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**Eastern Cape**  
**Department of Agriculture**  
**Strategic Plan**

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DEPARTMENT OF AGRICULTURE STRATEGIC PLAN

FOR

2003 - 2006

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# **1 Part A: Vision, mission and values**

## **1.1 Statement of policy and commitment by the MEC**

The strategic plan for the Department of Agriculture (the Department) – Eastern Cape (the Province) is a consequence of a series of consultation sessions between the department and its counterparts in the economic cluster (Economic & Environmental Affairs, Transport and Public Works), the social cluster (Welfare, Premiers office and Finance) and the Stakeholders (farmers unions, cooperatives, Agriculture related value added industries). Management and staff have also been widely consulted during the formative stage of the strategy. The primary purpose of scanning the environment in this way is to establish the basic needs and the necessities of the stakeholders in order to facilitate the creation of the relevant policies and create a conducive environment for the development of the agricultural sector.

The National Department of Agriculture (NDA) together with Agri SA and National African Farmers Union (NAFU) has formulated a strategic plan for South African agriculture sector that sets out the objectives, challenges and opportunities within the Agricultural sector. Several of these strategies are proposed in this document. The department with the assistance of the NDA is in the process of implementing the commodity group development strategy. The implementation of the massive food production strategy and promulgation of the livestock improvement scheme is conclusive proof that the department is finally walking the talk. The planned road shows are a sign that the department is making every effort to come close and work hand in glove with its farming community and that its policies are tailored to meet their needs.

This strategic plan is a living document that will be revisited whenever changes occur in the environment, and is part of a series of other guiding documents and legislation including the policy speech, previous policies (the road ahead and building the rural economy), Public Finance Management Act, existing regulations, etc.

The challenge for the Department is continually aligning its strategies and policies to those of the Province including the provincial and growth and development strategy (PGDS), stakeholders and the National Departments in order to facilitate the achievement of a common national vision, objectives and goals. In many cases, this balancing act could prove to be difficult, however, the processes that have been followed in the formulation of the strategy assures that there is similarity between the priorities of the various parties and stakeholders.

The core function of the Department is to facilitate agricultural production in the Eastern Cape

through the provision of technical support to farmers and community based initiatives and the creation of a conducive environment for increased investment in agriculture. In many instances, the Department will actively intervene and support initiatives in order to enhance the unique competitive advantages of our Province for the benefit of all. These interventions will be mainly directed at improving the quality of life of those operating in this sector and redressing the inequalities created by the past.

In an effort to achieve these ideals, the Department will embark in a holistic development approach by actively participating in the formulation of integrated development plans (IDP's) and other planning initiatives at local level and within the specified clusters in the Province. All functions that could be devolved to local authorities for effectiveness will be devolved in order to enable the department to move closer to its ideal functions. Co-operation with the National Departments will in all instances be mandatory.

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**HON MEC: MR M M MAMASE**  
**DEPARTMENT OF AGRICULTURE (20/02/03)**

## **1.2 Overview by the accounting officer**

The financial year 2001/02 has been a hive of activities in the agri-business field. It saw the rand sink to approximately R11.40 to a dollar thus making the imported agricultural inputs more expensive, and consequently reducing profitability to the farmer particularly at the farm gate. The passing of the American farm bill has further reduced the competitiveness of South African farmer's products in the world markets and making it impossible for new entrants or resource limited farmers to survive let alone succeed.

The current slow pace of the Doha round negotiations regarding the reduction of subsidies for agricultural products and the proposed changes to the common agricultural policy (CAP) within the European Union (EU) is further depressing the competitiveness of South African agricultural products in the world markets. This state of affairs could facilitate dumping of agricultural products in South Africa making it very difficult for the many resource-limited farmers in the Eastern Cape to survive in Agri-business without assistance.

Closer to home maize prices have increased from R750 per ton in January and reached an all time high of over R2000 per ton in March 2002 before steadily declining to reach approximately R1100 per ton on February 14, 2003. Most of other agri-commodities price trends have also been showing a steady downward trend. The question remains how far are prices capable of falling. This indicates the need for the Eastern Cape farmers to diversify crops, practice intercropping and rotate crops with high value crops (sugar beet, chicory, etc) that could stabilise cash flows during periods of commodity price downturns.

The enforcement of minimum wages, while it is welcome from a labour point of view, will also contribute to increased production costs and in some cases could result in job losses in cases where farmers are unable to maintain the current labour force levels.

Many factors determine competitiveness, some of which can be fully controlled, some partially and others not at all. The rand / dollar exchange rate and production efficiency, both of which can be partially controlled probably have the highest impact on competitiveness. The recent food price increases are a direct consequence of the rand weakening especially in December 2001. Since most of the agricultural produce trades on the basis of international markets, which fluctuate between import and export parity on Chicago Board of Trade (CBOT) prices and the depreciation of the rand has had a huge effect on input costs. In the medium term the commercial and the resource limited farmer is the loser. This is exacerbated by the fact that land prices have been dropping in real terms to the level of production values, and

even lower in many cases thus making it difficult to use land as security for production loans. Many farmers have been forced to exit the agri-business industry, placing sustainable food production and food security in South Africa under immense pressure.

