

Vote 12

Department of Agriculture, Land Reform and Rural Development

To be appropriated by Vote in 2010/11	R304 055 000
Responsible MEC	MEC of Agriculture, Land Reform and Rural Development
Administering Department	Department of Agriculture, Land Reform and Rural Development
Accounting Officer	Head of Department Agriculture, Land Reform and Rural Development

1. Overview

Core functions and responsibilities of the department

- Coordinate and facilitate rural development programmes that contribute to vibrant, equitable and sustainable rural communities
- Ensure food security for all by increasing agricultural production; providing technical support for development of farmers/communities; provision of a comprehensive post settlement support to land reform beneficiaries; establishing markets in rural areas and establishing food gardens in all Community and school gardens
- Coordinate and implement social and economic infrastructure development and sustainable livelihoods
- Coordinate support services to improve the living conditions of farm workers and farm dwellers including provision of basic services.
- Establish agricultural co-operatives throughout the value chain
- Establish commodity groups for improved trade and participation
- Massify job creation opportunities through the expanded public works programme, such as fencing, access roads construction; land rehabilitation and intensifying training and capacity building programme
- Promoting sustainable use and management of natural resources through the implementation of sustainable water use and management programmes; continuation and strengthening of a land care programme and implementation of an agricultural risk management plan
- Farm worker development through development and implementation of a training programme, ensuring access to social services, ensuring decent housing provision, enforcing the Extension of security of tenure Act (ESTA) by capacitating farm workers on their rights and providing support to unionization of farm workers
- To provide veterinary services which promote sustainable economic growth through export/import and ensure the health and welfare of people and animals in the Northern Cape;

- To ensure the competitive capacity of its clients, through the timely provision of progressive technologies and information with regard to crop production, animal production and resource utilisation;
- To provide economic support to internal and external clients with regard to marketing, statistical information including financial feasibility and economic viability studies.

Vision

A transformed, vibrant agricultural sector for food security and sustainable rural development.

Mission

The Department as a lead agent in the sector, will champion land and agrarian transformation, promote and facilitate increased production and provide expertise for improved livelihoods, sustainable rural development and food security for all.

Departmental Strategic Goals

The department has identified itself in the following strategic priorities of the Medium Term Strategic Framework (2009-2014):

- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
- Massive programme to build economic and social infrastructure
- Comprehensive rural development strategy linked to land and agrarian reform and food security
- Sustainable resource management and use
- Development of cohesive and sustainable communities
- Fight against crime & corruption
- Building a developmental state including improvement of public services and strengthening democratic institutions

The Department has reconciled its functions and strategic objectives with the budget to ensure sound integration of planning and to this end has the following strategic goals:

- Effective and efficient governance.
- Coordinate and facilitate sustainable livelihood programmes in rural areas.
- Ensure sustainable use and management of natural resources.
- Promote optimal agricultural production throughout the value chain to ensure food security.
- Ensure bio-safety and bio-security for the wellness of the public.
- Support the sector's economic growth and development.

Acts, Rules and Regulations

The Department of Agriculture, Land Reform and Rural Development is governed by and functions under several legislative mandates in addition to that governing service delivery in the public sector. These include among others the following:

- Agricultural Development Fund Act, 1993 (Act No 175 of 1993)
- Agricultural Product Standards Act, 1990 (Act No 119 of 1990)
- Agricultural Research Act, 1990 (Act No 86 of 1990)
- Animal Diseases Amendment Act, 1991 (Act 18 of 1984)
- Animal Identification Act, 2002 (Act No 6 of 2002)
- Animal Improvement Act, 1998 (Act 62 of 1998)
- Codex Alimentarius of the World Health Organization (WHO) and Food and Agricultural Organization (FAO) (International Code on Food Safety)
- Communal Land Rights Act, 2004
- Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983)
- Disaster Management Act, 2002 (Act No 57 of 2002)
- Fencing Act, 1963 (Act No 31 of 1963)
- Fertilizers, Farm feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act 36 of 1947)
- Genetically Modified Organisms Act, 1997 (Act 15 of 1997)
- Land Redistribution for Agricultural Development (LRAD)
- Land Reform Act, 1997 (Act 3 of 1997)
- Marketing of Agricultural Produce Act, 1996 (Act 47 of 1996)
- Meat Safety Act, 2000 (Act 40 of 2000)
- Northern Cape Land Administration Act, 2003
- Perishable Product Export Control Act, 1983 (Act 9 of 1983)
- Plant Improvement Act, 1976 (Act 53 of 1976)
- South African Abattoir Corporation Act, 2005 Repeal (Act no 17 of 2005)
- Subdivision of Agricultural Land Act, 1970 (Act 70 of 1970) (pending repeal)
- The International Animal Health Code of the World Organization for Animal Health (OIE – Office International des Epizooties)
- The international Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organization for Animal Health
- The Sanitary and Phyto-Sanitary Agreement of the World Trade Organization (WTO)
- Veterinary and Para-Veterinary Professions Act, 1982 (Act 19 of 1982)
- Water Act, 1998

2. Review of the Current Financial Year (2009/10)

Agriculture Development Services

Rural Development

Riemvasmaak was identified as the presidential pilot for rural development in the province. In the 2009/10 financial year the Department provided water and animal handling infrastructure to this area. Plans for the construction of a tarred road from Kakamas to Sending are underway and the Department co-ordinated the building of a clinic in Sending. One hundred houses are currently being constructed in Vredesvallei and Sending. Both Sending and Vredesvallei early childhood

development centres are being upgraded. The process of repatriating 20 families from Namibia to Riemvasmaak has commenced.

Farmer Support and Development

In the final settlement of the Riemvasmaak land restitution claim, 46'000 hectares of land was transferred to the communities of Riemvasmaak. This coincided with the launch of Riemvasmaak as one of the national pilots for comprehensive rural development programme (CRDP), which the department has been charged to coordinate. The department finalized the draft terms of reference for the Land Sub-Committees in municipalities.

Through the farmer settlement unit, the department has been engaged in the IDP forums at municipal level and has been guiding municipalities on land administration matters. The unit also participates in the commonage committees of municipalities to further assist in commonage management related matters. The Tshwaraganang Hydroponics Project is in full production and supplying produce to the formal markets. Brown's Poultry project in Namakwa has been assisted by the Department to increase the production of eggs and branding of their product.

Agricultural Economics

Economic assessment was conducted to the Department's high impact projects such as Rooibos Tea, Vaalhaarts Revitalisation and Blocuso. Financial record-keeping training was offered to all farmers in all districts to improve the financial management and viability of projects.

As far as market linkages are concerned, assistance was given in organizing livestock auctions in the John Taolo Gaetsewe District where 339 animals were sold at the inaugural auction. This area has always had challenges with the marketing of the livestock due to speculators not giving farmers market-related prices for their livestock.

A business plan was developed for the revitalization of Warrenton Super Chicken, a land reform project, which had virtually collapsed due to poor management. This project will continue to receive support in the forthcoming financial year.

Data collection models were developed to assist in assessing the performance in the agricultural sector with a special focus on emerging farmers.

Sustainable Resource Management

The key interventions of this programme have been in the flagship projects of the Department. In respect of the Vaalharts Revitalization, five overnight dams were designed and constructed. The bid for the compilation of the business plan was also awarded.

The 2009/10 financial year realized the completion of the building infrastructure of the pasteurizing plant of the Rooibos Tea Project in Niewoudtville as well as the design and construction of 18 hectares of micro irrigation and trellising at the Blocuso Trust Project and, investigations into the stock water problem and implementation of veld fire scheme in the John Taolo Gaetsewe District.

