

# VOTE 11

## DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

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To be appropriated by vote in 2016/17	R 777 853 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering Department	Department of Agriculture and Rural Development
Accounting Officer	Head of Department

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### 1. OVERVIEW

#### Vision

An economically transformed agricultural sector including agro-processing and sustainable environmental management for healthy, food secure, developed rural and urban communities in Gauteng.

#### Mission

To radically modernize and transform agriculture, environment and rural development by:

- Promoting environmental protection and management;
- Expanding access to agricultural opportunities;
- Expand the agro-processing and marketing support;
- Maximising food security;
- Up-scaling rural development;
- Promoting the One Health System; and
- Supporting sustainable livelihoods and communities.

#### Values

Developing synergies and working towards a common goal. The values of the GDARD include:

- Integrity;
- Commitment;
- Accountability;
- Respect;
- Empowerment ;
- Team orientation;
- Trendsetting and;
- Responsiveness.

#### Strategic goals

- A modernised and transformed agriculture sector increasing food security, economic inclusion and equality
- Sustainable natural resource management
- Enhance the capacity of the GDARD to implement projects effectively

#### Core functions and responsibilities

The mandate of the department is derived from the Constitution of the Republic of South Africa:

- Ensuring an environment that supports human well-being;
- Conservation of the environment;
- Provision of sufficient food and water;
- Animal disease control, management of abattoirs; and
- Provision of veterinary services in the province.

#### Main services

The department's focus is to firmly harness and maximise the economic potential of the agricultural sector and ensure food security for all. This was identified as one of the province's eleven key economic sectors. Nationally, the sector is set to create a million jobs by 2030. The department will ensure that the sector is involved with all interventions to radically

transform, modernise and reindustrialise Gauteng.

Specific activities include:

- Facilitate market access and integration of smallholder farmers, rural enterprises and cooperatives into the food supply chain;
- Expand Agriculture primary production through crop massification programme across the value chains in order to increase the volume of production;
- Create an interactive electronic platform for exchange of market information and interaction between role players across various value chains;
- Drive transformation agenda that seeks to reindustrialise and modernise agricultural value chains;
- Establishment of Incubation farm and programme for both Agro-processing and primary agriculture;
- Development of structured capacity building and mentorship programme for farmers to deal with current realities;
- Form strategic partnership and alliances to reindustrialise the province's agricultural sector through escalation of investment in the Agro-processing industry;
- Encouraging the establishment of individual homestead or backyard gardens to serve, mainly, the province's resource-poor communities. The target groups include the elderly, the unemployed, women, youth, and people with disabilities and HIV/AIDS affected/infected households;
- The ecological management of six provincial nature reserves with associated communities living nearby the reserves and parks programmes Community-based Natural Resource Management, and Environmental Education;
- Issuing nature conservation permits for live games, hunting and fishing licences to the general public, traders and hunters;
- Conducting ecological research in order to provide decision-support to all internal and external stakeholders in the province;
- The development of provincial spatial planning tools such as the Provincial Conservation Plan and bioregional plans;
- Issuing of environmental authorisations in terms of the National Environmental Management Act (NEMA) (No. 107 of 1998); and
- Issuing of certificates for the export of animals and animal products.
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- The operational areas of environmental management for which the department is responsible are air quality management, waste management, environmental impact management and conservation and sustainable use of biodiversity. The department's strategic approach and its location within the economic sub-committee, changes the interpretation of its environmental management and protection mandate to include a focus on supporting and facilitating:
- Energy security, including and through the energy mix;
- Sustainable development of green and environmentally friendly and sustainable technologies and processes;
- Eco-tourism;
- Increased participation by previously disadvantaged individuals and communities in environmental management and protection; and
- A proactive role for the sector in radically transforming, modernising and reindustrialising Gauteng's economy.

### Ten Pillar Programme of Transformation, Modernisation and Reindustrialisation

The Gauteng Provincial Government identified Provincial Pillars which contribute to radical socio-economic transformation. Based on the department's strategic approach, it responds to six of these Pillars. Several of the pronouncements on actions and interventions fall within the GDARD's core functions and areas of responsibility of agriculture, environmental management and rural development, as highlighted in the table below.

#### PROVINCIAL PILLARS AND POLICY IMPERATIVES/ACTIONS, AND THE GDARD'S RESPONSES

PROVINCIAL PILLARS	POLICY IMPERATIVES/ACTIONS
<ul style="list-style-type: none"> <li>• Pillar 1 - Radical economic transformation</li> <li>• Pillar 2 - Decisive spatial transformation</li> <li>• Pillar 4 - Transformation of the state and governance</li> <li>• Pillar 5 - Modernisation of the public service</li> <li>• Pillar 6 - Modernisation of the economy</li> <li>• Pillar9 - Re-industrialisation of Gauteng Province</li> </ul>	<ul style="list-style-type: none"> <li>• Addressing structural problems (high unemployment, casualisation of labour, income inequalities and exclusion of the majority of the black population).</li> <li>• Increase investment in the agriculture and agribusiness sector through public private partnerships</li> <li>• Investing in skills, research, innovation and economic infrastructure.</li> <li>• Revitalising and mainstreaming township economies e.g. through the production of food for schools and hospitals.</li> <li>• Support growth and development, and unlock the job creation and economic inclusion potential of key economic sectors e.g. through facilitating participation of SMMEs and township entrepreneurs in these sectors.</li> <li>• Fast-track the development of new industries that will usher Gauteng into an innovation-driven, knowledge-based, smart and green economy. The potential for Gauteng to be the key driver of new sectors such as mineral beneficiation and agro-processing is also to be enhanced.</li> <li>• Work with the Mayors of metros and districts and with the private sector, within the National Policy Framework, to develop a plan for the healthy energy mix (with emphasis on smart and green energy solutions)</li> <li>• Facilitate market access and unblock agricultural potential, especially for smallholder farmers</li> <li>• Expand the agro-processing and marketing support capacity to agribusinesses, smallholder farmers and cooperatives</li> <li>• Take radical steps to transform the spatial configuration and landscape of Gauteng province through better and co-ordinated land use management and spatial development.</li> <li>• Implement a comprehensive and integrated EPWP and CWP that will create over one million job opportunities within a period of five years.</li> </ul>

### External activities and events relevant to budget decisions

The Gauteng Province is the smallest of South Africa's nine provinces with 1.5 per cent of land size; however it is at the centre of the economy. The province is the most populous in South Africa. As a result, Gauteng is highly urbanised, comprising of three large metropolitan areas where high population densities occur. However, the outer regions of the province, such as the Sedibeng and West Rand districts offer large areas of land where agricultural activities are undertaken. Given the high levels of urbanisation, there is limited land available for agricultural activities, with only 20 per cent of land in Gauteng covered by irrigated and rain fed commercial agriculture. As a result, the agricultural sector shows fairly low levels of production and makes less than half a percent contribution to the Gross Value Added (GVA) of the province. Gauteng also makes one of the smallest contributions to the South African agricultural sector. The key agricultural activities include the production of commodities such as maize, vegetables, poultry and beef. Although the Gauteng Province is not traditionally a key agricultural production region, however much of the South Africa's agro-processing activities takes place in the province, due to the central location and its well-established industrial and infrastructure networks. The sector is not adequately transformed and fully inclusive; neither is the industry performing to its full potential as a driver for economic growth, job creation and development.

At present, the development context for agricultural and agro-processing is characterized by:

- Limited land availability and high levels of competition from non-agricultural land uses, due to continued urbanization and development pressures;
- Poor access of many households to nutritious food, due to poor purchasing power, inadequate and unstable food supplies; and weak food emergency management systems which affects food security;
- An environment where climate change and natural resource degradation is placing pressure on agricultural production outputs and sustainability;
- High competing demands on already constrained water resources, including competition from industrial, mining and residential water users;
- Dominance of large commercial enterprises, with limited participation of smallholder enterprises in agriculture and agro-processing activities;
- High agricultural input costs including feed, energy, fuel, infrastructure, technologies, limited skills and poor access to information and technologies which constrains the viability of smallholder agricultural activities;
- An aging farming fraternity with limited entry into the agricultural space by the youth that could affect future agricultural productivity, output and food security; and
- Poor economic infrastructure, de-industrialization and under-investment in rural and township regions of the province constraining the inclusion of these regions in mainstreaming economic activities.

The constraints highlighted above require dedicated intervention to enable the expansion of the agricultural value-chain as the basis for economic development and growth in the Province.

The Medium Term Strategic Framework (MTSF) outlines key priorities and programmes to give effect to the Ten Pillar Programme of radical transformation, modernisation and reindustrialisation. Amongst the 10 pillars provided there is a need to radically transform and reindustrialise Gauteng province through agriculture and agro-processing. The development of key and new economic sectors that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion also become priority for the department. These sectors include finance, automotive industry manufacturing, agro-processing and biotechnology, ICT, tourism, pharmaceuticals, creative industries and construction and Gauteng is the major hub of agribusiness in South Africa and plays a key role in national food security.

The agro-processing industry is part of the revitalisation of the township economies and aims to build township economies by supporting the development of township enterprises, cooperatives, food producers, processors that produce and process goods that meet the township need. The province hosts the headquarters of most commercial agricultural and food companies, offering a concentration of Agro-processing infrastructure plants, horticulture and livestock and markets such as fresh fruit and vegetables. The agricultural potential of the Gauteng City Region is, to a large extent, in the secondary agricultural sector without neglecting the primary agricultural sector. The Agricultural Economic Services is responsible to provide support to various farmers in the province; this is coupled with the development of smallholder farmers including new market entrants and agro-processing initiatives. The Gauteng agro-processing sector has particularly strong linkages both up- and down-stream and is one of the largest manufacturing sectors in the economy.

1. Gauteng is committed to ensuring a brighter future for all its inhabitants, and aims to enhance competitiveness and encourage inclusive and sustainable growth. To achieve this, the local economy needs to grow, compete and create more jobs, particularly for those who have been historically disadvantaged. This implies a focus on competitiveness; enterprises that are able to thrive in competitive markets; and locations which sustain employment at the local level.

The growing demand for agricultural services, following the world-wide economic downturn, puts pressure on capacity within the sector. The limited availability and access to financial resources by smallholder farmers further exacerbate these pressures. This is especially critical as prices of agricultural inputs such as fuel, electricity, labour, fertilizers and seeds have significantly increased. This leads to a potential decline in farm incomes and there is a need for structured and focused

intervention to support farmers and to ensure the long-term sustainability and transformation of the sector. Empowering farmers through agricultural programmes such as the Comprehensive Agricultural Support Programme (CASP), the Micro Agricultural Financial Institutions of South Africa (MAFISA) scheme and Letsema/Ilima will ensure that the sector continues to fulfil its role in ensuring food security and creating jobs. Agro-processing development is linked to pillar nine re-industrialisation of the Gauteng province which sets out the strategic direction towards elevating the contribution of the Agricultural and agro processing sectors to the overall growth and development of the provincial economy. The increased demand for household food security due to the socio-economic impact of in-migration into the province means that the rollout of household, urban agriculture including community food gardens particularly still remains a priority of the Department.

A Performance of Veterinary Services (PVS) review and follow up gap analysis by the World Organisation for Animal Health, identified a number of vulnerabilities in South Africa's veterinary services. These could not only put South Africa's exports of animal and animal products in jeopardy but, also place the livestock sector at risk for major outbreaks of diseases. It will require additional resources and new operational mechanisms to overcome these vulnerabilities and outbreaks of diseases. Compulsory community service for newly qualified veterinarians to be introduced during the 2016/17 financial year and these 17 veterinarians will be allocated to the department and used to realise the new national Primary Animal Health Policy within the province for the coming years.

As a result of a High Court decision on the Performing Animals Act and the inclusion of animal welfare in the World Organisation for Animal Health, which places the responsibility for welfare in the hands of veterinary services, the mandate for welfare is now vested with veterinary services countrywide. Some major importing countries may also soon include animal welfare conditions and certification for the export of animals and animal products. This new mandate will require additional capacity as a result of an increasing demand for coordinated veterinary certification and export facilitation services, especially to ensure markets for smallholder farmers.

While Gauteng may not be rural by conventional standards, it does have relatively rural and semi-urban areas that require attention. An estimated four per cent of the province is classified rural and thus requires rural development interventions. Rural development is the responsibility of every department and person, with GDARD playing the coordinating role. The department has facilitated the signing of the Rural Social Compact Plan. This is a pact by stakeholders, including organised labour, organised agriculture and government to work together to improve the livelihoods of people and communities in the rural areas.

As a result of the transfer of the air quality licensing function to the province, and the promulgation of the Waste Act (No. 59 of 2008), the department carries out additional environmental compliance and monitoring functions.