The continued under funding of agriculture by government is not assisting either. Developed countries invest around 3% of an industry gross domestic product (GDP) in only public research and development, while for South Africa this is estimated at approximately 1%. This is even lower in the Eastern Cape. This has negatively affected service delivery to the resource limited agricultural sector.

In a province that is mainly rural in nature and is, primarily dependant on agricultural development for its competitiveness it is important that agriculture be developed to its fullest potential and that government support projects, programmes and schemes that supports emerging farmers while sustaining commercial agriculture.

### **1.3 Vision**

The vision is:

The Department of agriculture strives to be dynamic support and service provider for sustainable agricultural growth and economic development.

### **1.4 Mission and strategic goals**

The mission is:

The department seeks to facilitate, promote and co-ordinate optimal agricultural production and sustainable development, through equitable access to resources and meaningful participation by all stakeholders; thus contributing to a better life for all in the Eastern Cape Province.

In order to achieve to achieve its vision and meet its obligations the department has set itself the following strategic goals:

- Sustainable utilisation of natural resources;
- Increased food production;
- Increased economic activity from agriculture;
- Facilitate conducive agricultural environment through enabling legislation;

- Facilitate equitable access and participation by resource limited farmers to agricultural activities and resources;
- Improve global competitiveness and profitability;
- Developing integrated and sustainable rural development; and
- Facilitate change management and good corporate governance.

## **1.5 Values**

Whilst striving for excellence in all its operations, the department has, as its core values, the Batho Pele principles:

- The stakeholders and customers are consulted about the service that the department provides;
- These stakeholders and customers are treated courteously;
- The department is transparent in all its dealings with the stakeholders and customers;
- The value and quality of the department's service is communicated in advance to all its stakeholders and customers;
- When the department fails to honour its commitment, the stakeholder and /or customer is promptly approached for redress;
- The department ensures equitable access to its services; and
- Allows its customers and stakeholders to monitor and evaluate the quality of its service.

## **1.6 Legislative and other mandates**

The department derives its core mandate from the provisions of Schedules 4 and 5 of the Constitution of the Republic of South Africa and in accordance with Section 104 (1) b of the Constitution; the Province has passed the following legislations, with regard to the Department of Agriculture:

### **1.6.1 The Eastern Cape Rural Finance Corporation Act, Act 9 of 1999**

**The Eastern Cape Rural Finance Corporation Act No 9 of 1999** was promulgated to provide for the establishment of the Eastern Cape Rural Finance Corporation Limited (uVimba), with the object of promoting, supporting and facilitating rural development in the Eastern Cape Province in an appropriate and sustainable manner; to make provision for the abolition of the Agricultural Bank of Transkei and the Ciskeian Agricultural Bank Limited; and to provide for matters connected therewith.

### **1.6.2 The Agriculture Development Act, Act 8 of 1999**

The Agricultural Development Act No 8 of 1999 was promulgated to promote, support and facilitate agricultural development in the Eastern Cape Province, by providing for the introduction of programmes and schemes for providing agricultural assistance and disaster relief to farmers and for improving agricultural standards and the efficiency and competitiveness of the agricultural sector; to provide for the creation of an agricultural development fund; and to provide for matters connected therewith.

### **1.6.3 Animal Identification Act, Act 8 of 2001**

### **1.6.4 Livestock Improvement Act**

### **1.6.5 Meat Safety Act, Act 7 of 2001**

### **1.6.6 Animal Health Act, Act 3 of 2002**



### **1.6.7 Agriculture**

- South African Abattoir Corporation Act, 1992, Act 120 of 1992
- Animal Protection Act, 1962, Act no 71 of 1962
- Livestock Improvement Act, 1997, Act no 25 of 1997
- Limitation, Control and Improvement of Livestock and of Pastoral and Agricultural Resources in Black Areas, 1927, Act 38 of 1927
- Animal Protection Act (Ciskei), 1986, Act 20 of 1986
- Animal Slaughter Meat and Animal Products Hygiene Act (Transkei), 1981
- Livestock Brands Act, 1962, no 87 of 1962
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947, Act 36 of 1947
- Fencing Act, 1963, Act no 31 of 1963
- Designated Areas Development Act, 1979, Act 87 of 1979
- Agricultural pests Act, 1983, Act 36 of 1983
- Conservation of Agricultural Resources Act, 1983, Act 43 of 1983

### **1.6.8 Land**

- Location Regulations: Unsurveyed Districts: Transkeian Territories, Act 26 of 1936
- Upgrading of Land Tenure Rights Act 1991, no 112 of 1991
- Proclamation (Transkei) No 174 of 1921
- Land Use Regulation Act (Ciskei), 1987, Act No 15 of 1987
- Black Communities Development Act, 1984, Act no 4 of 1984
- Black Administration Act, 1927, Act No 38 of 1927 as amended
- Development Facilitation Act, 1995, Act no 67 of 1995
- Distribution and Transfer of certain State land Act, 1993, Act no 119 of 1993
- Land Titles Adjustment Act, 1993, No 11 of 1993
- Abolition of Racially Based land Measures Act, 1991, No 108 of 1991
- Fencing Act, 1963, Act no 31 of 1963

