

**DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES  
2013/14 ANNUAL REPORT**

**PRESENTATION TO THE SELECT COMMITTEE ON  
LAND AND MINERAL RESOURCES**

**17 FEBRUARY 2015**



**agriculture,  
forestry & fisheries**

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA

# Presentation Outline

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# POLICY OVERVIEW



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# Policy Overview

DAFFS ANNUAL PERFORMANCE PLAN, KEY PERFORMANCE INDICATORS AND TARGETS WERE

GUIDED BY

- **Medium-Term Strategic Framework priorities:**
  - Decent work and sustainable livelihoods
  - Quality education
  - Health
  - Rural development, food security and land reform
  - Fight against crime and corruption
- **Outcomes based approach: Outcomes 4, 7 and 10**
- **National Development Plan (NDP)**
- **New Growth Path (NGP)**
- **Industrial Policy Action Plan (IPAP)**
- **Presidential Infrastructure Coordinating Commission (PICC): Strategic Integrated Project (SIP) 11**
- **Integrated Growth and Development Plan (IGDP)**
- **Agricultural Policy Action Plan (APAP) developed during the course of the financial year**



# Policy Overview (2)

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- **DAFFs Focus.**
  - Food Security
  - Transformation of the sector
  - Sector employment through economic growth
  - Protection of environmental assets and natural resources
- **The current, 2014/19 Medium Term Strategic Framework (MTSF)**
  - First five-year implementation phase of the NDP.
  - Five priority areas are carried over with the view of achieving radical socio-economic transformation



# Vision, Mission & Strategic Goals

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**VISION:** A leading, dynamic, united, prosperous and people-centered sector.

**MISSION:** Advancing food security and agrarian transformation in the agricultural sector through innovative, inclusive and sustainable policies and programmes.

## SIX (6) STRATEGIC OUTCOME ORIENTED GOALS:

- Increased profitable production of food, fibre and timber products by all categories of producers
- Sustained management of natural resources.
- Effective national regulatory services and risk management systems.
- A transformed and united sector.
- Increased contribution of the sector to economic growth and development.
- Effective and efficient governance.



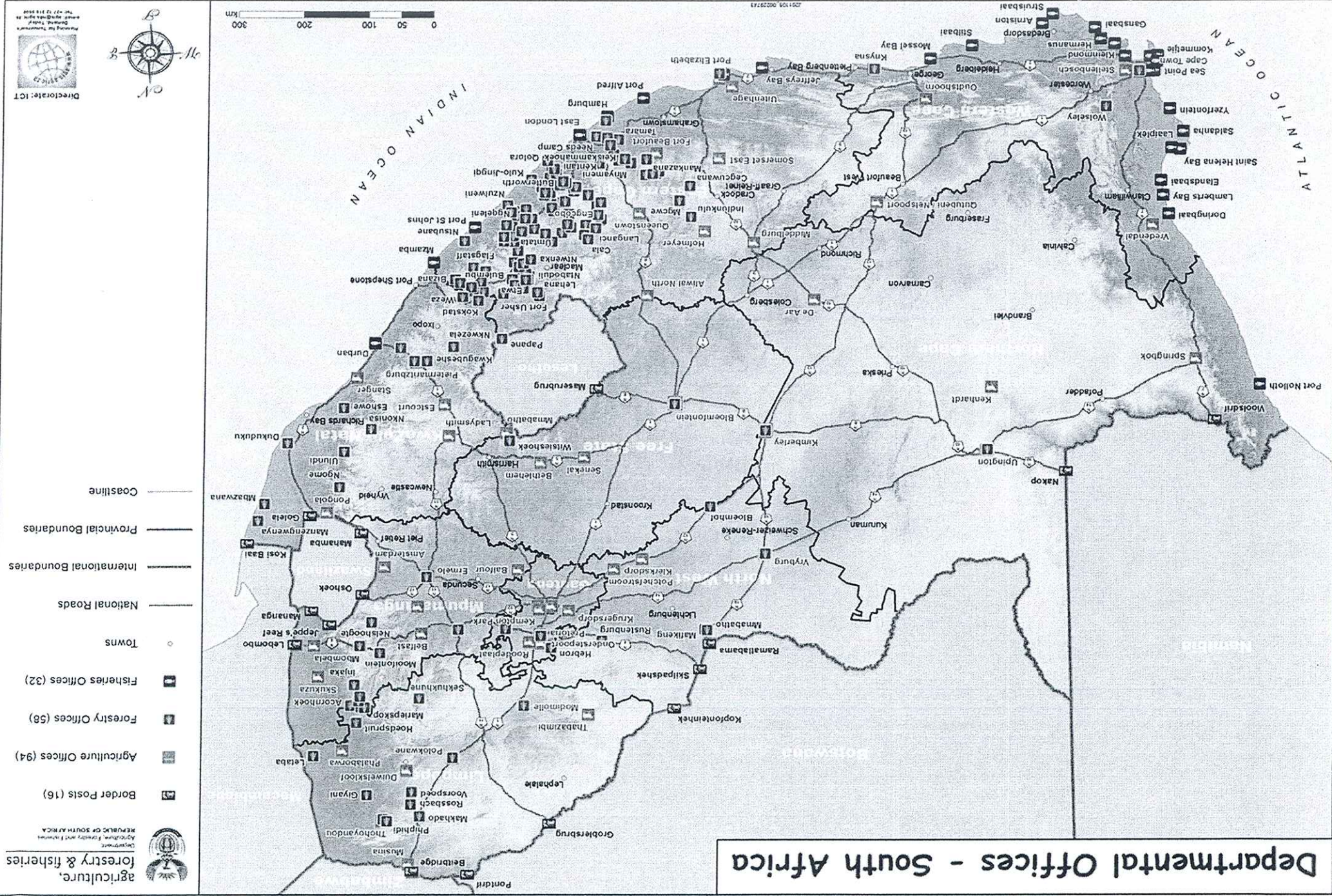
# OPERATIONAL ENVIRONMENT



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# Departmental Offices - South Africa





# Background

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- Constitutionally, **agriculture** is a concurrent competence between the national and provincial spheres of government with the spheres being autonomous but inter-dependent to achieve the policy goals of a unitary state. The national sphere is thus responsible for setting norms and standards whilst the provincial sphere is responsible for implementation
- **Forestry** in the main is a national competence with the exception of indigenous forests (falling under the conservation/environment portfolio in the provincial sphere)
- **Fisheries** is a national competence with the exception of fresh water (inland) aquaculture.
- Therefore in one Ministerial portfolio there is a mix of concurrent and exclusive functions



# Structural Arrangements

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## DAFF HAS SIX BUDGET PROGRAMMES:

- **PROGRAMME 1 (ADMINISTRATION):**
  - Branch: Corporate Services (HRMD; Chief Information Office, Security)
  - Branch: Chief Financial Office (Financial Management; Development Finance)
  - Branch: Policy, Planning, and Monitoring and Evaluation (Policy Development and Planning; Monitoring and Evaluation)
  - Branch: Stakeholder Relations, Communication and Legal Services (Communications and Stakeholder Relations; Legal Services)
- **PROGRAMME 2 (BRANCH: AGRICULTURAL PRODUCTION, HEALTH AND FOOD SAFETY)**
  - Sub-programme: Plant Production and Health
  - Sub-programme: Animal Production and Health
  - Sub-programme: Inspection and Quarantine Services



# Structural Arrangements (2)

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- **PROGRAMME 3 (BRANCH: FOOD SECURITY AND AGRARIAN REFORM)**
  - Sub-programme: Food Security
  - Sub-programme: Sector Capacity Development
  - Sub-programme: National Extension Support Services
  - Chief Director: Transferring Officer (CASP; Ilima/Letsema)
  
- **PROGRAMME 4 (BRANCH: ECONOMIC DEVELOPMENT, TRADE AND MARKETING)**
  - Sub-programme: International Relations and Trade
  - Sub-programme: Cooperatives and Rural Enterprise Development
  - Sub-programme: Agro-processing and Marketing
  
- **PROGRAMME 5 (BRANCH: FORESTRY AND NATURAL RESOURCES MANAGEMENT)**
  - Sub-programme: Forestry Operations
  - Sub-programme: Forestry Development and Regulation
  - Sub-programme: Natural Resources Management



# Structural Arrangements (3)

## • PROGRAMME 6 (BRANCH: FISHERIES MANAGEMENT)

- Sub-programme: Aquaculture and Economic Development
- Sub-programme: Fisheries Research and Development
- Sub-programme: Marine Resources Management
- Sub-programme: Monitoring, Control and Surveillance
- The Branch manages the Marine Living Resources Fund (a public entity in terms of the PFMA) established in terms of the Marine Living Resources Act.
- ✓ The legislation provides for support functions like human resources, finance, internal audit, legal services, communications, in support of the operations of the Fund
- ✓ Funding for the operations of the Branch derive from the Fund
- The personnel budget derives from the DAFF budget
- Internal arrangement: Support functions to report functionally to Head Office and administratively to DDG: FM

✓

# PERFORMANCE HIGHLIGHTS



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# Performance Highlights

## ACCELERATED PRODUCTION TO ENHANCE FOOD SECURITY

- The National Policy on Food and Nutrition was approved by Cabinet: September 2013
- The Fetsa Tiala Food Production Initiative was launched in order to:
  - Realise enhanced food production at national and household level
  - Place 1 million hectares under production
  - Focussing on under-utilised agricultural land and the production of staple foods
- As part result 104 000 ha of fallow land were placed under the production of maize and beans in 2013/14

## GENERAL HOUSEHOLD SURVEY (2013)

- Although it cannot be directly attributed to DAFF interventions only it is significant to note that:
  - Between 2010 and 2013 the percentage of households with inadequate or severely inadequate access to food saw a modest decline of 0.8% (from 23.9% to 23.1%)
  - Between 2002 and 2013, the percentage of households that experienced hunger decreased from 29,3% to 13,4%
  - However, the number of persons who faced difficulties in accessing food in 2013 increased to 13,8 million persons, up from 13.6 million persons in 2012.



