for sustainable livelihoods by providing public support and an integrated platform for the management of aquaculture.
- *Monitoring Control and Surveillance* ensures the protection, promotion and sustainable use of marine living resources by intensifying enforcement and compliance.
- *Marine Resources Management* ensures the sustainable, equitable and orderly use of and access to marine living resources through improved management and regulation.
- *Fisheries Research and Development* ensures the promotion of the sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.
- *Marine Living Resources Fund* receives transfers for the management and sustainable use of marine living resources to supplement the revenue received from levies on fish and fish products, permits, licences and application fees, as well as proceeds from the sale of confiscated fish and fish products.

Expenditure trends and estimates

Table 24.19 Fisheries expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2014/15 - 2017/18	2018/19		
R thousand											
Management	3 159	2 147	2 809	3 124	-0.4%	0.6%	3 232	3 478	3 739	6.2%	0.7%
Aquaculture	29 952	33 800	40 693	38 454	8.7%	7.7%	39 811	42 837	46 050	6.2%	8.2%
Monitoring Control and Surveillance	78 056	87 169	93 259	86 198	3.4%	18.6%	89 243	96 033	103 235	6.2%	18.3%
Marine Resources Management	19 176	20 341	21 393	22 677	5.7%	4.5%	23 482	25 268	27 161	6.2%	4.8%
Fisheries Research and Development	58 091	63 810	68 177	69 765	6.3%	14.0%	72 310	77 829	83 665	6.2%	14.9%
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	54.6%	259 733	274 278	289 363	3.4%	53.1%
Total	439 765	465 890	468 090	481 884	3.1%	100.0%	487 811	519 723	553 213	4.7%	100.0%
Change to 2017				(300)			(16 643)	(17 575)	(18 542)		
Budget estimate											
Economic classification											
Current payments	188 001	207 014	226 135	219 802	5.3%	45.3%	228 078	245 445	263 850	6.3%	46.9%
Compensation of employees	188 001	207 014	226 135	219 802	5.3%	45.3%	228 078	245 445	263 850	6.3%	46.9%
Transfers and subsidies¹	251 744	258 830	241 914	262 082	1.4%	54.7%	259 733	274 278	289 363	3.4%	53.1%
Departmental agencies and accounts	251 331	258 623	241 759	261 666	1.4%	54.6%	259 733	274 278	289 363	3.4%	53.1%
Households	413	207	155	416	0.2%	0.1%	–	–	–	-100.0%	–
Payments for financial assets	20	46	41	–	-100.0%	–	–	–	–	–	–
Total	439 765	465 890	468 090	481 884	3.1%	100.0%	487 811	519 723	553 213	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	6.6%	7.3%	7.2%	7.0%	–	–	6.8%	6.8%	7.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	340	204	155	416	7.0%	0.1%	–	–	–	-100.0%	–
Employee social benefits	340	204	155	416	7.0%	0.1%	–	–	–	-100.0%	–
Households											
Other transfers to households											
Current	73	3	–	–	-100.0%	–	–	–	–	–	–
Claims against the state	73	3	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	251 331	258 623	241 759	261 666	1.4%	54.6%	259 733	274 278	289 363	3.4%	53.1%
Marine Living Resources Fund	251 331	258 623	241 759	261 666	1.4%	54.6%	259 733	274 278	289 363	3.4%	53.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 24.20 Fisheries personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2018			Number and cost ² of personnel posts filled / planned for on funded establishment												Number			
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
			2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21	
Fisheries			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21
Salary level	585	21	499	226.1	0.5	–	219.8	–	–	228.1	–	–	245.4	–	–	263.9	–	–
1 – 6	108	14	86	22.0	0.3	–	–	–	–	–	–	–	–	–	–	–	–	–
7 – 10	382	6	336	130.3	0.4	–	–	–	–	–	–	–	–	–	–	–	–	–
11 – 12	65	–	51	39.2	0.8	–	–	–	–	–	–	–	–	–	–	–	–	–
13 – 16	30	1	26	34.7	1.3	–	–	–	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	219.8	–	–	228.1	–	–	245.4	–	–	263.9	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entities¹

Agricultural Research Council

Mandate

The Agricultural Research Council was established in terms of the Agricultural Research Act (1990) as the main agricultural research institution in South Africa. In terms of the act, the council's primary mandate is to conduct research and development, and effect the transfer of technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure the conservation of natural resources.

Selected performance indicators

Table 24.21 Agricultural Research Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of peer reviewed scientific publications in crop production per year	Crop production, improvement and protection	Outcome 7: Comprehensive rural development and land reform	110	94	160	87	90	90	90
Number of cultivars registered per year	Crop production, improvement and protection		12	12	5	13	6	6	6
Number of diagnostic and analytical services rendered per year	Crop production, improvement and protection		922	664	741	589	594	594	594
Number of technical reports produced per year	Agro-processing, food technology and safety		– ¹	30	100	25	23	23	23
Number of peer reviewed scientific publications in smallholder agricultural development per year	Smallholder agricultural development		0 ²	4	0 ²	8	8	8	8
Number of smallholder farmers supported per year	Smallholder agricultural development		9 991	1 506	1 577	588	668	668	668
Number of smallholder farmers participating in the Kaonafatso ya Dikgomo animal improvement scheme per year	Smallholder agricultural development		– ³	7 500	8 404	8 500	9 000	9 500	9 500

1. No historical data available.

2. No new discoveries made in these years.

3. Project at pilot stage.

Expenditure analysis

Over the medium term, the Agricultural Research Council intends to focus on the management of natural resources, and research and development. In line with its mandate, the council provides training, transfers technological innovations and shares the knowledge it generates through research with farmers to enhance crop production, animal production and animal health. The council's work is aligned with outcome 4 (decent

¹ This section has been compiled with the latest available information from the entities concerned.

employment through inclusive growth) and outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

The council's total projected expenditure over the MTEF period is R4.5 billion. In this period, the council aims to support 28 000 farmers participating in animal health improvement schemes through developing efficient and cost effective feeding strategies; conduct 1 782 diagnostic and analytical services such as diagnostic research and genetic analysis, and produce 270 peer reviewed scientific publications in natural resource management. In response to the effects of climate change, the council is working on 56 research studies into new cultivars. As such, in each year over the medium term, 6 cultivars in vegetables, grain crops, industrial crops and fruits are to be registered. Through genetic improvement and modification, the crops are made more resistant to drought and are expected to benefit South Africa and the Southern African Development Community.

The work of the council is labour intensive, requiring research and technical experts. As such, compensation of employees is the largest cost driver, accounting for 60.8 per cent (R2.7 billion) of total estimated expenditure over the MTEF period, for 2 063 permanent and contract personnel. Over the medium term, the council intends to explore incentives such as retrenchments, early retirements and voluntary severance packages to reduce fixed costs arising from compensation of employees.

Since 2013/14, the council's transfers from departments have been steadily decreasing in line with budget reductions. To generate more of its own income over the MTEF period, the council intends exploring a variety of collaborations and partnerships in the agriculture industry, and with universities, farmer organisations and communities.

Over the medium term, transfers from the Department of Agriculture, Forestry and Fisheries and the Department of Science and Technology, amounting to R3 billion, comprise 66.2 per cent of the total projected revenue of R4.5 billion. The council generates the remainder of its revenue through sales of publications, analytical and research services, sale of farm products, and rental income.

Programmes/objectives/activities

Table 24.22 Agricultural Research Council expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)			Medium-term expenditure estimate		Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21			
R thousand													
Administration	172 475	170 961	188 009	202 876	5.6%	13.9%	207 620	216 879	226 596	3.8%	14.6%		
Crop production, improvement and protection	292 941	360 494	344 346	373 424	8.4%	25.9%	385 095	401 213	421 830	4.1%	27.0%		
Animal health, improvement and protection	288 865	299 031	309 258	332 187	4.8%	23.2%	342 715	361 657	379 651	4.6%	24.2%		
Natural resource management	175 713	160 305	136 150	138 400	-7.6%	11.5%	152 619	165 704	174 179	8.0%	10.8%		
Mechanisation and engineering	14 293	15 914	18 779	20 133	12.1%	1.3%	20 760	21 673	22 798	4.2%	1.5%		
Agro-processing, food technology and safety	59 735	53 837	57 083	60 520	0.4%	4.4%	62 316	65 092	68 504	4.2%	4.4%		
Smallholder agricultural development	137 245	145 088	148 302	155 498	4.3%	11.1%	161 335	168 574	177 448	4.5%	11.3%		
Agricultural economics and commercialisation	31 089	48 613	53 173	56 441	22.0%	3.6%	58 126	60 711	63 889	4.2%	4.1%		
Training and extension	17 740	25 327	27 092	29 512	18.5%	1.9%	30 496	31 809	33 440	4.3%	2.1%		
Other projects	134 953	37 583	-	-	-100.0%	3.3%	-	-	-	-	-		
Total	1 325 050	1 317 152	1 282 192	1 368 991	1.1%	100.0%	1 421 082	1 493 312	1 568 335	4.6%	100.0%		

Statements of historical financial performance and position

Table 24.23 Agricultural Research Council statements of historical financial performance and position