Veterinary Services

In October 2009, the Department successfully intervened on the Rift Valley Fever outbreak in the Kakamas area. Our ability to respond to major disease outbreaks such as this demonstrated our readiness to deal with disease outbreaks in general. The Department embarked on three important awareness campaigns viz. World Rabies Day Brucellosis Campaign and Food Safety Awareness Campaigns throughout the whole province.

A very successful spay campaign was held in Calvinia in collaboration with Onderstepoort Veterinary Faculty where 148 pets were treated. This partnership effort was very fruitful and provided school learners with an opportunity to be exposed to the profession. Although the Department continues to lose some of the skilled personnel, we managed to recruit two personnel for the Laboratory in Kimberley.

Technological Research and Development

The department continued to conduct and support research in the oil, cereal, industrial and fodder cultivars seasonally. Support was also given to development projects in respect of these products, from soil analysis to production practices. During the past year, numerous development projects were also supported with technical information e.g. planting of grape cuttings at Blocuso, tomatoe production at Oasis and food gardens at Manyeding.

Links were forged with Grootfontein Agricultural Research Institute with respect to veld management research and pasture trials were established at Koopmansfontein, Karakul and Carnarvon Research Stations.

Livestock development research with respect to Nguni, Bonsmara, goats and sheep continue. Nguni cattle have been procured for the development initiatives and placement on farms and projects as identified by the Nguni Development Initiative project. Research Stations continue to offer important research facilities and support to research projects. Many projects benefited from the technical support with respect to GIS and mapping. Information days and training was offered to farmers with respect to both crop and livestock development aspects as per request.

3. Outlook for the Coming Financial Year

Rural Development

The department will be establishing a rural development Directorate which will drive all the rural development initiatives in the province. This will give the department the capacity to guide provincial government in the implementation of the rural development strategy. Profiling of John Taolo Gaetstewe and Pixley ka Seme district will be completed in order to identify the developmental needs of those areas. This will form the basis for the further roll out of the CRDP to these districts.

Farmer Support and Development

The Department will drive the development and implementation of a comprehensive farm worker development programme. The Department will participate in reviewing all land reform policies and legislation in order to respond to the need of accelerating the land reform programme.

Further to this, the department will work with Department of Rural Development and Land Reform to identify productive agricultural land for redistribution to identified beneficiaries.

Municipalities will be assisted to manage their commonage management capacity.

Agricultural Economics

The Department will look at improving on market access opportunities for all farmers to promote and facilitate the creation of commodity groups and co-operatives as a business platform. The department will also investigate and facilitate joint venture partnerships/equity for emerging farmers and entrepreneurs.

Training and capacity building of farmers on marketing and trade requirements will also feature in the coming financial year. This serves to establish viable economic production units.

The Agricultural Economics unit will also develop and maintain market statistic information, disseminate market information, develop economic models and analyze agricultural policies and agro-industrial policy.

Sustainable Resource Management

Some of the key priorities for within engineering in the 2010/11 financial year will be:

- Technical support to the CRDP pilot area of Riemvasmaak
- Construction of farm infrastructure in the form of overnight dams at Vaalharts
- Rehabilitation of the chicken houses at Warrenton Super Chicken
- Procurement and installation of equipment to complete the pasteurization plant at the Rooibos Tea Project in Niewoudtville
- Development of infrastructure design in the John Taolo Gaetsewe and Pixley Ka Seme districts.

The Department will continue with land care awareness throughout the province and specifically focus on the youth through the junior land care projects.

Some of the projects that will receive attention in Land Use Management are:

- Design and construction of 64 hectares of sub-surface drainage at the Blocuso project
- Construction of farm infrastructure in the form of sub-surface drainage at Vaalharts
- Stock water supply in the John Taolo Gaetsewe District
- Investigation on the feasibility of irrigation at Schmidtsdrift

Veterinary Services

The Department intends doing a post-outbreak assessment on the Rift Valley Fever that occurred in Kakamas resulting in a review of the contingency plans that were put in place. We will further intensify the vaccination awareness campaign for Rift Valley Fever in the Northern Cape to mitigate against this.

In terms of anthrax, the department hopes to set up a Polymerase Chain Reaction (PCR) laboratory for rapid and reliable diagnosis in the province. A prospective longitudinal study on the home range of the Kudu in the Ghaap Plateau will be undertaken to inform control strategies of anthrax.

Primary animal health care will also become a key focus with an emphasis on responsible animal ownership and animal welfare aspects

Technological Research and Development

Research in the oil, cereal, industrial and fodder crops will continue in collaboration with other research institutes. The pasture and veld management trials with GADI will be continued and the research stations will continue to offer necessary facilities and support.

Livestock production with promotion of certain breeds and commodities (nguni, goats, sheep) will remain the focus

New projects are envisaged with respect to fodder and energy developments. The goat–milk project's first phase will be completed and the development of the projects phase two at Rietrivier will be implemented. Support and information to agricultural projects with respect to the comprehensive rural development strategy will be enhanced. Vacant posts will be advertised and filled in accordance to the mandate of the department.

Financing and Receipts

4.1 Summary of Receipts

Table 4.1 shows the summary of receipts in the Department over a 7 year period commencing with 2006/07.

Table 4.1: Summary of Receipts: Department of Agriculture, Land Reform and Rural Development

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Treasury Funding									
Equitable share	101 628	160 659	154 479	170 468	179 744	179 744	194 666	209 425	220 060
Conditional grants	46 631	58 986	90 836	79 749	104 070	104 070	109 389	147 050	156 844
Total receipts	148 259	219 645	245 315	250 217	283 814	283 814	304 055	356 475	376 904

The Department has two sources of funding, namely, equitable share and conditional grants which is revenue collected on behalf of the province. The growth in the equitable share allocation grows consistently over the MTEF with 14 per cent in 2010/11 and 7.6 per cent in 2011/12. However for 2012/13 the growth is at 5.1 per cent which is lower than the inflation target of 5.7 per cent.

The equitable share funding constitutes 64 per cent of the total allocation to the department and conditional grants make up 36 per cent in 2010/11. Over the MTEF, conditional grants are increasing at a faster rate than the equitable share where in 2012/13 conditional grants constitute almost 42 per cent of the funding available. The trend suggests that conditional grants might overtake equitable share funding in the near future.

The total allocation to the department in 2010/11 of R304.055 million is 21.5 per cent more than the original 2009/10 allocation of R250.217 million. In 2010/11 conditional grants receive a substantial increase of 36 per cent compared to 2009/10. The underlying reason for the increase in the conditional grants is the illima/Letsema grant which is now R30.000 million (previously R7.500 million).

The Department manages four conditional grants with a total value R109.389 million. These are:

- Comprehensive Agricultural Support Programme grant
- Land Care Programme grant: Poverty Relief and Infrastructure Development
- illima/Letsema Projects Grant
- Infrastructure Grant to Provinces

4.2 Departmental Receipts Collection

Table 4.2: Departmental receipts: Department of Agriculture, Land Reform and Rural Development

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	2 175	1 767	3 142	1 191	1 191	1 191	1 246	1 294	1 358
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	40	1	65						
Sales of capital assets		89	290	1	1	1	1	1	1
Financial transactions in assets and liabilities	96	144	225	344	344	344	358	374	393
Total departmental receipts	2 311	2 001	3 722	1 536	1 536	1 536	1 605	1 669	1 752

A significant portion of departmental revenue is derived from the sale of goods and services, including fees from export permits, abattoir licensing and laboratory processing services. The department also has incidental revenue from the sale of animals from research farms. This however is very inconsistent and a challenge when determining revenue forecasts.