### Acts, rules and regulations

- NEMA EIA Regulations, 2014 (Government Notice R982 of December 2014) and Listing Notice 1, 2 and 3;
- NEMA EIA Regulations (Government Notice R546 of June 2010) and Listing Notice 1, 2 and 3;
- National Environmental Management: Waste Act, 2008 (Act 59 of 2008);
- National Environmental Management: Air Quality Act, 2004 (Act 39 of 2004);
- Gauteng Waste Information Regulations, 2004;
- Gauteng Health Care Waste Management Regulations, 2004;
- National Environment Management: Biodiversity Act, 2003 (Act 10 of 2004);
- National Environmental Management: Protected Areas Act, 2003 (Act 57 of 2003);
- Disaster Management Act, (Act 57 of 2002);
- Animal Identification Act, (Act 6 of 2002);
- Meat Safety Act, 2000 (Act 40 of 2000);
- National Heritage Resources Act, 1999 (Act 25 of 1999);
- World Heritage Convention Act, 1999 (Act 49 of 1999);
- Gauteng Noise Control Regulations, 1999;
- National Environment Management Act, 1998 (Act 107 of 1998);
- National Water Act, 1998 (Act 36 of 1998);
- Medicines and Related Substances Act, (Act 90 of 1997);
- Agriculture Products Standards Act, 1990 (Act 1990);
- Environment Conservation Act, 1989 (Act 73 of 1989);
- Animal Diseases Act, 1984 (Act 35 of 1984);
- Endangered and Rare Species of Fauna and Flora, (1984);
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983);
- Perishable Products Export Control Act, 1983 (Act 9 of 1983);
- Nature Conservation Ordinance, 1983 (Ordinance 12 of 1983);
- Gauteng Nature Conservation Regulations, (1983);
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982);

- Plant Breeders' Rights Act, 1976 (Act 15 of 1976);
- Plant Improvement Act, 1976 (Act 53 of 1976);
- Hazardous Substances Act, 1973 (Act 15 of 1973);
- Subdivision of Agricultural Land Act, 1970 (Act 10 of 1970);
- Animal Protection Act, (Act 71 of 1962);
- Stock Theft Act, (Act 57 of 1959);
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947); and
- Performing Animals Protection Act, (Act 24 of 1935).

### **Policy directives**

- Land and Agrarian Reform Programme (LARP);
- National Comprehensive Rural Development Programme (CRDP),(2009);
- Gauteng Air Quality Management Plan (2008);
- National Biodiversity Strategy and Action Plan;
- National Waste Management Strategy;
- Land Care guidelines;
- Expanded Public Works Programme (EPWP) guidelines;
- Industrial Policy Action Plan (IPAP) ;
- National Development Plan (NDP)
- New Growth Path (NGP) ;
- Agricultural Policy Action Plan ( APAP); and
- Comprehensive Agricultural Support Program (CASP).

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2015/16)**

### **Radical Economic Transformation and Reindustrialisation of Gauteng Province**

#### **Production inputs support and infrastructure**

GDARD has committed to establish the milling plants in Gauteng in conjunction with Department of Trade and Industry (DTI). Phase 1 of the milling plants have been completed in Randfontein. Phase 2 of the milling facility commenced with site establishment and clearance for a milling warehouse and staff hall. More than 75 casual jobs have already been created through this major intervention and the training is scheduled to start in February 2016. The last major commitment is an agro-processing project in Sedibeng to establish barley production in Gauteng, this is a winter crop and planting that usually takes place around May to early June and in warmer areas and can stretch until mid-July 2016 . A total of 32 farmers across regions of Gauteng were profiled for the barley production.

To date, 15 small businesses owned by emerging farmers have been registered and were supported with production inputs. 5 multi-year agro-processing projects were initiated. The architectural building plans and other statutory studies were concluded, this include geo-tech, town planning processes. A concrete palisade fence was erected to secure the project site while the site was also cleared as part of the preparations to install hydroponic tunnels at De Deur Green House project. The Randfontein Milling project was completed while the Vereeniging Fresh Produce will be completed by the end of the 2015/16 financial year. More than 86 smallholders' farmers in the province were trained on food safety and quality control, to capacitate them to ensure Hazard Analysis and Critical Control Points (HACCP) in collaboration with Pick n Pay. The following partnerships were established to advance this objective namely Pick n Pay; Department of Agriculture Forest and Fisheries (DAFF), and South African Bureau of Standards (SABS). 25 coops received support in the form of on and off farm infrastructure, production inputs and training and capacity building. A total of 60 farmers received production inputs in the form of maize, poultry and piggery in the current year.

#### **Agricultural technical and Extension advisory support**

GDARD through the Farmer Support and Development directorate is committed to support farmers of all classes and levels with a focus on high impact projects. The projects are piggery, poultry layers and broilers, and grain production, red meat and high value medicinal plants. A total of 60 smallholder producers received support in the form of on-farm infrastructure and production inputs as procurement of on farm infrastructure; and production inputs are unfolding to ensure that they engage in meaningful and productive farming. A total of 2 267 hectares of maize were harvested from the crop planted in the last production season. It must be noted that the bulk of the planted area is destroyed due to the ongoing drought. The disaster relief unit is working closely with the affected farmers. A total of 500 smallholder farmers were supported with agricultural advice whilst 400 smallholder and 99 small-holder farmers received non-accredited and accredited training respectively.

#### **Research and Development**

Branch Agriculture continued implementing research projects through collaborations with universities, the Agricultural

Research Council (ARC) and Council for Scientific and Industrial Research (CSIR). These research projects will be implemented in the fourth quarter as per plan. The Biotech Science Park incubated 5 SMMEs and Biotech companies were supported. The department continues to support the incubation work undertaken at The Biotech Science Park in collaboration with eGoliBio Life Sciences Incubator.

### **Drought interventions from the department**

As a result of extreme weather conditions, climate change and variability, events that the Gauteng province has experienced during the 2015/2016 summer season due to El Nino event, smallholder farmers have been put under huge pressure and have become more vulnerable to both unfavorable weather conditions and economic climate. The prevailing weather events resulted in more farmers failing to cultivate the land and livestock farmers were compelled to sell the livestock. Against this backdrop, the GDARD procures livestock feeds as part of the drought relief programme, and will continue with this intervention in 2016/2017. The GDARD utilized equitable share to procure total mixed ration feed. It further utilized grants funds to procure livestock feed and installed water infrastructure such as borehole, earth dam de-silting and water tanks. Furthermore, the department has conducted seven farmers' awareness campaigns wherein a total of 1 200 farmers reached throughout the province. The agricultural disaster risk management awareness campaigns were focused on the following: agricultural disaster risk management scope, animal production, early warning and advisory services, post disaster recovery and rehabilitation, disaster response and recovery, drought management, crop management, livestock and pasture management and seasonal weather forecast.

### **Land under cultivation**

The department reviews application for subdivision of land as well as for change of land use from agricultural land to other uses. Ten hectares of agricultural land was protected through ensuring that subdivision does not impact agricultural land negatively.

### **Agri-parks**

The Agriparks is a programme that is focusing on provision of complete agricultural value chain infrastructure from production to processing. The holistic infrastructure established ranges from production infrastructure such as hydroponics tunnel infrastructure, packaging and processing infrastructure as well as an administration block which includes staff hall, workshop and ablution facilities. The key objectives are to:

- Optimize agri-food value chain input and output linkages into Gauteng GDP;
- Integrate and optimize contribution of agri-tourism and eco-tourism in the agri-food value chain of the province;
- Strive for sustainable development through balanced land use which incorporates the mandate of natural resource protection;
- Promote the production of high value and economically sustainable agricultural commodities like baby vegetables; and
- GDARD is working with the department of Rural Development and Land Reform (DRDLR) to establish two Mega Agriparks with the West Rand Mega-agri-park to be established in Brandvlei, west of Randfontein town, and the Sedibeng Mega Agripark to be established in Doornkuil, in the Midvaal Local municipality area.

The provincial established agriparks will serve as satellite agri-parks which will be linked in terms of supply of produce to the mega-agri-parks. The four agriparks, in the process of being established, will be specifically focused on horticultural commodities. The department continues with the maintenance and expansion of agri-parks such as Tarlton agri-park which was severely damaged during a storm in the 2014/15 financial year. Repairs were concluded within the stipulated time and the infrastructure is in good condition.

The department has furthermore maintained the following agri-parks: Soshanguve agripark, Rooiwal agripark and, Onverwacht and Tarlton by 2015/16.

### **Equity schemes**

GDARD has identified four companies that will enter into equity partnerships with their respective workers. Due diligence is complete for the United Egg Packers. Other equity schemes being facilitated with due diligence concluded in the current financial year.

### **Agro processing**

GDARD has finalized the Gauteng Agro processing Strategy (2015-2019) and the Gauteng City Region Agri-Food Transformation and Development Strategy.

The implementation of the 2015 Agro processing Summit Resolutions has commenced with the Reindustrialization of the Agricultural Sector in Gauteng as follows:

- Revitalization of the Vereeniging Fresh Produce market (VFPM) is being finalised hence the refurbishment of the various facilities at the VFPM is in progress. Completion of Phase 1 is targeted for March 2016;
- Barley Project .The production of the barley forms part of the Grain Development Programme. Barley will be used to

produce malt, which in turn will be taken to the Heineken and SAB plants to produce alcoholic products like beer. Thirty two farmers have been profiled and the barley cultivar trials have commenced in Emfuleni in partnership with Private sector;

- A total of 53 farmers have received maize production inputs and barley production inputs. Delivery of irrigation equipment (pivot irrigation for both maize and barley) is underway so as to ensure optimum yields;
- The De Deur Vegetable pack-house in Midvaal is currently under construction and the construction of the concrete palisade fence is complete. Goal is to ensure community enterprise development through agricultural development. The project is further aimed at alleviating poverty within the community of De-Deur through sustainable job creation, food production, and entrepreneurship development. It will also have administration block and hydroponic tunnels;
- The building of the Sunflower processing plant in Cullinan is progress commenced with foundation, silos and the warehouse upgrade;
- The establishment of the Randfontein maize milling plant is in progress , fencing, site clearance and security guard house has been completed and phase 2 is in progress completion is expected by end May 2016 ;and
- The beef abattoir in Ekandustria is being upgraded to be Global Gap compliant and to be used as export facility for small scale livestock farmers around the Tshwane Area.

### **Veterinary export licenses**

Veterinary Services continues to roll out mobile veterinary clinical services across the province, thereby bringing sustainable, affordable services to emerging livestock farmers and poorest townships. Two movable poultry abattoirs and one mobile red meat abattoir were constructed. These abattoirs will help to decrease costs and improve market access to small livestock farmers. They will also assist in formalizing the informal poultry slaughter sector, allowing for further entrepreneurial development around the value chain, whilst decreasing foodborne disease. Furthermore, the Nguni project, a joint project with the Industrial Development Corporation (IDC), which supplies high quality Nguni cattle on a loan basis to beneficiaries, is complete. The Trust has finalized applications for three new applicants. Already two projects are fully compliant with requirements.

### **Decisive spatial Transformation and Modernisation of human settlements and urban development**

#### **Management of Gauteng Provincial Nature Reserves and People and Parks Programme**

A total of 2 267 hectares were rehabilitated to improve agricultural production through alien plant removal and soil conservation advisory services. A total of 341 work opportunities were created as at third quarter from Conservation Agriculture, Junior Land Care and Working on Fire. Furthermore, a total of 341 green jobs were created on the six Gauteng provincial nature reserves in fire management projects, removal of alien clearing programmes and day-to-day maintenance activities on the Nature Reserves. Communities surrounding the nature reserves benefited from the community-based Natural Resource Management thatch grass harvesting programme.

#### **Environmental Awareness interventions**

A total of 77 environmental awareness sessions were conducted with communities, youth and school groups, whilst 22 of these awareness activities were through conservation.

#### **Biodiversity Permits**

A total of 8 657 biodiversity permits to keep, import and export game products and plants, hunt game were issued, that facilitated the sustainable use of wildlife resources in Gauteng Province. This sustainable use of wildlife resources stimulated the economy via the pet shops, zoos and hunting farms.

#### **Accelerated social transformation**

The department has managed to assist communities by developing:

- 7 962 backyard gardens or homestead gardens
- 15 community food gardens

And supporting 14 school food gardens in coordination with the communications branch, the department has developed the guiding document on Food Security Campaigns and it is being communicated through the Inter-Government Relations (IGR) forum and also being implemented. As part of the Gauteng Rural Social Compact Plan, GDARD has assisted African Famers Association of South Africa (AFASA) with gazebos, tables and chairs that will be used during their farmer member market days. AFASA is one of the signatories of the Gauteng Rural Social Compact Plan.

#### **Bontle ke Botho (BkB)**

The 2015/16 financial year served as a foundation for the intensification of BKB. This included a number of clean-up campaigns, rehabilitation of illegal dumping sites and support to the recycling buyback centres. The department had started to rollout Bontle ke Botho clean up relay at city of Tshwane during the course of the fourth quarter. The department's continuous work with municipalities and consultations through the Inter-Governmental Relations (IGR) processes has revealed that there are a number of good waste management and greening initiatives that are currently underway in wards and schools. The consultations also revealed that municipalities are also using both waste management and greening

projects to create temporary jobs for community members.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2016/17)

#### Radical economic transformation and Reindustrialisation of Gauteng province

Over the 2016 MTEF, the department will focus on maximizing the economic potential of the agriculture sector which was identified as one of 11 key economic sectors in Gauteng. The Gauteng economy was originally founded on mining, but the province has since incorporated other industries, such as agriculture, to stimulate the economy.

The department will contribute to the pillar through the following major projects to be implemented in 2016/17:

- Particular emphasis will be placed on increased grain production in support: this entails providing production inputs as well as agro-processing infrastructure throughout the maize belt;
- Pursue an incubation model to capacitate and skill 40 smallholder farmers per year over the coming years. The Incubation model involves an acceleration form of learning in equipping new farmers on farming skills and the business aspect of the farm;
- Increased maize production to support the milling plants. One of the milling plants will be used for the grain and animal feed export programme;
- Vegetable and fruit processing facilities. This includes irrigation and production input support so that there is enough produce to support the facilities such as the Vereeniging and the Springs Fresh Produce Markets;
- Abattoirs for beef, poultry and pork including mobile abattoirs;
- Provision of vegetable packaging facilities to SMMEs in Townships and peri-urban areas; and
- Market linkages and securing contracts for 20 agricultural cooperatives to supply GPG institutions and big retailers with fresh produce.