Statement of financial performance									
	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2014/15		2015/16		2016/17		2017/18		
R thousand									
Revenue									
Non-tax revenue	391 211	439 094	413 627	461 452	445 265	437 970	462 507	432 507	103.4%
Sale of goods and services other than capital assets	364 785	386 471	386 672	411 666	409 871	421 646	434 464	389 231	100.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	364 785	386 471	386 672	411 666	409 871	421 646	434 464	389 231	100.8%
Other non-tax revenue	26 426	52 623	26 955	49 786	35 394	16 325	28 043	43 275	138.7%
Transfers received	956 785	919 261	744 678	787 438	739 464	758 582	882 528	882 528	100.7%
Total revenue	1 347 996	1 358 354	1 158 305	1 248 890	1 184 730	1 196 552	1 345 035	1 315 035	101.6%
Expenses									
Current expenses	1 269 085	1 325 050	1 075 694	1 317 152	1 290 476	1 282 192	1 253 697	1 368 991	108.3%
Compensation of employees	738 854	760 364	779 300	766 937	818 265	744 492	859 178	826 000	96.9%
Goods and services	496 687	517 669	261 394	509 786	431 991	495 153	353 519	498 316	130.9%
Depreciation	33 544	47 017	35 000	40 429	40 220	42 547	41 000	44 675	116.6%
Total expenses	1 269 085	1 325 050	1 075 694	1 317 152	1 290 476	1 282 192	1 253 697	1 368 991	108.3%
Surplus/(Deficit)	78 911	33 305	82 611	(68 262)	(105 746)	(85 640)	91 338	(53 956)	
Statement of financial position									
Carrying value of assets	992 281	944 276	991 821	1 006 377	1 103 978	1 049 150	1 155 689	1 150 689	97.8%
<i>of which:</i>									
<i>Acquisition of assets</i>	(150 384)	(111 104)	(141 028)	(103 313)	(86 987)	(86 590)	(91 338)	(90 338)	83.3%
Investments	2 032	5 262	4 328	5 017	4 328	5 234	4 328	4 328	132.1%
Inventory	13 904	12 416	14 668	7 488	15 402	15 414	16 480	16 480	85.7%
Receivables and prepayments	93 621	121 436	98 771	273 289	151 501	258 451	175 952	175 952	159.5%
Cash and cash equivalents	401 521	508 236	316 856	301 526	187 582	97 373	235 777	9 077	80.2%
Total assets	1 503 358	1 591 626	1 426 444	1 593 697	1 462 791	1 425 621	1 588 226	1 356 526	99.8%
Accumulated surplus/(deficit)	875 841	870 024	888 948	851 121	738 970	765 057	830 308	684 535	95.1%
Capital and reserves	2 368	2 632	2 368	2 632	2 368	2 393	2 368	2 368	105.8%
Capital reserve fund	109 593	111 986	109 593	111 986	111 986	111 986	111 986	111 986	101.1%
Deferred income	192 597	192 597	192 597	138 062	192 597	132 893	192 597	192 597	85.2%
Trade and other payables	247 970	275 184	163 868	375 768	348 798	328 905	379 040	293 113	111.7%
Taxation	-	12 788	-	5 713	-	5 320	-	-	-
Provisions	74 989	126 415	69 071	108 416	68 072	79 067	71 927	71 927	135.8%
Total equity and liabilities	1 503 358	1 591 626	1 426 445	1 593 697	1 462 791	1 425 621	1 588 226	1 356 526	99.8%

Statements of estimates of financial performance and position

Table 24.24 Agricultural Research Council statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R thousand								
Revenue								
Non-tax revenue	432 507	-0.5%	34.7%	488 969	509 167	530 204	7.0%	33.8%
Sale of goods and services other than capital assets	389 231	0.2%	31.6%	456 031	475 038	494 665	8.3%	31.3%
<i>of which:</i>								
<i>Sales by market establishment</i>	389 231	0.2%	31.6%	456 031	475 038	494 665	8.3%	31.3%
Other non-tax revenue	43 275	-6.3%	3.1%	32 938	34 129	35 539	-6.4%	2.5%
Transfers received	882 528	-1.4%	65.3%	932 113	984 145	1 038 130	5.6%	66.2%
Total revenue	1 315 035	-1.1%	100.0%	1 421 082	1 493 312	1 568 334	6.0%	100.0%
Expenses								
Current expenses	1 368 991	1.1%	100.0%	1 421 082	1 493 311	1 568 334	4.6%	100.0%
Compensation of employees	826 000	2.8%	58.5%	867 301	910 666	956 199	5.0%	60.8%
Goods and services	498 316	-1.3%	38.2%	508 215	536 166	565 656	4.3%	36.0%
Depreciation	44 675	-1.7%	3.3%	45 566	46 479	46 479	1.3%	3.1%
Total expenses	1 368 991	1.1%	100.0%	1 421 082	1 493 311	1 568 334	4.6%	100.0%
Surplus/(Deficit)	(53 956)			-	-	-		
Statement of financial position								
Carrying value of assets	1 150 689	6.8%	70.2%	1 201 487	1 256 275	1 317 936	4.6%	86.7%
<i>of which:</i>								
<i>Acquisition of assets</i>	(90 338)	-6.7%	-6.5%	(95 906)	(102 077)	(107 661)	6.0%	-7.0%
Investments	4 328	-6.3%	0.3%	4 328	4 570	4 328	-	0.3%
Inventory	16 480	9.9%	0.9%	16 480	17 403	18 969	4.8%	1.2%
Receivables and prepayments	175 952	13.2%	14.0%	163 952	152 412	162 288	-2.7%	11.6%
Cash and cash equivalents	9 077	-73.9%	14.6%	-	-	-	-100.0%	0.2%
Total assets	1 356 526	-5.2%	100.0%	1 386 247	1 430 660	1 503 521	3.5%	100.0%

Table 24.24 Agricultural Research Council statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2014/15 - 2017/18	2018/19		
R thousand								
Accumulated surplus/(deficit)	684 535	-7.7%	53.0%	684 535	684 535	684 535	-	48.3%
Capital and reserves	2 368	-3.5%	0.2%	2 368	2 501	2 376	0.1%	0.2%
Capital reserve fund	111 986	-	7.5%	111 986	111 986	111 986	-	7.9%
Borrowings	-	-	-	72 667	128 236	189 418	-	6.7%
Deferred income	192 597	0.0%	11.1%	112 597	102 597	92 597	-21.7%	8.9%
Trade and other payables	293 113	2.1%	21.4%	333 812	330 113	354 523	6.5%	23.1%
Provisions	71 927	-17.1%	6.4%	68 282	70 692	68 086	-1.8%	4.9%
Total equity and liabilities	1 356 526	-5.2%	100.0%	1 386 247	1 430 660	1 503 521	3.5%	100.0%

Personnel information**Table 24.25 Agricultural Research Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number								
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)							
		2016/17		2017/18		2018/19		2019/20		2020/21		2017/18 - 2020/21										
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Agricultural Research Council		3 297	3 297		3 169	744.5	0.2	3 297	826.0	0.3	3 297	867.3	0.3	3 297	910.7	0.3	3 297	956.2	0.3	5.0%	100.0%	
Salary level																						
1 – 6	2 063	2 063	1 963	174.0	0.1	2 063	204.5	0.1	2 063	214.7	0.1	2 063	225.4	0.1	2 063	236.7	0.1	2 063	236.7	0.1	5.0%	62.6%
7 – 10	1 071	1 071	1 043	416.9	0.4	1 071	458.7	0.4	1 071	481.7	0.4	1 071	505.8	0.5	1 071	531.1	0.5	1 071	531.1	0.5	5.0%	32.5%
11 – 12	117	117	117	93.0	0.8	117	98.5	0.8	117	103.5	0.9	117	108.7	0.9	117	114.1	1.0	117	114.1	1.0	5.0%	3.5%
13 – 16	44	44	44	55.2	1.3	44	58.6	1.3	44	61.5	1.4	44	64.6	1.5	44	67.8	1.5	44	67.8	1.5	5.0%	1.3%
17 – 22	2	2	2	5.3	2.7	2	5.7	2.8	2	6.0	3.0	2	6.3	3.1	2	6.6	3.3	2	6.6	3.3	5.0%	0.1%

1. Rand million.

Marine Living Resources Fund**Mandate**

The Marine Living Resources Fund was established in terms of the Marine Living Resources Act (1998). The fund's mandate and core business is to manage the development and sustainable use of South Africa's marine resources, and to protect the integrity and quality of the marine ecosystem. The fund also ensures fair and equitable access to South Africa's marine resources for the benefit of all citizens.

Selected performance indicators**Table 24.26 Marine Living Resources Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
Number of jobs opportunities created in the Working for Fisheries programme per year	Administration	Outcome 4: Decent employment through inclusive growth	1 250	658 ¹	1 189	558 ¹	1 155	1 159	1 167
Number of aquaculture catalyst projects supported under Operation Phakisa per year	Aquaculture and economic development	Outcome 7: Comprehensive rural development and land reform	10	4	5	4	4	3	3
Number of aquaculture research projects conducted per year	Aquaculture and economic development		1	2	2	2	2	2	2
Number of enforcement and compliance inspections in 4 prioritised fisheries sectors (deep water hake, abalone, West Coast rock lobster and line fish) per year	Monitoring, compliance and surveillance		5 548	5 566	6 095	4 548	4 500	4 500	4 500

1. Decreases in targets are as a result of decreases in allocations from the expanded public works programme.

Expenditure analysis

Over the medium term, the Marine Living Resources Fund intends to focus on supporting catalytic projects in aquaculture through Operation Phakisa; developing the aquaculture sector; conducting research on the reproduction of certain aquaculture species; and leading and coordinating food security initiatives relating to abalone. The fund's work aims to support outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 10 (protect and enhance our environmental assets and natural resources) of government's 2014-2019 medium-term strategic framework.

Vessel operating costs amounting to R545.5 million account for the bulk of the fund's total expenditure over the MTEF period. These costs are expected to increase as a result of greater collaboration with partners such as South African Revenue Service, fishing companies, supporting Operation Phakisa aquaculture initiatives, and increased marine investigations conducted in terms of the Marine Living Resources Act (1998) to reduce poaching.