- State land Disposal Act, 1961, 48 of 1961
- State land Disposal Act (Ciskei), 1961, Act No 48 of 1961
- Regulations Governing the Granting of Leasehold issued in terms of the Black Communities Development Act, 1984, GN R2451 of 1 November 1995
- Black Areas Land Regulations Issued in terms of Black Administration Act, 1927 Act No 38 of 1927, GN R188 of 1969

### **1.6.9 Corporate governance**

The Department has also adopted the following Acts that contributes towards sustainable economic development in the Province.

- The Constitution of the Republic of South Africa (Act No. 108 of 1996) - Section 27
- Public Finance Management Amendment Act No.29 of 1999
- Public Service Act
- Reconstruction and Development Program
- Labour Relations Act (Act No. 66 of 1995)
- Employment Equity Act (Act 55 of 1998)
- Basic Conditions of Employment Act (Act No.75 of 1997)
- Skills Development Act (Act 97 of 1998)

### **1.6.10 The Eastern Cape communal soil conservation scheme, Provincial Notice No. 57 of 2001**

**The Eastern Cape communal soil conservation scheme** was established in terms Provincial Notice No. 57 of 2001. The objective of this scheme is to promote the construction of certain soil conservation works with the view to maintaining and improving the production potential of communal land and to combat or prevent excessive soil loss through erosion, and to regulate the payment of monies appropriated by the Legislature for the purpose of this scheme.

#### **1.6.11 Control of noxious weeds scheme**

Noxious weed reduce the productivity and value of livestock and crop products in the province. This is an incentive based scheme that subsidises the control of noxious weeds. Communities and / or farmers must register for participation in the scheme and payments are made against the achievement of eradication targets. The scheme has to be promulgated through the legislative process.

#### **1.6.12 Crop improvement / massive food production scheme**

Crop improvement through the massive food production scheme has approved by the Executive council of the Eastern Cape and has as its primary aim the improvement of crop production through conditional grants for production inputs and the entrepreneur development through the mechanization programme. The scheme focuses on promoting conservation cropping practices to ensure long term sustainability of finite arable land resources. The scheme will be implemented over a period of five years.

#### **1.6.13 Livestock improvement scheme**

The livestock improvement scheme has been promulgated. Its primary objectives are:

- Improvement of the genetic quality of livestock resources;
- Safeguard the national livestock resources form controlled diseases, pests and harmful residues;
- Promote proper forage and pastoral risk management; and
- Promote efficient and effective flock / herd management practices.

#### **1.6.14 Farmer to farmer support leadership / mentorship scheme**

The purpose of this scheme is to bring together the high level of management and leadership capacity within the commercial agricultural sector with the emerging agricultural sector to improve the production efficiency and management capacity of the emerging sector.

#### **1.6.15 Rural finance scheme**

The objective of this scheme is to:

- Grant funding to resource poor communities engaging in agricultural projects that impact on food security and poverty alleviation;
- Create financial sustainability within the community through the establishment of rural financing agencies;
- Improve the economic viability of households through the support of income generating opportunities for disadvantaged communities;
- Give initial grants to communities for creation of financial resources within reach of the community; and
- The grant will serve as a revolving credit facility within each community.

#### **1.6.16 Farmer settlement scheme**

The farmer settlement scheme strives to ensure the successful establishment of new historically disadvantaged entrants into the farming sector through:

- The provision of funds for sustainable development of land according to its potential and its specific; and
- Develop the skills of emerging farmers by providing appropriate training.

#### **1.6.17 Resource planning scheme**

The objective of this scheme is to provide funding for proper identification, planning, utilisation and conservation of natural resources with a view to maintain and improve the agricultural production potential of communal or farm land to enhance integrated rural planning.

#### **1.6.18 Co-operation and implementation agreements**

Co-operation agreements have been entered into with Agri-East Cape, Fort Hare University, National African Farmers Union (NAFU), Farm Africa, Industrial Development Corporation (IDC), Amatole District Council and Agricultural Research Council (ARC) in order to share skills and expertise between these organisations and the Department of Agriculture. In some instances these organisations will implement projects for and on behalf of the department. These are agreements are intended to facilitate implementation

of projects and are entered into in the spirit of co-operative governance, integrated sustainable rural development strategy and local economic development plans.

## **1.7 Description of status quo**

The South African Agricultural Sector Strategy indicates that agriculture contributes to the economy of the country when farm workers, farmers and their families spend their wages, salaries, and agricultural profits on consumer goods and when they buy inputs for production in the next season. Agriculture accounts for 4.5% of the Gross Domestic Product (GDP) in South Africa while the agro-industry accounts for 9% of the GDP. Large commercial farmers (50 000) who are predominantly white generate most of this contribution to the GDP.