#### Agricultural technical and Extension advisory support

The Farmer Support and Development directorate will focus on projects with high impact regarding job creation and the return on investment. The projects will be linked to the Agricultural Policy Action Plan (APAP) policy document in terms of the prioritized enterprises like piggery, poultry layers and broilers, and grain production, red meat and high value medicinal plants. Support with infrastructure projects will be distributed evenly in all the corridors and will cover highly productive farming areas, the support will be aimed at ensuring that projects are sustainable.

The Agricultural Policy Action Plan (APAP) seeks to translate the high-level responses offered in the Integrated Growth and Development Policy for Agriculture, Forestry and Fisheries into tangible, concrete steps. APAP is planned over a five-year period and will be updated on an annual basis. Aligning itself with the National Development Plan (NDP) and Industrial Policy Action Plan (IPAP), APAP seeks to assist in the achievement of decent employment through Comprehensive Rural Development and Food Security.

Training and capacity building is key to enhance the knowledge base of all levels of farmers. This will be achieved through extension and advisory services, accredited and non-accredited training to all classes and levels of farmers.

- A total of 180 smallholder producers will receive support in the form of on-farm infrastructure and production inputs to ensure that they engage in meaningful and productive farming.
- 600 hectares of highly productive land will be cultivated for food production in communal areas and land reform projects to increase productivity.
- A total of 2 200 smallholder farmers and 40 commercial farmers will be supported with agricultural advice and be trained in accredited and non-accredited training.
- Farmers will be encouraged to farm sustainably and to contribute to the increase in food production.

The department will continue to concentrate on agro-processing infrastructure plant, horticulture, livestock and markets such as fresh fruit and vegetable markets. Increasing the participation of smallholder farming enterprises in agri-enterprises has the potential to enhance sustainability and profitability of farming operations. Emerging and new farmers entering the sector will be supported with on-farm infrastructure and agricultural production inputs as well as training and skills development.

There is a need to enhance and improve service delivery especially to smallholder farmers and new entrants based on their needs as determined through stakeholder engagements, farm visits and Extension advisory services. This could be enhanced by strengthening collaboration with commodity organisations and creating relationships with sources of financial and technical expertise. The aim is to ensure that a broad range of farmers can access support through existing commodity networks. GDARD will initiate research into innovative technologies that can increase yields and reduce costs. The department will further assist with information packaging, technical communication, and technology transfer and resource utilisation services, including spatial analysis support and decision-making support tools. Current services will be expanded to ensure support through business plan development and evaluations, market analysis and information dissemination,

economic viability studies, entrepreneurship development, value adding to products and assistance with market research and the provision of veterinary export certification services.

The AgriBEE Sector Charter, which affects the sector in which GDARD serves, will be aligned with the B-BBEE codes of good practice which have five elements instead of the current seven, the reduction of the elements could result in some agricultural companies dropping on their current B-BBEE Level. A number of engagements will be required with the stakeholders to familiarise themselves with the changes. GDARD will continue to partner with the National Departments of Agriculture, Forestry and Fisheries to increase the number of workers who are owners of agri-businesses through AgriBEE/Farmworker Equity Scheme projects. Therefore, In line with the policy of local procurement, GDARD will continue to ensure that SMMEs in the rural nodes benefit from preferential procurement opportunities offered by various government departments through enterprise development opportunities awareness sessions, in partnership with other GPG departments and agencies.

There will be a further extension and rolling out of mobile abattoirs services throughout the province to supply veterinary services to previously non-serviced areas especially to emerging small scale farmers and township areas. This enhancement with the full operationalisation of mobile abattoirs should allow the department to make a major impact on the emerging livestock sector and township revitalisation throughout the province.

Sustainable resource management is largely driven by the implementation of the EPWP and provides for removing waste from rivers, rehabilitating wetlands, burning firebreaks and removing alien vegetation. It is also responsible for implementing the National Land Care programme which covers Community-Based Natural Resource Management (CBNRM) projects, tree and shrub planting and school and learners Camps, Provincial Land Care Awards and coordination of Environmental events.

### **Growth and transformation of the sector**

Developing the agricultural sector is vitally important in order to achieve maximum impact of growth and sustainability, economic inclusion and job creation potential of the agricultural sector. The department plans to achieve these through focused research for adapting to climate change, research for market access. The department will also focus on improved production technology and infrastructure, coordination of services, regulatory issues and access to finance. An important aspect of market access is the ability to meet the stringent and complex requirements laid down by the importers of South Africa's agricultural products. The GDARD will respond to this by continuing to monitor animal and plant diseases, It will also assist new market with market intelligence and product differentiation.

The department will commission a study into alternative niche crops. This will inform technical research to be conducted, technical advisors' knowledge and the advice to be given to farmers. There will be particular emphasis on linking agriculture and food security to revitalising and modernising township economies. Issues to be explored will include:

- Vertical integration opportunities;
  - Increasing movement from tariffs to non-tariff barriers to protect markets abroad;
  - Increasing competition in the domestic market from producers abroad;
  - The effects on trade of the increased high standards set by importing countries, and their expectations in relation to issues such as social responsibility and animal welfare;
  - Responding to dumping and the import of cheap food;
  - Understanding and supporting export drives by specific industries;
  - The need for affordable food in a context of increasing poverty and high food prices. It is important to protect agricultural land, but provision must also be made for nature conservation, biodiversity, tourism and urban development;
- Infrastructure issues that can negatively affect the agricultural sector, these are: Toll roads which affect farmer profitability through additional costs; and the deterioration of the rail infrastructure that requires farmers to use expensive road transport such as trucks.

### **Building the capacity of the sector**

There are some skill shortages in the province's agricultural sector. This will be addressed through the comprehensive Gauteng Agricultural Skills Development Strategy (GASDS), the Provincial Agricultural Education and Training Forum (PAETF) and steering committee in partnership with various stakeholders such as research institutions, universities, external service providers and private sector partners. The PAETF will also provide feedback and make recommendations to the National Agricultural Education and Training Forum (NAETF). The need to improve extension services skills will be addressed by implementing the national Norms and Standards for Extension and Advisory Services in Agriculture and the Extension Revitalisation Programme. This programme focuses on recruitment, training and provision of bursaries, information and communication technology, visibility, accountability and improved image and professionalism. In Gauteng, there will be a particular focus on the rollout of the Digital green book, smart pen technology, a technical information system established for extension officers that allows officers to sign farmers' contracts of projects online, this will enhance the efficient and effectiveness for Extension Officers as well as the visibility at a community and farm level.

### **Decisive spatial transformation and Modernisation of human settlements and urban development**

## Environmental Management

Environmental protection management needs and challenges of the province are:

- Constraints in enforcing environmental compliance such as cases being delayed, lack of adequate knowledge to prosecute on environmental crimes and lack of holding facilities to keep confiscated dangerous animals;
- Stopping illegal imports and exports of endangered species;
- Human informal settlements mushrooming in the most sensitive areas;
- Threat of high potential agricultural land being used for development;
- The destruction of Gauteng's ecosystems and wetlands;
- The high level of air and waste pollution; and
- The constitutional split of functions and autonomous mandate amongst the spheres of government to regulate environment leads to overlapping mandates fragmentation and duplication of efforts.

The GDARD will address these by:

- Providing support and capacity;
- Financing the sector;
- Promoting compliance and strengthening enforcement;
- Improving environmental information for decision-making;
- Communication and awareness;
- Performing regulatory functions in collaboration with local government entities; and
- Monitoring of adherence to environmental regulations and by-laws.

Climate change and related activities in terms of environmental management which the GDARD will focus on includes:

- **Climate Change Mitigation:** To reduce greenhouse gas emissions and improve air quality management. This includes measures to promote energy efficiency, renewable energy production, and to reduce the burning of fossil fuels;
- **Water Resource Management:** To improve agricultural, industrial, commercial and household water use efficiency, planning and management;
- **Pollution and Waste Management:** To improve pollution and waste planning and management;
- **Biodiversity Management:** To improve biodiversity planning, management and conservation;
- **Land-Use Management and Agriculture:** To ensure the optimal and wise management use of land, including the utilisation of land and natural resources for productive purposes, taking into consideration conservation imperatives and preventing the fragmentation of land.

The Bontle ke Botho (BkB) Campaign has been conceptualised within the context of the ten-pillar Transformation, Modernisation and Reindustrialisation programme and Township Economic Revitalisation (TER) programme. In response to the provincial priorities and global action programme (GAP), which was adopted as the follow-up to the decade of Education for Sustainable Development (ESD) which ended in 2014, the Bontle ke Botho Campaign shall be intensified in every ward and school through the acceleration of sustainable solutions at local level by scaling up practical ESD programmes. A six departmental pillars approach shall be adopted.

- **Pillar 1: Education and awareness.** The department will ensure that community members at all levels including school learners gain the necessary knowledge, skills, attitude and values that enable them to participate meaningfully in addressing complex environmental issues in their communities. A number of ward-based education and awareness activities on waste management and greening shall be implemented. They include door-to-door campaigns, stakeholder information sessions, advertising, roadshows, school green camps and debates.
- **Pillar 2: Mobilisation.** A mass mobilisation approach strategy shall be adopted to intensify the campaign. The intention of this approach is to engage and motivate a wide range of stakeholders at all levels to support and participate in the protection of the environment.
- **Pillar 3: Partnerships.** GDARD shall work with partners at all levels for the implementation of the BkB campaign to ensure its sustainability. Each category of partners shall be involved in the campaign based on their strengths, expertise and their overall influence to the successful implementation of the campaign.
- **Pillar 4: Job creation.** The department shall focus on a number of temporary jobs that will be created through the BkB programme. A total of 225 unemployed youth drawn from all municipalities that need attention in terms of waste management and greening shall be prioritised through the introduction of a Gauteng Green Cadets Programme. The programme will be implemented in line with the pillars of the Gauteng Tshepo 500 000, the aim being to mobilise and empower youth to ensure their meaningful participation in the protection of the environment. Youth participating in the programme will receive a stipend. The functions and activities of the Green cadets will involve clearing and rehabilitating illegal dumping sites, recycling activities, landscaping, managing of open spaces, clean-up and door-to-door campaigns.
- **Pillar 5: Modernisation of the public service.** Cleaning and greening will utilise a number of sustainable waste management and greening projects. Projects will include separation at source project, rehabilitating illegal dumping sites, and management of open spaces, a series of clean-up campaigns and tree planting.
- **Pillar 6: Modernisation of the economy.** The National Environmental Management Act, 1998 (NEMA) established the

Environmental Management Inspectorate (EMI network) in 2005 to enforce infringements of constitutional environmental rights enshrined in the constitution. Activities shall include designating local municipality officials as EMI's, development of admission of guilt fines and site inspections.

In addition to the ward-based and school-based activities, the BKB competition will be continued. The competition has categories for schools, youth, wards and NGOs/CBOs, communities and schools will win prizes through which the existing projects will be improved and where possible, new ones be initiated.

## **Accelerated social transformation**

### **Food Security**

Food security is achieved when people are able to access enough food to meet their daily food needs. Food may be acquired from own production and market place. The department encourages communities to grow their own food through community, schools and backyard gardens. Food secure households need to have access to stable sources of food supply or incomes to purchase food, this assumes:

- Production of enough food;
- Access, acquisition and entitlement to purchase food;
- That food is safe to consume;
- Utilisation is efficient; and
- Preferences and cultural prohibitions are respected.

A total of 14 000 households will grow their own food through the support of homestead gardens. The aim will be to ensure that affordable and diverse food is available at all times. 80 school food gardens and 80 community food gardens will be developed to ensure the contribution to school food gardens is enhanced and that diverse food is available and affordable.

GDARD will continue to work with the four existing rural nodes of Kwa-Sokhulumi, Hekpoort, Bantu Bonke/Mamello and Devon, to ensure that they have functional stakeholders. This will assist local people to participate in and monitor their own development and the department will continue to coordinate rural development in the province. The department has requested all GPG departments to provide the Medium Term Strategy Framework (MTSF) with rural development targets for 2016/17 financial year. The targets will be monitored through the GPG quarterly rural development steering committee engagements. The Comprehensive Rural Development Programme (CRDP) will be expanded by declaring additional rural nodes in 2016/17. The declaration of a node puts the area in the spotlight and attracts stakeholders to provide services. It is expected that 10 GPG departments will provide services to the rural nodes in line with their mandates and rural learners will receive career guidance to ensure that they are well-informed about subject and career choices.

The department will continue to assist the signatories of the Gauteng Rural Social compact Plan the National African Farmers Union (NAFU), African Farmers Association of South Africa (AFASA), Agri-Gauteng, Food and Allied Workers Union (FAWU), Women in Agriculture and Rural Development (WARD) and Youth in Agriculture and Rural Development (YARD) to implement their social cohesion projects. Some of the projects will expand previous support, such as the goat kraal project for YARD in Kwa-Sokhulumi.

### **Capacity of GDARD to deliver**

The department will strengthen collaborative efforts between all key government departments including Rural Development and Land Reform; Water Affairs; Agriculture; Forestry and Fisheries; Social Development; Environmental Affairs; Health and Social Development; and Education, and with municipalities. The department will develop more integrated approach to service delivery, with a redefinition of services to farmers and farm workers so that client expectations can be managed well. Also needed is a clearer definition of extension within the context of the Extension Revitalisation Programme.