Over the medium term, R112.8 million is allocated to support compliance and enforcement measures including determining the legality of fish used in processing plants, verifying import and export documents, and reconciling catches to determine whether fishing rights holders exceed allocations in the 6 priority fisheries sectors (hake, abalone, rock lobster, line fish, pelagic and squid).

The expanded public works programme projects in the Working for Fisheries programme are expected to increase due to increased rights allocated to registered small-scale fisheries, fisheries patrols and fish stock research initiatives. The Working for Fisheries projects are expected to receive allocations amounting to R250.5 million over the medium term. Through the maintenance and repair of slipways project, general beach cleaning in and around the harbor project, and the anti-poaching project, it is anticipated that 3 481 work opportunities will be created over MTEF period in the Working for Fisheries programme.

The fund's total expenditure over the medium term is expected to be R1.5 billion. This includes spending on Working for Fisheries projects, which accounts for 16.7 per cent (R250.5 million) of the spending. The fund expects to derive 64.2 per cent (R904.4 million) of its total revenue over the medium term through transfers from the department. Own revenue of R658.8 million is expected to be generated through levies on fish and fish products, application fees, licences and permit fees, fines and confiscations, harbour fees, and fees related to the granting of rights.

Programmes/objectives/activities

Table 24.27 Marine Living Resources Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administration	129 687	110 383	127 561	153 497	5.8%	28.3%	161 600	166 570	175 565	4.6%	34.0%
Marine resources management	14 520	36 557	40 508	48 708	49.7%	7.6%	51 321	51 321	54 092	3.6%	10.6%
Aquaculture and economic development	17 747	31 037	30 797	24 687	11.6%	5.6%	26 011	26 012	27 417	3.6%	5.4%
Marine resources research	153 019	151 690	116 574	108 104	-10.9%	28.6%	114 113	118 737	125 149	5.0%	24.1%
Monitoring, compliance and surveillance	134 069	154 285	148 996	115 742	-4.8%	29.9%	122 195	127 595	134 485	5.1%	25.9%
Total	449 042	483 952	464 436	450 738	0.1%	100.0%	475 240	490 235	516 708	4.7%	100.0%

Statements of historical financial performance and position

Table 24.28 Marine Living Resources Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	2014/15		2015/16		2016/17		2017/18		2014/15-2017/18
Revenue									
Non-tax revenue	140 000	145 019	149 450	164 222	185 462	175 508	188 772	154 634	96.3%
Sale of goods and services other than capital assets	108 000	131 354	103 500	151 522	130 129	161 610	133 726	122 234	119.2%
<i>of which:</i>									
Administrative fees	108 000	104 246	103 500	112 889	130 129	115 819	133 726	122 234	95.8%
Other sales	–	27 108	–	38 633	–	45 791	–	–	–
Other non-tax revenue	32 000	13 665	45 950	12 700	55 333	13 898	55 046	32 400	38.6%
Transfers received	251 331	297 905	350 737	301 090	303 518	231 788	261 966	322 966	98.8%
Total revenue	391 331	442 924	500 187	465 312	488 980	407 296	450 738	477 600	97.9%
Expenses									
Current expenses	391 331	449 042	500 187	483 952	488 980	464 436	450 738	450 738	100.9%
Goods and services	361 331	418 154	468 687	454 950	456 980	437 122	418 738	418 738	101.4%
Depreciation	30 000	30 888	31 500	29 002	32 000	27 314	32 000	32 000	95.0%
Total expenses	391 331	449 042	500 187	483 952	488 980	464 436	450 738	450 738	100.9%
Surplus/(Deficit)	–	(6 118)	–	(18 640)	–	(57 140)	–	26 862	
Statement of financial position									
Carrying value of assets	411 205	389 282	364 834	362 963	340 834	339 862	317 834	317 834	98.3%
<i>of which:</i>									
Acquisition of assets	(14 000)	(3 149)	(7 050)	(2 893)	(8 000)	(4 257)	(9 000)	(9 000)	50.7%
Inventory	–	30 895	20 895	42 218	10 895	54 620	895	895	393.5%
Receivables and prepayments	14 065	27 590	20 000	24 552	15 000	10 912	10 000	10 000	123.7%
Cash and cash equivalents	66 000	162 836	80 868	162 656	113 868	159 452	145 868	145 868	155.1%
Total assets	491 270	610 603	486 597	592 389	480 597	564 846	474 597	474 597	116.0%
Accumulated surplus/(deficit)	474 883	462 420	462 422	443 782	462 422	462 422	462 422	462 422	98.3%
Capital reserve fund	–	1 845	1 345	1 652	845	1 776	345	345	221.6%
Deferred income	1 387	118 008	–	94 359	–	118 380	–	–	23 846.2%
Trade and other payables	15 000	28 330	22 830	52 596	17 330	74 725	11 830	11 830	250.0%
Total equity and liabilities	491 270	610 603	486 597	592 389	480 597	657 303	474 597	474 597	120.8%

Statements of estimates of financial performance and position

Table 24.29 Marine Living Resources Fund statements of estimates of financial performance and position

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
Revenue								
Non-tax revenue	154 634	2.2%	35.9%	215 507	215 957	227 345	13.7%	41.4%
Sale of goods and services other than capital assets	122 234	-2.4%	31.9%	135 032	121 020	140 947	4.9%	26.5%
<i>of which:</i>								
Administrative fees	122 234	5.4%	25.5%	114 820	121 020	140 947	4.9%	25.4%
Other sales	–	-100.0%	6.4%	20 212	–	–	–	1.1%
Other non-tax revenue	32 400	33.3%	4.0%	80 475	94 937	86 397	38.7%	15.0%
Transfers received	322 966	2.7%	64.1%	259 733	274 278	289 363	-3.6%	58.6%
Total revenue	477 600	2.5%	100.0%	475 240	490 235	516 708	2.7%	100.0%
Expenses								
Current expenses	450 738	0.1%	100.0%	475 240	490 235	516 708	4.7%	100.0%
Goods and services	418 738	0.0%	93.5%	442 241	457 236	481 927	4.8%	93.1%
Depreciation	32 000	1.2%	6.5%	32 999	32 999	34 781	2.8%	6.9%
Total expenses	450 738	0.1%	100.0%	475 240	490 235	516 708	4.7%	100.0%
Surplus/(Deficit)	26 862			–	–	–		
Statement of financial position								
Carrying value of assets	317 834	-6.5%	63.0%	294 834	304 960	321 428	0.4%	63.7%
<i>of which:</i>								
Acquisition of assets	(9 000)	41.9%	-0.9%	(10 000)	(10 000)	(10 540)	5.4%	-2.0%
Inventory	895	-69.3%	5.5%	–	–	–	-100.0%	0.0%
Receivables and prepayments	10 000	-28.7%	3.2%	5 000	5 400	5 692	-17.1%	1.3%
Cash and cash equivalents	145 868	-3.6%	28.3%	168 918	178 377	188 009	8.8%	34.9%
Total assets	474 597	-8.1%	100.0%	468 752	488 737	515 129	2.8%	100.0%
Accumulated surplus/(deficit)	462 422	0.0%	79.6%	462 422	481 737	–	-100.0%	73.7%
Capital reserve fund	345	-42.8%	0.2%	–	–	–	-100.0%	0.0%
Trade and other payables	11 830	-25.3%	6.8%	6 330	7 000	7 378	-14.6%	26.3%
Total equity and liabilities	474 597	-8.1%	100.0%	468 752	488 737	7 378	-75.0%	100.0%

National Agricultural Marketing Council

Mandate

The National Agricultural Marketing Council was established in terms of section 3 and section 4 of the Marketing of Agricultural Products Act (1996), as amended. The council is mandated to: investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; evaluate the desirability, necessity or efficiency of statutory measures; and, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and report to and advise the minister accordingly.

Selected performance indicators

Table 24.30 National Agricultural Marketing Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of trade research reports published per year	Markets and economic research centre	Outcome 7: Comprehensive rural development and land reform	1	0 ¹	4	1	1	1	1
Number of agro-food chain academic journal articles published per year	Markets and economic research centre		15	16	2	2 ²	2 ²	2 ²	2 ²
Number of statutory measures status reports published per year	Statutory measures		30	32	4	35	35	35	35
Number of supply and demand estimates committee reports published per year	Statutory measures		10	2	10	10	12	15	15
Number of training reports on trustee capacity development published per year	Agricultural trusts		1	1	1	1	1	1	1
Number of agricultural markets schemes trust and grain farmer development trust reports published per year	Agricultural trusts		2	2	2	2	2	2	2
Number of livestock auctions facilitated per year	Agribusiness development		6	1	6	6	7	8	8
Number of agricultural marketing training programmes facilitated per year	Agribusiness development		4	1	4	4	4	4	4
Number of agricultural development schemes designed per year	Agribusiness development		0	0	1	1	1	1	1

1. Target not achieved in this year.

2. Targets revised down as indicator now focuses on academic journal articles published.

Expenditure analysis

Over the medium term, the National Agricultural Marketing Council intends to focus on increasing market access for agricultural producers, marketing agricultural products, optimising export earnings from agricultural products, and enhancing the viability of the agricultural sector. This is in line with outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

Spending on support to smallholder farmers, agricultural development schemes and advisory services to the Minister of Agriculture, Forestry and Fisheries and other industry stakeholders such as agricultural commodity organisations and corporations is expected to amount to R56.2 million over the MTEF period. Of this, R12.9 million is earmarked for facilitating 12 agricultural marketing training programmes and linking smallholder farmers to markets through 3 agricultural development schemes: the vineyard development scheme, the national red meat development scheme and the agribusiness development scheme.

Over the MTEF period, the council is expected to spend R8.6 million on making the marketing of agricultural products more efficient and in line with 105 statutory measures, promoting market access for agricultural products, supporting measures increasing export earnings and, when required, controlling the export of agricultural products.