5. Payment Summary

The MTEF baseline allocations for the period 2010/2011 to 2012/13 are:

Financial Year	2010/2011	R 304.055 million
Financial Year	2011/2012	R 356.475 million
Financial Year	2012/2013	R 376.904 million

5.1 Key Assumptions

- Increased demand from emerging farmers for targeted service delivery.
- Improvement on Condition of Service.
- Recruitment and retention of certain expertise to assist the department to deliver services.
- Inflation
- The budget will provide for funding of new national and provincial key policy priorities
- Disaster management

5.2 Programme Summary

Table 5.2: Summary of Payments and Estimates: Department of Agriculture, Land Reform And Rural Development

Table 5.2: Summary of Payments and Estimates: Department of Agriculture, Land Reform And Rural Development									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09	2009/10					
Administration	33 989	43 038	54 427	48 795	54 751	54 251	61 629	64 041	68 624
Sustainable Resource Management	25 772	58 937	57 972	34 037	37 025	37 525	33 737	36 482	40 772
Farmer Support And Development	17 063	25 468	29 708	86 540	111 162	111 162	119 051	157 704	165 743
Veterinary Services	17 663	23 849	28 577	29 996	30 449	30 449	31 230	33 207	34 798
Technology Research And Development	16 259	21 299	24 959	37 711	37 680	37 680	39 450	41 769	44 053
Agricultural Economics	2 784	3 777	7 163	9 316	8 883	8 883	10 936	14 347	15 084
Rural Development And Farmer Settlement	34 729	43 277	42 509	3 822	3 864	3 864	8 021	8 926	7 829
Total payments and estimates	148 259	219 645	245 315	250 217	283 814	283 814	304 054	356 476	376 903

The allocation for the 2009/10 financial year grows by R53.838 million from R250.217 million to R304.055 in 2010/11. This significant increase which is mainly in the Sustainable Resource Management programme is attributed to funding for conditional grants. The department initially had four programmes however, due to additional mandates an additional programme called Rural Development and Farmer Settlement had to be created

5.3 Summary of economic classification

Table 5.2 Summary of Provincial Payments and Estimates by Economic Classification: Department of Agriculture, Land Reform and Rural Development

Table 5.2 Summary of Provincial Payments and Estimates by Economic Classification: Department of Agriculture, Land Reform and Rural Development									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Current payments	109 951	173 976	201 692	229 832	219 240	222 817	263 598	285 982	300 620
Compensation of employees	51 769	70 685	86 521	108 775	109 801	110 301	122 460	129 389	136 459
Goods and services	58 182	103 291	115 113	121 057	109 439	112 512	141 138	156 593	164 161
Interest and rent on land			6			4			
Financial transactions in assets and liabilities			52						
Unauthorised expenditure									
Transfers and subsidies:	290	338	247	115	585	585	206	231	242
Provinces and municipalities	46	5		5	5	5	6	7	7
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	244	333	247	110	580	580	200	224	235
Payments for capital assets	38 018	45 331	43 376	20 270	63 989	60 412	40 251	70 262	76 042
Buildings and other fixed structures	3 347	4 215	29 714	11 250	44 855	40 618	7 560	8 371	10 010
Machinery and equipment	31 624	35 325	12 150	8 978	17 992	17 999	32 647	61 844	65 983
Cultivated assets	2 982	3 494	1 079		1 100	1 746			
Software and other intangible assets	65	1 891	433	42	42	49	44	47	49
Land and subsoil assets		406							
Total economic classification	148 259	219 645	245 315	250 217	283 814	283 814	304 055	356 475	376 904

Compensation of Employees grows to R122.460 million in the 2010/11 financial year from R109.801 million in the 2009/10 financial year. This represents a nominal growth of 12 per cent which is in line with expectations given that the department has stabilized its personnel budget.

The budget allocations for the goods and services item in 2010/11 is R141.138 million. This is a 16 per cent increase when compared to the 2009/10 financial year and over the MTEF period Goods and Services have a consistent average growth of 13 per cent.

Within the category of Payments for Capital Assets a growth of 98 per cent is observed in the 2010/11 financial year. The primary reason for this being that the funds for the illima/Letsema conditional grant are allocated here which were previously allocated under Current Payments.

5.4 Infrastructure Payments

Table 5.4.1 : infrastructure payments per category

Category/type of structure	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09				2010/11	2011/12	2012/13
R thousands									
Payments for infrastructure by category									
New and replacement assets	15 483	21 073	52 034	38 926	38 926	38 926	68 655	98 172	101 986
Existing infrastructure assets	15 682	15 004	13 444	11 435	11 435	11 435	15 000	17 722	19 703
Upgrades and additions	3 347	5 715	5 444	9 712	9 712	9 712	10 500	12 000	14 900
Rehabilitation, renovations and refurbishments	8 879	9 289	8 000	1 723	1 723	1 723	4 500	5 722	4 803
Maintenance and repairs	3 456								
Infrastructure transfers									
Current									
Capital									
Current infrastructure	3 456								
Capital infrastructure	27 709	36 077	65 478	50 361	50 361	50 361	83 655	115 894	121 689
Total provincial infrastructure	31 165	36 077	65 478	50 361	50 361	50 361	83 655	115 894	121 689

Infrastructure and related projects are mainly funded from conditional grants. The Infrastructure Grant to Provinces (IGP) had an allocation of R10.712 million in the 2008/09 financial year of which R9.613 million (90 per cent) was spent. In the 2009/10 financial year, the allocation for the IGP conditional grant increased by R1.649 million or 15 per cent to R12.361 million.

The IGP allocation in 2010/11 grows to R15.119 million representing an increase of 22 per cent. The department will continue to upgrade and renovate the research stations and a cooler facility for Tshwaraganang Hydroponics project in Frances Baard will be funded. In addition an amount (R1.5 million) has been set aside for revitalization of the Warrenton Super Chicken project.

The illima/Letsema grant funds the infrastructure development of the two major projects in the department viz. Vaalharts Irrigation Scheme and the Rooibos Tea in Niewoudtville. The Comprehensive Agricultural Support Programme (CASP) also funds infrastructure developments in the province amongst others such as fencing, sub-surface drainage and boreholes. An amount of R8.7 million has been allocated for developments in the Riemvasmaak area which is a presidential pilot of the CRDP. The Ganspan Co-operative in the Phokwane Municipality will also receive funding from this grant in 2010/11 for a storage facility and the purchase of equipment.

5.5 Transfers to other Entities

Table 5.5.1: Summary of Departmental Transfers to Public Entities

Table 5.5.1: Summary of Departmental Transfers to Public Entities									
	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09				2009/10		
Kalahari Kid							2 400	2 400	2 400
Total departmental transfers to public entities							2 400	2 400	2 400

The department is in the process of registering the company as a public entity however, the company has been operating and being funded from the department. Its main objectives are :-

- Management of the production farm, Marketing of live animals and animal products – processing through the abattoir and selling of products and Marketing of animals from the co-operatives as well as procurement of goods from emerging farmers

6. Programme Description

6.1 Programme 1: Administration

The aim of the programme is to lead, manage, formulate policy and priorities and render efficient and effective support services with respect to finance, Human resources management, communication and Legal support services. This programme has an internal focus and performs a support function to various programmes within the department; therefore no performance information is included only amounts will be presented.