The GDARD will also carry out the following actions:

- Review the organisational structure so that roles and responsibilities are allocated appropriately and issues of human resource capacity are properly addressed;
- Improve internal working processes, management styles and templates including automating and centralising internal processes and creating an electronic document management system (EDMS);
- Introduce automated systems for environmental impact assessments (EIAs);
- Strengthen and capacitate the M&E department and ensure proper evaluation and monitoring of internal and external projects;
- Collaborate with other government structures and departments for improved effectiveness; and
- Work to ensure that GDARD's potential to contribute to the province's economy is widely recognised.

## 4. REPRIORITISATION

The department conducted a reprioritisation exercise over the 2016 MTEF to ease budget pressure. This exercise was implemented by identifying savings from non-essential items and through the implementation of cost containment. The compensation of employee's budget was reprioritised within programmes over the MTEF to align the budget to the organisational structure and filling of critical vacant posts.

An amount of R20 million in 2016/17 have been shifted from non-essential items such as catering, venues and facilities and operating leases to priority items to achieve value for-money in government performance by funding key projects such as agro-processing and the Maize Belt Project. An amount of R39 million was also shifted within Programme 2 in both 2016/17 and 2017/18 from Transfers and subsidies to Goods and services due to change of methodology to deliver the projects. As such, the removal of alien vegetation project, implementation of the Permaculture, indigenous ornamental and food crops will be implemented through normal departmental tender process. The department further reprioritized 20 per cent of Comprehensive Agricultural Support Programme (CASP) and Ilima /Letsema grants towards the drought relief scheme for the purpose of water supply to support agriculture production these includes drilling of boreholes, providing water tanks to the farmers.

## 5. PROCUREMENT

It is anticipated that Terms of Reference for 2016/17 projects will be finalized by the end of the current financial year. This will help the department to start the procurement process early and therefore to carry out its plans and projects on time. The Departmental Acquisition Committee (DAC) has been replaced by the Bid Adjudication Committee (BAC). This meets each week, reducing the time taken to approve procurement and tenders. A multiyear contract such as agro-processing infrastructure, farmers' production inputs, Agri-parks has been arranged in order to FastTrack the procurement process in the outer years.

## 6. RECEIPTS AND FINANCING

### 6.1 Summary of receipts

TABLE 11.1: SUMMARY OF RECEIPTS:DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Equitable share	428 301	463 510	535 858	593 655	698 208	670 290	659 075	726 214	751 966
Conditional grants	87 587	80 188	88 144	113 732	113 732	113 732	118 778	125 839	134 245
Comprehensive Agricultural Support Programme Grant	60 474	55 880	60 693	82 454	82 454	82 454	85 079	93 063	98 568
Ilima / Letsema Project Grant	17 221	17 538	19 641	24 234	24 234	24 234	26 061	27 673	30 278
Land Care Programme Grant: Poverty Relief and Infrastructure Development	5 961	6 163	4 748	4 601	4 601	4 601	4 802	5 103	5 399
Expanded Public Works Programme Incentive Grant for Provinces	3 931	607	2 454	2 443	2 443	2 443	2 836		
<b>Total receipts</b>	<b>515 888</b>	<b>543 698</b>	<b>624 002</b>	<b>707 387</b>	<b>811 940</b>	<b>784 022</b>	<b>777 853</b>	<b>852 053</b>	<b>886 211</b>

The equitable share allocation grows from R428 million in 2012/13 to R464 million in 2014/15. An additional funding of R104 million was received during the 2015/16 adjustment budget, this increase made provision for drought relief to farmers, operational costs for mobile abattoir, Bontle ke Botho, community services and primary animal health care as well as correction of personnel budget baseline. The additional funding also made provision for the implementation of the capex projects.

Over the MTEF, the allocation amounts to R659 million in 2016/17 which augments to R752 million in 2018/19, this can be attributable to an additional funding of R33 million over the 2016 MTEF for improvement in condition of service on personnel cost. Furthermore, an amount of R45 million was received over the MTEF to eradicate maintenance backlog in the

departmental nature reserves whilst R40 million is allocated for effective implementation of nature reserve management

plans in order to boost eco-tourism in the province. Bontle ke Botho (BKB) campaigns has been allocated R35 million over the 2016 MTEF for creating a clean city region, clearing and rehabilitation of illegal dumping sites, establishment of nursery's and tree planting.

Over the MTEF, the allocation amounts to R777.8 million, R852 million and R886.2 million in 2016/17, 2017/18 and 2018/19 respectively. The increased allocation will cater for agri-parks and milling plants, agro-processing and agriculture as well as the extension officers.

Over the MTEF period, conditional grants have increased from R87 million in 2012/13 to R134 million in 2018/19 financial year. Funds are allocated to assist the department to introduce intervention and ensure food security in the province through programmes such as Siyazondla which households, school and community organizations are provided with production inputs such as livestock and markets such as fresh fruit and vegetable to grow their own food, and to provide assistance in the form of on and farm infrastructure.

## 6.2 Departmental receipts

TABLE 11.2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Sales of goods and services other than capital assets	671	743	1 765	1 850	1 850	5 813	8 140	8 554	8 989
Fines, penalties and forfeits							6 468	6 791	7 131
Interest, dividends and rent on land	80		4	4	4	11	5	6	6
Transactions in financial assets and liabilities	1 355	287	329			286	200	240	260
<b>Total departmental receipts</b>	<b>2 106</b>	<b>1 030</b>	<b>2 098</b>	<b>1 854</b>	<b>1 854</b>	<b>6 110</b>	<b>14 813</b>	<b>15 591</b>	<b>16 386</b>

Revenue collected amounts to R2.1 million in 2012/13 and R2 million in 2014/15. The increase was due to a once-off debt recovery from suppliers. In 2015/16, revenue is anticipated to have been R1.8 million. Over the 2016 Medium Term Revenue Framework (MTRF) the department estimates to collect R14.8 million in 2016/17 and R16.3 million in 2018/19.

The huge increase in projection for the MTRF period was due to the closing of the Cost Recovery Trading Entity (CRTE) on the 31st of October 2015. The CRTE revenue will now be disclosed under GDARD with effect 1 August 2015. The revenue accounted now by GDARD include entrance and accommodation fees collected in the nature reserves, collecting fines for non-compliance with environmental and conservation legislation and veterinary services collecting revenue from issuing import and export certificates. The department will continue generating own receipts from parking fees, fees charged for access cards issued to employees, environmental application fees and interest on debt. The contribution to total revenue of interest, dividends and rent on land is limited and is projected to remain relatively constant over the 2016 MTRF.

## 7. PAYMENT SUMMARY

### 7.1 Key assumptions

When compiling the 2016 MTEF budget, the department considered the following factors:

- Improving alignment with the province's TMR vision for the next three years;
- Improving alignment with government's policy priorities as stated in the NDP, the 2014-2019 MTSF, provincial government plans and plans of the sector and institutions;
- Basic salary costs including annual improvement in conditions of service adjustments;
- Items linked to rates of increase in basic salary costs: pension fund contributions, thirteenth cheque and overtime;
- Medical aid contributions, which normally increase more rapidly than inflation;
- Homeowners allowance, which changes in line with interest rates;
- Skills development levies;
- Implementation of cost containment;
- Reprioritization within programmes and items; and
- Additional Funding to the baseline.

### 7.2 Programme summary

TABLE 11.3: SUMMARY OF PAYMENTS AND ESTIMATES BY PROGRAMME: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Administration	143 517	155 615	158 456	166 732	174 919	176 733	181 196	190 516	206 561
2. Agriculture And Rural Development	243 637	253 150	302 991	377 189	431 785	410 359	379 368	413 569	417 087

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
3. Environmental Affairs	128 734	134 933	153 575	163 466	205 236	196 930	217 289	247 968	262 564
<b>Total payments and estimates</b>	<b>515 888</b>	<b>543 698</b>	<b>615 022</b>	<b>707 387</b>	<b>811 940</b>	<b>784 022</b>	<b>777 853</b>	<b>852 053</b>	<b>886 211</b>

TABLE 11.4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>460 343</b>	<b>493 122</b>	<b>539 036</b>	<b>648 989</b>	<b>729 608</b>	<b>710 481</b>	<b>717 548</b>	<b>822 092</b>	<b>841 203</b>
Compensation of employees	267 441	291 624	330 853	354 462	379 178	381 241	409 708	424 069	444 098
Goods and services	192 888	201 491	208 179	294 527	350 430	329 240	307 840	398 022	397 104
Interest and rent on land	14	7	4						
<b>Transfers and subsidies to:</b>	<b>30 806</b>	<b>38 791</b>	<b>58 652</b>	<b>30 275</b>	<b>26 245</b>	<b>26 853</b>	<b>18 090</b>	<b>10 721</b>	<b>11 342</b>
Provinces and municipalities	6 185	7 325	12 234	10 984	9 816	9 816			
Departmental agencies and accounts	4 343	6 056	11 365	9 616	6 324	6 324	12 847	5 061	5 354
Higher education institutions	3 797	3 156	2 570	3 806	3 806	3 806	4 210	5 001	5 291
Public corporations and private enterprises	16 422	21 645	31 734	5 273	5 703	5 703	400		
Households	59	609	749	596	596	1 204	633	659	697
<b>Payments for capital assets</b>	<b>23 984</b>	<b>11 760</b>	<b>17 326</b>	<b>28 123</b>	<b>56 087</b>	<b>46 683</b>	<b>42 214</b>	<b>19 241</b>	<b>33 666</b>
Buildings and other fixed structures	8 600	5 838	6 231	10 950	20 892	11 097	30 839	9 100	22 938
Machinery and equipment	14 791	5 922	10 893	17 173	33 195	33 586	11 060	10 141	10 729
Software and other intangible assets	593		202		2 000	2 000	315		
<b>Payments for financial assets</b>	<b>755</b>	<b>25</b>	<b>8</b>			<b>5</b>			
<b>Total economic classification</b>	<b>515 888</b>	<b>543 698</b>	<b>615 022</b>	<b>707 387</b>	<b>811 940</b>	<b>784 022</b>	<b>777 853</b>	<b>852 053</b>	<b>886 211</b>

The table above reflects departmental expenditure and reprioritized budget estimates at programme and economic classification level over the 2016 MTEF period. The expenditure increased from R515 million in 2012/13 financial year to R615 million in 2014/15 in line with the provincial function shift. During the 2012/13 adjustment budget, the procurement function was decentralised in the province and staff migrated from eGovernment to the GDARD and other provincial departments. In the same year, the department decentralised most of its overhead cost from Administration programme to the department's other two programmes. The main reason for this was to prevent the Administration allocation being inflated by the other programmes' overhead costs.

In 2015/16 financial year, the budget increased significantly to R812 million, the increase is mainly from the additional funding received which amounted to R104 million during the 2015/16 Adjustment Budget. This made provision for drought relief to farmers, operational costs for mobile abattoir, Bontle ke Botho, community services and primary animal health care as well as correction of personnel budget baseline. The additional funding also made provision for the implementation of the capex projects.

Over the 2016 MTEF period, the allocation grows from R777 million in 2016/17 to R886 million in the 2018/2019 financial year, the increase is mainly to cater for improvement in the condition of service, carry through effect of additional funding to the department in 2015/16 such as Bontle ke Botho (BKB) campaigns and the effective implementation of management plans.

The Agriculture and Rural Development Programme receives the largest share of the budget to fund, amongst other priorities, the permanent appointment of extension officers to support and assists farmers with mechanisation inputs; and maintenance of mobile abattoirs, agro- processing, Agri-parks and milling plants. Conditional grants under this programme are allocated to farmer support in the form of infrastructure, production inputs and flood relief; for clearing alien vegetation from agricultural land; and for extension services for farmers. The Environmental Affairs programme receives the second largest share. It carries out biodiversity programmes on nature reserves; reviews and approves environmental impact assessments (EIAs); implements waste management activities; and carries out programmes for cleaning and greening the province and thus improving the sustainable use of the environment.

The total expenditure for goods and services increased considerable from R192 million in 2012/13 to R208 million in 2014/15. In the 2015/16 financial year, the allocation for goods and services amounted to R350 million, this upward trend is attributable to the additional funding received during the 2015/16 Adjustment Budget.

Over the 2016 MTEF, the budget decreased to R321 million in 2016/17 before increasing to R393 million in 2018/19. The main reason for the decrease in 2016/17 is the once off allocation to correct GDARD base line allocation, also no additional allocation was granted to the Bontle ke Botho, however an amount of R17 million is allocated in the 2017/2018 financial year.

Transfers to higher education institutions amounted to R3.8 million in 2015/16 and further increased to R5.2 million in 2018/19, with more funds allocated to priority research projects and implementation of the biotechnology strategy.

Under departmental agencies and accounts, R3.1 million will be transferred in 2016/17 to the Agricultural Research Council (ARC) for research agenda projects and R9 million to National Agriculture Marketing Council for development of Agriculture Information Management System. Over the MTEF the transfer to the South African National Biodiversity Institution (SANBI) for wetlands rehabilitation will be discontinued, the department will implement the same project through departmental tender processes.

Transfers to households relate to injury on duty payments. The allocation fluctuates since leave gratuity pay-outs are demand driven. It amounted to R59 000 in 2012/13 and increased to R749 000 in 2014/15. Over the 2016 MTEF, the allocation is decentralised and increases to R641 000 in 2016/17 and R697 000 in the outer years.