The council plans to spend R42.1 million on knowledge management and publications, including the development of an agricultural information management system. Publications include research and food price

monitoring reports that cover topics such as trade and agro-food chains. Because they are based on credible research, these publications are cited widely in the media and inform decision-making by stakeholders, such as farmers and agricultural associations.

The council's work is labour intensive as it provides marketing, economic research and advisory services. As a result, the bulk of the expenditure over the medium term is expected to be on compensation of employees, which has an allocation of R90.5 million over the medium term.

The council receives all of its revenue through transfers from the department, which is expected to amount to R136.5 million over the medium term.

Programmes/objectives/activities

Table 24.31 National Agricultural Marketing Council expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2014/15	2015/16	2016/17		2017/18	2014/15 - 2017/18	2018/19	2019/20	2020/21		
Administration	20 929	23 120	24 262	21 389	0.7%	39.1%	22 033	23 276	23 942	3.8%	50.8%
Markets and economic research centre	14 926	15 142	16 230	12 665	-5.3%	25.5%	13 174	13 916	14 698	5.1%	30.5%
Statutory measures	2 458	2 394	2 290	2 549	1.2%	4.3%	2 602	2 743	2 905	4.5%	6.1%
Agricultural trusts	11 892	1 239	1 500	1 439	-50.5%	7.2%	1 425	1 500	1 595	3.5%	3.3%
Agribusiness development	5 432	19 719	35 936	3 875	-10.6%	24.0%	4 005	4 225	4 414	4.4%	9.3%
Total	55 637	61 614	80 218	41 917	-9.0%	100.0%	43 239	45 660	47 554	4.3%	100.0%

Statements of historical financial performance and position

Table 24.32 National Agricultural Marketing Council statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
	Budget	2014/15	Budget	2015/16	Budget	2016/17	2017/18	2017/18	
Revenue									
Non-tax revenue	900	1 940	-	2 841	-	4 926	-	-	1 078.6%
Other non-tax revenue	900	1 940	-	2 841	-	4 926	-	-	1 078.6%
Transfers received	36 005	55 135	34 635	59 296	35 005	75 231	41 917	41 917	156.9%
Total revenue	36 905	57 075	34 635	62 137	35 005	80 157	41 917	41 917	162.5%
Expenses									
Current expenses	36 905	55 637	34 635	61 614	35 005	80 218	41 917	41 917	161.2%
Compensation of employees	24 760	28 586	24 144	29 727	24 762	24 762	26 881	26 881	109.4%
Goods and services	11 400	26 277	9 745	30 015	9 490	52 963	14 145	14 145	275.6%
Depreciation	707	736	706	1 832	711	2 451	847	847	197.4%
Interest, dividends and rent on land	38	38	40	40	42	42	44	44	100.0%
Total expenses	36 905	55 637	34 635	61 614	35 005	80 218	41 917	41 917	161.2%
Surplus/(Deficit)	-	1 438	-	523	-	(61)	-	-	
Statement of financial position									
Carrying value of assets	1 600	6 542	2 993	6 119	6 394	6 965	6 573	7 250	153.1%
of which:									
Acquisition of assets	(109)	(447)	(245)	(245)	(127)	(127)	(512)	(512)	134.0%
Inventory	28	86	52	1 281	1 300	2 505	1 375	1 500	195.0%
Receivables and prepayments	262	5 287	486	8 041	471	756	455	455	868.5%
Cash and cash equivalents	2 100	36 521	1 575	66 935	1 500	75 667	1 500	1 500	2 706.0%
Total assets	3 990	48 436	5 106	82 376	9 665	85 893	9 903	10 705	793.4%
Accumulated surplus/(deficit)	1 542	3 571	2 133	5 360	4 943	4 034	4 636	4 636	132.8%
Finance lease	155	60	300	11	323	112	332	100	25.5%
Deferred income	300	43 297	722	71 404	2 500	-	3 000	3 000	1 804.7%
Trade and other payables	1 993	1 371	1 743	5 521	1 672	2 400	1 688	1 500	152.1%
Provisions	-	-	-	-	-	748	-	-	-
Derivatives financial instruments	-	137	208	80	227	78 599	247	1 469	11 772.0%
Total equity and liabilities	3 990	48 436	5 106	82 376	9 665	85 893	9 903	10 705	793.4%

Statements of estimates of financial performance and position

Table 24.32 National Agricultural Marketing Council statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate				2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand	2017/18	2014/15 - 2017/18						
Revenue								
Transfers received	41 917	-8.7%	96.5%	43 239	45 660	47 554	4.3%	100.0%
Total revenue	41 917	-9.8%	100.0%	43 239	45 660	47 554	4.3%	100.0%
Expenses								
Current expenses	41 917	-9.0%	100.0%	43 239	45 660	47 554	4.3%	100.0%
Compensation of employees	26 881	-2.0%	48.7%	28 490	30 085	31 890	5.9%	65.7%
Goods and services	14 145	-18.7%	48.9%	13 805	14 578	14 519	0.9%	32.0%
Depreciation	847	4.8%	2.3%	898	948	1 100	9.1%	2.1%
Interest, dividends and rent on land	44	5.0%	0.1%	46	49	45	0.8%	0.1%
Total expenses	41 917	-9.0%	100.0%	43 239	45 660	47 554	4.3%	100.0%
Surplus/(Deficit)	-			-	-	-		
Statement of financial position								
Carrying value of assets	7 250	3.5%	24.2%	7 420	7 665	8 090	3.7%	66.4%
<i>of which:</i>								
Acquisition of assets	(512)	4.6%	-1.5%	(575)	(607)	(600)	5.4%	-5.0%
Inventory	1 500	159.3%	4.7%	1 600	1 650	1 675	3.7%	14.0%
Receivables and prepayments	455	-55.8%	6.5%	510	575	675	14.1%	4.8%
Cash and cash equivalents	1 500	-65.5%	64.7%	1 650	1 800	1 850	7.2%	14.8%
Total assets	10 705	-39.5%	100.0%	11 180	11 690	12 290	4.7%	100.0%
Accumulated surplus/(deficit)	4 636	9.1%	15.5%	4 203	4 100	4 250	-2.9%	37.6%
Finance lease	100	18.6%	0.3%	253	245	175	20.5%	1.7%
Deferred income	3 000	-58.9%	51.0%	3 500	4 000	4 100	11.0%	31.7%
Trade and other payables	1 500	3.0%	6.6%	1 650	2 175	2 260	14.6%	16.4%
Derivatives financial instruments	1 469	120.5%	26.4%	1 574	1 170	1 505	0.8%	12.5%
Total equity and liabilities	10 705	-39.5%	100.0%	11 180	11 690	12 290	4.7%	100.0%

Personnel information

Table 24.33 National Agricultural Marketing Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment											Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)		
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21	
		Number	Unit cost	Cost	Number	Unit cost	Cost	Number	Unit cost	Cost	Number	Unit cost	Cost	Number	Unit cost	Cost	
National Agricultural Marketing Council																	
Salary level	60	60	60	24.8	0.4	60	26.9	0.4	60	28.5	0.5	60	30.1	0.5	60	31.9	0.5
1 – 6	27	27	27	1.0	0.0	27	1.1	0.0	27	1.1	0.0	27	1.2	0.0	27	1.2	0.0
7 – 10	21	21	21	10.2	0.5	21	11.1	0.5	21	11.8	0.6	21	12.4	0.6	21	13.2	0.6
11 – 12	5	5	5	4.5	0.9	5	4.9	1.0	5	5.2	1.0	5	5.5	1.1	5	5.8	1.2
13 – 16	6	6	6	7.1	1.2	6	7.7	1.3	6	8.2	1.4	6	8.7	1.4	6	9.2	1.5
17 – 22	1	1	1	1.9	1.9	1	2.1	2.1	1	2.2	2.2	1	2.3	2.3	1	2.5	2.5

1. Rand million.

Ncera Farms

Mandate

Ncera Farms is a schedule 3B public company, with the Department of Agriculture, Forestry and Fisheries as its sole shareholder. The company's mandate is to provide extension, mechanical services, and training and agricultural support services to the farmers settled on Ncera farmland and neighbouring communities.

Selected performance indicators

Table 24.34 Ncera Farms performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of equipment maintained or repaired per year	Ensure that the workshop runs effectively and efficiently	Outcome 7: Comprehensive rural development and land reform	1	1	1	1	1	1	1
Number of trucks repaired or maintained per year	Ensure that the workshop runs effectively and efficiently		1	2	2	2	2	2	2
Number of tractors repaired or maintained per year	Ensure that the workshop runs effectively and efficiently		5	8	4	4	4	4	4
Number of villages assisted with mechanisation services per year	Ensure that the workshop runs effectively and efficiently		-1	9	9	9	9	9	9

1. No historical data available.

Expenditure analysis

Ncera Farms is in the process of being liquidated, with its remaining assets and responsibility for its employees expected to be transferred to the Agricultural Research Council by the end of 2018/19. However, farming activities are expected to continue while the liquidation process is under way.

The project was set up to provide training and other assistance for smallholder farmers in the local communities and supports 1 800 people living and working the Ncera farmland. Through assisting the surrounding agricultural communities to produce food sustainably, Ncera Farms aims to contribute to outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

Over the medium term, 9 nearby communities are expected to be supported through the production of 750 boxes of tomatoes and 750 boxes of green peppers per year over the medium term. It is expected that an estimated 20 young bulls will be distributed every year over the MTEF period to farmers on the Ncera farmland and in surrounding communities. The farm's activities are labour intensive, as such, about 85.8 per cent (R18.3 million) of its budget over the MTEF period is allocated to spending on the compensation of its 33 employees. The remainder, amounting to R3 million, is for the maintenance of livestock.