The Department operates in an environment that is faced with varied challenges. Eastern Cape is a rural province whose majority of the population constitutes the historically disadvantaged groups. The level of understanding on technical matters is, therefore, relatively low. Research on technologies and production methods that yield few private benefits to researchers, but can provide sustainable increases in agricultural production and improved management of natural resources in the province seriously under funded and poorly co-ordinated between the various institutions. Initiatives are underway to co-ordinate both primary and secondary research among the institution (University of Fort Hare and Orange Free State, Port Elizabeth Technikon, ADRI, and the departmental research stations).

Attendant to this is the age demographics of the farmers. The average age of the experienced farmers is very high, and there is insufficient participation by the youth in agriculture. The Province is rated as the poorest of all the other provinces in the country with a relatively high proportion of young people (41, 8% of the provincial population is 15 years and younger). It is largely rural in nature with high agricultural potential if properly preserved. It would therefore, make sense for agriculture and development of young farmers to form the cornerstone of the transformation of this rural economy.

This necessitates a more direct involvement of the departmental officials in developmental issues. In so doing the Department will be able to contribute significantly in changing of the mindset of the average farmer, our primary client, from the culture of entitlement a proactive trendsetter and business leader. Inroads are being made to encourage youth and women to participate actively in agricultural activities.

The ability to access credit finance by the emerging farmers continues to be a challenge for this rural province. Together with Uvimba bank and Land bank, the department is working on innovative ways to improve access to finance for the emerging farmer and facilitate better functioning rural financial markets. An integrated rural financial system needs that allows small savers to save conveniently and at reasonable costs, which could

provide insurance, collateral and credit, needs to be developed. To this end, the department is facilitating the restructuring and financial re-engineering of the debt that some emerging farmers had with Uvimba in collaboration with the Land bank. The departmental post farmer settlement schemes are being strengthened, through amongst others, the introduction and steady role out of the mentorship of the mentorship programme.

The communal land tenure system poses a challenge of a different nature. Communal ownership of the grazing land interferes with the proper planning of the communal lands. This delay in proper planning of the grazing land exacerbates the denudation of this diminishing natural resource, leading to unchecked soil erosion, with catastrophic consequences for the future generations and agriculture. In addition, the extent of the arable lands that are lying fallow has reached unacceptable proportions. The ineffective land administration is worrisome. The department will engage the local authorities to pass bye-laws that will allow for the mobilization of underutilized land for food security purposes and the implementation of the massive food production project. The passing of the Land Communal Rights Act, which, amongst others, seeks to provide for the leases of communal land for commercial and developmental purposes, to some extent will address this handicap.

The Growth & Development Strategy of the province continues to guide the department in its quest to bring about an integrated and sustainable rural development. But the scourge of HIV/AIDS, which continues to take its toll on the able-bodied men and women of our province, poses a challenge that requires alternatives to our labour-intensive ways of doing things.

The province is characterized by a disparity in its water resources. There is abundance of water in the eastern seaboard, as opposed to the western half of the province. The department is taking full advantage of this in its choice of appropriate projects, as guided by the identified agro-ecological zones. With reasonable rural infrastructure in place, it will be possible to increase food production of the province to levels that will be far beyond self-sufficiency. Non-farm enterprises, both formal and informal, will under these circumstances, increase and offer the poor an alternative escape route from poverty since they require or training to set up.

Critical to this environment is the ability of management to manage the change and relationships between the various farming sectors. This could be done by reacting to changes in the environment in the most appropriate manner, gaining insight into what is likely to happen and positioning the department in the most appropriate manner and leading the change by creating an environment to which others (mainly stakeholders, etc)

should react. The latter, as a policy maker, is the envisaged core function of the department.

### **1.7.1 Summary of service delivery environment and challenges**

This environment creates many challenges including:

- Transformation of the sector
  - Transformation of the agricultural sector should be implemented in such a manner that it is integrated with the rural development plans.
  - Creating economies of scale, efficient production and co-ordinated markets through public private partnerships (PPP), farmer-to-farmer support structures and integrated unions.
  - Transforming agricultural institutions to adopt a curriculum that is farmer oriented and abreast of development needs.
  - Re-educating, motivating and supporting the communities to move back to the land and use it more productively.
  - Develop innovative rural rural finance support models.
  - Attracting private sector and implementing public private partnerships for effective development and leveraging of government investments at the irrigation schemes.
- Economic development, resource and information management
  - Increasing global competition in some areas and the implementation of non-tariff barriers emanating from economic policies designed to protect sectors competing with imports.
  - Limited access to resources particularly rural agricultural credit and finance is hampering sector integration and development.
- Policy development and decision making
  - Developing reliable market and economic agricultural information to enable the department's policy makers to make decisions based on evidence.
  - Developing agricultural policies that are suitable for the third world and

emerging markets while under enormous pressure to emulate the first world at all costs.