The core strategic objectives are:

- To lead the Department towards the attainment of its vision
- To provide service delivery support throughout the organisation

Table 6.1: Summary of payments and estimates: Programme 1: Administration

Table 6.1: Summary of payments and estimates: Programme 1: Administration									
	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Office of the MEC	5 596	6 976	10 938	5 665	7 504	8 223	7 789	7 196	8 586
Senior Management	8 829	11 098	13 395	10 698	11 083	10 376	10 478	11 234	11 790
Corporate Service	13 703	19 005	21 504	18 487	22 953	25 112	28 287	29 361	31 137
Financial Management	5 861	5 959	6 786	10 961	10 091	7 931	11 852	12 790	13 469
Communication			1 804	2 984	3 120	2 609	3 224	3 459	3 642
Total	33 989	43 038	54 427	48 795	54 751	54 251	61 630	64 040	68 624

Programme 1 Administration had consistent growth over the period 2006/07 – 2008/09, however in 2009/10 there was a decrease in the budget allocation of this programme. A decrease of 10 per cent was observed and this was due to shifting the salaries of senior managers to their respective programmes. The budget grows steadily in the current MTEF period from R61.630 million in 2010/11 to R64 million in 2011/12 and finally R68.624 million in the final year.

Table 6.1.1: Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Current payments	32 466	42 346	52 596	48 395	53 901	53 394	60 116	63 476	66 984
Compensation of employees	15 609	19 731	24 876	27 360	29 866	29 366	31 636	33 397	35 175
Goods and services	16 857	22 615	27 665	21 035	24 035	24 025	28 480	30 079	31 809
Interest and rent on land			3			3			
Financial transactions in assets and liabilities			52						
Unauthorised expenditure									
Transfers and subsidies:	231	320	242	110	260	260	200	224	235
Provinces and municipalities	11								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	220	320	242	110	260	260	200	224	235
Payments for capital assets	1 292	372	1 589	290	590	597	1 314	340	1 405
Buildings and other fixed structures		68	40						
Machinery and equipment	1 260	304	1 154	290	590	590	1 314	340	1 405
Cultivated assets									
Software and other intangible assets	32		395			7			
Land and subsoil assets									
Total economic classification	33 989	43 038	54 427	48 795	54 751	54 251	61 630	64 040	68 624

Over the MTEF period, the allocation for compensation of employees shows a healthy growth in line with recommended salary adjustments. The initial allocation for goods and services in 2009/10 grew by R3 million from R21.035million to R24.035 million during adjustment budget. It further grows to R28.480 million in 2010/11 and increases to R30 million and R31 million in the two outer years.

6.2 Programme 2: Sustainable Resource Management

To provide agricultural support services to farmers in order to ensure that there is sustainable management of agricultural resources.

Broad strategic objectives for the programmes

- Technical and engineering support to agricultural development and support programme
- Co-ordination, planning and implementation of the land care programmes
- Promotion of sustainable use of natural resources through land use planning
- Co-ordination of agricultural risk and disaster management

Table 6.2: Summary of payments and estimates: Programme 2: Sustainable resource management

Table 6.2: Summary of payments and estimates: Programme 2: Sustainable resource management									
	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Engineering Services	2 123	1 677	1 934	2 256	2 283	2 283	2 931	3 093	3 258
Land Care	23 649	57 260	55 963	26 203	29 164	29 664	30 559	33 117	37 230
Land Use Management			75	5 578	5 578	5 578	247	272	285
Total	25 772	58 937	57 972	34 037	37 025	37 525	33 737	36 482	40 773

The budget allocation for sustainable resource management is R33.737 million which is 1 per cent less than the original allocation of 2009/10. During 2009/10 financial year, this programme had an amount of R5.000 million of the Agriculture Disaster Management conditional grant which does not carry through into the MTEF budget period. The budget of this programme shows very slow growth over the MTEF.

Table 6.2.1: Summary of payments and estimates by economic classification: Programme 2: Sustainable resource management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
				2009/10					
Current payments	19 826	48 545	24 797	22 747	21 636	26 386	26 132	28 061	30 710
Compensation of employees	5 400	5 385	6 970	8 375	8 604	9 104	9 690	10 223	10 760
Goods and services	14 426	43 160	17 827	14 372	13 032	17 282	16 442	17 838	19 950
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	9								
Provinces and municipalities	9								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	5 937	10 392	33 175	11 290	15 389	11 139	7 605	8 421	10 063
Buildings and other fixed structures	157	2 469	29 604	11 250	12 450	8 200	7 560	8 371	10 010
Machinery and equipment	5 766	7 208	3 565	40	2 939	2 939	45	50	53
Cultivated assets			6						
Software and other intangible assets	14	715							
Land and subsoil assets									
Total economic classification	25 772	58 937	57 972	34 037	37 025	37 525	33 737	36 482	40 773

The budget of Compensation of Employees in this programme has an average annual growth rate of 5.7 per cent and makes provision for ICS at the recommended levels. The Goods and Services budget has very slow average growth at 4.9 per cent which is below anticipated inflationary levels for the MTEF period.

Service Delivery Measures

Province specific performance measures

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Engineering Services			
Technical engineering support to implement development projects	24	20	18
Revitalization of irrigation schemes	6	5	6
Development of new irrigation	1	1	1
Design and support in the construction of animal housing facilities.	2	2	3
Design and support in the construction of stock handling facilities.	2	3	3
Design and support in the construction of storage and farm buildings	2	2	3
To provide advice and manage the construction of suitable facilities for the processing of various agricultural products depending on identified projects	1	1	1
Support farmers with on-farm mechanization planning, training and technical advice	4	3	4
Landcare			
Number of LandCare projects implemented	13	12	12
Number of LandCare Conferences conducted	1	1	1
Number of awareness/ information sessions conducted	2	2	2
Land Use Management			
Survey and design of soil conservation structures	1	1	1
Stock water systems	32	28	32
Sub-surface drainage	14	16	16
Farm plans compiled	64	66	67
Run-off control	2	2	2
Potential survey on virgin land	200ha	200ha	200ha
Risk management plan	1	0	1
Number of Schemes successfully implemented	As requested	As requested	As requested
Number of reports distributed (Reports and use of SMS)	12	12	12

6.3 Programme 3: Farmer Support and Development

To provide extension and training to farmers with special emphasis on developing or emerging farmers' implementation of land reform programme and agricultural rural development projects.

Broad strategic objectives for the programmes

- Co-ordinate and implement integrated food security interventions
- Promote and support optimal agricultural production throughout the value chain
- Capacity building of emerging farmers and farm workers to enhance their productivity and their full participation in the sector

Table 6.3: Summary of payments and estimates: Programme 3 : Farmer Support And Development

Table 6.3: Summary of payments and estimates: Programme 3 - Farmer Support And Development									
	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Farmer Settlement									
Extension And Advisory Services	10 440	20 644	23 856	80 468	105 085	105 085	112 356	150 593	158 264
Food Security	6 623	4 824	5 852	6 072	6 077	6 077	6 695	7 111	7 479
Total	17 063	25 468	29 708	86 540	111 162	111 162	119 051	157 704	165 743

This programme has been reconfigured and the sub-programme of Farmer Settlement has been moved to Programme 7: Rural Development and Farmer Settlement. The historical expenditure has been restated for this programme. Farmer Support and Development has observed very strong growth, from

R86.540 million in 2009/10 to R119.051 million in 2010/11, as a result of conditional grants in this programme. This increase of 37.5 per cent is attributed to conditional grants in the programme.

The ilima/Letsema grant accounts for R30 million in 2010/11 and R60 million in 2011/12. These funds are located within payments for capital assets and are generally towards projects of an infrastructure nature.