# Performance Highlights (2)

*Presenting: Mr R Dredge  
Policy, Planning and Monitoring and Evaluation*

- **TARGETED SUPPORT TO PRODUCERS IN ORDER TO FACILITATE GREATER INCLUSIVITY THROUGH:**
  - Comprehensive Agricultural Support Programme (CASP)
  - Ilima/Letsema
- **ACCESS TO MARKETS: SMALLHOLDERS**
  - Mobilised and supported smallholder producers to increase production and access export market opportunities through the World Food Programme (WFP).
  - 88 smallholders produced sufficient high-quality maize
  - Exported 288 tons of maize through the WFP to Lesotho.
- **EXPORTS AS AN INDICATOR OF ECONOMIC GROWTH: OPENING OF NEW MARKETS**
  - BRICS countries: Exports increased by about 12%, with China being the most important export destination
  - The increase in exports to specific countries: China (26%), Indonesia (6%), Japan (47%) and India (10%) which created new destinations for locally produced products
  - Memoranda of Understanding: Senegal
  - Declarations of Interest signed: France and Argentina



# Performance Highlights (3)

## • BIO SECURITY SUCCESS: FOOT AND MOUTH DISEASE (FMD) FREE

- 2011: Outbreak of Foot and Mouth Disease. Ban on the export of red meat imposed.
- February 2014:
  - DAFF instrumental in restoring the country's FMD free status - successful implementation of control measures, conducting surveillance and controlling the movement of animals inside the protected areas.
  - World Organisation for Animal Health (OIE) declared South Africa free of FMD.
  - 3-year ban on the export of red meat was lifted on a R4.6 billion sector.
- Implementation of the Primary Animal Health Care Programme: 27 mobile clinics, emergency vehicles and laboratory equipment was procured.

## • THOUGHT LEADERSHIP: CLIMATE SMART AGRICULTURE

- 2013: Hosted the Third Global Conference on Agriculture, Food and Nutrition Security and Climate Change
- Watershed resolution: Establishment of a Global Alliance on Climate Smart Agriculture, which was launched by the Secretary General of the United Nations in 2014.





# Performance Highlights (4)

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- **LEGAL RECOGNITION: SMALL-SCALE FISHERS**

- The President has assented to the Marine Living Resources Amendment Bill: For the first time which small scale fishers were given legal recognition
- Effectively enabling DAFF to implement the Small-scale Fisheries Policy to promote transformation and assist fishing communities to sustain their livelihood, generate income and create jobs.

- **IRRIGATION SCHEMES**

- Ongoing revitalisation of two irrigation infrastructure anchor projects:: Vaalharts/ Taung and Makhathini flats. This included structures such as dams, canals, fences, access roads, pump houses, installation of pumps, drainage systems, handling facilities for livestock, stores, etc.
- Vaalharts Irrigation Scheme: 265 ha were revitalised.



## Performance Highlights (5)

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- **LAND REHABILITATION**
  - No. of hectares of agricultural land, woodlands, indigenous forests and temporary unplanted areas (TUPs) rehabilitated through LandCare, and CARA 11 868 hectares to 32 280 hectares from 2012/13 to 2013/14
  - Disaggregation of rehabilitated land: 43 983 ha agricultural land; 612 ha woodlands and indigenous forests and 2 005 ha TUPs.

- **COMPREHENSIVE AFRICAN AGRICULTURAL ACTION PLAN (CAADP)**

- Draft Compact concluded following an inclusive provincial consultation process, including the private sector, hailed as an African best practice
- Consolidated priority areas of investment identified during CAADP consultations.

# PERFORMANCE SUMMARY



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# 2013/14 Performance Summary

PROGRAMME	NO OF ANNUAL TARGETS	NO OF ANNUAL TARGETS ACHIEVED	% COMPLETED
POLICY PLANNING MONITORING & EVALUATION	3	2	67%
CORPORATE SERVICES	8	7	88%
STAKEHOLDER RELATIONS COMMUNICATION & LEGAL SERVICES	2	1	50%
CHIEF FINANCIAL OFFICE	1	1	100%
ECONOMIC DEVELOPMENT TRADE & MARKETING	6	5	83%
FOOD SECURITY & AGRARIAN REFORM	4	3	75%
AGRICULTURAL PRODUCTION HEALTH AND FOOD SAFETY	6	5	83%
FORESTRY & NATURAL RESOURCES MANAGEMENT	14	9	64%
FISHERIES MANAGEMENT	8	8	100%
<b>TOTAL</b>	<b>52</b>	<b>41</b>	<b>79%</b>

*Adjusted 1 1990  
 account for all annual  
 set targets*

# 2013/14 Performance: Strategic Goals and Objectives

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STRATEGIC GOAL	STRATEGIC OBJECTIVES	NO OF PLANNED ANNUAL TARGETS	NO OF TARGETS FULLY ACHIEVED	ACHIEVEMENT (%)
<b>SG 1: INCREASED PROFITABLE PRODUCTION, HANDLING AND PROCESSING OF FOOD, FIBRE AND TIMBER</b>	<b>SO 1: PROMOTE EFFICIENT PRODUCTION OF FOOD, FIBRE AND TIMBER</b>	1	1	100%
	<b>SO 2: COORDINATE GOVERNMENT FOOD SECURITY INITIATIVES</b>	9	5	56%
<b>SG 2: SUSTAINED MANAGEMENT OF NATURAL RESOURCES</b>	<b>SO 1: ENSURE THE SUSTAINABLE MANAGEMENT AND EFFICIENT USE OF NATURAL RESOURCES</b>	17	15	88%



# Performance: Strategic Goals & Objectives (2)

Strategic Goal	Strategic Objectives	No of Planned Annual Targets	No of Targets Fully Achieved	Achievement (%)
SG 3: EFFECTIVE NATIONAL REGULATORY SERVICES AND RISK MANAGEMENT SYSTEMS	SO 1: MANAGE THE LEVEL OF RISK ASSOCIATED WITH FOOD, DISEASES, PESTS, NATURAL DISASTERS AND TRADE	1	1	100%
SG 4: A TRANSFORMED AND UNITED SECTOR	SO 2: ESTABLISH AND MAINTAIN EFFECTIVE EARLY-WARNING AND MITIGATION SYSTEMS SO 4: PROVIDE LEADERSHIP AND SUPPORT TO RESEARCH, TRAINING AND EXTENSION IN THE SECTOR	2	1	100%

# Performance: Strategic Goals Objectives (3)

STRATEGIC GOAL	STRATEGIC OBJECTIVES	NO OF PLANNED ANNUAL TARGETS	NO OF TARGETS FULLY ACHIEVED	ACHIEVEMENT (%)
SG 5: INCREASED CONTRIBUTION OF THE SECTOR TO ECONOMIC GROWTH AND DEVELOPMENT	SO 1: INCREASE GROWTH, INCOME AND SUSTAINABLE JOB OPPORTUNITIES IN THE VALUE CHAIN	5	5	100%
	SO 3: INCREASE MARKET ACCESS FOR SOUTH AFRICAN AGRICULTURAL FORESTRY AND FISHERIES PRODUCTS, DOMESTICALLY AND INTERNATIONALLY	2	1	50%



# Performance: Strategic Goals Objectives (4)

ACHIEVEMENT (%)	NO OF TARGETS	NO OF PLANNED ANNUAL TARGETS	STATEGIC OBJECTIVES	STATEGIC GOAL
67%	2	3	SO 2: EFFECTIVE AND EFFICIENT POLICY, PLANNING, MONITORING, EVALUATION, REPORTING AND SECTOR INFORMATION	SG 6: EFFECTIVE AND EFFICIENT GOVERNANCE



# Performance: Strategic Goals & Objectives (5)

STRATEGIC GOAL	STRATEGIC OBJECTIVES	NO OF PLANNED ANNUAL TARGETS	NO OF TARGETS FULLY ACHIEVED	ACHIEVEMENT (%)
SG 6: EFFECTIVE AND EFFICIENT GOVERNANCE	SO 3: PROVIDE EFFECTIVE AUDIT, INVESTIGATIVE AND LEGAL, HUMAN RESOURCES AND FINANCIAL RISK MANAGEMENT	7	6	86%
	SO 4: IMPROVE DEPARTMENTAL SERVICE EXCELLENCE THROUGH IMPLEMENTATION OF QUALITY STANDARDS, BATHO PELE PRINCIPLES AND GENERAL LEGISLATIVE MANDATE	1	0	0%
	SO 5: PROVIDE LEADERSHIP AND MANAGE COMMUNICATION AND INFORMATION	3	2	67%



# CONDITIONAL GRANTS



# Conditional Grants: Comprehensive Agriculture Support Programme (CASAP)

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- **PURPOSE:**

- Expand the provision of agricultural support services
- Promote and facilitate agricultural development by targeting subsistence, smallholder and commercial black farmers.
- Address damages caused by floods

- **BUDGET AND EXPENDITURE FOR THE YEAR UNDER REVIEW** : Total: R1,6 billion transferred
- R846 million (53%): Direct project support such as infrastructure support, production input support, mechanization support, etc.
- R60 million (4%): Farmer training and capacity building
- R340 million (21%): Extension Recovery Plan
- R55 million (3%): Revitalisation of Agricultural Colleges
- R301 million (19%): Repair of infrastructure damaged by floods and support affected farmers.
- Approved roll-overs: R307, 347 million (Eastern Cape, Limpopo, Northern Cape and North West) increasing the total available for 2013/14 to R1, 911 662 billion.
- Total expenditure: R1, 903 608 billion (99,6% expenditure).