Operations are expected to be funded through transfers from the department amounting to R6.6 million in 2018/19, R7 million in 2019/20 and R7.4 million in 2020/21. Additional revenue of R499 000, accounting for about 2 per cent of total revenue, is expected to be generated from the sale of vegetables and fees Ncera charges for ploughing the fields of local farmers and surrounding communities.

Programmes/objectives/activities

Table 24.35 Ncera Farms expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17		2014/15 - 2017/18	2017/18	2018/19	2019/20	2020/21		
Administration	5 709	5 527	5 835	6 291	3.3%	98.4%	6 656	6 980	7 329	5.2%	98.4%
Ensure that the workshop runs effectively and efficiently	35	30	32	33	-1.9%	0.5%	35	37	39	5.7%	0.5%
Produce and sell vegetables to the market and locally, and support five villages with ploughing	14	25	26	28	26.0%	0.4%	29	31	33	5.6%	0.4%
Produce healthy livestock for breeding	41	40	42	44	2.4%	0.7%	46	49	51	5.0%	0.7%
Total	5 799	5 622	5 935	6 396	3.3%	100.0%	6 766	7 096	7 452	5.2%	100.0%

Statements of historical financial performance and position

Table 24.36 Ncera Farms statements of historical financial performance and position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18
Revenue									
Non-tax revenue	8	560	132	256	216	216	150	150	233.6%
Sale of goods and services other than capital assets	–	134	122	231	204	204	136	136	152.6%
<i>of which:</i>									
<i>Sales by market establishment</i>	–	134	122	231	204	204	136	136	152.6%
Other non-tax revenue	8	426	10	25	12	12	14	14	1 084.1%
Transfers received	3 620	5 420	5 622	5 622	5 935	5 935	6 246	6 246	108.4%
Total revenue	3 628	5 980	5 754	5 878	6 151	6 151	6 396	6 396	111.3%
Expenses									
Current expenses	3 621	5 799	5 754	6 681	5 935	5 935	6 396	6 396	114.3%
Compensation of employees	3 137	4 430	5 092	5 317	5 083	5 083	5 439	5 439	108.1%
Goods and services	410	1 170	662	1 364	852	852	957	957	150.7%
Depreciation	74	199	–	–	–	–	–	–	268.9%
Total expenses	3 621	5 799	5 754	6 681	5 935	5 935	6 396	6 396	114.3%
Surplus/(Deficit)	7	181	–	(803)	216	216	–	–	
Statement of financial position									
Carrying value of assets	2 100	2 778	1 900	2 688	1 911	2 699	1 883	1 883	128.9%
<i>of which:</i>									
<i>Acquisition of assets</i>	–	(4)	(12)	(1)	(30)	(30)	(10)	(10)	85.6%
Inventory	950	6	1 022	5	1 047	6	1 100	1 100	27.1%
Cash and cash equivalents	–	1 666	436	1 205	450	964	460	460	319.1%
Taxation	–	16	–	17	–	15	–	–	–
Total assets	3 050	4 466	3 358	3 915	3 408	3 684	3 443	3 443	117.0%
Accumulated surplus/(deficit)	(52 153)	(51 152)	(54 556)	(57 440)	(58 581)	(63 592)	(62 807)	(62 807)	103.0%
Capital and reserves	55 133	55 094	57 504	60 716	61 529	66 651	65 755	65 755	103.5%
Trade and other payables	70	58	10	21	20	302	35	35	308.1%
Provisions	–	464	400	618	440	323	460	460	143.5%
Total equity and liabilities	3 050	4 464	3 358	3 915	3 408	3 684	3 443	3 443	116.9%

Statements of estimates of financial performance and position

Table 24.37 Ncera Farms statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)	
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21		
Revenue									
Non-tax revenue	150	-35.5%	4.9%	158	166	175	5.3%	2.3%	
Sale of goods and services other than capital assets	136	0.5%	2.9%	142	150	158	5.1%	2.1%	
<i>of which:</i>									
<i>Sales by market establishment</i>	136	0.5%	2.9%	142	150	158	5.1%	2.1%	
Other non-tax revenue	14	-68.0%	2.0%	16	16	17	6.7%	0.2%	
Transfers received	6 246	4.8%	95.1%	6 608	6 978	7 362	5.6%	97.7%	
Total revenue	6 396	2.3%	100.0%	6 766	7 144	7 537	5.6%	100.0%	
Expenses									
Current expenses	6 396	3.3%	100.0%	6 766	7 096	7 452	5.2%	100.0%	
Compensation of employees	5 439	7.1%	81.7%	5 820	6 111	6 417	5.7%	85.8%	
Goods and services	957	-6.5%	17.5%	946	985	1 035	2.6%	14.2%	
Total expenses	6 396	3.3%	100.0%	6 766	7 096	7 452	5.2%	100.0%	
Surplus/(Deficit)	–			–	48	85			
Statement of financial position									
Carrying value of assets	1 883	-12.2%	64.7%	1 700	1 650	1 815	-1.2%	50.5%	
<i>of which:</i>									
<i>Acquisition of assets</i>	(10)	35.7%	-0.3%	(10)	(10)	(12)	6.3%	-0.3%	
Inventory	1 100	468.1%	8.1%	1 200	1 250	1 375	7.7%	35.2%	
Cash and cash equivalents	460	-34.9%	26.9%	480	502	552	6.3%	14.3%	
Total assets	3 443	-8.3%	100.0%	3 380	3 402	3 742	2.8%	100.0%	
Accumulated surplus/(deficit)	(62 807)	7.1%	-1 540.9%	(67 033)	(74 007)	(81 369)	9.0%	-2 039.3%	
Capital and reserves	65 755	6.1%	1 626.0%	69 931	76 905	84 591	8.8%	2 125.0%	
Trade and other payables	35	-15.5%	2.8%	–	–	–	-100.0%	0.3%	
Provisions	460	-0.3%	12.1%	482	504	520	4.2%	14.1%	
Total equity and liabilities	3 443	-8.3%	100.0%	3 380	3 402	3 742	2.8%	100.0%	

Personnel information

Table 24.38 Ncera Farms personnel numbers and cost by salary level

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost
Ncera Farms	33	33	33	5.1	0.2	33	5.4	0.2	33	5.8	0.2	33	6.1	0.2	33	6.4	0.2	5.7%	100.0%
Salary level																			
1 – 6	27	27	27	1.7	0.1	27	1.8	0.1	27	1.9	0.1	27	2.0	0.1	27	2.1	0.1	5.0%	81.8%
7 – 10	4	4	4	1.0	0.3	4	1.2	0.3	4	1.3	0.3	4	1.4	0.4	4	1.5	0.4	8.1%	12.1%
13 – 16	2	2	2	2.4	1.2	2	2.5	1.2	2	2.6	1.3	2	2.7	1.4	2	2.9	1.4	5.0%	6.1%

1. Rand million.

Onderstepoort Biological Products

Mandate

Onderstepoort Biological Products was established as a public company in terms of the Onderstepoort Biological Products Incorporation Act (1999), with government as the sole shareholder. The company's mandate is to prevent and control animal diseases that affect food security, human health and livelihoods through the continued development and efficient manufacturing of innovative pharmaceutical products, including vaccines and related products.

Selected performance indicators

Table 24.39 Onderstepoort Biological Products performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of new markets developed and maintained per year	Marketing and distribution	Outcome 7: Comprehensive rural development and land reform	-1	2	2	2	6	6	6
Number of products and processes per year	Research and development		-1	3	2	5	3	3	3
Number of new generation products per year	Research and development		-1	-1	-1	2	-2	-2	-2
Number of modern technologies developed per year	Research and development		-1	1	1	1	2	2	2
Number of training sessions for smallholder farmers and technicians facilitated per year	Government support		-1	22	22	22	22	22	22
Number of emerging farmers association projects to support the smallholder and emerging farmers per year	Government support		-1	3	3	3	3	3	3

1. No historical data available.

2. No new generation products will be produced over the medium term.

Expenditure analysis

Over the medium term, Onderstepoort Biological Products intends to focus on the development and manufacturing of vaccines and other products to prevent and control animal diseases, and maintain the reserve stock of vaccines to be used in the event of an outbreak of disease among animals. The company's work is in line with outcome 7 (comprehensive rural development and land reform) of government's 2014-2019 medium-term strategic framework.

The bulk of the company's expenditure over the medium term is expected to be on the procurement of materials for the production of vaccines. The company plans to spend R6.8 million to provide training to 66 smallholder farmers on vaccinations and general animal health, and support government programmes such as World Food Day and Farmer's Day, which target smallholder farmers through sponsorships to encourage them to produce quality livestock, thus contributing to food security and effective animal health.

Spending on compensation of employees is expected to increase over the MTEF period, from R60.4 million in 2017/18 to R94.9 million in 2020/21, as its staff complement is expected to increase from 199 in 2017/18 to 217 in 2020/21, to expand the production and the sales teams.

The company's total expenditure over the medium term is projected to be R937.6 billion, accounting for 78 per cent (R1.9 billion) of total revenue over the same period. The company generates its revenue from the sale of its vaccine products. Total revenue is expected to increase at an average annual rate of 32.8 per cent over the MTEF period, from R187.8 million in 2017/18 to R440.7 million in 2020/21. This is mainly due to the anticipated securing of 6 new markets (the Southern African Development Community, rest of the African continent, the European Union, the Middle East, India, and South America), improvements in production, and greater availability of vaccines to local smallholder farmers.

Upgrades to the company's vaccine production facility began in 2013/14. The second and final phase of this project, with a budget of R268 million over the medium term, entails the construction of a new vaccine facility, the installation of production and packaging equipment, and conversion to new production technology. These activities are expected to improve vaccine production yields, making it possible for the organisation to respond quickly to disease outbreaks while being able to provide commercial and smallholder farmers with the required vaccines. The tender process is at an advanced stage, with construction expected to start in 2018/19.