The allocation for machinery and equipment fluctuates significantly from R14.8 million in 2012/13 to R33 million in 2015/16, the increase was attributable to the department relocating to a new office building and procuring equipment as part of the tools of trade for personnel. The allocation of R11 million in 2016/17 is lower because of the change in policy priorities.

## 1.4 Infrastructure payments

### 7.4.1 Departmental infrastructure payments

Please refer to the 2016 Estimates of Capital Expenditure (ECE)

### 7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

## 1.4 Transfers

### 7.5.1 Transfers to public entities

N/A

### 7.5.2 Transfers to other entities

N/A

## 7.3 Transfers to local government

TABLE 11.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Category A	3 000	4 025	4 051	3 503	3 503	3 503			
Category B	3 185	3 300	6 215	1 993	1 993	1 993			
Category C			1 968	5 488	5 488	5 488			
<b>Total departmental transfers</b>	<b>6 185</b>	<b>7 325</b>	<b>12 234</b>	<b>10 984</b>	<b>10 984</b>	<b>10 984</b>			

Transfers to municipalities amounted to R6.1 million in 2012/13 to R12 million in 2014/15. In 2015/16, the budget for transfers to local government is R10.9 million for River clean up and removal of waste, reeds and grass from the river. A large part of this grant is transferred to municipalities to create jobs using labour intensive methods. The transfer is withdrawn over the 2016 MTEF and projects which were previously implemented by municipalities on behalf of GDARD will be implemented by the department.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

This programme provides all the corporate support services required by the department's Programme 2: Agriculture and Rural Development and Programme 3: Environment. It responds directly to strategic outcome oriented goal 3 on Enhanced Capacity of the GDARD to implement effectively, and indirectly to Goals 1 and 2 which is: A modernised and transformed agricultural sector increasing food security, economic inclusion and equality, and "Sustainable Natural Resource Management.

The purpose of the programme is to provide leadership, management, efficient and effective M & E, policy and research co-ordination and security and risk management, financial management, HR management and development, facilities management services, professional legal services and enforcement services, communication and awareness as well as knowledge and project management services to the department in response to Outcome 12. The programme's aim is an efficient, effective and development-oriented public service and empowered, fair and inclusive citizenship, through the following strategic objectives which are in line with the department's five Year Strategic Plan.

### Programme objectives

- Ensuring effective and efficient governance;
- Provision of effective Planning, Monitoring & Evaluation, Policy and Research Co-ordination and Security and Risk Management;
- Provision of Sound and Compliant Financial Management;
- Provision of effective Human Resource Management;
- Transformation within GDARD through mainstreaming of women, youth and persons with disabilities;
- Provision of sound and reliable Legal Advice and Support;
- Promote and facilitate effective communications between GDARD and people of Gauteng; and
- Provision of Information and Communication Technology Support and Services.

### Key policies, priorities and outputs

- Institutionalise long term planning;
- Forge a disciplined, people-centred and professional public service;
- Empower citizens to play a role in developing and building an ethical public service;
- Implement a less hierarchical approach;
- Improve the skills of public servants;
- Strengthen procurement processes;
- Pay suppliers promptly;
- Customise and adapt the IT system to specific areas of service delivery; and
- Revitalise the Batho Pele programme and implement the Public Service Charter.

TABLE 11.6: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Office Of The MEC	6 176	6 795	5 744	5 480	6 780	6 780	5 766	6 055	6 406
2. Senior Management	28 728	34 791	34 576	36 658	43 158	43 316	25 987	26 521	28 059
3. Corporate Services	64 936	64 157	92 418	72 090	72 415	69 816	74 604	78 624	81 980
4. Financial Management	43 677	49 872	25 718	52 504	52 566	56 821	74 839	79 316	90 116
<b>Total payments and estimates</b>	<b>143 517</b>	<b>155 615</b>	<b>158 456</b>	<b>166 732</b>	<b>174 919</b>	<b>176 733</b>	<b>181 196</b>	<b>190 516</b>	<b>206 561</b>

TABLE 11.7: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>135 907</b>	<b>149 229</b>	<b>151 855</b>	<b>161 907</b>	<b>169 095</b>	<b>170 761</b>	<b>176 314</b>	<b>185 624</b>	<b>201 385</b>
Compensation of employees	81 509	87 892	96 350	105 038	108 430	106 395	113 273	118 083	123 032
Goods and services	54 384	61 330	55 501	56 869	60 665	64 366	63 041	67 540	78 353
Interest and rent on land	14	7	4						
<b>Transfers and subsidies to:</b>	<b>59</b>	<b>1 505</b>	<b>1 718</b>	<b>1 502</b>	<b>797</b>	<b>940</b>	<b>1 176</b>	<b>1 222</b>	<b>1 293</b>
Departmental agencies and accounts		896	969	906	734	734	962	1 002	1 060
Households	59	609	749	596	63	206	214	220	233
<b>Payments for capital assets</b>	<b>6 796</b>	<b>4 856</b>	<b>4 875</b>	<b>3 323</b>	<b>5 027</b>	<b>5 027</b>	<b>3 706</b>	<b>3 670</b>	<b>3 883</b>
Buildings and other fixed structures			226		72	147			
Machinery and equipment	6 203	4 856	4 447	3 323	4 955	4 880	3 706	3 670	3 883
Software and other intangible assets	593		202						
<b>Payments for financial assets</b>	<b>755</b>	<b>25</b>	<b>8</b>			<b>5</b>			
<b>Total economic classification</b>	<b>143 517</b>	<b>155 615</b>	<b>158 456</b>	<b>166 732</b>	<b>174 919</b>	<b>176 733</b>	<b>181 196</b>	<b>190 516</b>	<b>206 561</b>

The table above shows the budget and expenditure for Administration increased from R143 million in 2012/13 to R158 million in 2014/15 as a result of the decentralisation of the procurement function in the province, which resulted in the migration of staff from the province's Department of Finance to GDARD and other provincial departments. During 2013/14 the programme budget was adjusted upwards to enable the filling of critical vacancies under Corporate Services. In 2015/16 financial year, the budget is R174 million and increases to R181 million in 2016/17 to accommodate cost of living increases in compensation of employees and the adjustment budget carry through mainly for security services in the department. This is in line with the increases approved by National Treasury relating to cost of living and annual increases in goods and services. The sub-programme that particularly influences expenditure is Corporate Services, which provides enabling services to the department. The programme budget increases to R190 million in 2017/18 and R206 million in 2018/19.

The compensation of employees budget was R81 million in 2012/13 and R96 million in 2014/15. During the 2015/16 adjusted appropriation, it increases to R108 million due to upgrade of salary levels 1 and 2. The allocation further increases from R113 million during 2016/17 before increasing to R123 million in 2018/19 to cater for cost of living adjustments to personnel.

The goods and services budget declined from R61 million in 2013/14 to R55.5 million in 2014/15, as the department decentralised the budget to where costs are incurred in the programme, this relates to property payments, lease payments and overheads telephone, cell phone and photocopier charges associated with the various programmes. The budget is R60.6 million in 2015/16; R63 million in 2016/17; and R78 million in 2018/19.

Under departmental agencies and accounts, in 2016/17 a skills levy of R962 000 will be transferred to sector education and training authorities (SETAs). The figure increases to R1 million in the outer year of the 2016 MTEF. The transfer to SETA was only allocated in the 2013/14 financial year because of the new DPSA directive on the use of the skills development levies to build employee capacity and external talent management initiatives. Internal training needs are identified through the performance management and development process, and are aligned to strategic priorities. They are incorporated into workplace skills plans which are submitted to PSETA for endorsement. The plan is implemented on an annual basis.

Transfers to households relate to injury on duty payments. The allocation fluctuates since leave gratuity pay-outs are demand driven. Over the 2016 MTEF, the allocation increases to R233 000 for 2018/19. The allocation is reduced due to decentralisation to other programmes.

Payments for capital assets increased from R4.9 million in 2014/15 to R5 million in 2015/16 due to the once-off acquisition of machinery and equipment and the improvement of information technology facilities. The allocation for 2016/17 is R3.7 million before increasing slightly to R3.8 million for 2018/19. This is due to planned replacement of old furniture and labour saving devices.

## **PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT**

### **Programme description**

This programme area is responsible for two of the major mandate areas of the GDARD, which is development of agriculture and development of rural areas. Based on the new strategic direction for the fifth term of governance, greater emphasis will be placed on the economic growth and development elements of both mandate areas. The programme and its three strategic objectives described below respond directly to the GDARD's Strategic Outcome Oriented Goal 1, a modernised and transformed agricultural sector increasing food security, economic inclusion and equality. It contributes to Goal 2 on Sustainable Natural Resource Management and indirectly to Goal 3 on enhanced capacity of the GDARD to implement effectively.

The programme aims to optimise the contribution of sustainable agriculture to the equitable development of all communities in the province, by enhancing food security, income, employment and the quality of life; and to control and manage health risks of animal origin by ensuring healthy livestock production and the availability and affordability of healthy high quality food and animal products, thus stimulating economic growth and contributing to poverty alleviation and international trade.

### **Programme objectives**

- Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work;
- Sustainable agriculture reform with a thriving small and large farming sector;
- Boost food security for all and ensure the sustainability thereof;
- Improved access to affordable and diverse food;
- Improved rural services to support livelihoods;
- Ensure comprehensive socio-economic development in Gauteng's rural areas;
- Improved employment opportunities and economic livelihoods; and
- Institutional arrangements that support rural development.

**Key policies, priorities and outputs**

- To support sustainable development and management of community environmental and some agricultural resources, implement the EPWP environment and culture sector and provide agricultural support services to some farmers;
- To provide extension and advisory services, sustainable agricultural development support to smallholder and commercial farmers, provision of agricultural infrastructure support coordination and support to households for the purpose of food security;
- To provide increased Agri-Business support through entrepreneurial development, marketing services, value adding, production and resource economics;
- Ensure both healthy animals and supply of safe, healthy and wholesome food of animal origin by reducing levels of animal disease and negligible occurrence of zoonotic diseases;
- Provide a veterinary export certification service to livestock and food processing industries as well as the adoption of SABS approved animal welfare practices on Gauteng farms, abattoirs and places of performing animals;
- To provide expert, needs-based research and technology transfer services; and
- To support and coordinate development programmes in rural areas by all stakeholders.

**TABLE 11.8: SUMMARY OF PAYMENTS AND ESTIMATES: AGRICULTURE AND RURAL DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Sustainable Resource Management	29 217	30 157	36 190	36 968	36 968	36 968	39 244	38 228	39 745
2. Farmer Support & Development	116 272	114 670	140 860	161 312	172 673	169 240	176 665	186 639	198 575
3. Veterinary Services	46 901	53 584	60 612	72 770	93 373	94 478	85 767	87 221	91 780
4. Research & Technology Development Services	25 475	22 673	33 172	53 581	73 611	54 401	39 699	41 865	44 293
5. Agricultural Economics Services	22 323	26 601	24 539	44 750	44 752	44 864	29 771	50 984	33 560
6. Rural Development Coordination	3 449	5 465	7 618	7 808	10 408	10 408	8 222	8 633	9 133
<b>Total payments and estimates</b>	<b>243 637</b>	<b>253 150</b>	<b>302 991</b>	<b>377 189</b>	<b>431 785</b>	<b>410 359</b>	<b>379 368</b>	<b>413 569</b>	<b>417 087</b>

**TABLE 11.9: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>204 302</b>	<b>216 333</b>	<b>243 656</b>	<b>334 566</b>	<b>382 497</b>	<b>359 890</b>	<b>354 994</b>	<b>397 794</b>	<b>400 397</b>
Compensation of employees	90 640	105 328	122 763	128 151	143 225	141 824	150 056	155 589	163 412
Goods and services	113 662	111 005	120 893	206 415	239 272	218 066	204 937	242 205	236 985
<b>Transfers and subsidies to:</b>	<b>30 747</b>	<b>35 861</b>	<b>54 524</b>	<b>28 773</b>	<b>25 093</b>	<b>25 414</b>	<b>16 705</b>	<b>9 305</b>	<b>9 844</b>
Provinces and municipalities	6 185	5 900	9 824	10 984	9 816	9 816			
Departmental agencies and accounts	4 343	5 160	10 396	8 710	5 590	5 590	11 885	4 059	4 294
Higher education institutions	3 797	3 156	2 570	3 806	3 806	3 806	4 210	5 001	5 291
Public corporations and private enterprises	16 422	21 645	31 734	5 273	5 703	5 703	400		
Households					178	499	210	245	259
<b>Payments for capital assets</b>	<b>8 588</b>	<b>956</b>	<b>4 811</b>	<b>13 850</b>	<b>24 195</b>	<b>25 055</b>	<b>7 669</b>	<b>6 471</b>	<b>6 846</b>
Machinery and equipment	8 588	956	4 811	13 850	22 195	23 055	7 354	6 471	6 846
Software and other intangible assets					2 000	2 000	315		
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>243 637</b>	<b>253 150</b>	<b>302 991</b>	<b>377 189</b>	<b>431 785</b>	<b>410 359</b>	<b>379 368</b>	<b>413 569</b>	<b>417 087</b>

The programme's expenditure increased from R244 million to R303 million between the 2012/13 and 2014/15 financial years, due to an increase in funding for agriculture, agro-processing, veterinary services and rural development projects. In 2015/16, the budget increases significantly to R431 million, representing an increase of 42 per cent. The increase was due to a once-off allocation for mobile abattoirs, Agri-parks and milling plants in the 2015/16 Adjustment budget. The allocation is R379 million in 2016/17 and increases to R417 million in 2018/19. The increase in the budget is mainly to boost food security for all and ensure sustainability thereof, to enable and support transformation of the agriculture sector to actively participate in economic growth.