## Conditional Grants: CASP (2)

### PROJECTS:

- No. planned: 950 projects were planned according to Business Plans
- No. of projects completed 741 (78%)
- No. ongoing and for completion in the 2014/15: 193 projects (20%)
- No of projects relinquished: 20 (2%) spread over Eastern Cape, Kwazulu-Natal, Limpopo, Mpumalanga and North West provinces. Reasons cited include:
  - Conflict among beneficiaries
  - Delays in the delivery of production inputs for maize planting
  - Budget realignment process by Provincial Treasury in Mpumalanga
  - Lack of acceptable water rights
  - Land tenure and funding received by beneficiaries from the DRDLR.
- **NO. OF FARMERS SUPPORTED: TOTAL SUPPORTED = 39 194**
  - Smallholders: 20 154 (51%)
  - Subsistence: 17 193 (44%)
  - Black Commercial: 1 847 (5%)



# Conditional Grants: CASP (3)

- **INDIRECT BENEFICIARIES:**

- Total: 35 994
- Gender: 14 489 Males (63%) and 21 505 females (37%)
- Youth: 7 118 (12%) of the total beneficiaries supported
- People With Disabilities: 111 (0.2%)

- **JOBS CREATED IN 2013/14**

- Total: 9 932 jobs (Permanent: 2 085; Temporary or seasonal jobs and 7 847).
  - Gender: 5 995 males (60%) and 3 937 (40%) females.

- **JOBS CREATED THROUGH CASP: 2009/10 – 2013/14:**

FINANCIAL YEAR	TOTAL JOBS CREATED
2009/10	8 184
2010/11	9 361
2011/12	6 658
2012/13	14 293
2013/14	9 932
<b>MTSF total</b>	<b>48 428</b>



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**MTSF total**

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# Conditional Grants: ILIMA/ LETSEMA

- **PURPOSE:**
  - To assist vulnerable farming communities to achieve an increase in agricultural production.
  - In so doing, enable farming communities to feed their families and sell the surplus to the market
  - Increasing household income and job opportunities in rural spaces.
  - Revitalize irrigation schemes to unlock agricultural potential of the area
- **BUDGET AND EXPENDITURE FOR THE YEAR UNDER REVIEW**
  - Total: R438 million transferred to provinces
  - Approved roll-overs: R16, 081 million (Eastern Cape and Northern Cape)
  - Increasing total available for 2013/14 to R454, 537 million.
  - Expenditure: R424 million (93%)
- **NO. OF FARMERS SUPPORTED: 63 448**
  - Smallholders: 25 539 (40%)
  - Subsistence: 34 146 (54%)
  - Black Commercial: 3 763 (6%)

# Conditional Grants: ILIMA/ LETSEMA (2)

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## PROJECTS

- Total planned: 1 348 projects
  - Total completed: 1 306 (97%)
  -  ○ Projects carried over to 2014/15: 93
    - Reasons: delays in appointment of service provider in KZN, FS and NC; projects initiated late in WC (commodity project allocation committees approves projects at every quarterly meeting)
  - Projects relinquished: 1 (one)
    - Reasons: conflict among beneficiaries in KZN
- 
- **INDIRECT BENEFICIARIES: 147 990**
    - No. of adults: 126 246 (63 166 males and 63 080 females)
    - No. of Youth: 21 744 youth (12 525 males and 9 219 females)
    - People with disabilities: 236 disabled (148 males and 88 females)



# Conditional Grants: ILIMA/ LETSEMA (3)

- JOBS CREATED IN 2013/14:

- Total: 16 948 jobs jobs
  - Permanent: 7 951 (47%)
  - Temporary or seasonal jobs: 8 997 (53%) .
  - Gender: 7 773 males (46%) and 9 175 (54%) females.

- JOBS CREATED THROUGH ILIMA/ LETSEMA 2009/10 – 2013/14:

FINANCIAL YEAR	TOTAL JOBS CREATED
2009/10	1053
2010/11	3 581
2011/12	8 516
2012/13	18 224
2013/14	16 948
<b>MTSF total</b>	<b>47 269</b>



# Conditional Grants: Extension Recovery Plan (ERP)

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- **PURPOSE**

- To strengthen and improve extension and advisory support services in South Africa

- **BACKGROUND**

- Due to the shortcomings of the extension services in the country, the Department conceptualized the Extension Recovery Plan (ERP) as a turn-around strategy for extension
- ERP was started in 2008/09 with the 9 provincial departments of Agriculture as lead implementers.
- The plan consisted of five pillars.



# Conditional Grants: Extension Recovery Plan (ERP) (2)

## BUDGET AND EXPENDITURE OVER THE YEAR UNDER REVIEW

- Total: R339, 927 million.
- Pillar 1 (Visibility and Accountability): R53, 962 million (16%)
- Pillar 2 (Image and Professionalism ): R27, 244 million (8%)
- Pillar 3 Recruitment of Extension Personnel: R124, 329 million (37%)
- Pillar 4 (Re-skilling and Re-orientation): R38, 023 million (11%)
- Pillar 5 (Provision of ICT Infrastructure): R96, 369 million (28%)

## ACHIEVEMENTS REPORTED IN THE YEAR UNDER REVIEW:

- 84 extension officers were recruited against 324 targeted
- Reason for variance: that FS, KZN, LP, NC and WC did not recruit but sustained salaries of previously recruited personnel
- There is currently 3602 extension personnel in the system as compared to 2 210 in 2007 when the programme started.
- The extension-farmer ratio has also improved from 1:1200 in 2007 to 1:878 at the end of the year under review. The norms and standards recommends a ratio of 1:250-500 depending on the commodity

# No. recruited Extension Practitioners as at end 2013/14

Province	Target and recruited Practitioners						TOTAL
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	
<b>Target</b>	<b>396</b>	<b>272</b>	<b>253</b>	<b>388</b>	<b>378</b>	<b>324</b>	<b>2 001</b>
EC	139	86	19	0	0	14	<b>258</b>
FS	26	8	4	16	0	0	<b>54</b>
GP	62	0	52	0	9	0	<b>123</b>
KZN	0	38	197	235	0	0	<b>470</b>
LP	55	43	39	14	0	0	<b>151</b>
MP	22	13	9	31	14	21	<b>110</b>
NC	16	4	5	7	4	0	<b>36</b>
NW	15	8	21	0	0	49	<b>93</b>
WC	15	17	17	7	0	0	<b>56</b>
<b>Total</b>	<b>350</b>	<b>217</b>	<b>346</b>	<b>310</b>	<b>27</b>	<b>84</b>	<b>1 351</b>



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# Number of Extension Practitioners complying with Norms and Standards by end 2013/14

Province	No. of Extension Practitioners	Qualifications		Percentage compliance to Norms and Standards (%)
		Less than a degree	Degree or more	
EC	794	462	332	41
FS	124	16	108	87
GP	130	15	115	88
KZN	1 044	244	800	77
LP	817	328	489	60
MP	263	59	204	78
NC	59	11	48	81
NW	250	35	215	86
WC	121	17	104	86
<b>Total</b>	<b>3 602</b>	<b>1 187</b>	<b>2 415</b>	<b>67</b>

# Conditional Grants: LandCare

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## ○ Purpose

- LandCare is a community-based and government supported programme which seeks to optimise agricultural production and enhance sustainable use and management of the natural agricultural resources
- The programme focuses on WaterCare, VeldCare, SoilCare , JuniorCare and Conservation Agriculture.

## ○ Budget and expenditure for the year under review

- A total of R108, 997 million was allocated, and an amount of R105, 823 million was transferred to Provinces. This amount represents 97.1% of the allocated amount.
- R 3, 174 million (2.9%) of the allocated amount was withheld by National Treasury on the request of DAFF due to unsatisfactory project reporting from two Provinces (Eastern Cape and North West).
- The actual project expenditure on LandCare amounted to R102, 008 million, which is 96% of transferred funds to Provinces.)



# Conditional Grants: LandCare (2)

PROVINCE	BUDGET (MILLIONS)			% SPEND VS TRANSFER	NUMBER OF PROJECTS
	ALLOCATED	TRANSFERRED	SPEND		

Eastern Cape	R15, 866	R12, 693	R12, 693	100	34
Free State	R8, 571	R8, 571	R8, 571	100	19
Gauteng	R6, 163	R6, 163	R6, 163	100	4
Kwa-Zulu Natal	R18, 746	R18, 746	R18, 746	100	46
Limpopo	R19, 562	R19, 562	R16, 155	83	21
Mpumalanga	R19, 562	R10, 249	R10, 249	100	9
Northern Cape	R12, 055	R12, 055	R12, 055	100	4
North West	R10, 552	R10, 551	R10, 143	96	8
Western Cape	R7, 233	R7, 233	R7, 233	100	31



# Conditional Grants: LandCare (3)

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- **Projects:**

- No. planned: 176 projects were planned, and all planned projects were implemented. Planned projects included one project in each province focusing on raising awareness on LandCare. Hence altogether, there were 9 projects on raising awareness and these were done by officials of DAFF and officials of Provincial Departments, hence did not generate any job opportunities. Only 167 of the 176 projects were job-creating projects.

- **Beneficiaries:**

- Total: 29 247
- Gender: Males 10 821 (37%) and females 18 426 (63%)
- People With Disabilities: 287 (0.98%)

- **JuniorCare**

- This is a youth-focused programme under LandCare and benefited 12 916 youth during 2013/14.



# Conditional Grants: LandCare (4)

- **JOBS CREATED IN 2013/14**
  - Total: 4 973 work opportunities
  - Formula for calculation of jobs created has subsequently changed in line with Expanded Public Works Programme procedures
- **JOBS CREATED THROUGH LANDCARE 2009/10 – 2013/14:**

FINANCIAL YEAR	BUDGET ALLOCATION (MILLION)	WORK OPPORTUNITIES CREATED	LAND REHABILITATED (HECTARES)
2009/10	R51, 427	28 695	44 433
2010/11	R54, 502	15 500	66 272
2011/12	R57, 774	2 018	31 302
2012/13	R115, 661	385 (Figures for other beneficiaries could not be verified due to insufficient evidence, hence the AG's disclaimer)	30 000
2013/14	R108, 997	4 973	50 941
<b>MTSF total</b>	<b>R392, 361</b>		<b>212 948</b>





# Rural Financing Vehicle: Micro Financial Institutions of South Africa (MAFISA)

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- **PURPOSE**

- MAFISA was set up to provide funding through provisionally accredited DFIs to on-lend to targeted HDI agricultural micro-businesses, covering irrigation, livestock, equipment and production inputs.
- First piloted in 2005, and was set up to complement larger scale finance provided by the Land Bank, since credit is an important part of the technical package of support needed by small-scale farmers.
- As start-up capital, MAFISA was allocated R1 billion from the Agricultural Debt Management Account of the former Agricultural Credit Board.