Table 6.3.1: Summary of payments and estimates by economic classification: Programme 3

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Current payments	15 249	23 664	28 838	78 891	64 993	64 471	88 893	97 536	102 567
Compensation of employees	6 770	14 070	14 906	26 696	24 056	25 056	29 804	31 488	33 275
Goods and services	8 479	9 594	13 932	52 195	40 937	39 415	59 089	66 048	69 292
Interest and rent on land									
Unauthorised expenditure									
Transfers and subsidies:	15		3	5	105	105	6	7	7
Provinces and municipalities	5			5	5	5	6	7	7
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	10		3		100	100			
Payments for capital assets	1 799	1 804	867	7 644	46 064	46 586	30 152	60 161	63 169
Buildings and other fixed structures		443			32 405	32 405			
Machinery and equipment	875	878	677	7 610	13 425	13 425	30 116	60 123	63 129
Heritage assets									
Specialised military assets									
Biological assets	924	445	152		200	722			
Land and sub-soil assets		38							
Software and other intangible assets			38	34	34	34	36	38	40
Payments for financial assets									
Total economic classification	17 063	25 468	29 708	86 540	111 162	111 162	119 051	157 704	165 743

Compensation of Employees has been stabilized over the MTEF period with the Extension Recovery Plan which is part of the Comprehensive Agricultural Support Programme conditional grant.

Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2010-11	2011-12	2012-13
3.2 Food Security			
• Number of newly verified food insecure households	500	500	500
• Number of food security interventions implemented			
• Number of food insecure households benefiting from the interventions	500	500	500
• Number of food security status reports compiled	4	4	4
• Number of food security awareness campaigns held	10	20	30

Province Specific Performance Indicators

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Number of demonstrations held	60	70	80
Number of farmers participated	750	800	850
Number of farmers' days and information days organized / held	40	45	50
Number of farmers participated	2600	2650	2700
Number of emerging farmers contacted and received advice	5000	6000	6000
Number of commercial farmers contacted and received advice	500	600	600
Number of farm plans developed	50	50	50
Number of farmers received production inputs	30	25	25
Number of projects assisted with mechanisation	25	33	40
Number of projects received fencing	15	25	30
Number of recommendations made on the sub-division of land	10	13	16
Number of officials recruited through ERP	4	5	8
Number of officials trained and capacitated	50	55	55
Number of Extension Officers provided with ICT support	60	60	60
Number of APRs completed	40	40	40
Number of sessions (LED, IDPs etc) with municipalities	50	50	50
Number of HUBS profiled	5	5	5
Number of projects with increased production	8	12	15
Ha of fallow/virgin land put into production	350	400	450
Number of youth participated in capacity building programmes	80	100	150
Number of youth farmers supported and increase productivity	20	12	15
Number of pupils participating in LandCare & school excursions	2500	2800	3000
Number of female farmers supported to increase productivity	70	70	75

6.4 Programme 4: Veterinary Services

To provide veterinary services which promote sustainable economic growth through export/import and, ensures the health and welfare of people as well as the animals in the Northern Cape.

Broad strategic objectives for the programmes

- Prevention, control and eradication of animal diseases
- To facilitate trade of animal and animal products;
- To promote food safety.

Table 6.4: Summary of payments and estimates: Programme 4: Veterinary services

Table 6.4: Summary of payments and estimates: Programme 4: Veterinary services									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Animal Health	12 762	18 664	21 381	19 458	20 805	20 805	22 352	23 817	24 934
Export Control	186	597	284	2 667	1 667	1 667	1 558	1 582	1 642
Veterinary Public Health	3 269	2 727	4 342	3 931	3 994	3 994	3 876	4 099	4 314
Veterinary Lab Services	1 446	1 861	2 570	3 940	3 983	3 983	3 444	3 709	3 908
Total	17 663	23 849	28 577	29 996	30 449	30 449	31 230	33 207	34 798

Veterinary services programme has seen robust growth in expenditure in the period 2006/07 – 2009/10. The average growth in this period has been almost 20 per cent from R17.663 million to R28.577 million

The budget allocation for Veterinary Services has increased by only 4.1 per cent in 2010/11 when compared to the original allocation of 2009/10. The primary reason for the increase in the funding is in Compensation of Employees due to the carry through effect of the 2009 wage adjustments.

The budget of this programme is stable and shows a nominal average annual growth of 4.6 per cent in the period 2010/11-2012/13.

Table 6.4.1: Summary of payments and estimates by economic classification: Programme 4: Veterinary services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
				2009/10					
Current payments	17 097	23 229	25 945	29 510	29 963	29 956	30 672	32 573	34 132
Compensation of employees	10 614	15 350	18 751	22 805	23 258	23 258	24 457	25 814	27 195
Goods and services	6 483	7 879	7 194	6 705	6 705	6 698	6 215	6 759	6 937
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	11	3							
Provinces and municipalities	8								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	3	3							
Payments for capital assets	555	617	2 632	486	486	493	558	634	666
Buildings and other fixed structures		57							
Machinery and equipment	555	551	2 569	486	486	493	558	634	666
Cultivated assets			63						
Software and other intangible assets									
Land and subsoil assets		9							
Total economic classification	17 663	23 849	28 577	29 996	30 449	30 449	31 230	33 207	34 798

Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2010-11	2011-12	2012-13
Programme 4: Veterinary Services			
4.1 Animal Health			
• Number of animals vaccinated against Anthrax	10000	10000	10000
• Number of animals vaccinated against Rabies	2500	2500	2500
• Number of cattle vaccinated against Brucellosis	2500	2500	2500
• Number of poultry vaccinated against New Castle Disease	0	0	0
• Number of primary animal health care (PAHC) sessions held	15	15	15
• Number of animals attended to during PAHC session	50	50	50
• Number of animal movement permits issued	25	25	25
• Number of samples taken for disease surveillance	1000	1000	1000
• Number of animal health information days held	20	20	20
• Number of animals tested with skin TB test	3500	3500	3500
• Number of CA samples collected	23000	23000	23000
• Number of animals inspections	25	25	25
4.2 Export Control			
• Number of veterinary export certificates issued	150	150	150
• Number of export establishments registered	30	30	30
• Number of samples collected for residue monitoring at export establishments	20	20	20
4.3 Veterinary Public Health			
• Number of abattoir inspections conducted	330	330	330
• Number of animal by-product facilities inspected	10	10	10
• Number of public awareness campaigns sessions held	160	170	180
• Number of illegal slaughtering investigations held	5	5	5
• Number of contact sessions held with all role players	0	0	0
4.4 Veterinary Laboratory Services			
• Number of internal laboratory audits reports	1	1	1
• Number of external quality control reports	1	1	1
• Number of food safety specimens tested	0	0	100
• Number of abattoir hygiene monitoring specimens tested	0	0	100
• Number of specimens tested for Controlled/Notifiable diseases	15000	15000	15000
• Number of specimens tested for Non-controlled/Non-Notifiable diseases	5000	5000	5000
• Number of epidemiological studies conducted	5	5	5
• Number of necropsy specimens processed	20	20	20
• Total number of tests performed	20000	20000	20000

Province specific performance measures

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Number of Vaccinations done	50000	60000	60000
Number of outbreaks reported	40	40	40
Number of animals tested with skin TB test	3500	3500	3500
Number of cattle tested for CA (samples collected)	23000	23000	23000
Number of animal movement permits issued	25	25	25
Number of health certificates issued for export	150	150	150
Number of establishment registered for exports	30	30	30
Public Awareness	160	170	180
Number of abattoir inspections conducted	330	330	330
Samples submitted	15000	15000	15000
Number of external quality control reports	1	1	1

6.5 Programme 5: Technology Research and Development Services

To render Agricultural research service and development of information systems with regard to crop production technology, animal production technology and resource utilisation technology

Broad strategic objectives for the programmes

- Research and development in crop production, animal production and resource utilization
- The development and management of knowledge systems;
- Provide and maintain infrastructure and facilities and the research stations

Table 6.5: Summary of payments and estimates: Programme 5: Technology research and development services

Table 6.3: Summary of payments and estimates: Programme 5: Technology research and development services									
	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Research	7 249	10 249	15 330	24 399	21 702	21 702	21 086	22 043	23 218
Information Services			3	1 161	661	661	882	994	1 044
Infrastructure Support Services	9 010	11 050	9 626	12 151	15 317	15 317	17 482	18 732	19 791
Total	16 259	21 299	24 959	37 711	37 680	37 680	39 450	41 769	44 053

The funds allocated to Technology Research and Development had a significant increase of 51 per cent in the 2009/10 financial year when compared to the expenditure of 2008/09. This was due to earmarked funds being allocated to the department for the commercialization of goats which is a provincial priority.