Programmes/objectives/activities

Table 24.40 Onderstepoort Biological Products expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2017/18	Average growth rate (%) 2014/15 - 2017/18	Average: Expenditure/Total (%) 2014/15 - 2017/18	Medium-term expenditure estimate			Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21		
Administration	125 494	116 634	122 344	127 696	0.6%	94.5%	265 724	274 315	301 729	33.2%	90.1%
Government and stakeholder support	-	500	550	605	-	0.3%	2 785	2 950	3 097	72.3%	0.8%
Marketing and distribution	-	2 549	2 625	6 350	-	2.1%	14 635	15 513	16 444	37.3%	4.9%
Research and development	-	5 012	5 162	5 317	-	2.9%	12 703	13 465	14 273	39.0%	4.2%
Government support	-	200	220	242	-	0.1%	-	-	-	-100.0%	0.0%
Total	125 494	124 895	130 901	140 210	3.8%	100.0%	295 847	306 243	335 543	33.8%	100.0%

Statements of historical financial performance and position

Table 24.41 Onderstepoort Biological Products statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/Budget (%) 2014/15-2017/18
	Budget	2014/15	Budget	2015/16	Budget	2016/17	Budget estimate	2017/18	
Revenue									
Non-tax revenue	135 485	108 741	125 406	125 406	175 127	175 127	187 845	187 845	95.7%
Sale of goods and services other than capital assets	125 000	81 714	97 527	97 527	144 781	144 781	156 363	156 363	91.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	125 000	81 714	97 527	97 527	144 781	144 781	156 363	156 363	91.7%
Other non-tax revenue	10 485	27 027	27 879	27 879	30 346	30 346	31 482	31 482	116.5%
Transfers received	144 104	-	268 400	268 400	-	-	-	-	65.1%
Total revenue	279 589	110 382	395 529	395 529	175 127	175 127	187 845	187 845	83.7%
Expenses									
Current expenses	125 746	125 494	124 895	124 895	130 901	130 901	140 210	140 210	100.0%
Compensation of employees	52 295	50 782	53 760	53 760	57 005	57 005	60 446	60 446	99.3%
Goods and services	64 005	65 351	60 929	60 929	63 384	63 384	68 937	68 937	100.5%
Depreciation	9 446	9 361	10 206	10 206	10 512	10 512	10 827	10 827	99.8%
Total expenses	125 746	125 494	124 895	124 895	130 901	130 901	140 210	140 210	100.0%
Surplus/(Deficit)	153 843	(15 112)	270 634	270 634	44 226	44 226	47 635	47 635	
Statement of financial position									
Carrying value of assets	363 315	145 351	620 718	620 718	618 605	618 605	644 692	644 692	90.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	(127 500)	(159 768)	(268 400)	(268 400)	-	-	-	-	108.2%
Inventory	23 445	26 834	24 617	24 617	25 848	25 848	24 814	24 814	103.4%
Receivables and prepayments	13 087	18 975	13 741	13 741	14 428	14 428	11 543	11 543	111.2%
Cash and cash equivalents	200 355	216 184	339 648	339 648	233 816	233 816	159 906	159 906	101.7%
Total assets	600 202	407 345	998 725	998 725	892 697	892 697	840 955	840 955	94.2%

Table 24.41 Onderstepoort Biological Products statements of historical financial performance and position

Statement of financial position										Average: Outcome/ Budget (%)	
	Budget		Audited outcome		Budget		Audited outcome		Budget estimate	Revised estimate	2014/15-2017/18
R thousand	2014/15		2015/16		2016/17		2017/18		2017/18		
Accumulated surplus/(deficit)	177 047	125 033	192 853	192 853	210 273	210 273	228 658	228 658		93.6%	
Capital and reserves	1	1	1	1	1	1	1	1		100.0%	
Capital reserve fund	25 335	249 359	23 094	23 094	24 249	24 249	21 824	21 824		337.1%	
Deferred income	369 653	21 333	753 202	753 202	613 813	613 813	541 675	541 675		84.7%	
Trade and other payables	25 506	11 619	26 781	26 781	40 172	40 172	44 189	44 189		89.8%	
Provisions	2 660	-	2 793	2 793	4 190	4 190	4 608	4 608		81.3%	
Total equity and liabilities	600 202	407 345	998 724	998 724	892 697	892 697	840 955	840 955		94.2%	

Statements of estimates of financial performance and position**Table 24.42 Onderstepoort Biological Products statements of estimates of financial performance and position**

Statement of financial performance										Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)		
R thousand	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21			
Revenue										
Non-tax revenue	187 845	20.0%	82.6%	382 447	402 335	440 053	32.8%	100.0%		
Sale of goods and services other than capital assets	156 363	24.1%	66.1%	320 000	352 000	387 200	35.3%	85.6%		
<i>of which:</i>										
Sales by market establishment	156 363	24.1%	66.1%	320 000	352 000	387 200	35.3%	85.6%		
Other non-tax revenue	31 482	5.2%	16.4%	62 447	50 335	52 853	18.9%	14.4%		
Total revenue	187 845	19.4%	100.0%	382 447	402 335	440 053	32.8%	100.0%		
Expenses										
Current expenses	140 210	3.8%	100.0%	295 847	306 243	335 543	33.8%	100.0%		
Compensation of employees	60 446	6.0%	42.5%	78 542	87 826	94 852	16.2%	31.7%		
Goods and services	68 937	1.8%	49.6%	205 261	204 952	226 418	48.6%	63.2%		
Depreciation	10 827	5.0%	7.8%	12 044	13 465	14 273	9.6%	5.1%		
Total expenses	140 210	3.8%	100.0%	295 847	306 243	335 543	33.8%	100.0%		
Surplus/(Deficit)	47 635			86 600	96 092	104 510				
Statement of financial position										
Carrying value of assets	644 692	64.3%	60.9%	676 927	717 542	753 419	5.3%	76.7%		
Inventory	24 814	-2.6%	3.7%	26 055	27 618	28 999	5.3%	3.0%		
Receivables and prepayments	11 543	-15.3%	2.3%	12 120	12 847	13 489	5.3%	1.4%		
Cash and cash equivalents	159 906	-9.6%	33.1%	167 901	177 975	186 874	5.3%	19.0%		
Total assets	840 955	27.3%	100.0%	883 003	935 983	982 782	5.3%	100.0%		
Accumulated surplus/(deficit)	228 658	22.3%	25.2%	240 092	254 497	-	-100.0%	20.4%		
Capital and reserves	1	-	0.0%	-	-	-	-100.0%	0.0%		
Capital reserve fund	21 824	-55.6%	17.2%	22 915	24 290	24 290	3.6%	2.6%		
Deferred income	541 675	193.9%	53.5%	568 759	602 884	879 180	17.5%	70.7%		
Trade and other payables	44 189	56.1%	3.8%	46 399	49 183	74 183	18.8%	5.8%		
Provisions	4 608	-	0.3%	4 839	5 129	5 129	3.6%	0.5%		
Total equity and liabilities	840 955	27.3%	100.0%	883 003	935 983	982 782	5.3%	100.0%		

Personnel information**Table 24.43 Onderstepoort Biological Products personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2016/17			2017/18			2018/19		2019/20		2020/21				2017/18 - 2020/21		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Onderstepoort Biological Products																			
Salary level	199	239	199	57.0	0.3	199	60.4	0.3	217	78.5	0.4	217	87.8	0.4	217	94.9	0.4	16.2%	100.0%
1-6	100	157	100	12.3	0.1	100	12.8	0.1	100	15.1	0.2	100	16.8	0.2	100	18.2	0.2	12.4%	47.1%
7-10	85	67	85	32.0	0.4	85	34.1	0.4	103	47.9	0.5	103	53.5	0.5	103	57.8	0.6	19.3%	46.3%
11-12	6	6	6	4.1	0.7	6	4.4	0.7	6	5.0	0.8	6	5.6	0.9	6	6.1	1.0	11.6%	2.8%
13-16	8	9	8	8.6	1.1	8	9.2	1.1	8	10.6	1.3	8	11.8	1.5	8	12.8	1.6	11.6%	3.8%

1. Rand million.

Perishable Products Export Control Board

Mandate

The Perishable Products Export Control Board is an independent service provider of quality assurance, food safety and cold chain management services for producers and exporters of perishable food products. It is mandated by government in terms of the Perishable Products Export Control Act (1983), which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports; and the Agricultural Products Standards Act (1990), which broadly requires the board to monitor the minimum quality standards of perishable exports as required by government and bilateral agreements with importing countries.

Selected performance indicators

Table 24.44 Perishable Products Export Control Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Number of mobile devices issued to inspectors carrying out their duties per year	Administration	Outcome 5: A skilled and capable workforce to support an inclusive growth path	150	250	300	350	400	400	400
Number of consignment notes inspected per year	Statutory operations	Outcome 6: An efficient, competitive and responsive economic infrastructure network	420	420	420	450	450	450	450
Number of depot and port audits undertaken per year	Statutory operations		40	40	40	40	45	45	45
Number of students trained in the agri-export technologist programme who are successfully placed per year	Development	Outcome 5: A skilled and capable workforce to support an inclusive growth path	25	25	24	35	40	45	45

Expenditure analysis

The Perishable Products Export Control Board offers inspections and certification for perishable produce destined for the export market. Over the medium term, the board intends to focus on delivering statutory services such as the inspection of perishable goods, and promoting food safety by testing for hazardous agents such as mycotoxins, pesticide residues and genetically modified foods. Through these activities, the board contributes to outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework.