- ✂• **BENEFICIARIES**

- January 2009 and December 2013: 3 638 loans (Total value: R314m) approved
  - No of beneficiaries: 7 383 of which 40% are women.
  - One in 5 loans (20%) was approved to groups. MAFISA loans financed livestock (56,9%), grain (18,2%), sugarcane (9,6%), sunflower (6,1%) and vegetables (2,2%).
- **JOBS CREATED:** 16 080 job opportunities were created by 2 448 loans.



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# Enablers and Inhibitors

## ENABLERS:

- Management and Leadership
- Organisational culture and values
- Highly skilled work force
- Adequate resource allocation
- Strengthened culture of accountability
- Space for reflection and learning from success and failures

## INHIBITORS:

- Weak leadership and management in some Branches and Units
- Accountability of Regional offices to be strengthened
- Vacant SMS positions



# Corrective Action

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- Strengthening planning and monitoring of Province's performance on Conditional Grants
- Improved accountability and performance reporting by SMS
- Strengthening consequence management to encourage behaviour change
- Improve risk management and reporting
- New Target : "Reduce repeat audit findings by 60%".
- ✂ • Strengthen interdepartmental cooperation and collaboration
- ✂ • Enhance cooperation local government to enhance sector goals.
- Accelerate collaboration with stakeholders through existing forums and commodity group deployments.
- ✂ • Collaboration for the development of market expansion strategies for key/priority international markets.
- ✂ • Collaboration in the utilisation of key policy instruments to enhance the sector



*slump*

# National Evaluation Plan (NEP)

- EVALUATION STUDIES UNDERTAKEN IN 2013/14 THROUGH THE NATIONAL EVALUATION PLAN (NEP)
  - CASP and MAFISA were evaluated during 2013/14
  - Coordinated by the Department of Performance Monitoring and Evaluation (DPME)
- **FUNDING:**
  - Total Cost: R2.5 million and R2.3 million respectively, for CASP and MAFISA.
  - Jointly funded by DAFF and DPME
- **STATUS:**
  - The studies have been completed (Sep-14) and final reports are being compiled
  - Once the reports are finalised, DAFF will be required to produce Improvement Plans
  - DPME will support DAFF to ensure that the findings are implemented.
- **EVALUATION STUDIES APPROVED FOR 2014/15 AND 2015/16:**
  - ILIMA/LETSEMA, Smallholder Producers Support and Extension Recovery Programme

# HUMAN RESOURCES



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# Human Resource Issues

- DPSA directive to PERSAL clean-up process: Requires departments to abolish unfunded vacancies and to fill identified vacant funded posts
  - Between 2001/1/12 and 2013/1/14
    - Post establishment decreased from 7 100 to 6 780 posts
    - Vacancy rate decreased from 13.4 % to 9.8%
    - Personnel suitability checks still creates constraints in terms of turnaround times in the filling of posts.
  - HR Strategy 2017 was developed and approved to ensure service excellence in delivering six key HR priorities:
    - People acquisition
    - Human resource development
    - Performance management
    - Employee Relations Strategy
    - Transformation and change
    - Employee health and wellness

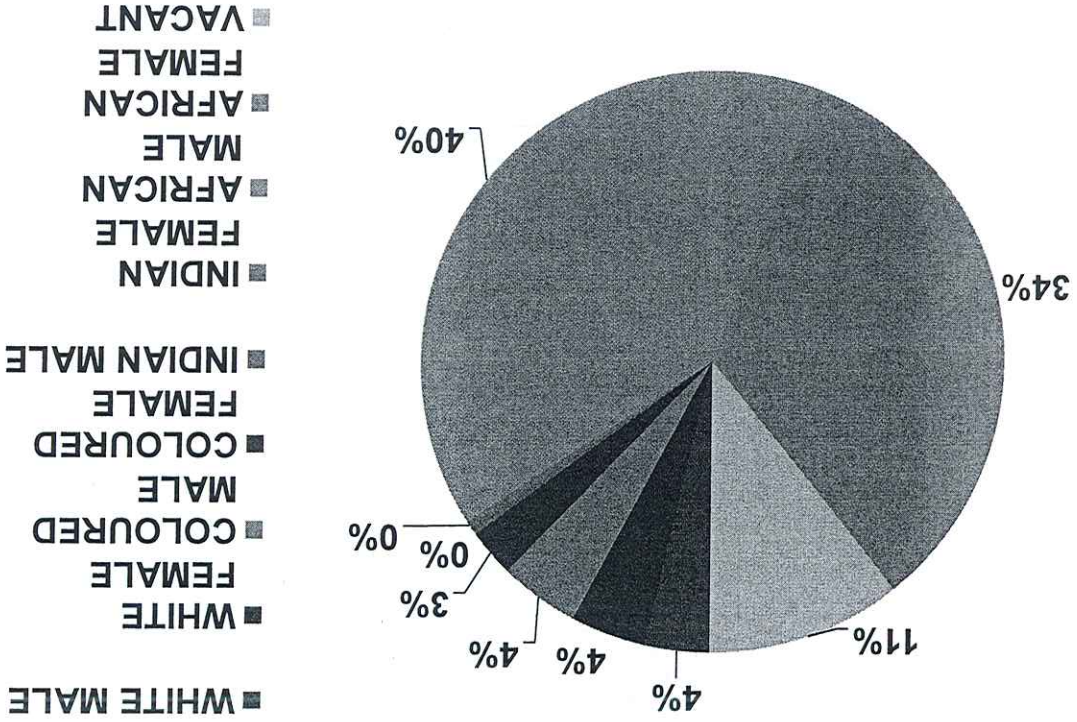
# HR Dashboard

	2010/11	2011/12	2012/13	2013/14
Post approved	7043	7100	7074	6780
Post filled	6247	6151	6146	6117
Vacancy rate	11,3%	13,4%	13,1%	9,8%
Turnover rate	5,9%	5,4%	5,9%	6,3%
Jobs evaluated	358	115	228	1 324
Highest reason for service termination	Retirements	Retirements	Retirements	Retirements
Disability	0,4%	0,4%	1,1%	1,1%
Female SMS	37%	38%	40%	40%
Males SMS	63%	62%	60%	60%
Total cost for performance rewards	R26 674 000	R30 759 000	R25 273 000	R20 479 000
Total number of employees received performance rewards	2061	2752	1201	1400
Cost of leave taken	Sick: R16 587 000 Annual: R62 624 000 Incapacity: R327 000	Sick: R16 156 000 Annual: R65 384 000 Incapacity: R456 000	Sick: R16 153 000 Annual: R76 129 000 Incapacity: R980 000	Sick: R23 475 000 Annual: R93 246 000 Incapacity: R208 000
Leave pay out	R140 000	R53 000	R283 000	R59 000
Grievances lodged	45	105	100	66
Grievances resolved	28	28	66	53
Disciplinary cases received	31	56	59	58
Disciplinary cases finalised	28	42	38	12
Highest number of sanctions	9 for dismissal	27 for dismissal	13 for dismissal	4 for suspended without pay
Highest types of misconduct	Abscondment	Abscondment	Misuse of government vehicle & Abscondment	Performing remunerative employment without prior permission





## Race Profile

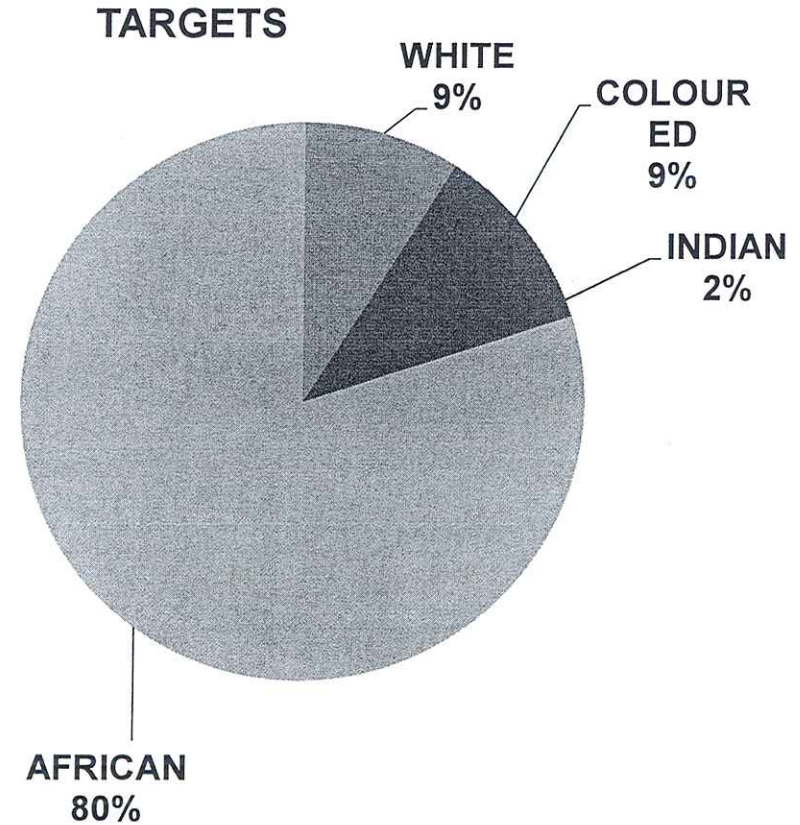
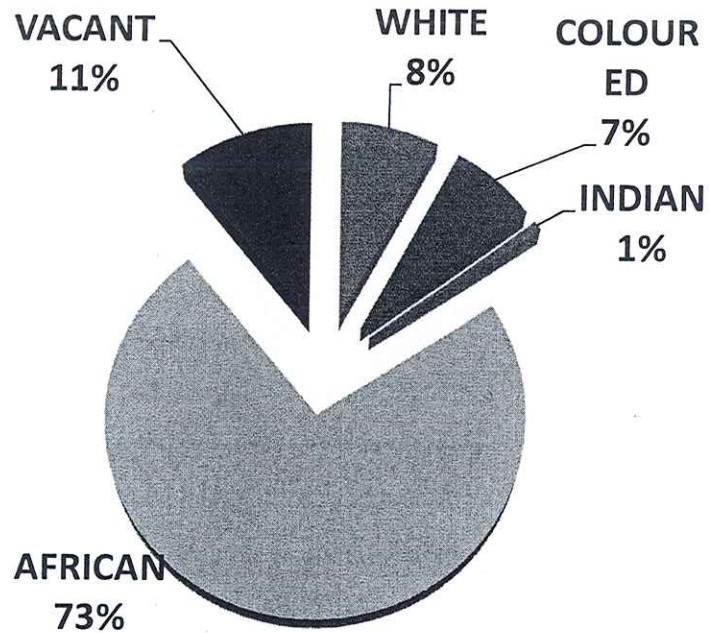