Over the MTEF period, the programme has stable and consistent growth averaging at almost 5.3 per cent.

Table 6.5.1: Summary of payments and estimates by economic classification: Programme 5: Technology research and development services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Current payments	15 784	20 380	23 869	37 538	36 387	36 250	39 268	41 577	43 852
Compensation of employees	11 473	13 303	15 016	17 391	17 760	17 760	19 351	20 501	21 673
Goods and services	4 311	7 077	8 850	20 147	18 627	18 489	19 917	21 076	22 179
Interest and rent on land			3			1			
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	11	4			220	220			
Provinces and municipalities	11								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		4			220	220			
Payments for capital assets	464	915	1 090	173	1 073	1 210	182	192	201
Buildings and other fixed structures	8	10				13			
Machinery and equipment	215	185	232	173	173	173	182	192	201
Cultivated assets	241	720	858		900	1 024			
Software and other intangible assets									
Land and subsoil assets									
Total economic classification	16 259	21 299	24 959	37 711	37 680	37 680	39 450	41 769	44 053

Compensation of Employees in this programme grows by 8.3 per cent in 2010/11. The funding allocated here makes provision for ICS as well as for the filling of critical posts on research stations. The Goods and Services budget has observed a decline in its allocation due to reprioritisation that has taken place during the budget process.

Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2010-11	2011-12	2012-13
Programme 5: Technology Research and Development Services			
5.1 Research			
• Number of research projects plans approved which address specific commodity's production constraints	46	54	57
5.2 Information Services			
• Number of information packs developed	10	12	20
• Number of technology transfer events conducted	2	4	6
• Number of presentations made at technology transfer events	7	10	12
• Number of popular papers published	2	3	4

Province specific measures

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Research and development in resource utilisation			
Number of carrying capacity norms and standards evaluated	4	4	4
Number of rangeland management systems evaluated	1	1	1
Number of trials to evaluate planted pastures	1	1	1
Number of models to develop risk management strategies for the alleviation of	0	1	1
Development of a spatial framework			
Number of data sheets of geographical baseline information collected and	2	4	6
Number of profiles of hubs and corridors updated	6	6	7
Number of maps and information packages produced	10	12	20
Number of decision making tools developed	1	1	1
Commercialisation of goats			
Number of cooperatives, close corporations and trusts established/promoted	10	10	10
Number of SMME livestock transporters established	2	5	5
Number of cooperative handbooks distributed	10	10	10
Number of cooperatives that are at sustainable production levels	10	10	10
Number of reports on construction and maintenance of infrastructure,	4	4	4
Number of cooperatives that are linked to markets or marketing independently	35	45	55
Number of cooperatives that have received seed stock	10	10	10
Number of cooperatives receiving animal production kits	30	30	30
Number of cooperatives participating in research projects	5	5	5
Number of cooperative members trained on food safety	15	15	15
Number of farmers trained on learnerships and skills	515	515	515
Number of brochures developed	1000	1000	1000
Number of training manuals developed	1	1	1
Number of articles and presentations	4	4	4
Special programmes			
Number of farmers supported through the Livestock Improvement Programme	15	20	20
Number of farmers supported through Nguni development initiatives	5	7	9
Support to development projects			
Number of training events at research stations	2	4	6
Number of multi-disciplinary project teams supported	10	15	20
Number of clients provided with specialised advisory services	20	30	40
Effective support service to research			
Number of projects supported	45	45	45
Human resource management and administration			
Number of employees evaluated	100	110	120
Number of employees trained	15	20	20
Number of reports on assets, expenditure	7	7	7
Maintenance of infrastructure, equipment and machinery			
Number of service and maintenance activities of equipment and machinery	50	50	50
Number of infrastructure construction and maintenance activities completed	30	30	30
Number of maintenance and service records completed	7	7	7

6.6 Programme 6: Agricultural Economics

To provide economic support to internal and external clients with regard to marketing, Statistical information including financial feasibility and economic viability studies.

Broad strategic objectives for the programmes

- Provide agricultural economic support to create viable enterprises throughout the value chain
- Establishment and support of agricultural cooperatives
- Marketing support to improve market access by emerging farmers

Table 6.6: Summary of payments and estimates: Programme 6: Agricultural economics

Table 6.6. Summary of payments and estimates. Programme 6. Agricultural economics									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2006/07	2007/08	2008/09				2009/10	2010/11	2011/12
Marketing Services	832	1 037	2 400	5 521	4 037	3 439	6 882	10 063	10 574
Macro Economics and Statistics	1 952	2 740	4 763	3 795	4 846	5 444	4 054	4 285	4 510
Total	2 784	3 777	7 163	9 316	8 883	8 883	10 936	14 348	15 084

The expenditure of 2008/09 grew by 89 per cent when compared to the previous financial year of 2007/08 as a consequence of increased agricultural support rendered which is a national policy priority.

The budget allocation of this programme shows consistent strong growth over the MTEF period at an average annual rate 19 per cent and is indicative of the commitment to the national priority. The increased funds are set aside for Agro-Processing which is part of the core business of this programme.

Table 6.6.1: Summary of payments and estimates by economic classification: Programme 6: Agricultural economics

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	2 283	3 680	7 117	9 279	8 846	8 846	10 896	14 306	15 040
Compensation of employees	969	1 599	2 368	3 837	3 904	3 404	4 324	4 569	4 816
Goods and services	1 314	2 081	4 749	5 442	4 942	5 442	6 572	9 737	10 224
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	1	11	1						
Provinces and municipalities	1	5							
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		6	1						
Payments for capital assets	500	86	45	37	37	37	40	42	44
Buildings and other fixed structures									
Machinery and equipment	481	86	45	29	29	29	32	33	35
Cultivated assets									
Software and other intangible assets	19			8	8	8	8	9	9
Land and subsoil assets									
Total economic classification	2 784	3 777	7 163	9 316	8 883	8 883	10 936	14 348	15 084

Service Delivery Measures

Province Specific Performance Indicators

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Provide Agricultural economic support to create viable enterprises throughout the value chain			
Feasibility and economic viability analysis for processing plants (tannery, abattoir, raisins, feed processing)	1	2	3
Investigation and facilitation of joint venture partnerships/equity for emerging farmers/black entrepreneurs	2	3	3
Number of projects provided with economic support	15	15	15
Maintenance of database and economic models (Number of Reports - Annual Report/industry)	20 Industries 1 Report	20 Industries 1 Report	20 Industries 1 Report
Statistics on the Performance and Contribution of Agricultural Sector to Growth and Development of the Province (Policy analysis)	1	1	1
Operationalize PROVIDE (training of Economists)	4	4	4
Number of Reports Generated Through Econometrics Software/Package	1	1	1
Establishment of support of Agricultural cooperatives			
Number of new cooperates established	8	12	16
Number of commodity groups established	2	2	2
Marketing support to improve market access by emerging farmers			
Number of farmers accessed markets (opportunities & linkages)	250	270	300
No of reports on marketing information	2	2	3
Number of clients provided with marketing information	320	360	370
Number of marketing infrastructure provided	1	1	2
Number of training sessions conducted on marketing and trade requirements	5	5	4
Number of farmers /entrepreneurs participated	220	250	300
Number of farmers assisted with MAFISA	300	350	400
Facilitation of establishment of rural bank			
Number of reports on bank operations			
Number of trade opportunities created	3	3	5
Number of training sessions conducted on marketing and trade requirements	9	11	12

6.7 Programme 7: Rural Development and Farmer Settlement

To coordinate the implementation of a comprehensive rural development programme

Broad strategic objectives for the programmes

- Coordinate the provision of social and economic infrastructure and facilitate sustainable livelihoods programme in rural areas
- Fast-tracking land reform through the identification of productive agricultural land and potential beneficiaries
- Coordinate support services to improve the living conditions of farm workers and farm dwellers including provision of basic services.