### **1.7.2 Summary of organisational environment and challenges**

- Human resource development
  - Motivating staff to strive for excellence in their day-to-day activities is the primary challenge.
  - Focusing strategic staff training and development towards programmes that improves knowledge and provides experience and life skills, creates enormous challenges.
  - Finding appropriate management training, which will produce effective, efficient and versatile public service managers who will be able to deliver services to the farming community, is a great challenge.
  - The dreaded issue of additional staff is making it impossible to operate efficiently.
  - Critical positions cannot be filled due to lack of funds. The department requires R28 million to fill 190 critical posts out of the 400 vacant posts.
  
- Allocation of resources and coordination
  - Providing sufficient production tools (transport, office space, computers, maps, aerial photos, access to internet and geographic information system, access to knowledge resources) for staff to improve efficiency and output is impossible with the limited budget allocation.
  - Closer co-operation (strategic planning, budgeting and coordinated delivery) within the economic and social clusters of governance for effective impact is essential.
  
- Corporate governance
  - Good governance, providing effective regulatory environment for the agricultural sector, which is conducive for growth and prosperity under internal conditions of sustained internal decay and low motivation is a great challenge.



- Financial and economic challenges
  - Development of economically competitive agricultural enterprises creates a great challenge.
  - Weak and ineffectual rural finance and economic institutions are draining the financial resources of the department and the economic cluster.

### **1.8 Description of strategic planning process**

The strategic plan for the Department, as previously mentioned, is a consequence of a series of consultation sessions between the department and its counterparts in the economic cluster, the social cluster and other Stakeholders. Management and staff have also been widely consulted during the formative stage of the strategy. The top management of the department then formulates the strategy based on the inputs from the respective stakeholders.

This strategic plan is based on several perspectives that affect the Department and its beneficiaries including:

- Learning and growth
  - Enhancing management training and life skills for all employees.
  - Achieving positive employee climate with regard to motivation, proactiveness, assertiveness and teamwork.
  - Enhancing information management and systems.
- Internal processes
  - Increase infrastructure capacity through the development of targeted schemes.
  - Promote stakeholder based problem solving.
  - Streamline beneficiary and stakeholder interaction through, amongst others, the formation of the advisory council as stipulated by the Agriculture Development Act.

- Improve productivity and efficiency
  
- Financial considerations
  - Grow the tax base through the development of successful commercial farmers and increased disposable income of rural communities.
  - Maximise cost / benefit ratio by, amongst others, leveraging departmental funding with private sector funds in suitable projects.
  - Secure funds both from internal sources (treasury) and external (donors, National Department of Agriculture, etc).
  
- Beneficiaries / stakeholder's perspective
  - Promote agricultural economic opportunities – access to market.
  - Promote access to finance for both infrastructure and production inputs by emerging farmers.
  - Enhance safety and security in the farming society through collaboration with other departments.

## **2 Part B: Three-year strategic plan**

### **2.7 Strategic Objectives**

The department has, in order to determine its strategic objectives, reviewed the political, economic, social, and the technological environment. Further, it has considered its internal processes and current policies and assessed the capacity and the ability of these to make an impact in the environment. External competitive forces have also been taken into consideration hence the following objectives.

**Table 1: Strategic objectives of the Agriculture and Land Affairs Department**

<p><b>STRATEGIC GOAL 1:</b> To promote sustainable utilization of natural resources</p> <p><b>STRATEGIC OBJECTIVES:</b></p> <ol style="list-style-type: none"><li>1. Prepare an inventory of Agricultural Practices and causes of degradation of resources within each District</li><li>2. Identify optimal agricultural enterprises for Agro-ecological zones</li><li>3. Promote sustainable agricultural practices</li><li>4. Implement protection of natural resources</li></ol>
<p><b>STRATEGIC GOAL 2:</b> Encourage increased food production</p> <p><b>STRATEGIC OBJECTIVES:</b></p> <ol style="list-style-type: none"><li>1. Increase income from animals production by 10% by 2004</li><li>2. Increase food production from crops by 5% by 2004</li></ol>

**STRATEGIC GOAL 3:** Increase economic activity from agriculture to 5% of the provincial GGP (currently 3.6% of the provincial GGP)

**STRATEGIC OBJECTIVES:**

1. Increase accessible local and export markets by 15% by 2004
2. Introduce and evaluate high value crops with local and export market potential
3. Establish joint ventures and public private partnerships for support of small scale farmers
4. Establish integrated farm systems demonstration plots / farms in each district by the end of 2004
5. To provide accessible agricultural production credit for viable agricultural projects managed by small farmers
6. Establish farmer support centres, co-operatives and other suitable institutions for the organisation and support of small farmers
7. Provide effective, efficient and economic administration for the support of farmer services

**STRATEGIC GOAL 4:** Provide enabling legislation

**STRATEGIC OBJECTIVES:**

1. Review existing legislation and identify strengths and weaknesses
2. Identify and draft new bills which will be required
3. Present bills to Legislature for enactment
4. Establish effective regulatory frameworks to prevent spread of animal and plant diseases, direct imports and exports and maintain competitiveness within the agricultural sector

**STRATEGIC GOAL 5:** Facilitate equitable access and participation by previously disadvantaged farmers to agricultural activities and resources