## SMS Race Profile

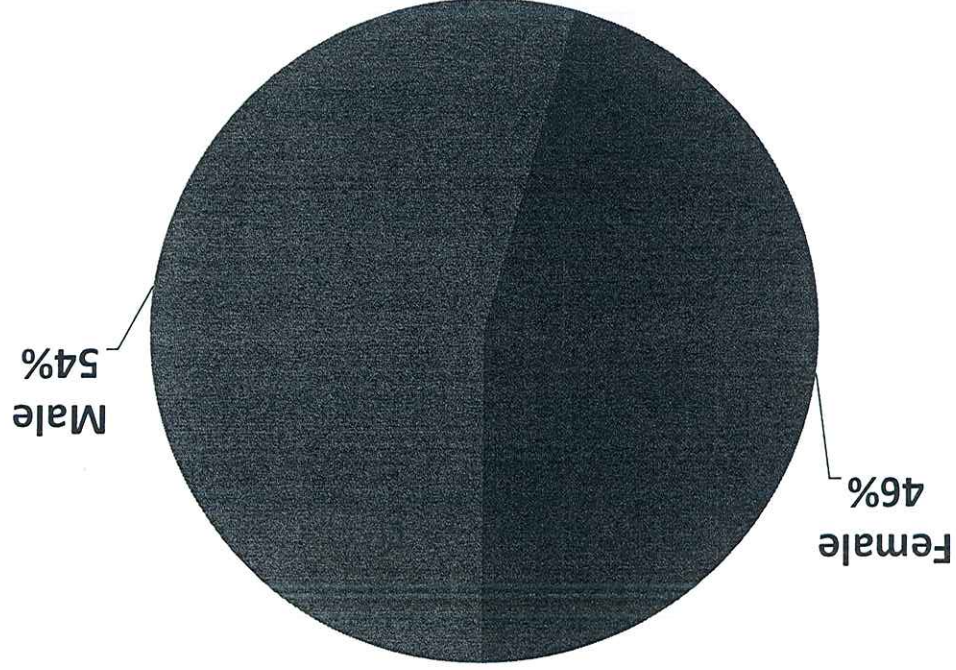




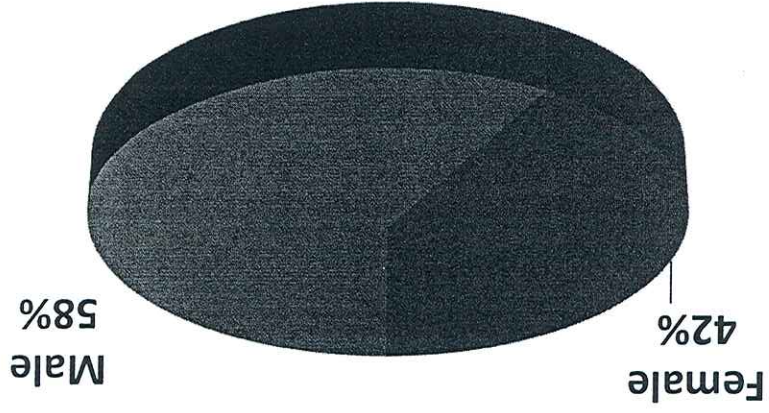
# Employment Equity



# Gender Profile



# SMS Gender Profile



# Employees per age group

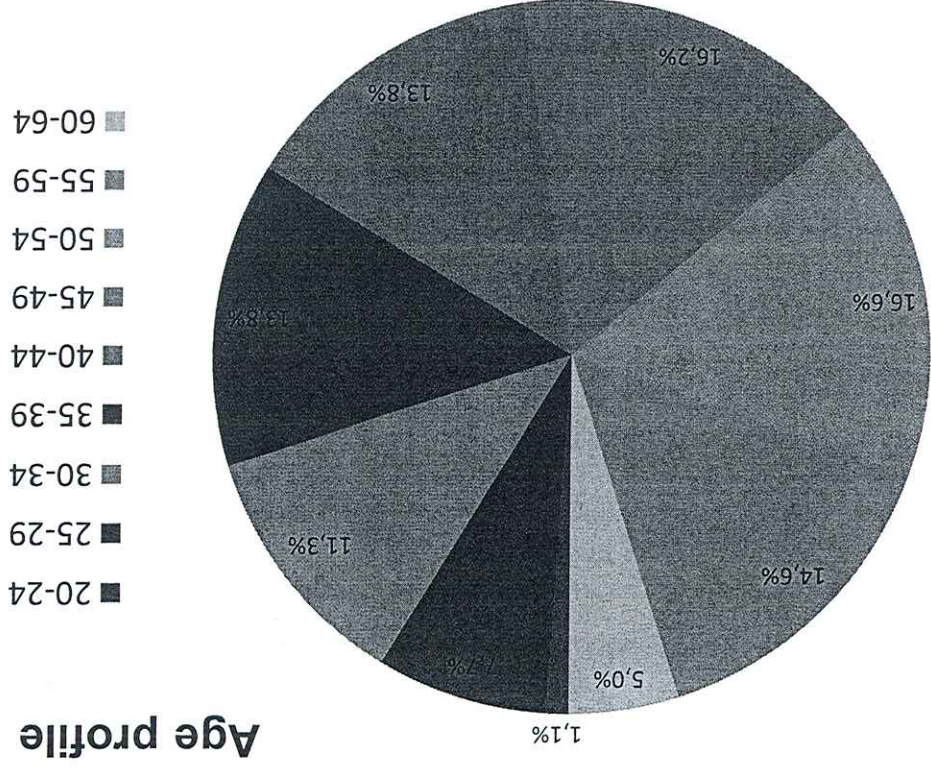
SALARY LEVELS	<i>Number of employees per Age Group</i>											TOTAL
	<20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	>64	
<b>16</b>	0	0	0	0	0	0	0	0	0	1	0	<b>1</b>
<b>15</b>	0	0	0	0	0	0	1	1	4	0	0	<b>6</b>
<b>14</b>	0	0	0	0	3	9	5	8	1	1	0	<b>27</b>
<b>13</b>	0	0	0	6	14	20	19	12	10	3	0	<b>84</b>
<b>12</b>	0	0	0	10	29	34	32	26	16	11	0	<b>158</b>
<b>11</b>	0	0	11	37	41	44	27	17	7	9	0	<b>193</b>
<b>10</b>	0	0	18	86	62	42	28	22	29	7	0	<b>294</b>
<b>9</b>	0	1	39	92	109	96	59	41	23	11	0	<b>496</b>
<b>8</b>	0	8	81	148	127	118	62	49	41	20	0	<b>654</b>
<b>7</b>	0	6	126	146	138	100	60	59	30	18	0	<b>689</b>
<b>6</b>	0	1	31	94	62	56	70	73	41	14	0	<b>442</b>
<b>5</b>	0	11	103	103	61	69	56	64	49	13	0	<b>529</b>
<b>4</b>	0	0	11	11	29	32	86	84	73	27	0	<b>266</b>
<b>3</b>	0	1	8	12	23	61	203	435	418	208	0	<b>1369</b>
<b>2</b>	0	20	79	89	101	129	210	107	81	16	0	<b>832</b>
<b>1</b>	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>48</b>	<b>507</b>	<b>834</b>	<b>799</b>	<b>810</b>	<b>918</b>	<b>998</b>	<b>823</b>	<b>359</b>	<b>0</b>	<b>6040</b>



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# Number of Employees per Age Group