Table 6.7: Summary of payments and estimates: Programme 7: Rural development and farmer settlement

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Rural Development							3 396	3 125	1 741
Farmer Settlement	34 729	43 277	42 509	3 822	3 864	3 864	4 625	5 801	6 088
Total	34 729	43 277	42 509	3 822	3 864	3 864	8 021	8 926	7 829

This is a new programme in the department that was established to deal with the new mandate of Rural Development. It has also accommodated the sub-programme of Farmer Settlement which was located previously within Programme 3: Farmer Support and Development.

The expenditure of Farmer Settlement observed a dramatic decline in 2009/10 when compared to the previous three financial years. The cause of this was the shifting of the Comprehensive Agricultural Support Programme (CASP) grant to the sub-programme of Extension and Advisory Service which is located in Programme 3.

Table 6.7.1: Summary of payments and estimates by economic classification: Programme 7: Rural development and farmer settlement

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
					2009/10				
Current payments	7 246	12 132	38 530	3 472	3 514	3 514	7 621	8 454	7 335
Compensation of employees	934	1 247	3 634	2 311	2 353	2 353	3 198	3 397	3 565
Goods and services	6 312	10 885	34 896	1 161	1 161	1 161	4 423	5 057	3 770
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	12		1						
Provinces and municipalities	1								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	11		1						
Payments for capital assets	27 471	31 145	3 978	350	350	350	400	472	494
Buildings and other fixed structures	3 182	1 168	70						
Machinery and equipment	22 472	26 113	3 908	350	350	350	400	472	494
Cultivated assets	1 817	2 329							
Software and other intangible assets		1 176							
Land and subsoil assets		359							
Total economic classification	34 729	43 277	42 509	3 822	3 864	3 864	8 021	8 926	7 829

The budget allocation of this programme in 2010/11 is R8.021 million but is not stable over the MTEF period. The funds made available for Rural Development sees a decline in the 2012/13 financial year to R1.741 million.

Service Delivery Measures

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2010-11	2011-12	2012-13
Programme 7: Rural Development and Farmer Settlement			
7.1 Farmer Settlement			
• Number of reports on farm assessments facilitated	60	80	100
• Number of land use plans facilitated	20	35	40
• Number of applications approved	30	40	60
• Number of projects performance reports compiled	20	30	40

Province Specific Performance Indicators

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Coordinate the provision of social and economic infrastructure and facilitate sustainable livelihood programmes in rural areas			
Coordinate joint planning sessions in targeted rural areas	4	6	10
Convene and lead stakeholder forum	12	12	12
Resource mobilization for CRDP interventions			
Profiling of development backlogs for rural areas	2	2	1
Fast tracking land reform through the identification of productive agricultural land and potential beneficiaries			
Participate in PSLDC processes	12	12	12
Number of reports of LRCC Resolutions implemented	4	4	2
Maintain land transfer catalogue	1	1	1
Number of established commonage committees	11	31	32
Number of commonages supported.	11	31	32
Number of municipalities supported	11	31	32
Number of reports on farm assessments facilitated.	60	60	17
Number of applications screened.	10	10	20

Province specific performance measures

Programme/Sub-Programme/Performance Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Coordinate the provision of social and economic infrastructure and facilitate sustainable livelihood programmes in rural areas			
Coordinate joint planning sessions in targeted rural areas	4	6	10
Convene and lead stakeholder forum	12	12	12
Resource mobilization for CRDP interventions			
Profiling of development backlogs for rural areas	2	2	1
Fast tracking land reform through the identification of productive agricultural land and potential beneficiaries			
Participate in PSLDC processes	12	12	12
Number of reports of LRCC Resolutions implemented	4	4	2
Maintain land transfer catalogue	1	1	1
Number of established commonage committees	11	31	32
Number of commonages supported.	11	31	32
Number of municipalities supported	11	31	32
Number of reports on farm assessments facilitated.	60	60	17
Number of applications screened.	10	10	20

7 Other Programme Information

7.1 Personnel numbers and cost

Table 7.1: Personnel numbers and costs: Department of Agriculture, Land Reform And Rural Development

Personnel numbers	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013
Administration	61	69	74	91	122	127	127
Sustainable Resource Management	27	29	32	30	35	39	40
Farmer Support And Development	55	55	85	95	105	115	125
Veterinary Services	45	55	101	101	111	123	136
Technology Research And Development	115	115	154	144	160	175	190
Agricultural Economics	7	7	17	20	24	30	42
Rural Development And Farmer Settlement	3	3	4	7	7	7	7
Total personnel numbers *	313	333	467	488	564	616	667
Total personnel cost (R thousand)	51 769	70 685	86 521	110 301	122 460	129 389	136 459
Unit cost (R thousand)	5 177	7 069	4 120	4 085	3 950	3 497	2 785

Table 7.2: Summary of departmental personnel numbers and costs

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Total for the department									
Personnel numbers	313	333	467	483	483	488	564	616	667
Personnel costs	51 769	70 685	86 521	108 775	109 801	110 301	122 460	129 389	136 455
Human resources component									
Personnel numbers (head count)	10	10	11	12	12	12	15	15	18
Personnel cost	1 412	1 807	2 589	2 665	2 787	3 162	3 468	3 448	4 345
Head count as % of total for department	3,19%	3,00%	2,36%	2,46%	2,46%	2,46%	2,66%	2,44%	2,70%
Personnel cost as % of total for department	2,73%	2,56%	2,99%	2,42%	2,53%	2,87%	2,83%	2,66%	3,18%
Finance component									
Personnel numbers (head count)	23	23	19	20	22	22	40	40	40
Personnel cost	1 953	3 400	3 842	3 530	4 451	4 702	5 178	5 565	5 983
Head count as % of total for department	7,35%	6,91%	4,07%	4,10%	4,51%	4,51%	7,09%	6,49%	6,00%
Personnel cost as % of total for department	3,77%	4,81%	4,44%	3,20%	4,04%	4,26%	4,23%	4,30%	4,38%
Full time workers									
Personnel numbers (head count)	274	294	436	450	448	453	509	561	609
Personnel cost	41 457	58 355	69 474	86 998	89 557	90 299	106 846	113 374	119 125
Head count as % of total for department	87,54%	88,29%	93,36%	92,21%	91,80%	92,83%	90,25%	91,07%	91,30%
Personnel cost as % of total for department	80,08%	82,56%	80,30%	78,87%	81,19%	81,87%	87,25%	87,62%	87,30%
Part-time workers									
Personnel numbers (head count)									
Personnel cost									
Head count as % of total for department									
Personnel cost as % of total for department									
Contract workers									
Personnel numbers (head count)	6	6	1	1	1	1			
Personnel cost	471	521	51	51	51	51			
Head count as % of total for department	1,92%	1,80%	0,21%	0,20%	0,20%	0,20%			
Personnel cost as % of total for department	0,91%	0,74%	0,06%	0,05%	0,05%	0,05%			