**STRATEGIC OBJECTIVES:**

1. Ensure and facilitate equitable access to agricultural physical resources,

management, technology, finance, extension services, etc

2. Facilitate the empowerment and participation of the previously disadvantaged farmers to participate in the value chain of agricultural activities and marketing of agricultural products
3. Monitor the participation and success of the previously disadvantaged farming communities in the Eastern Cape agricultural sector
4. Facilitate farm land reform (in particular the state owned farms) in collaboration with the department of land affairs and other agencies

Enhance mentorship to encourage the transfer of skills between commercial farmers and new entrants

**STRATEGIC GOAL 6:** Improve global competitiveness and profitability

**STRATEGIC OBJECTIVES:**

1. Facilitate farmer to market driven processes of commercialising farmers.
2. Engage research methods and development strategies that will enable the transfer of competitive and appropriate technology.
3. Facilitate value-adding activities to farm gate agricultural production.
4. Develop special projects to reduce the agricultural input costs particularly for emerging farmers.
5. Facilitate the production of high value crops (chicory, sugar beet, pineapples, etc)

**STRATEGIC GOAL 7:** Developing integrated and sustainable rural development

**STRATEGIC OBJECTIVES:**

1. Participate in integrated development plans (IDP) and rural development programmes in the identified nodes

**STRATEGIC GOAL 8:** Facilitate change management

**STRATEGIC OBJECTIVES:**

1. Facilitate training for staff
2. Facilitate project management as one of the methods to increase efficiency and management of funds

## 2.8 Measurable objectives, strategies/activities, outputs, measures and monitoring mechanisms

Table 2: Objectives, strategies, outputs, measures and monitoring mechanisms

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
1. Administration	To provide for the executive management of the vote including the MEC and his office and the Head of Department and his office. R288 532 000						
1.1. Office of the MEC							
	Provide leadership in policy development and its execution.	Joint planning and co-operation sessions  Facilitate the formation of consultation forums the stake holders (commodity groups, study groups and other advisory structures)	R3, 659	Number of planning sessions jointly held.		Ongoing until 2005	Quarterly reports on progress Monthly financial reports
1.2 Senior Management							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	<p>Provide technical, managerial leadership</p> <p>Determine training needs for the department staff.</p> <p>Ensure maximum training for all the staff and management.</p> <p>Coordinate training resources made available to the department by other training organizations.</p>	<p>Training needs schedule</p> <p>Development of transferable skills through accredited courses and / or recognised institutions.</p> <p>Maximum use of seta funds</p>	R10, 326	<p>Training needs schedule</p> <p>Complete utilisation of the funding allocated to the department.</p>		Ongoing until 2005	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p>
1.3 Corporate Support							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
<p>DEPARTMENT OF AGRICULTURE EASTERN CAPE STRATEGIC PLAN 2003 - 2006</p>	<p>To facilitate and coordinate effective occupational health and safety practises in the department with regard to HIV/AIDS, programmes for the disabled, employee counselling, etc</p> <p>Facilitate information technology (IT) transfer and support to all directorates.</p> <p>Develop best practice for good corporate governance administration best practices.</p> <p>Financial and asset management support</p>	<p>Development of the relevant programmes such as HIV / aids policy, youth, women, and disabled programmes for participation in agricultural development.</p> <p>Programmes for counselling staff with substance abuse and psychological problems.</p> <p>Develop service level agreement with supplies</p> <p>Develop human resources and training plan.</p>	<p>R274, 547</p>	<p>Number of campaigns conducted.</p>	<p>Awareness programmes conducted successfully and effectively.</p>	<p>Ongoing until 2005</p>	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p>