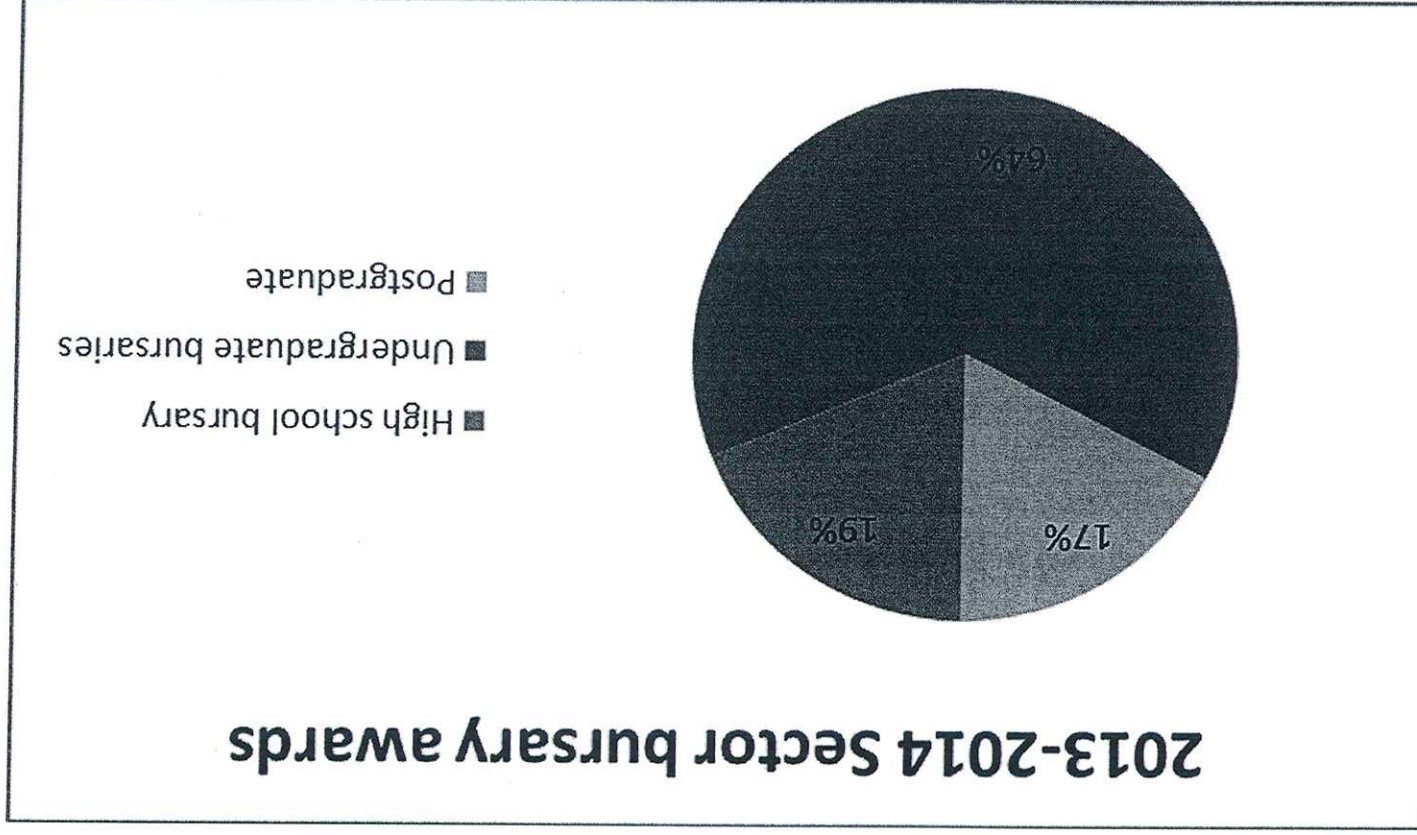
# Youth Development Interventions

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- **YOUNG GRADUATE DEVELOPMENT PROGRAMME:** Graduates in the scarce skills group are employed as graduate candidates in line with their qualifications., e.g. veterinarians, scientists and researchers
- **EXTERNAL COMPREHENSIVE BURSARY SCHEME:** Scarce skills targeted
- **INTERNSHIP:** Qualified students in different disciplines are given work experiences in the department, and often these are ultimately appointed permanently in the department.
- **LEARNERSHIP** – Agriculture Colleges offer training on different aspects of the sector, specifically targeting the youth
- **TAKE A GIRL CHILD TO WORK:**
  - Partnerships have been established with the identified farm schools and annually female learners in Grade 10 and 11 are introduced to careers in the agriculture, forestry and fisheries sector through engagement with different line function experts on a specific day (29 May).
  - This initiative is led by the Director-General.



# External Bursary Awards (Sector Education)



# External Bursary Awards

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- DAFF introduced the External Bursary Scheme in 2004 along side with the Career Awareness Programme as a measure of recruiting young people at an early age to follow a career in in one of the identified scarce and critical skills in agriculture, forestry and fisheries.
- Since the inception in 2004, **1288** young people benefited from financial assistance for their studies.
- **478** (37%) of them successfully completed their qualifications and they are contributing to food security and economic development as part of the labour force in both the public and private sector.
- Of the **1288**, **100** constitute new bursary awards for **2014 academic year** for undergraduates.



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## Employment Status of DAFF Bursary holders

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- Out of the 257 (202 undergraduates and 55 postgraduates), 71 successfully completed their studies. Of this total, 15 are employed by DAFF as follows:

- 4: B.Sc Bioresource Engineering: appointed additional to post establishment as candidate engineers at the Directorate: Infrastructure Support.

- 6: B.V.Sc: appointed additional to post establishment on contract at the Directorate: Animal Health, VPH and Aquaculture (Cape Town).

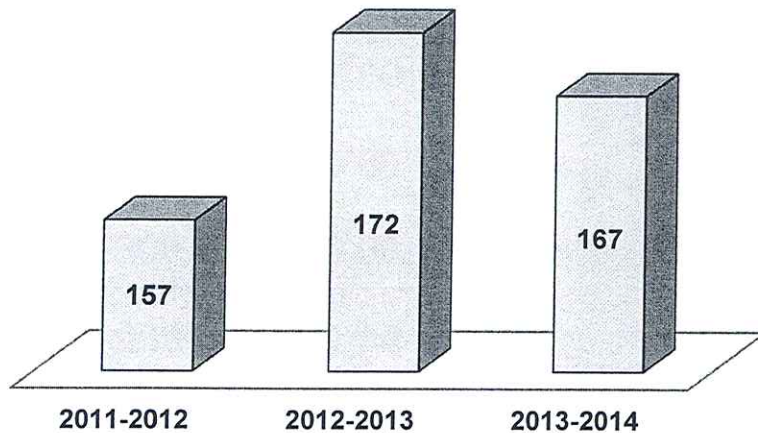
- 5: Postgraduates: Employees of DAFF who studied in China



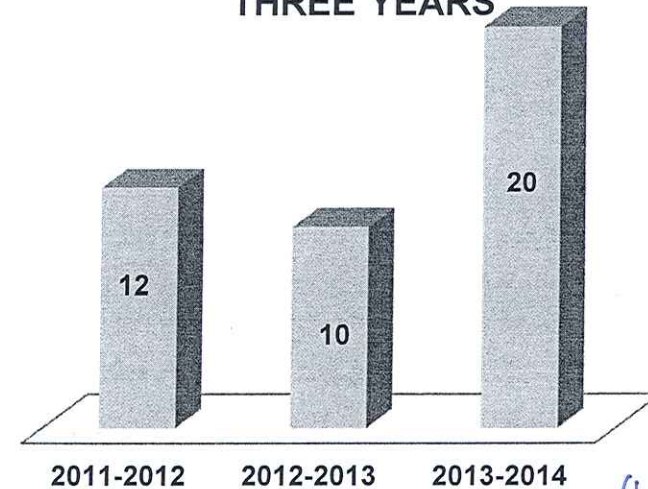


# Internships 2011/12 - 2013/14

NUMBER OF INTERNS (496) FOR THE PAST THREE YEARS 2011-14



NUMBER OF INTERNS (42/9.4%) EMPLOYED BY DAFF FOR THE PAST THREE YEARS



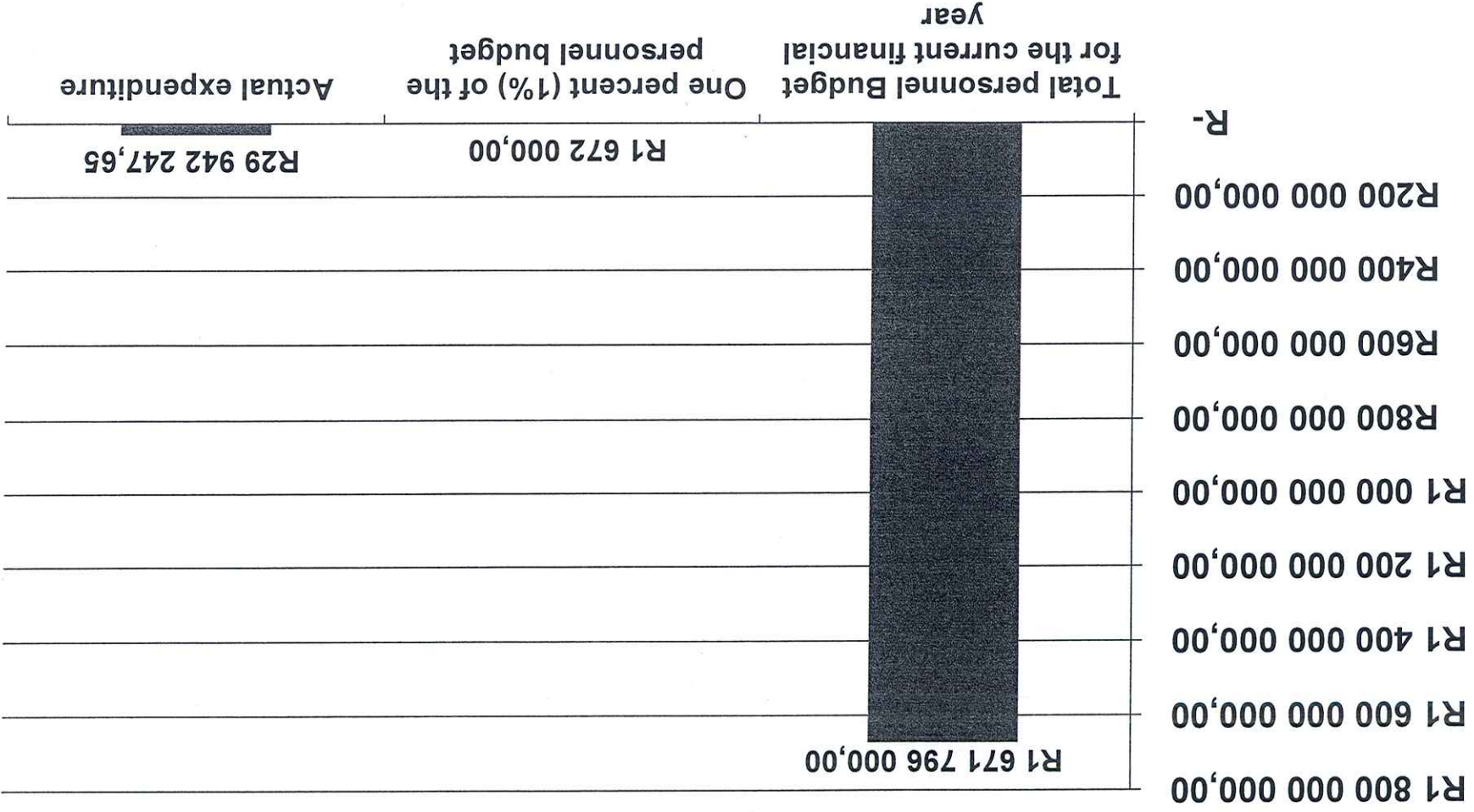
In the financial year 2013-2014, 35 interns who participated in the Young Professionals Development Programme were employed