A substantial portion of the budget is assigned to Farmer Support and Development sub-programme, which implements the plans associated with the CASP and Ilima/Letsema conditional grants. Key projects under these two conditional grants are land and agrarian reform; provision of on- and off-farm infrastructure; food security; the Gauteng Farmer Settlement Programme (GFSP); and agricultural cooperatives which include piggery, poultry and maize production.

The budget under Farmer Support and Development grows from R177 million to R199 million between 2016/17 and 2018/19 financial years due to additional allocations for permanently appointed extension officers; projects associated with the Extension Recovery Plan; land reform; and provision of disaster relief assistance to farmers.

The sub-programme Veterinary services expenditure increased from R47 million to R61 million between 2012/13 and 2014/15 financial years. The budget of the sub-programme is R86 million in 2016/17 and R92 million in 2018/19, these funds will assist with ensuring that whole and healthy foods of animal origin are provided to consumers through services including veterinary certification, laboratory diagnostic services, abattoir audits and monitoring, and animal health regulatory control.

Sustainable Resource Management is largely driven by implementation of the EPWP and provides for removing waste from rivers, rehabilitating wetlands, burning firebreaks and removing alien vegetation. Implementation of the National Land Care programme is limited to community-based natural resource management projects, tree and shrub planting and Junior Land Care rather than Land Care support to farmers. The allocation to Sustainable Resource Management increases from R29.2 million to R39.2 million from 2012/13 to 2016/17 financial year. The augmented allocation will make provision for the implementation of removal of alien vegetation which results in job creation.

The expenditure of the Sub programme Research and Technology Development and Support was R25 million in 2012/13 and R33 million in 2014/15 for the establishment of agricultural hubs. The budget is R73 million in 2015/16, and the sub-programme received a once off allocation of R20 million to establish Agri-parks in Eikenhof and Khutsong in order to contribute to job creation. The allocation amounts to R39 million 2016/17 and increases to R44 million in 2018/19 to promote agricultural technology and science.

The budget for the sub-programme Agricultural Economics comprises of earmarked allocation for Agro-processing, the expenditure was R22.3 million in 2012/13 and R44.7 million in 2015/16 to provide for agro-processing infrastructure such as plant, horticulture, livestock and agricultural cooperatives. The budget decreases to R29.7 million in 2016/17 due to once-off allocation of milling plants received during 2015/16.

GDARD has allocated R26.6 million from agro-processing earmarked allocations to initiate renovations and upgrading of the various market facilities including upgrading of Vereeniging fresh produce market to comply with food safety standards and create new market opportunities for the farmers. The programme offers agricultural economic advice and financial support to farmers, processors and agri-businesses.

The programme's expenditure on compensation of employees amounted to R90.6 million in 2012/13 and increased to R122.7 million in 2014/15. The budget is R143 million in 2015/16, and this increased to R150 million and R163 million in 2016/17 and 2018/19 respectively, to cater for cost of living adjustments, filling critical vacant posts and permanent appointment of extension officers.

Goods and services expenditure was R114 million in 2012/13 and was increased to R239 million in 2015/16. This represents an increase of 50 per cent as compared to 2014/15 allocation. The increase was due to once off allocation for mobile abattoirs to support meat processing in townships and to establish Agri-parks in Eikenhof and Khutsong to contribute to job creation. The budget grows from R202 million in 2016/17 to R232 in 2018/19 to boost food security for all and ensure sustainability.

The budget for transfers to higher education institutions amounted to R3.8 million in 2015/16. It increases to R5 million in 2017/18 to fund priority research projects and the implementation of the biotechnology strategy. The transfer to departmental agencies is R11.8 million in 2016/17 and is disaggregated as follows: R2.8 million to be transferred to the ARC to fund research agenda projects; and R9 million to National Agriculture Marketing Council for the development of an Agriculture Information Management System.

The department had withdrawn the transfer to municipalities for the maintenance of mechanization inputs such as tractors and Rand Water foundation in 2016/17 due to change of methodology for implementing the projects. These projects will be done through departmental tender process.

The expenditure on machinery and equipment fluctuates, decreasing from R8 million in 2012/13 to R4 million in 2014/15 and increasing to R22 million in 2015/16. The 2016/17 budget is R6 million and R6 million in the outer years of the MTEF. The budget is mainly to fund mechanization input costs thus contributing to food security and job creation in the province.

**SERVICE DELIVERY MEASURES****PROGRAMME 2: AGRICULTURE AND RURAL DEVELOPMENT**

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Number of hectares protected/rehabilitated to improve agricultural production	800	800	800
Number of green jobs created (through Land Care)	100	90	80
Number of hectares of agricultural land protected through guiding subdivision/rezoning/change of agricultural land use	10	10	10
Number of Disaster Relief Schemes managed	1	1	1
Number of disaster risk reduction programmes managed	4	4	4
Number of agricultural infrastructure established	2 (RTDS contribution)	2 (RTDS contribution)	2 (RTDS contribution)
Number of smallholder producers receiving support	180	200	200
Number of women farmers supported	60	80	80
Number of smallholder producers supported with agricultural advice	2 200	2 260	2 260
Number of households benefiting from agricultural food security initiatives	14 000	16 000	16 000
Number of hectares cultivated for food production in communal areas and land reform projects	600	650	650
Number of individual homestead gardens supported	14 000	16 000	16 000
Number of school food gardens supported	80	85	85
Number of community food gardens supported	80	85	85
Number of women benefitting from community food gardens	800	850	850
Number of participants trained in agricultural skills development programmes	600	650	650
Number of smallholder farmers trained	2 000	2 200	2 200
Number of commercial farmers trained	40	40	40
Number of epidemiological units visited for veterinary interventions	7 000	3 700	3 700
Number of Primary Animal Health Care (PAHC) veterinary interventions to small scale farmers (animal identification, vaccinations, basic treatment, skills transfer)	30 000	30 000	30 000
Number of mobile Veterinary services in Townships (basic treatments, vaccinations, sterilisations and awareness)	40 000	40 000	40 000
Number of animal health regulatory veterinary interventions with emerging and commercial farmers (livestock and pet regulatory vaccinations, field samples collected, inspections conducted, movement documents processes for diseases control purposes)	120 000	145 000	148 000
Percentage completion of Aquaculture Programme	Phase 2: Strategy roll out	Phase 3 Strategy roll out	Phase 4: strategy roll out
Percentage completion of the Nguni Project	Phase 3 implementation	Phase 4 implementation	Phase 5 implementation
Number of clients serviced for animal and animal products export control	7 000	7 000	7 000
Number of Export Value Reports providing Amount and Rand Value (Tonnage/Quantities) information of animal and animal products	1	1	1
Percentage level of abattoir compliance to meat safety legislation	80%	83%	85%
Number of Mobile Slaughter facilities established	2	3	8
Number of Mobile Slaughter facilities established	4	6	8
Number of tests performed the quality of which meets the ISO 17025 standard and OIE requirements	60 000	60 000	60 000
Number of Farmers accredited with HACCP scheme	35	40	50
Number of clients who have benefitted from Agriculture economic advice provided	105	110	120
Number of Agri-businesses supported with agricultural economic services to access markets	35	40	50
Number of Vegetables agro-processing infrastructure projects implemented/initiated (multi-year)	2	3	4
Number of Herbs and Essential Oils agro-processing infrastructure projects implemented/initiated (multi-year)	1	1	1
Number of Maize Milling agro-processing infrastructure projects implemented/initiated (multi-year)	1	1	1
Number of sunflower oil extraction agro-processing infrastructure projects implemented/initiated (multi-year)	1	1	1
Number of agro-processing infrastructure facilities implemented/initiated – soya bean processing for animal and human consumption (multi-year)	1	1	1
Number of agro-processing infrastructure facilities implemented/initiated – abattoirs (multi-year)	1	1	1
Number of agro-processing infrastructure facilities implemented/initiated - hides tanning (multi-year)	-	1	-
Number of famers accredited with Global GAP (Good Agricultural Practice)	30	35	40
Number of farmers in the Maize Triangle supported	50	55	60
Number of farmers supported with Barley production inputs	40	45	50

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Number of women benefiting from agro-processing	25	30	35
Number of agricultural economic information responses provided	405	410	420
Number of economic reports compiled	6	8	10
Number of Research and technology development projects implemented to improve agricultural production	10	12	12
Number of SMME and Biotech Companies supported with Business Incubation (Incl. BioFundi Awards)	6	6	6
Number of Research presentations made nationally or internationally	40	40	40
Number of Agri-Expos organised	3	3	3
Number of smallholder farmers attending Agri-Expos	800	800	800
Number of Farmers trained in water saving technologies	80	80	80
Number of Scientific papers published nationally or internationally	5	5	5
Number of research infrastructure managed	1	1	1
Number of Hectares worked by GDARD tractors	2 500	2 500	2 500
Number of Agri-parks established	2	2	2
Number of Agri-parks maintained	6	8	10
Number of women benefiting from Agri-parks	5	5	5
Number of Farm Plans developed	80	80	80
Number of Functional Council of Stakeholders	4	4	4
Number of Projects implemented with signatories of Gauteng Rural Social Compact Plan (NAFU, AFASA, AGRIGAUTENG, FAWU, WARD AND YARD) to support social cohesion	5	5	5
Number of MEC-Industry AgriBEE Indaba/State of AgriBEE	1	1	1
Number of AgriBEE/FWES Projects/ transactions supported	3	3	3

### PROGRAMME 3: ENVIRONMENTAL AFFAIRS

#### Programme description

This programme is responsible for the sustainable development mandate area of the GDARD, i.e. protection and management of Gauteng's natural and environmental resources and ecosystems. Based on the new strategic direction for the fifth term of governance, greater emphasis will be placed on economic growth and development elements e.g. eco-tourism, development of alternate energy sources/supply to provide long term energy security, waste management and the development of green technologies and processes.

The programme promotes equitable and sustainable use of ecosystems, goods and services and contributes to economic development by managing biodiversity and its components, processes, habitats and functions. The programme also ensures that the province implements the principles of integrated waste management; promotes sustainable development and quality of life by ensuring acceptable ambient air quality and sustainable mining practices; and manages hazardous chemicals and industrial related activities.

#### Programme objectives

- Protect and manage Gauteng's natural resources and environment;
- Support sustainable development including waste management, recycling and the development and utilisation of green technologies and processes; and
- Boost energy security through the development of suitable energy mix solutions.

#### Key policies, priorities and outputs

- To develop policies and programmes that will contribute to the reduction of negative environmental footprint of developments;
- To minimise and mitigate environmental impact through inspections, criminal and administrative enforcement actions, raising awareness to foster environmental compliance;
- To contribute to: South Africa's pledge to reduce carbon intensity by reducing emissions by 35 per cent in 2020 and 43 per cent in 2025; and built an environment that is low carbon, energy efficient and minimises waste.
- To ensure that the ecosystems are sustained through an increase in the conservation estate, the protection of biomes and endangered species, restoration of degraded land and sustainable exploitation of natural resources; and
- To enable effective environmental institutional and governance mechanisms to create an enabling environment for stakeholders to contribute to sustainable development; and that creates an EPWP environment and culture sector work opportunities.

TABLE 11.10: SUMMARY OF PAYMENTS AND ESTIMATES: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1.Environmental Policy, Planning And Coordination	10 478	17 285	13 350	15 555	15 555	17 350	17 432	20 630	21 827
2.Compliance And Enforcement	28 111	33 572	34 804	37 340	42 257	42 257	41 067	45 696	47 380
3. Environmental Quality Management	27 192	29 891	34 982	35 011	55 484	55 253	42 005	60 153	61 577
4. Biodiversity Management	62 953	54 185	70 439	75 560	91 940	82 070	116 785	121 489	131 780
<b>Total payments and estimates</b>	<b>128 734</b>	<b>134 933</b>	<b>153 575</b>	<b>163 466</b>	<b>205 236</b>	<b>196 930</b>	<b>217 289</b>	<b>247 968</b>	<b>262 564</b>

TABLE 11.11: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>120 134</b>	<b>127 560</b>	<b>143 525</b>	<b>152 516</b>	<b>178 016</b>	<b>179 830</b>	<b>186 241</b>	<b>238 674</b>	<b>239 421</b>
Compensation of employees	95 292	98 404	111 740	121 273	127 523	133 022	146 379	150 398	157 655
Goods and services	24 842	29 156	31 785	31 243	50 493	46 808	39 862	88 276	81 766
Interest and rent on land									
<b>Transfers and subsidies to:</b>		<b>1 425</b>	<b>2 410</b>		<b>355</b>	<b>499</b>	<b>209</b>	<b>194</b>	<b>205</b>
Provinces and municipalities		1 425	2 410						
Households					355	499	209	194	205
<b>Payments for capital assets</b>	<b>8 600</b>	<b>5 948</b>	<b>7 640</b>	<b>10 950</b>	<b>26 865</b>	<b>16 601</b>	<b>30 839</b>	<b>9 100</b>	<b>22 938</b>
Buildings and other fixed structures	8 600	5 838	6 005	10 950	20 820	10 950	30 839	9 100	22 938
Machinery and equipment		110	1 635		6 045	5 651			
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>128 734</b>	<b>134 933</b>	<b>153 575</b>	<b>163 466</b>	<b>205 236</b>	<b>196 930</b>	<b>217 289</b>	<b>247 968</b>	<b>262 564</b>

Sustainable use of natural resources in agriculture; promote sustainable livelihoods; protect and enhance environmental assets and natural resources; protected biodiversity are funded within this programme which explains the high budget and expenditure in the table above. The programme's expenditure increased from R129 million in 2012/13 to R155 million in 2014/15. The budget over the 2016 MTEF grows steadily from R217 million in 2016/17 to R262 million in 2018/19, to fund priority projects such as the development of a climate change strategy; projects related to the expansion of protected areas; issuing of biodiversity permits; and a review of nature conservation ordinances.