1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
<b>2. Technology Development &amp; Transfer</b>	<b>To promote Agricultural competitiveness, technical competence and optimal use of natural resources. R143, 980, 000</b>						
<i>2.1 Research &amp; Management</i>							
	Develop appropriate and affordable technologies for livestock, crop production and value added services.	Animal Production, Research and Development.  Crop Production, Research and Development.  Veld and Pasture Research and Development	R35, 113	Number of Research Projects.  Number of Technical Publications.  Number of incidents specialist advice.  Number of Presentations		Ongoing until 2005	Quarterly reports on progress  Monthly financial reports
<i>2.2 Research Stations</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	Develop appropriate and affordable technologies for livestock, crop production and value added services.	Animal Production, Research and Development. Crop Production, Research and Development. Veld and Pasture Research and Development	R7, 300	Number of Research Projects. Number of Technical Publications. Number of incidents specialist advice. Number of Presentations		Ongoing until 2005	Quarterly reports on progress Monthly financial reports
<i>2.3 Farmer Support Services</i>							
	Create awareness of the latest technological developments and transfer skills and build capacity within the farming community and rural areas.	Agricultural Training Agricultural Publications Agricultural Promotions	R101, 567	Number of incidents of training Number of Publications; Number of lectures		Ongoing until 2005	Quarterly reports on progress Monthly financial reports
<i>2.2 Agricultural rural development</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	Develop sustainable rural economy through agricultural based projects.	Community agricultural Projects developed through the IDP process.  Agricultural based small and medium enterprises with the rural communities.  Market development for agricultural products from the rural communities		Number of projects per District municipality.  Number of small / medium agricultural businesses created.	Access to markets	Ongoing until 2005	Quarterly reports on progress  Monthly financial reports
<b>3. Veterinary Services</b>	<b>The objective is to promote animal health and public health. R121 009 000</b>						
3.1 Animal Health							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	Maintain animal health and control animal diseases.	Improved production of safe food and fibre.  Improved animal health.  Successfully preventing the spread of Controlled diseases	R80, 875	Limited number of serious disease outbreak.  Response time to an outbreak of controlled diseases.		Ongoing until  2005	Quarterly reports  on progress  Monthly financial  reports
<i>3.2 Veterinary Public Health</i>							
	To provide wholesome food of animal origin	Improved Veterinary Public Health	R3, 571	Controlled spread of animal diseases		Ongoing until  2005	Quarterly reports  on progress  Monthly financial  reports
<i>3.3 Veterinary Laboratories</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	To conduct disease surveys	On going diseases survey in the Province  Development of comprehensive epidemiological reports	R5, 590	Effective animal health surveillance and disease prevention methods to be in place		Ongoing until 2005	Quarterly reports on progress  Monthly financial reports
<i>3.4 Animal Disease Surveillance unit</i>							
	To prepare <i>disease early warning system</i>	Well-trained Extension Officers for information services to Agricultural Sector.  Early Disease warning system to be in place.	R7, 973	Number of well trained extension officers.  Time lapse between outbreak and detection.		Ongoing until 2005	Quarterly reports on progress  Monthly financial reports
<i>3.5 Livestock improvement</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	To improve the genetic pool of provincial livestock	Bull schemes  Ram schemes	R23, 000	Consolidation of the animal genetic pool			
<b>4. Engineering Service</b>	<b>The program's main objective is to provide professional engineering and soil conservation engineering and to promote water use efficiency. R51 670 000</b>						
<i>4.1 Planning &amp; Administration</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	<p>Develop measures to protect agricultural resources (grazing areas and arable land)</p> <p>Planning, design and preparation of drawings for soil conservation works</p> <p>Construction inspections and compiling of inspection reports</p> <p>Evaluation of completed projects</p>	<p>Protection of agricultural land with high potential (reduction of over grazing, increased crop yields).</p>	R15, 170	<p>Number of sub catchments investigators</p> <p>Number of inspections and reports</p> <p>Number of evaluations</p>		Ongoing until 2005	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p>
4.2 Soil Conservation							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	Construction, inspections and compiling of inspection reports  Evaluation of completed projects	Protection of agricultural land with high potential (reduction of over grazing, increased crop yields).	R14, 500	Number of soil conservation works  Number of evaluations		Ongoing until  2005	Quarterly reports on progress  Monthly financial reports
<i>4.3 Irrigation schemes Revitalisation</i>							



1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	<p>Preliminary investigations of proposed crop production projects</p> <p>Planning and design, preparation of specifications and drawings for required infrastructure</p> <p>Construction and installation inspection and reports</p> <p>Evaluation of infrastructure after completion.</p>	<p>Critical infrastructure to enhance crop production.</p> <p>Increased yield from crops.</p>	R14, 000	<p>Number of investigation and reports</p> <p>Number of design, specification and drawings</p> <p>Number of inspections and inspection reports</p> <p>Number of evaluations</p>		Ongoing until 2005	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p>
4.3 Land Care Projects							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
			R8, 000			Ongoing until 2005	Quarterly reports on progress  Monthly financial reports

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
4.4 Mechanisation	<p>To add value to agricultural produce.</p> <p>Present mechanisation planning courses</p> <p>Advise to emerging workshop businesses</p> <p>Promote processing of crops</p> <p>Encourage renewable energy</p>	<p>Enable the farmers to access affordable mechanization services.</p>		<p>Number of courses and number of trainees</p> <p>Number of visits to workshops and management courses</p> <p>Number of Demonstrations</p> <p>Number of Demonstrations</p>		<p>Ongoing until 2005</p>	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p>

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
5. Projects and Planning	Provision of a systematic database for land use planning and the optimal preservation and utilisation of the agricultural resources within the Province. R130 249 000						
5.1 Resource Planning							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
	<p>Determination and delineation of agro-ecological zones and physical planning of projects.</p> <p>Facilitate the development of public private partnership.</p> <p>Planning, implementation, monitoring and evaluation of projects.</p> <p>Coordination &amp; planning of all major public private partnership projects and new commercial ventures.</p> <p>Economic planning and development of projects.</p>	<p>Well-planned and better-structured projects.</p> <p>Increased participation of private sector and other development financing institutions in agricultural projects.</p> <p>Business plans / feasibility studies for acquisition of finance and operational plans for emergent farmers</p>	R17, 249	<p>Number of projects planned &amp; successfully implemented.</p> <p>Projects and processing plants established.</p> <p>Schemes operating at full capacity.</p> <p>Number of successful farmers established</p>		Ongoing until 2005	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p> <p>Quarterly reports on progress</p> <p>Monthly financial reports</p>