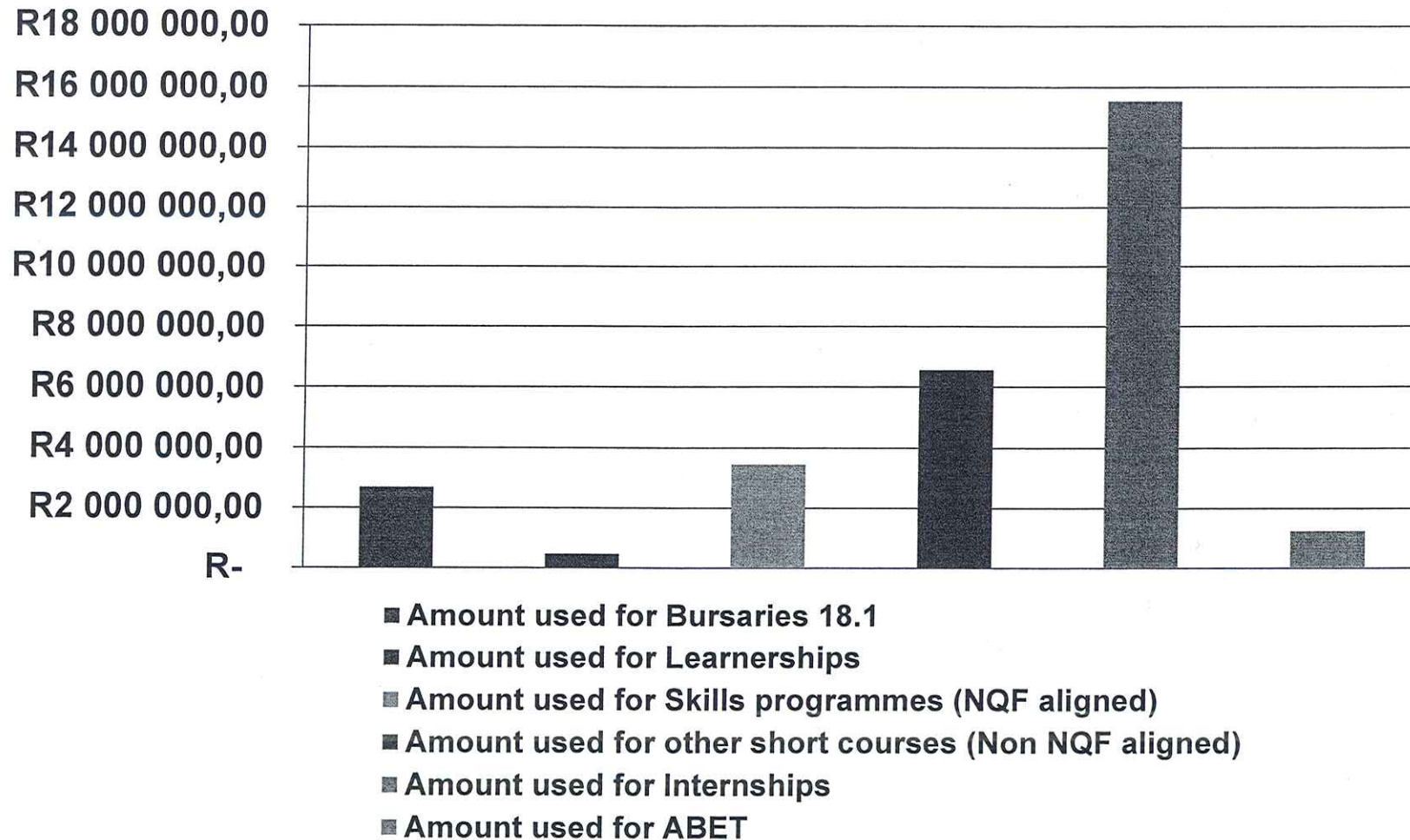
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# Annual Training Report

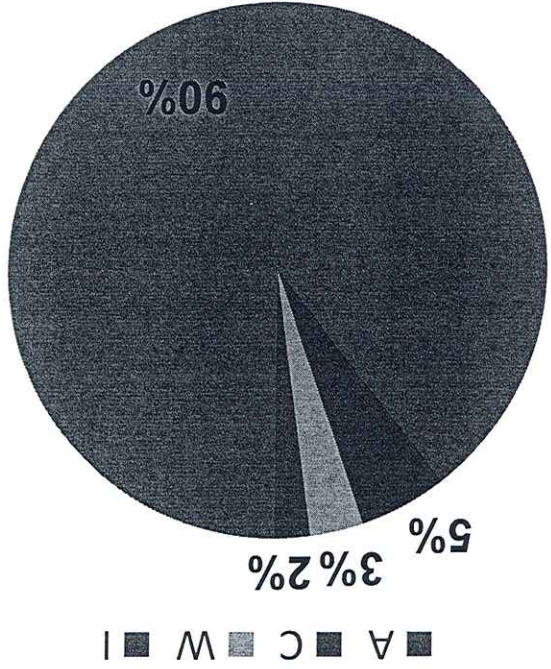


# Annual Training Report

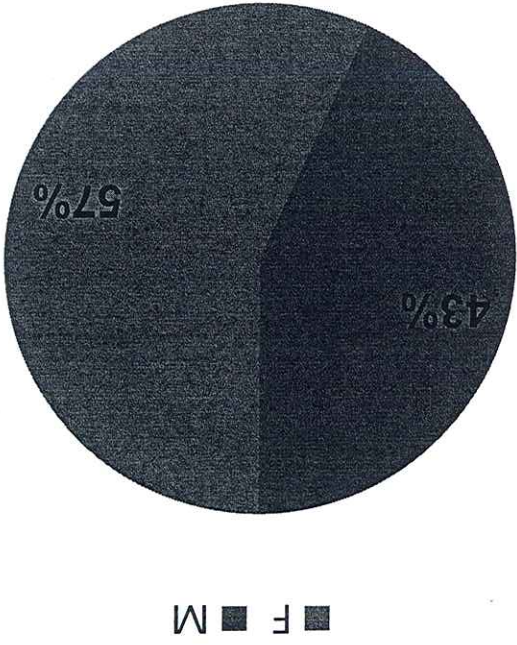


# Bursaries Awarded

Bursaries Awarded per Race



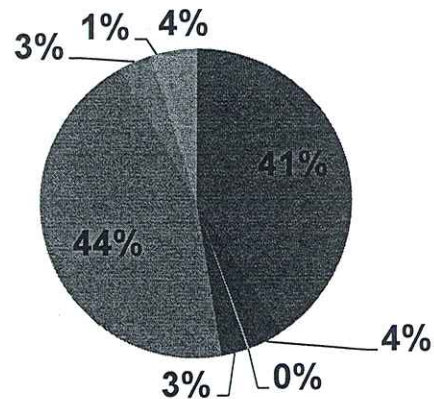
Bursaries Awarded



# No. Benefiting from Training

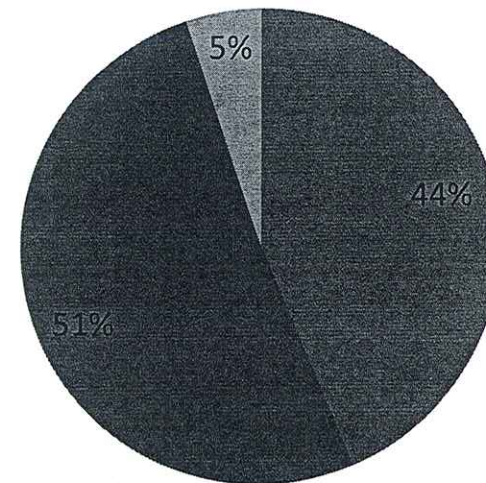
Actual Beneficiaries of training

- African Males
- Indian Males
- African Females
- Indian Females
- Coloured Males
- White Males
- Coloureds Females
- White Females



Actual beneficiaries per age group

- <35
- 35-55
- 56+




MALE				FEMALE				TOTAL	PEOPLE WITH DISABILITIES				AGE GROUP		
A	C	I	W	A	C	I	W		A	C	I	W	<35	35-55	56+
876	80	4	59	957	74	27	76	2153	3	0	0	0	940	1104	109