The expenditure on goods and services was R24.8 million and R31.7 million in 2014/15. The budget shows significant growth from R56 million in 2016/17 to R88 million in 2017/18, the increase is due to the additional funding of R40 million for the effective implementation of nature reserves management plans. The department further receives additional budget of R35 million in 2017/18 and 2018/19 for Bontle ke Botho campaign for creating a clean city region, clearing and rehabilitation of illegal dumping sites, establishment of nursery and tree planting.

The expenditure for buildings and other fixed structure was R8.6 million and R6 million between 2012/13 and 2014/15. Over the 2016 MTEF, the budget is R15 million in 2016/17, R9 million and R23 million in 2017/18 and 2018/19 respectively due to additional funding of R45 million to eradicate maintenance backlog in departmental nature reserves.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: ENVIRONMENTAL AFFAIRS

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Number of inter-governmental sector tools reviewed (IDPs)	12	12	12
Number of legislative tools developed	1	1	-
Number of environmental research projects undertaken (research and development electronic EIA System)	1	1	1
Number of functional environmental information management systems	3	3	3
Number of enforcement actions finalised for non-compliance with environmental legislation	110	125	125
Number of compliance inspections conducted	110	125	125
Number of S24G applications received	250	250	250
Number of S24G fines paid	10	10	10
Number of received S24G applications finalized	15	10	10

Performance measures	Estimated Annual Targets		
	2016/17	2017/18	2018/19
Number of designated Environmental Management Inspections (EMI) in provincial departments and local government	8	8	8
Percentage of EIA Applications finalised within legislated timeframes	100%	100%	100%
Percentage of waste licence applications finalised within legislated timeframes	85%	85%	90%
Number of Waste management co-ops assisted with registration with the DTI in the priority townships	10	10	10
Number of Recycling Facilities and Buy-back centres supported with recycling equipment	6	9	12
Number of Waste Management Recycling Co-operatives in townships trained	10	10	10
Number of Waste Certificates issued	200	200	200
Number of Health Care Waste Approvals issued	20	30	40
Number of reports on percentage of waste diverted from landfill	4	4	4
Number of monitoring reports issued on cleanliness levels of municipalities	15	18	20
Percentage of atmospheric emission licences with complete applications issued within legislated timeframes	100%	100%	100%
Number of homes in 50 townships provided with alternative energy	10 000	12 000	14 000
Percentage of facilities with Atmospheric licences reporting to the National Atmospheric Emissions Inventory System (NAES)	50%	60%	70%
Number of designated organs of state with approved and implemented AQMPs	1	2	2
Number of municipalities supported to develop air quality monitoring infrastructure	2	3	5
Number of industries reporting their GHG emissions	1	1	1
Number of hectares in the conservation estate	73 756	73 756	73 756
Number of Permits issued within legislated timeframes	7 800	8 000	8000
Percentage of area of state managed protected areas with a METT score above 67	83%	83%	83%
Number of work opportunities created through environmental programmes	486	456	436
Number of EPWP FTE jobs created	160	150	140
Number of environmental awareness activities conducted	99	94	89
Number of quality environmental education resources materials developed	1	1	1

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 11.12: PERSONNEL NUMBERS AND COST

Personnel numbers	As at	As at	As at	As at	As at	As at	As at
	31 March 2013	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018	31 March 2019
1. Administration	233	233	261	282	282	282	282
2. Agriculture And Rural Development	310	310	333	343	343	343	343
3. Environmental Affairs	361	361	310	344	344	344	344
<b>Total provincial personnel numbers</b>	<b>904</b>	<b>904</b>	<b>904</b>	<b>969</b>	<b>969</b>	<b>969</b>	<b>969</b>
Total provincial personnel cost (R thousand)	267 441	291 624	330 853	381 241	409 708	424 069	444 098
Unit cost (R thousand)	296	323	366	393	423	438	458

TABLE 11.13: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS

R thousands	Actual				Revised estimate			Medium-term expenditure estimate				Average annual growth over MTEF					
	2012/13		2013/14		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19		
	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% of Total
Salary level																	
1 - 6	173	28 517	173	27 270	176	27 818	106	65	171	29 446	171	33 639	171	32 034		2.8%	7.6%
7 - 10	594	155 036	594	176 899	581	201 568	547	27	574	219 417	574	239 201	574	247 388		4.1%	56.5%
11 - 12	96	58 848	96	64 007	105	69 920	113		113	68 660	113	77 719	113	85 227		7.5%	18.5%
13 - 16	41	34 828	41	37 640	42	41 034	42	1	43	39 517	43	46 094	43	49 524		7.8%	10.8%
Other		9 635		9 966		12 357	68		68	24 202	68	28 361	68	29 925		7.3%	6.6%
<b>Total</b>	<b>904</b>	<b>286 864</b>	<b>904</b>	<b>315 782</b>	<b>904</b>	<b>352 697</b>	<b>876</b>	<b>93</b>	<b>969</b>	<b>381 241</b>	<b>969</b>	<b>422 069</b>	<b>969</b>	<b>444 098</b>		<b>5.2%</b>	<b>100.0%</b>
<b>Programme</b>																	
1. Administration	233	81 509	233	87 892	261	96 350	217	65	282	110 493	282	118 083	282	123 032		3.6%	28.1%
2. Agriculture And Rural Development	310	90 640	310	105 328	333	122 763	315	28	343	143 225	343	155 589	343	163 412		4.5%	37.0%
3. Environmental Affairs	361	95 292	361	98 404	310	111 740	344		344	146 379	344	150 398	344	157 655		7.3%	34.9%
<b>Total</b>	<b>904</b>	<b>267 441</b>	<b>904</b>	<b>291 624</b>	<b>904</b>	<b>330 853</b>	<b>876</b>	<b>93 0</b>	<b>969</b>	<b>381 241</b>	<b>969</b>	<b>424 070</b>	<b>969</b>	<b>444 099</b>		<b>5.2%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																	
Public Service Act appointees not covered by OSDs							756	22	778	301 206	778	334 898	778	361 149		6.2%	79.3%
Legal Professionals Engineering Professions and related occupations							3		3	1 896	3	2 649	3	2 278		6.3%	0.5%
<b>Total</b>							188		188	76 076	188	87 478	188	90 607		6.0%	20.2%
<b>Total</b>							<b>947</b>	<b>22</b>	<b>969</b>	<b>379 178</b>	<b>969</b>	<b>425 025</b>	<b>969</b>	<b>454 034</b>		<b>6.2%</b>	<b>100.0%</b>

Personnel costs increased from R267 million in 2012/13 to R292 million in the 2014/15 financial year. This is due to a number of critical posts that were filled such as the Agricultural advisors. Over the MTEF, the compensation budget allocation will increase due to the implementation of the upgrade of salary levels 1 and levels 2, appointment of infrastructure officials, permanent appointment of extension officers and the general annual improvement of conditions of service.

## 9.2 Training

TABLE 11.14: PAYMENTS ON TRAINING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Administration	6 519	6 909	5 579	3 805	3 805	3 805	3 594	4 439	4 696
Payments on tuition	6 519	6 909	5 579	3 805	3 805	3 805	3 594	4 439	4 696
<b>Total payments on training</b>	<b>6 519</b>	<b>6 909</b>	<b>5 579</b>	<b>3 805</b>	<b>3 805</b>	<b>3 805</b>	<b>3 594</b>	<b>4 439</b>	<b>4 696</b>

The decrease in the training allocation from 2013/14 to 2014/15 resulted from the implementation of the DPSA directive on utilisation of training budgets in the public service and the review of the distribution of the branch allocation. To enable effective monitoring and reporting, the training budget is centralised in Programme 1 under the Sub-programme: Corporate Services. The department provides bursaries to internal employees and externally to members of the community in relation to scarce occupations and continued formal development. In 2013/14, R6.9 million was spent on skills development initiatives to build internal and external capacity. The department identifies training needs through the performance management process, and then addresses these gaps through workplace skills plans. These are submitted to PSETA for endorsement.

Implementation of the workplace skills plans is cascaded into the DPSA's Human resources development implementation plan which provides the action plan about how these activities will unfold. To assist with scarce skills development, the department conducts career awareness sessions at venues such as communities, schools and higher education institutions. Financial assistance in the form of bursaries is granted to deserving applicants, and workplace exposure/internships are provided to assist graduates with their workplace readiness. Collaborative internship projects have been implemented with the Ekurhuleni municipality and FoodBev SETA respectively. These projects will continue in the financial year 2016/17, this will allow the department to increase the target on internships or alternatively allocate the funds for priority skills development projects.

TABLE 11.15: INFORMATION ON TRAINING: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Number of personnel trained	901	901	711	675	675	675	675	675	714
<i>of which</i>									
Male	414	414	327	310	310	310	310	310	328
Female	487	487	384	365	365	365	365	365	386
Number of training opportunities	176	176	194	176	176	176	176	176	186
<i>of which</i>									
Tertiary	150	150	169	146	146	146	146	146	154
Workshops	20	20	20	20	20	20	20	20	21
Seminars	6	6	5	10	10	10	10	10	11
Number of bursaries offered	42	42	38	38	38	38	40	40	40
Number of interns appointed	48	48	40	40	40	40	45	45	45
Number of days spent on training	3	3	5	5	5	5	4	4	4

The table reflects allocation for training for the department is related to bursaries, workshops and seminars to employees to increase capacity in the department, also provides information about persons trained and to be trained, their gender profile and the number of bursaries awarded internally and externally. Development opportunities are provided in line with individual officials' development plans and with the performance management and development system. The department assists officials through implementation of the bursary scheme.

In the 2014/15 financial year, the department made a concerted effort to meet and exceed the provincial target of 5 per cent of the establishment on internship programmes. This target will be maintained and partnerships established to assist with funding future programmes. The department continues to assist officials with further development of knowledge within their respective areas of competence through the implementation of the bursary scheme.

## **ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

TABLE 11.16: SPECIFICATION OF RECEIPTS: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Tax receipts</b>									
<b>Sales of goods and services other than capital assets</b>	<b>671</b>	<b>743</b>	<b>1 765</b>	<b>1 850</b>	<b>1 850</b>	<b>5 813</b>	<b>8 140</b>	<b>8 554</b>	<b>8 989</b>
Sale of goods and services produced by department (excluding capital assets)	671	743	1 765	1 850	1 850	5 813	8 140	8 554	8 989
Other sales	671	743	1 765	1 850	1 850	5 813	8 140	8 554	8 989
Of which									
Health patient fees	671	743	787	1 050	1 050	4 399	1 103	1 158	1 216
Other (Specify)			978	800	800	893	850	900	952
Other (Specify)						521	2 012	2 112	2 218
Other (Specify)							4 175	4 384	4 603
<b>Transfers received from:</b>									
<b>Fines, penalties and forfeits</b>							<b>6 468</b>	<b>6 791</b>	<b>7 131</b>
<b>Interest, dividends and rent on land</b>	<b>80</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>11</b>	<b>5</b>	<b>6</b>	<b>6</b>
Interest	80		4	4	4	11	5	6	6
<b>Sales of capital assets</b>									
<b>Transactions in financial assets and liabilities</b>	<b>1 355</b>	<b>287</b>	<b>329</b>			<b>286</b>	<b>200</b>	<b>240</b>	<b>260</b>
<b>Total departmental receipts</b>	<b>2 106</b>	<b>1 030</b>	<b>2 098</b>	<b>1 854</b>	<b>1 854</b>	<b>6 110</b>	<b>14 813</b>	<b>15 591</b>	<b>16 386</b>