The board plans to carry out the following activities in each year over the MTEF period: 45 depot and port audits and 454 analytical tests for mycotoxin residues; fats analysis; dairy testing; maximum residue level testing of pesticides in products including grain, animal feed, fruit, vegetables, cereals, peanut butter and spices that effect human and animal health; and inspections covering a volume of 294 million perishable products based on a 6 million volume inspection sample will also be done.

The board's expenditure is expected to increase at an average annual rate of 4.9 per cent, from R350.6 million in 2017/18 to R404.7 million in 2020/21. As the board's work is labour intensive, compensation of employees accounts for 71.5 per cent of the board's total expenditure over the medium term. Spending on compensation of employees is expected to increase from R249 million in 2017/18 to R290.5 million in 2020/21.

The board's revenue is expected to increase at an average annual rate of 4.6 per cent, from R364.2 million in 2017/18 to R416.9 million in 2020/21, with the agri-export technologist programme expected to receive R585 000 per year over the medium term from the department to train and place 130 interns as agri-export technologists.

Programmes/objectives/activities

Table 24.45 Perishable Products Export Control Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	61 671	76 241	83 371	92 408	14.4%	25.4%	104 301	104 405	104 510	4.2%	26.1%
Statutory operations	170 616	185 632	209 899	224 464	9.6%	64.2%	250 135	252 337	254 861	4.3%	63.1%
Harmonisation programme	10 410	12 028	13 674	10 448	0.1%	3.8%	11 820	11 938	12 057	4.9%	3.0%
Laboratory and food safety services	13 285	16 141	17 059	20 012	14.6%	5.4%	27 925	28 204	28 486	12.5%	6.7%
Development	5 792	1 578	3 907	3 256	-17.5%	1.2%	4 772	4 804	4 833	14.1%	1.1%
Total	261 775	291 619	327 909	350 589	10.2%	100.0%	398 953	401 688	404 747	4.9%	100.0%

Statements of historical financial performance and position

Table 24.46 Perishable Products Export Control Board statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%)
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2014/15 - 2017/18	
	2014/15	2015/16	2015/16	2016/17	2016/17	2017/18	2017/18	2017/18	2014/15 - 2017/18	
Revenue										
Non-tax revenue	247 220	251 485	285 019	285 019	324 855	324 855	363 496	363 573	100.4%	
Sale of goods and services other than capital assets	241 866	246 082	278 548	278 548	318 791	318 791	357 060	357 137	100.4%	
<i>of which:</i>										
Administrative fees	241 866	246 082	278 548	278 548	318 791	318 791	357 060	357 137	100.4%	
Other non-tax revenue	5 354	5 404	6 471	6 471	6 065	6 065	6 436	6 436	100.2%	
Transfers received	600	600	600	600	600	600	600	600	100.0%	
Total revenue	247 820	252 085	285 619	285 619	325 455	325 455	364 096	364 173	100.4%	
Expenses										
Current expenses	224 092	261 775	291 619	291 619	327 909	327 909	350 589	350 589	103.2%	
Compensation of employees	144 566	176 688	157 718	157 718	232 576	232 576	241 253	248 989	105.1%	
Goods and services	75 950	81 512	127 767	127 767	88 680	88 680	102 708	95 363	99.5%	
Depreciation	3 565	3 565	5 776	5 776	6 141	6 141	6 104	5 794	98.6%	
Interest, dividends and rent on land	10	10	357	357	512	512	524	443	94.2%	
Total expenses	224 092	261 775	291 619	291 619	327 909	327 909	350 589	350 589	103.2%	
Surplus/(Deficit)	23 729	(9 689)	(6 000)	(6 000)	(2 454)	(2 454)	13 506	13 585		
Statement of financial position										
Carrying value of assets	23 174	22 746	22 746	22 746	26 178	26 178	27 732	32 012	103.9%	
<i>of which:</i>										
Acquisition of assets	(4 500)	(4 599)	(4 912)	(6 716)	(4 706)	(9 751)	(4 809)	(4 809)	136.7%	
Investments	43 979	41 762	42 757	42 757	38 178	38 178	39 232	46 710	103.2%	
Receivables and prepayments	27 253	32 548	34 566	34 566	34 985	34 985	36 613	46 335	111.3%	
Cash and cash equivalents	39 751	25 017	26 569	26 569	19 940	19 940	20 364	48 358	112.4%	
Total assets	134 157	122 074	126 638	126 638	119 281	119 281	123 941	173 415	107.4%	
Accumulated surplus/(deficit)	(9 801)	(9 689)	(6 000)	(6 000)	(2 454)	(2 454)	13 506	13 506	97.6%	
Capital and reserves	14 772	17 647	17 647	17 647	17 147	17 147	14 147	14 147	104.5%	
Capital reserve fund	72 098	74 859	75 608	75 608	78 118	78 118	60 089	60 089	101.0%	
Trade and other payables	42 781	29 283	28 990	28 990	20 473	19 433	30 280	75 566	125.1%	
Provisions	10 425	9 974	10 393	10 393	7 037	7 037	7 680	10 107	105.6%	
Total equity and liabilities	130 275	122 074	126 638	126 638	120 321	119 281	125 702	173 415	107.6%	

Statements of estimates of financial performance and position

Table 24.47 Perishable Products Export Control Board statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21		
Revenue									
Non-tax revenue	363 573	13.1%	99.8%	407 647	411 782	416 277	4.6%	99.9%	
Sale of goods and services other than capital assets	357 137	13.2%	97.8%	401 479	405 494	409 549	4.7%	98.2%	
<i>of which:</i>									
Administrative fees	357 137	13.2%	97.8%	401 479	405 494	409 549	4.7%	98.2%	
Other non-tax revenue	6 436	6.0%	2.0%	6 168	6 288	6 729	1.5%	1.6%	
Transfers received	600	-	0.2%	585	585	584	-0.9%	0.1%	
Total revenue	364 173	13.0%	100.0%	408 232	412 367	416 861	4.6%	100.0%	

Table 24.47 Perishable Products Export Control Board statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2017/18	2014/15 - 2017/18		2018/19	2019/20	2020/21	2017/18 - 2020/21	
R thousand								
Expenses								
Current expenses	350 589	10.2%	100.0%	398 953	401 688	404 747	4.9%	100.0%
Compensation of employees	248 989	12.1%	65.9%	285 710	288 076	290 465	5.3%	71.5%
Goods and services	95 363	5.4%	32.3%	105 791	106 445	107 105	3.9%	26.7%
Depreciation	5 794	17.6%	1.7%	6 739	6 468	6 481	3.8%	1.6%
Interest, dividends and rent on land	443	251.9%	0.1%	714	699	695	16.2%	0.2%
Total expenses	350 589	10.2%	100.0%	398 953	401 688	404 747	4.9%	100.0%
Surplus/(Deficit)	13 585			9 279	10 679	12 114		
Statement of financial position								
Carrying value of assets	32 012	12.1%	19.3%	32 332	32 655	32 982	1.0%	18.5%
<i>of which:</i>								
<i>Acquisition of assets</i>	<i>(4 809)</i>	<i>1.5%</i>	<i>-5.0%</i>	<i>(5 088)</i>	<i>(5 189)</i>	<i>(5 241)</i>	<i>2.9%</i>	<i>-2.9%</i>
Investments	46 710	3.8%	31.7%	47 177	47 649	48 126	1.0%	26.9%
Receivables and prepayments	46 335	12.5%	27.5%	46 798	47 266	47 739	1.0%	26.7%
Cash and cash equivalents	48 358	24.6%	21.5%	48 842	49 330	49 824	1.0%	27.9%
Total assets	173 415	12.4%	100.0%	175 149	176 901	178 670	1.0%	100.0%
Accumulated surplus/(deficit)	13 506	-211.7%	-1.7%	17 944	18 841	-	-100.0%	7.2%
Capital and reserves	14 147	-7.1%	12.7%	14 147	14 854	-	-100.0%	6.2%
Capital reserve fund	60 089	-7.1%	55.3%	49 543	52 020	-	-100.0%	23.1%
Trade and other payables	75 566	37.2%	26.7%	83 306	80 875	168 256	30.6%	57.8%
Provisions	10 107	0.4%	7.0%	10 208	10 311	10 414	1.0%	5.8%
Total equity and liabilities	173 415	12.4%	100.0%	175 149	176 901	178 670	1.0%	100.0%

Personnel information**Table 24.48 Perishable Products Export Control Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2018		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost			2020/21		Unit cost
Perishable Products Export Control Board		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18 - 2020/21	
Salary level	508	505	232.6	0.5	-	249.0	-	511	285.7	0.6	513	288.1	0.6	515	290.5	0.6	5.3%	-
1-6	54	53	5.8	0.1	-	6.2	-	55	7.1	0.1	56	7.2	0.1	57	7.2	0.1	5.3%	-
7-10	362	360	202.5	0.6	-	216.9	-	364	248.8	0.7	365	250.9	0.7	366	253.0	0.7	5.3%	-
11-12	81	81	17.9	0.2	-	19.2	-	81	22.0	0.3	81	22.2	0.3	81	22.4	0.3	5.3%	-
13-16	11	11	6.4	0.6	-	6.8	-	11	7.8	0.7	11	7.9	0.7	11	7.9	0.7	5.3%	-

1. Rand million.

Additional tables

Table 24.A Summary of conditional grants to provinces and municipalities¹

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Conditional grants to provinces							
Agricultural Production, Health and Food Safety							
Ilima/Letsema projects grant	460 625	466 713	491 363	522 139	552 423	583 359	615 444
Food Security and Agrarian Reform							
Comprehensive agricultural support programme grant: Infrastructure	929 529	1 167 779	1 148 115	1 112 138	1 164 766	1 350 209	1 509 021
Comprehensive agricultural support programme grant: Extension recovery planning services	352 708	343 873	346 149	337 906	355 648	380 544	404 881
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	57 701	69 473	70 826	56 831	74 461	79 672	87 850
Forestry and Natural Resources Management							
Land care programme grant	67 837	65 011	69 265	73 604	77 873	82 234	86 757
Comprehensive agricultural support programme grant: Disasters: Flood damaged infrastructure	493 761	58 601	76 734	139 071	155 935	65 631	–
Total	2 362 161	2 171 450	2 202 452	2 241 689	2 381 106	2 541 649	2 703 953