1	2	3	4	5	6	7	8
<b>Programme structure</b> <b>Key objectives</b>	<b>Strategy / Activity</b>	<b>Output</b>	<b>Cost Measure</b> <b>R 000's</b>	<b>Quantity Measure</b>	<b>Quality Measure</b>	<b>Timeliness Measure</b>	<b>Monitoring mechanism</b>
<i>5.2 Farmer Settlement Program</i>							

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
DEPARTMENT OF AGRICULTURE EASTERN CAPE STRATEGIC PLAN 2003 - 2006	<p>Establishment of suitable agricultural schemes to support farmers.</p> <p>Implement power of attorney and farm land relocation.</p>	<p>Support of farmers according to schemes established under Agricultural Development Act 1 of 1999</p> <p>Support for Land Reform and Agricultural Development (LRAD) Program</p> <p>Land management carried out within framework of delegated Legislation</p>	R35, 500	<p>Number of beneficiaries of schemes established under the Act and contribution to economic development in the rural areas</p> <p>Number of beneficiaries assisted under the LRAD</p> <p>Number of beneficiaries of schemes established under the Act and contribution to economic development</p>		Ongoing until 2005	<p>Quarterly reports on progress</p> <p>Monthly financial reports</p> <p>Quarterly reports on progress</p> <p>Monthly financial reports</p>

1	2	3	4	5	6	7	8
Programme structure Key objectives	Strategy / Activity	Output	Cost Measure R 000's	Quantity Measure	Quality Measure	Timeliness Measure	Monitoring mechanism
<i>5.3 Food Security Program</i>							
	Establishment of suitable agricultural schemes to support farmers.		R62, 000	Number of beneficiaries assisted under the LRAD		Ongoing until 2005	Quarterly reports on progress Monthly financial reports Quarterly reports on progress Monthly financial reports
<i>5.4 Rural Finance Subsidy</i>							
			R15, 500	Number of beneficiaries		Ongoing until 2005	Quarterly reports on progress Monthly financial reports



## 2.9 Medium-term revenues and expenditures

### 2.9.1 Summary of revenue

The following sources of funding are used for the Vote:

**Table 3: Summary of revenue**

R'000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	Est. Actual	MTREF	MTREF	MTREF
<b>Treasury funding</b>						
Equitable share	340,819	459,201	518,638	722,760	683,717	713,212
Conditional grants	4,818	4,691	6,000	8,000		
Finance supplementary			35,477			
Roll overs	10,524	99,406	5,000			
Reallocated Treasury Reserve						
<b>Total Treasury funding</b>	<b>450,885</b>	<b>563,298</b>	<b>565,115</b>	<b>730,760</b>	<b>683,717</b>	<b>713,212</b>
<b>Own revenue</b>						
Current revenue						
- Tax revenue	131	322				
- Non-tax revenue	8,682	7,291	3,820	4,680	4,774	4,989
Capital revenue						
- (specify)						
<b>Total own revenue</b>	<b>8,813</b>	<b>7,613</b>	<b>3,820</b>	<b>4,680</b>	<b>4,774</b>	<b>4,989</b>
<b>Total Revenue</b>	<b>459,698</b>	<b>570,911</b>	<b>568,935</b>	<b>735,440</b>	<b>688,491</b>	<b>718,201</b>

## 2.9.2 Expenditure summary by programme:

**Table 4: Summary of expenditure and estimates by program**

R'000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	MTREF	MTREF	MTREF	MTREF
1. Administration	218,625	250,574	245,744	288,532	294,176	303,142
2. Technology Development & Transfer	114,459	127,076	141,167	143,980	147,409	149,013
3. Veterinary Services	78,997	83,166	77,592	121,009	116,201	118,220
4. Agricultural Engineering Services	21,124	66,765	51,665	51,670	48,973	54,845
5. Projects & Planning	17,680	35,717	48,947	130,249	81,732	92,981
<b>Total by program</b>	<b>450,885</b>	<b>563,298</b>	<b>565,115</b>	<b>735,440</b>	<b>688,491</b>	<b>718,201</b>

## 2.10 Co-ordination, co-operation and outsourcing plans

### 2.10.1 Interdepartmental linkages

The department belongs to both the economic and welfare cluster. The economic cluster will co-ordinate the budgets of the departments in this cluster. Each department is responsible for its own programmes.

### 2.10.2 Local government linkages

The department has entered into a service level agreement with the Amatole district council to implement various projects including fencing, production inputs, infrastructure.

### 2.10.3 Public entities

Table 5: Details of public entities

Name of public entity	Main purpose of public entity	Transfers from the departmental budget		
		2002 Actual	2003 Actual	2004 MTEF
Uvimba Finance	Loan financing for agricultural production	R7, 000	R6, 320	R15, 500

Management and staff recommend this document as the strategy of the Department of Agriculture represented by the head of department.

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Head of Department

M H Manjezi

Approved / Not approved

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Hon MEC: Mr M M Mamase