TABLE 11.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>135 907</b>	<b>149 229</b>	<b>151 855</b>	<b>161 907</b>	<b>169 095</b>	<b>170 761</b>	<b>176 314</b>	<b>185 624</b>	<b>201 385</b>
Compensation of employees	81 509	87 892	96 350	105 038	108 430	106 395	113 273	118 083	123 032
Salaries and wages	70 809	79 192	84 510	89 879	92 541	92 325	98 190	100 780	104 725
Social contributions	10 700	8 700	11 840	15 159	15 889	14 070	15 083	17 303	18 307
Goods and services	54 384	61 330	55 501	56 869	60 665	64 366	63 041	67 540	78 353
Administrative fees	247	(371)	676	260	377	377	321	283	299
Advertising	5 803	1 574	1 417	2 119	1 597	1 597	2 050	1 618	1 712
Minor Assets	71	47	711	16	131	268		18	19
Audit cost: External	2 895	4 048	4 215	3 778	3 778	3 778	2 800	4 174	4 416
Bursaries: Employees	820	947	708	1 020	1 223	1 223	643	1 128	1 193
Catering: Departmental activities	579	1 579	728	1 254	1 069	969	1 217	987	1 044
Communication (G&S)	2 208	4 029	3 088	2 526	2 666	6 704	2 273	2 796	2 959
Computer services	5 760	4 954	5 475	6 756	7 033	5 733	8 363	7 466	7 899
Consultants and professional services: Business and advisory services	815	1 194	1 425	1 033	1 162	1 062	1 361	1 142	1 209
Consultants and professional services: Legal costs	1 020	1 168	1 097	1 884	1 452	1 123	2 178	2 083	2 204
Contractors	1 389	681	665	1 294	780	1 137	3 583	1 431	1 514
Agency and support / outsourced services	121	149	91	267	195	195	85	295	312
Entertainment	106	604	115						
Fleet services (including government motor transport)	1 974	3 551	2 693	2 923	1 377	1 377	2 186	2 969	3 141
Inventory: Clothing material and accessories		597	74	35	35	103	120	38	40
Inventory: Farming supplies		161	3			1			
Inventory: Food and food supplies	20	549	39	257	54	55	2	85	90
Inventory: Fuel, oil and gas	3 650	5 211	4 857	2 161	1 760	3 604	64	3 178	3 363
Inventory: Learner and teacher support material				36	36	36		40	43
Inventory: Materials and supplies	64	172	427	229	391	473	15	253	268
Inventory: Medical supplies					36	36			

TABLE 11.17: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Inventory: Other supplies		4					70		
Consumable supplies	101	329	224	518	734	735	824	573	606
Consumable: Stationery, printing and office supplies	1 330	1 112	3 167	2 171	2 909	3 611	2 761	2 383	2 521
Operating leases	4 238	(7 138)	2 706	2 857	2 922	781	2 006	2 165	2 035
Property payments	12 696	27 479	13 998	13 615	19 111	19 838	21 359	22 437	30 892
Travel and subsistence	3 895	4 364	3 195	4 303	4 751	4 697	5 388	3 837	4 059
Training and development	1 826	512	938	1 922	1 942	1 942	1 088	3 226	3 413
Operating payments	1 728	2 716	1 171	2 428	1 841	1 671	1 395	2 125	2 244
Venues and facilities	1 028	1 187	1 598	1 207	1 298	1 235	889	810	857
Rental and hiring		(79)			5	5			
Interest and rent on land	14	7	4						
Interest	14	7	4						
<b>Transfers and subsidies</b>	<b>59</b>	<b>1 505</b>	<b>1 718</b>	<b>1 502</b>	<b>797</b>	<b>940</b>	<b>1 176</b>	<b>1 222</b>	<b>1 293</b>
Departmental agencies and accounts		896	969	906	734	734	962	1 002	1 060
Provide list of entities receiving transfers		896	969	906	734	734	962	1 002	1 060
Households	59	609	749	596	63	206	214	220	233
Social benefits	59	609	749	596	63	206	214	220	233
<b>Payments for capital assets</b>	<b>6 796</b>	<b>4 856</b>	<b>4 875</b>	<b>3 323</b>	<b>5 027</b>	<b>5 027</b>	<b>3 706</b>	<b>3 670</b>	<b>3 883</b>
Buildings and other fixed structures			226		72	147			
Buildings			226						
Other fixed structures					72	147			
Machinery and equipment	6 203	4 856	4 447	3 323	4 955	4 880	3 706	3 670	3 883
Transport equipment	2 643			1 651	1 651	1 576	1 860	1 821	1 926
Other machinery and equipment	3 560	4 856	4 447	1 672	3 304	3 304	1 846	1 849	1 957
Software and other intangible assets	593		202						
<b>Payments for financial assets</b>	<b>755</b>	<b>25</b>	<b>8</b>			<b>5</b>			
<b>Total economic classification</b>	<b>143 517</b>	<b>155 615</b>	<b>158 456</b>	<b>166 732</b>	<b>174 919</b>	<b>176 733</b>	<b>181 196</b>	<b>190 516</b>	<b>206 561</b>

TABLE 11.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>204 302</b>	<b>216 333</b>	<b>243 656</b>	<b>334 566</b>	<b>382 497</b>	<b>359 890</b>	<b>354 994</b>	<b>397 794</b>	<b>400 397</b>
Compensation of employees	90 640	105 328	122 763	128 151	143 225	141 824	150 056	155 589	163 412
Salaries and wages	78 931	105 328	107 120	110 978	122 041	123 683	131 066	133 650	140 201
Social contributions	11 709		15 643	17 173	21 184	18 141	18 990	21 939	23 211
Goods and services	113 662	111 005	120 893	206 415	239 272	218 066	204 937	242 205	236 985
Administrative fees	37	417	558	152	361	433	60	157	166
Advertising	1 035	457	652	423	1 322	1 082	308	407	430
Minor Assets	218	175	53	1 036	948	744	626	1 141	1 208
Audit cost: External				60	60	60	80	66	70
Bursaries: Employees			42	37	37	37		41	43
Catering: Departmental activities	1 292	1 662	1 321	5 491	2 373	2 452	1 270	1 275	1 349
Communication (G&S)	2 666	2 756	2 836	3 012	2 657	2 657	2 946	3 276	3 466
Computer services	784						120	400	423
Consultants and professional services: Business and advisory services	255	263	361		2 100	2 137	400		
Consultants and professional services: Infrastructure and planning	15 068	7 278	14 931	14 652	12 264	12 266	21 647	14 028	14 841
Consultants and professional services: Laboratory services	651	132	46			127		713	754
Contractors	5 910	1 839	492	3 961	9 484	7 182	8 553	4 379	4 635
Agency and support / outsourced services	10	193	6			410			

TABLE 11.18: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: AGRICULTURE AND RURAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Entertainment		340	7	1		1		1	1
Fleet services (including government motor transport)				40	40	40	40	44	47
Inventory: Clothing material and accessories	1 835	496	1 173	923	553	553	508	829	876
Inventory: Farming supplies	49 924	58 326	62 457	123 607	159 170	139 819	109 550	149 824	139 244
Inventory: Food and food supplies	58	465	44	5	90	116	117	6	6
Inventory: Fuel, oil and gas	3	5	60	1 625	609	609	2 145	3 046	3 223
Inventory: Materials and supplies	380	1 837	631	1 505	2 000	2 059	1 670	2 520	2 666
Inventory: Medical supplies	211	28	1 696	385	1 826	1 862	3 692	3 286	3 476
Inventory: Medicine	2 328	1 407	1 646	4 084	6 285	6 285	15 020	13 605	14 395
Consumable supplies		1 586	1 620	3 494	1 441	2 454	1 776	3 553	3 759
Consumable: Stationery, printing and office supplies	676	73	1 280	1 206	1 706	1 706	693	1 331	1 409
Operating leases	6 756	6 156	3 474	5 422	3 596	3 471	2 785	6 418	6 790
Property payments	3 535	1 701	1 500	3 414	2 214	2 214	2 067	3 624	3 835
Travel and subsistence	11 752	14 967	14 910	17 721	17 714	17 001	17 038	16 739	17 711
Training and development	1 220	924	1 858	3 835	1 955	2 013	7 374	5 354	5 665
Operating payments	1 685	1 588	2 637	4 389	4 758	4 731	2 813	4 357	4 610
Venues and facilities	5 373	5 934	4 602	5 935	3 709	3 504	1 639	1 784	1 887
Rental and hiring						41			
<b>Transfers and subsidies</b>	<b>30 747</b>	<b>35 861</b>	<b>54 524</b>	<b>28 773</b>	<b>25 093</b>	<b>25 414</b>	<b>16 705</b>	<b>9 305</b>	<b>9 844</b>
Provinces and municipalities	6 185	5 900	9 824	10 984	9 816	9 816			
Municipalities	6 185	5 900	9 824	10 984	9 816	9 816			
Municipalities	6 185	5 900	9 824	10 984	9 816	9 816			
Departmental agencies and accounts	4 343	5 160	10 396	8 710	5 590	5 590	11 885	4 059	4 294
Provide list of entities receiving transfers	4 343	5 160	10 396	8 710	5 590	5 590	11 885	4 059	4 294
Higher education institutions	3 797	3 156	2 570	3 806	3 806	3 806	4 210	5 001	5 291
Public corporations and private enterprises	16 422	21 645	31 734	5 273	5 703	5 703	400		
Public corporations	16 422	21 645	31 734	5 273	5 703	5 703	400		
Other transfers	16 422	21 645	31 734	5 273	5 703	5 703	400		
Households					178	499	210	245	259
Social benefits					178	499	210	245	259
<b>Payments for capital assets</b>	<b>8 588</b>	<b>956</b>	<b>4 811</b>	<b>13 850</b>	<b>24 195</b>	<b>25 055</b>	<b>7 669</b>	<b>6 471</b>	<b>6 846</b>
Machinery and equipment	8 588	956	4 811	13 850	22 195	23 055	7 354	6 471	6 846
Transport equipment				8 000	8 000	12 002			
Other machinery and equipment	8 588	956	4 811	5 850	14 195	11 053	7 354	6 471	6 846
Software and other intangible assets					2 000	2 000	315		
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>243 637</b>	<b>253 150</b>	<b>302 991</b>	<b>377 189</b>	<b>431 785</b>	<b>410 359</b>	<b>379 368</b>	<b>413 569</b>	<b>417 087</b>

TABLE 11.19: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ENVIRONMENTAL AFFAIRS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>120 134</b>	<b>127 560</b>	<b>143 525</b>	<b>152 516</b>	<b>178 016</b>	<b>179 830</b>	<b>186 241</b>	<b>238 674</b>	<b>239 421</b>
Compensation of employees	95 292	98 404	111 740	121 273	127 523	133 022	146 379	150 398	157 655
Salaries and wages	82 179	98 404	97 693	107 856	112 581	116 085	126 427	131 648	137 818
Social contributions	13 113		14 047	13 417	14 942	16 937	19 952	18 749	19 837
Goods and services	24 842	29 156	31 785	31 243	50 493	46 808	39 862	88 276	81 766
Administrative fees		80	101	15	33	67	33	17	18
Advertising	468	537	1 041	579	8 824	8 848	1 520	8 482	8 974
Minor Assets	262	310	157	413	454	454	51	401	425

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Catering: Departmental activities	163	223	443	506	890	899	596	504	533
Communication (G&S)	1 019	1 184	1 775	2 534	1 971	1 352	2 336	1 703	1 802
Computer services	1 117	14	28		7	7			
Consultants and professional services: Business and advisory services	320	5 425	1 638	2 277	2 277	2 277	1 515	2 524	2 671
Consultants and professional services: Infrastructure and planning	6					180			
Consultants and professional services: Scientific and technological services								20 000	20 000
Contractors	2 455	1 529	2 927	5 531	4 574	5 609	14 091	24 437	16 949
Agency and support / outsourced services	12	52	5						
Entertainment			176	30	30	30		33	35
Fleet services (including government motor transport)	741			100	73	73			
Inventory: Clothing material and accessories	621	462	853	500	6 722	4 728	687	5 053	5 346
Inventory: Farming supplies	673	1 211	2 211	6 471	10 740	6 965	4 817	9 692	8 689
Inventory: Food and food supplies	1	17	1						
Inventory: Fuel, oil and gas	155	21	325	572	1 246	886		640	677
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	1 184	591	1 388	913	914	990	1	1 009	1 068
Inventory: Medical supplies	42								
Inventory: Medicine	55	30	1	122	122	122		135	143
Inventory: Other supplies						300			
Consumable supplies	1 974	3 829	4 078	1 336	322	355	482	1 098	1 162
Consumable: Stationery, printing and office supplies	78	481	16	1	1	93	20	112	118
Operating leases	1 610	982	1 070	2 637	1 146	665	655	2 772	2 933
Property payments	4 779	5 868	6 090	1 255	3 033	4 540	4 804	2 365	2 502
Transport provided: Departmental activity	174								
Travel and subsistence	5 922	4 995	5 933	3 871	5 159	5 359	6 717	5 768	6 103
Training and development	22	55		275	706	706	400	138	146
Operating payments	499	260	500	695	829	846	337	768	813
Venues and facilities	461	921	971	610	390	390	680	624	660
Rental and hiring	29	79	57		30	67	120		
Interest and rent on land									
<b>Transfers and subsidies</b>		<b>1 425</b>	<b>2 410</b>		<b>355</b>	<b>499</b>	<b>209</b>	<b>194</b>	<b>205</b>
Provinces and municipalities		1 425	2 410						
Municipalities		1 425	2 410						
Municipalities		1 425	2 410						
Households					355	499	209	194	205
Social benefits					355	499	209	194	205
<b>Payments for capital assets</b>	<b>8 600</b>	<b>5 948</b>	<b>7 640</b>	<b>10 950</b>	<b>26 865</b>	<b>16 601</b>	<b>30 839</b>	<b>9 100</b>	<b>22 938</b>
Buildings and other fixed structures	8 600	5 838	6 005	10 950	20 820	10 950	30 839	9 100	22 938
Buildings	8 600	5 838	6 005	10 950	20 820	10 950	30 769	9 100	22 938
Other fixed structures							70		
Machinery and equipment		110	1 635		6 045	5 651			
Transport equipment						1 005			
Other machinery and equipment		110	1 635		6 045	4 646			
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>128 734</b>	<b>134 933</b>	<b>153 575</b>	<b>163 466</b>	<b>205 236</b>	<b>196 930</b>	<b>217 289</b>	<b>247 968</b>	<b>262 564</b>