8. Training

Table 8.1: Payment on training: Department of Agriculture, Land Reform And Rural Development

Table 1: Payments on training: Department of Agriculture, Forestry and Fisheries									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09	2009/10					
Programme 1: Administration	57	74	96	88	88	94	103	109	111
of which									
Subsistence and travel									
Payments on tuition	57	74	96	88	88	94	103	109	111
Programme 2:	398	234	381	501	31	34	557	597	635
Subsistence and travel	365	209	350	470			510	540	572
Payments on tuition	33	25	31	31	31	34	47	57	63
Programme 3:	23	57	62	68	68	76	79	82	88
Subsistence and travel									
Payments on tuition	23	57	62	68	68	76	79	82	88
Programme 4:	45	55	62	62	62	67	76	86	95
Subsistence and travel									
Payments on tuition	45	55	62	62	62	67	76	86	95
Programme 5:	115	115	154	143	143	143	160	175	190
Subsistence and travel									
Payments on tuition	115	115	154	143	143	143	160	175	190
Programme 6:			14	14	14	20	20	20	30
Subsistence and travel									
Payments on tuition			14	14	14	20	20	20	30
Total payments on training	638	535	769	876	406	434	995	1 069	1 149

Annexure to the Estimates of Provincial Expenditure

Table B.1: Specification of receipts: Department of Agriculture, Land Reform and Rural Development

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term estimate		
	2006/07	2007/08	2008/09				2010/11	2011/12	2012/13
Tax Receipts									
Casino Taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	2 175	1 767	3 142	1 191	1 191	1 191	1 246	1 294	1 358
Sales of goods and services produces by department (excluding capital assets)	2 175	1 767	3 142	1 191	1 191	1 191	1 246	1 294	1 358
Sales by market establishments	2 175	1 767	3 142	466	466	466	487	506	531
Administrative fees				16	16	16	18	18	18
Other sales				709	709	709	741	770	809
Sales of scrap, waste, arms and other used current goods (excl capital assets)									
Transfers received from:									
Other governmental units									
Universities and technicons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	40	1	65	1	1	11	1	1	1
Interest	40	1	65	1	1	11	1	1	1
Dividends									
Rent on land									
Sale of capital assets		89	290						
Land and sub-soil assets									
Other capital assets		89	290						
Transactions in financial assets and liabilities	96	144	225	344	344	344	358	374	393
Total departmental receipts	2 311	2 001	3 722	1 536	1 536	1 546	1 605	1 669	1 752

Table B.2 : Goods and Services "of which"

Goods and services									
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Goods and services	58 182	103 291	115 113	121 057	109 439	112 512	141 138	156 594	164 161
<i>of which</i>									
Administrative fees	30		601			172	88	130	192
Advertising	1 088	2 610	3 367		585	398	333	580	840
Assets <R5000	2 422	1 234	1 841			85	35	50	70
Audit cost: External	1 177	1 204	1 113	1 610	1 310	690	2 173	2 390	2 510
Bursaries (employees)	59	113	678				1 000	1 050	1 063
Catering: Departmental activities	300	1 220	2 059	750	750	907	860	970	970
Communication	3 001	3 573	3 238	2 132	2 132	2 036	2 390	2 712	2 865
Computer services	1 126	1 024	1 526			487	915	1 067	1 138
Cons/prof:business & advisory services	5 410	3 028	3 792	8 499	8 199	9 580	9 068	11 092	11 444
Cons/prof: Infrastructre & planning	2 687	6 478	3 008	41 051	27 648	31 171	39 325	41 617	43 052
Cons/prof: Laboratory services		2 264	763						
Cons/prof: Legal cost			24						
Contractors	2 183	10 000	33 512	4 200	5 000	3 258	4 128	1 696	1 736
Agency & support/outsourced services	350	2 300	8 316	7 140	5 240	5 340	13 294	16 064	14 162
Entertainment	831	745	493			60	100	150	200
Government motor transport	5 054	7 170	13 087	3 910	6 170	5 509	3 860	4 270	4 570
Inventory: Food and food supplies	1 571	2 146	271	1 978	1 978	1 481	2 230	2 134	2 238
Inventory: Fuel, oil and gas	1 233	7 000	1 214	600	700	700	800	1 000	1 050
Inventory:Learn & teacher support material	35		13		50	50			
Inventory: Raw materials			423						
Inventory: Medical supplies	500	1 589	367	1 300	1 300	1 300	3 650	4 428	5 111
Inventory: Other consumables	10 803	26 098	6 798	14 382	10 909	11 987	19 618	25 181	26 903
Inventory: Stationery and printing	338	3 211	2 146	1 192	1 042	1 268	1 103	1 465	1 615
Lease payments	4 871	6 448	6 483	6 889	10 889	10 744	11 988	12 822	14 547
Owned & leasehold property expenditure	461	-	3 500	2 500	2 500	2 508	1 608	699	734
Transport provided dept activity	2 107	1 100	3 725	700	750	775	400	600	630
Travel and subsistence	3 846	5 253	10 083	8 832	8 682	9 200	9 108	10 792	11 531
Training & staff development	220	1 291	618	988	988	638	167	175	185
Operating expenditure	5 741	5 300	457	10 882	10 982	10 828	11 885	12 199	13 607
Venues and facilities	72	892	1 597	1 522	1 635	1 340	1 011	1 260	1 198
Other (big spending items not included above)	-								

Table B.4: Payments and estimates by economic classification: Sector specific "of which" items

[illegible]

Table B.5 (e): Agriculture - Details of payments for infrastructure by category

Category/type of structure	Type of infrastructure	Project Duration		Budget programme name	Total available	MTEF Forward Estimates	
R thousands	Irrigation scheme; borehole; storage and marketing facility; fencing; animal housing facility; access road etc	Date: Start	Date: Finish		2010/11	2011/12	2012/13
1. New and replacement assets							
Boreholes	Borehole	01/04/2010	31/03/2011	CASP	8,400	8,904	9,804
Irrigation Scheme	Irrigation scheme;	01/04/2010	31/03/2011	CASP	7,900	9,369	11,469
Departmental Facility	Departmental buildings	01/04/2010	31/03/2011	CASP		5,300	7,400
Office Accommodation	Office accommodation	01/04/2010	31/03/2011	Illima/Letsema	10,500	63,180	63,180
Stock handling facilities	Stock handling facilities	01/04/2010	31/03/2011	Infrastructure Grant to Provinces	2,000	2,000	3,500
Fencing	Fencing	01/04/2010	31/03/2011	CASP	1,000	1,060	3,060
Access Road	Access road	01/04/2010	31/03/2011	Land Care	2,000	2,120	3,120
IT	IT infrastructure	01/04/2010	31/03/2011	Land Care	1,500	1,500	3,500
				Infrastructure Grant to Provinces	500	500	500
Total New and replacement assets					25,400	85,029	95,729
2. Upgrades and additions							
Irrigation Scheme	Irrigation scheme;	01/04/2010	31/03/2011	CASP	6,124	6,491	7,891
Office Accommodation	Departmental buildings	01/04/2010	31/03/2011	Infrastructure Grant to Provinces	9,000	9,540	9,940
Stock handling facilities	Office accommodation	01/04/2010	31/03/2011	Infrastructure Grant to Provinces	3,000	3,180	4,180
Fencing	Fencing	01/04/2010	31/03/2011	CASP	3,000	3,180	3,980
Storage&marketing facilities	Handling Facilities	01/04/2010	31/03/2011	CASP	3,800	4,028	5,028
Access Road	Access road	01/04/2010	31/03/2011	Land Care	1,500	1,590	2,590
Total Upgrades and additions					26,424	28,009	33,609
Total Agriculture infrastructure					51,824	113,038	129,338