1. Detail provided in the Division of Revenue Act (2018).

Table 24.B Summary of expenditure on infrastructure

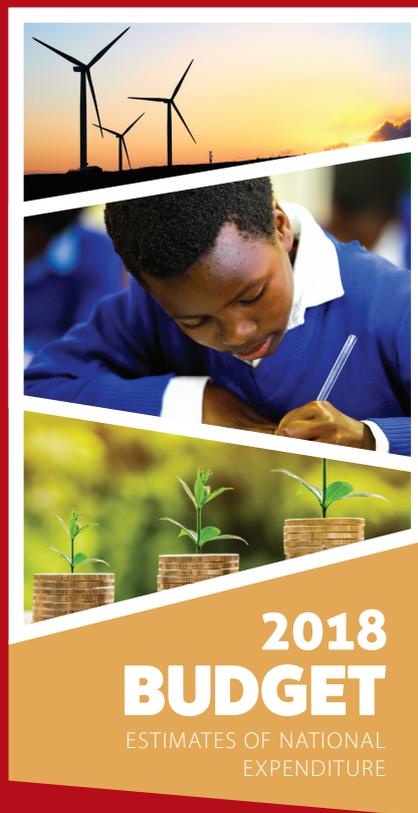
Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate		
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Departmental infrastructure										
Small projects (total project cost of less than R250 million over the project life cycle)										
R thousand										
Drilling of boreholes	Siting, drilling and testing of boreholes for small-scale farmers identified in priority projects by provinces	Various	200 000	10 578	8 938	9 225	9 553	9 755	10 551	11 235
Foot-and-mouth disease border fence	Repairs and construction of foot-and-mouth disease fences in priority areas identified by the animal health directorate	Various	250 000	29 492	25 428	24 190	25 490	24 368	26 002	27 838
KwaZulu-Natal: Durban	Site-clearance	Feasibility	1 7663	133	-	-	-	-	-	-
Various	New guard house	Construction	-	-	682	-	-	-	-	-
Uppington (051539)	Upgrade of offices and storerooms and construction of evaporation pan and laboratory	Feasibility	8 384	-	-	-	1 884	-	-	-
Various	Upgrade of offices	Construction	-	-	24	-	-	-	-	-
Grootfontein Agricultural Development Institute	Minor upgrade and repairs of institute	Handed over	1 870	100	-	-	-	-	-	-
Western Cape: Cape Town	Building of sniffer dog kennels	Feasibility	7 687	-	-	-	1 000	-	-	-
Gauteng: Pretoria reception (051541)	Upgrade of reception areas at: Agriculture Place, Harvest House and Seifala	Design	2 052	-	78	-	-	-	-	-
Limpopo: Mutale municipal district (052459)	Construction of a seed bank: Mutale (Project on-hold pending the finalisation of site-clearance for construction)	On hold	4 367	200	-	-	1 311	1 100	1 106	1 167
Eastern Cape: Sterkspruit	Construction of a seed bank: Mthatha (Project on-hold pending the finalisation of site-clearance for construction)	On hold	4 380	50	-	113	500	3 300	530	559
Western Cape: Stellenbosch (plant health laboratory)	Alterations of Polka Draai Road entrance in terms of traffic regulations	On hold	1 000	-	-	-	400	-	-	-
Mpumalanga: Skukuza alterations (052069)	Upgrade of existing buildings and laboratories	Design	6 739	131	2 318	1 575	-	-	-	-
Western Cape: Stellenbosch	Upgrade of electrical substation	Construction	392	-	392	-	-	-	-	-
Gauteng: Harvest House (052143)	Revamping of the parking area at Harvest House	Design	2 603	400	72	76	1 931	-	-	-
Western Cape: Cape Town	Design and construction of minor capital projects along South Africa's coastline	Design	1 150	400	250	-	-	-	-	-
KwaZulu-Natal: Durban	Construction of an animal quarantine station	Design	48 666	3 038	2 019	985	9 536	-	-	-
Western Cape: Stellenbosch lab (052777)	Upgrade and maintenance of building and laboratory facility (glasshouses and tunnels)	Design	24 398	2 588	104	138	3 000	3 405	-	-
Western Cape: Cape Town coastline (052552)	Repairs and maintenance of fisheries harbours along the coastline	Design	2 326	-	-	-	1 000	-	-	-

Table 24.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2017/18	Medium-term expenditure estimate			
				2014/15	2015/16	2016/17		2018/19	2019/20	2020/21	
R thousand											
Western Cape: Stellenbosch (054896)	Rehabilitation of two irrigation dams including repairs of dam wall	Site identification	152	-	-	-	-	50	50	52	
Western Cape: Stellenbosch (054896)	Rehabilitation of two irrigation dams including repairs of dam wall	Identification	100	-	-	100	-	-	-	-	
Western Cape: Stellenbosch sewerage (054350)	Upgrade of sewerage system	Pre-feasibility	270	-	-	270	-	-	-	-	
Gauteng: Maizeboard (042079)	Maizeboard: Repairs and Maintenance : Status Quo	Construction	60	-	58	-	-	-	-	-	
Gauteng: Rodeplaat plant genetic centre (052805)	Upgrade of Plant Genetic Centre: Rodeplaat	Complete	3 505	100	88	317	3 000	-	-	-	
Western Cape: Milnerton	Upgrade of animal quarantine station	Complete	4 700	-	-	-	200	4 000	-	-	
Eastern Cape: Grootfontein Agricultural Development Institute (053304)	Upgrade of infrastructure at Grootfontein Agriculture Development Institute	Feasibility	29 755	-	570	7	3 000	6 264	19 215	20 271	
Eastern Cape: Sterkspruit (052458)	Site clearance of seed bank at Sterkspruit	Feasibility	636	-	23	-	-	-	-	-	
Gauteng: Sefala Roof (052387)	Sefala building replacement of roof water proofing structures	Construction	3 355	-	-	1 851	3 355	-	-	-	
Gauteng: Maizeboard (044038)	Maizeboard: Repairs and Maintenance : Status Quo	Hand over	690	-	-	-	280	200	210	222	
Sectoral Colleges	Upgrading	Identification	386	-	-	9 870	-	-	-	-	
Woodlands	Upgrading	Identification	110	-	-	-	-	-	-	-	
Prevention and mitigation of disasters	Building of water reservoirs	Identification	8 410	-	-	2 610	3 000	3 000	3 000	3 500	
Prevention and mitigation of disasters	Drilling of boreholes	Construction	399	-	-	-	399	-	-	-	
Upgrade of laboratory - Stellenbosch FSQA	Upgrade of laboratory - Stellenbosch FSQA	Construction	-	-	-	-	-	-	2 000	-	
Upgrade of laboratory - Pretoria FSQA	Upgrade of laboratory - Pretoria FSQA	Construction	-	-	-	-	-	-	6 500	-	
Comprehensive agricultural support programme grant: Flood damaged infrastructure	Repairs of damaged infrastructure and soil rehabilitation	On-going	1 844 972	493 761	58 601	76 734	139 071	155 936	65 631	-	
Onderstepoort Biological Products	Building and facilitation of vaccine production	On-going	492 400	127 500	268 400	-	-	-	-	-	
Small projects (total project cost of less than R250 million over the project life cycle)											
Agriculture Research Council: Maintenance of infrastructure	Maintenance of building (for research and development)	On-going	120 267	15 492	16 205	17 064	17 917	18 956	20 018	21 119	
Total			3 093 844	683 963	383 544	145 461	226 197	230 334	154 813	85 963	

Table 24.C Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate			
							2014/15	2015/16	2016/17		2017/18	2018/19	2019/20	2020/21
R thousand Foreign In cash														
National Research Foundation	South Africa-Germany research cooperation programme	Fisheries	36 months	300	Departmental agencies and accounts	Research into ocean acidification from increased levels of carbon dioxide	-	-	-	-	-	-	-	-
United States Agency for International Development	Response of vegetation, soil, animals and water cycle to different management regimes: Victoria Falls area, Zimbabwe	Agricultural Production, Health and Food Safety	48 months	555	Public corporations and private enterprises	Running and administrative costs	115	258	-	32	-	-	-	-
Bioversity International	Conservation and use of crop wild relatives in 3 African, Caribbean and Pacific countries (European Union Cooperation Programme in Science and Technology in African, Caribbean and Pacific countries)	Agricultural Production, Health and Food Safety	12 months	935	Goods and services	Running and administrative costs	373	172	509	84	-	-	-	-
Australia	High quality markets and value chains for small-scale and emerging beef farmers in SA	Agricultural Production, Health and Food Safety	42 months	12 000	Departmental agencies and accounts	Identify, modify and develop market systems and value chains available for small-scale and emerging beef farmers in South Africa	-	-	4 681	3 071	-	-	-	-
Bioversity International	"Farmers seed systems and community seed banks in South Africa: a baseline study of selected sites"	Agricultural Production, Health and Food Safety	5 months	360	Goods and services	Running and administrative costs and training	-	-	-	360	-	-	-	-
Local In cash														
Department of Trade and Industry	Smallholder establishment programme	Food Security and Agrarian Reform	36 months	27 070	Goods and services	Establishment of a new commercially oriented smallholder farmer programme	2 169	-	-	-	-	-	-	-
Total				41 220			2 657	430	5 190	3 547	-	-	-	-



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