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# Staff Profile: Analysis

- There are more males than females in the department, even at senior management level (SMS). To turn this picture around,
  - SMS advertisements stipulate that females and the disabled are encouraged to apply.
  - Executive Management Development Programmes favour young women
- Aging workforce 
  - The post establishment of core business branches is higher than that of support units. Efforts are made that the core business units are well capacitated at all times.
  - Management practices have greatly improved as evidenced by the reduction in the number of grievances lodged and disciplinary cases addressed.
  - Labour Peace: The department is on track towards establishing labour stability as a result of working closely unions to restore good working relationships

shp

# INTERGOVERNMENTAL RELATIONS



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REPUBLIC OF SOUTH AFRICA

# Intergovernmental Coordination

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- **MINMEC:** Minister plus MECs
  - **Constitution:** Provides for three spheres of government (national, provincial and local) as autonomous, but interdependent within a unitary state.
  - **Intergovernmental Relations Act (2005):** Provides for the establishment of sectoral committees
  - Agriculture is the only broad function that is concurrent between the national and the provincial spheres of government within the portfolio of the Minister thus it is the primary focus of MINMEC.
  - Provides coordinated policy leadership in a sector
  - Met twice during the period under review
- **MINMEC Technical Committees (MINTECHS):** DG and HOD level.
  - Provides technical support to MINMEC
  - Met thrice during the period under review





# Complexities i.r.o. inter-governmental coordination

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- DAFF receives funding from the national fiscus and allocates conditional grant funding to provinces in accordance with the Division of Revenue Act.
- DAFF has a national policy responsibility to develop and promote inland / fresh water aquaculture as an economic activity contributing towards food production and security.
  - As a concurrent function it is not clear where it is located within provinces.
  - In some provinces it is mainly driven by the provincial departments responsible for economic development
- Multiplicity of statutory reporting requirements at provincial level
  - Huge reporting burden for provincial departments.
  - In addition to having to report and account to the relevant Office of the Premier within a province, and depending on how a particular department is configured functionally, a provincial department may have to also report to more than one national Ministry, participate in and report to more than one MINMEC



# Provincial Configuration

PROVINCE	CONFIGURATION	MINMECS
EASTERN CAPE	Rural Development and Agrarian Reform	2
FREE STATE	Agriculture and Rural Development	2
GAUTENG	Agriculture and Rural Development	2
KWAZULU-NATAL	Agriculture and Environmental Affairs	2
LIMPOPO	Agriculture and Rural Development	2
MPUMALANGA	Agriculture, Rural Development and Environment	3
NORTHERN CAPE	Agriculture, Land Reform and Rural Development	2
NORTH WEST	Agriculture and Rural Development	2
WESTERN CAPE	Agriculture	1



# 2013/14 AUDIT REPORT



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# Auditor-General's Findings

- Unqualified audit opinion for 2013/14 in respect of the financial information. However the Auditor-General drew attention to the following matters:
  - Predetermined objectives (performance information, strategic planning and management);
  - Audit Committee not in place;
  - Ineffective Internal Audit;
  - Procurement and contract management (quotations not obtained and SBD 4 forms not submitted);
  - Insufficient oversight on reporting;
  - Insufficient human resources (Internal Audit, Regional Offices and various SMS positions);
  - Risk assessment not conducted;
  - Risk Management Strategy not in place;
  - Expenditure management (to prevent irregular expenditure); and
  - Transfer of funds (funds not monitored as required by the Division of Revenue Act – DORA).



# Auditor-General's Findings (2)

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- As per the AG's report (page 28), certain corrective actions were introduced before the end of the end of the 2013/14 financial year such as:
  - Establishment of an Audit Committee: Inaugural meeting March 2014; and,
  - Risk Management Committee: Inaugural meetings March 2014
  
- The Auditor-General also audited the non-financial performance information against the overall criteria of usefulness and reliability.
  - **Programme 2: Agricultural Production, Health and Food Safety:** Both the usefulness and reliability were unqualified (**Note:** reliability was qualified for 2012/13. Hence 2013/14 performance represent a marked improvement)
  - **Programme 3: Food Security and Agrarian Reform:** As in 2012/13, the usefulness of performance information was unqualified, while the reliability was qualified
  - **Programme 5: Forestry and Natural Resources Management:** Qualified both in terms of usefulness and reliability was qualified (reliability was qualified for 2012/13).



# Auditor-General's detailed Findings (3)

## AUDIT FINDING 1: INCONSISTENCY BETWEEN PLANNED AND REPORTED OBJECTIVES AND TARGETS.

- **Root Cause:** Internal control deficiency- Strategic Plan not consistent with APP as required by National Treasury's Framework for Strategic Plans and APPs.
- **AG recommendation:** Objectives and Targets reported in Strategic Plan must be consistent to those reported in the Annual Performance Report.

## AUDIT FINDING 2: ERRORS ON THE ACTUAL INFORMATION IN THE ANNUAL PERFORMANCE REPORT.

- **Root Cause :** Internal control deficiency: Sufficient controls not implemented to ensure accurate, complete and consistency with operational plans and the technical indicator descriptions in place.
- **AG recommendation:** Information reported in Annual Performance Report must be supported by reliable information that is consistent with operational plans and technical indicator descriptions.

# Auditor-General's detailed Findings (4)

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✓  
• **AUDIT FINDING 3: INDICATORS THAT ARE NOT VERIFIABLE.**

- **Root Cause:** Internal control deficiency: Indicators not verifiable as required by Framework for Managing Programme Performance Information.
- **AG recommendation:** Proper systems and processes must be in place.

✓  
**AUDIT FINDING 4: PLANNED AND REPORTED TARGETS NOT IN LINE WITH SMART PRINCIPLES**

- **Root Cause:** Internal control deficiency: Indicators not verifiable as required by Framework for Managing Programme Performance Information.
- **AGs recommendation:** Proper systems and processes that support the technical indicator descriptions must be in place; and, all indicators in Strategic Plan must be specific and measurable as required by the Framework for Managing Programme Performance Information.



# Auditor-General's detailed Findings (5)

- **AUDIT FINDING 5: OUTDATED POLICIES AND STANDARD OPERATING PROCEDURE OVER PERFORMANCE REPORTING.**

- **Root Cause:** Internal control deficiency: Policies and procedures not in line with the 2013/14 Strategic Plan and APP and are not updated to ensure relevance to current processes.
- **AG recommendations:** Update and implement Standard Operating Procedure for each indicator that include processes for collecting; co-ordinating; compiling performance information; data integrity and quality insurance. Review current policies to ensure alignment to processes and legislation.





# Auditor-General's Findings: Corrective Actions

- An audit matrix for the 2013/14 audit findings was compiled with the aim of addressing the audit findings/internal control deficiencies and to ensure compliance prior to the interim audit that the AG will be conducting as from November 2014.
- Compulsory for all DDGs to attend the Audit Steering Committee meetings, scheduled during the audit period (2014/15) and to sign-off on all audit findings.
- With effect from the 2<sup>nd</sup> Quarter, Branches reports on their performance monthly to EXCO and Departmental Performance Review are held at the end of the quarter (QRM)
- A revised template for quarterly performance reports has been introduced to strengthen accountability and address the audit findings.
  - Branch managers are be required to declare the quality of checking of performance evidence;
  - that hey have checked the quality and veracity of their performance information and evidence
  - the Branch has reported against all the performance indicators in the APP;
  - that the performance report is correct; and
  - that the supporting evidence corresponds with the evidence as required in Annexure E.
- Developed an integrated planning calendar to improve coordination of performance management processes



# Auditor-General's Findings: Corrective Actions (2)

- Strategic and Operational Planning Guidelines, as well as Monitoring, Evaluation and Reporting Guidelines are in place and are reviewed annually to ensure their responsiveness to the current situation.
- Performance review meetings to assess the status of performance, and to adopt remedial action where necessary.
- Departmental performance reports are approved by the DG quarterly.
- Performance reporting is an EXCO standing agenda item.
  - Tightening of control mechanisms
  - Introducing stricter consequence management
  - Introduce a new indicator and target: "Reduce repeat audit findings by 60%."



# STATE OF EXPENDITURE AS AT MARCH 2014



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# Per Programme

	BUDGET	SPENDING	% SPENT
	R'000	R'000	
• Administration	704 671	681 583	96,7
• Agricultural production, health & food safety	2 010 320	2 000 946	99,5
• Food security & agrarian reform	1 604 592	1 590 101	99,1
• Economic development, trade & marketing	256 452	256 334	100,0
• Forestry & natural resources management	1 168 579	1 144 699	98,0
• Fisheries management	437 668	437 650	100,0
<b>TOTAL</b>	<b>6 182 282</b>	<b>6 111 313</b>	<b>98,9</b>

*Spent*



# PER SCOA

	BUDGET	SPENDING	%
	R'000	END MARCH R'000	SPENT
• Compensation of employees	1 548 206	1 538 836	99,4
• Goods and services	809 898	764 496	94,4
• Interest and rent on land	353	353	100,0
• Payments for financial assets	1 360	1 355	99,6
• Transfers and subsidies	3 648 599	3 637 949	99,7
• Payments for capital assets	<u>173 866</u>	<u>168 324</u>	<u>96,8</u>
<b>TOTAL</b>	<b><u>6 182 282</u></b>	<b><u>6 111 313</u></b>	<b><u>98,9</u></b>



# 2014/19 Focus

- **FOOD SECURITY:** To ensure that the 12 million citizens who are vulnerable to hunger and are food insecure, have sufficient access to safe and nutritious food.

## **TRANSFORM THE SECTOR:**

- Promote and empower smallholder producers through targeted support measures to increase their competitive edge towards becoming sustainable producers
- Transform the fisheries sector by implementing the Small-scale Fisheries Policy, which will change the socio-economic profile of the sector.
- Adhere to new regimes for sustainable forest management.

## • **CREATE JOBS:** Achieve the NDP goal of creating 1 million new jobs by 2030

## • **INCREASE THE CONTRIBUTION OF AGRICULTURE TO GDP:**

- Implement APAP
- Strengthen our animal disease and plant pest control capabilities and surveillance measures to enhance exports and trade.
- Conclude trade opportunities with other emerging economies and accelerate trade on the African continent.



# Recommendations

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- **That the Select Committee on Land and Mineral Resources notes the 2013/14 Annual Report of the Department of Agriculture, Forestry and Fisheries**



