



Department of Agriculture & Land Reform

**Presentation to Select Committee on
Finance**

11 February 2008

1

Overview

- **06/07 Expenditure on Conditional Grant**
- **3rd quarter expenditure on conditional grants**
- **Conditional grant spending vs. cash allocation**
- **Expenditure trends per month**
- **Project Summary: CASP**
- **Project Summary: Land Care**
- **Progress/Status of Projects**
- **Monitoring and Evaluation**
- **Challenges for conditional grants**
- **Plans to improve delivery on conditional grants**

2

06/07 Expenditure : Conditional Grants

Conditional Grant	2005/2006	2006/2007	2006/2007 allocation		
	Rollover	Budget	Total Budget	Actual Expenditure	%
CASP	6,718	15,777	22,496	23,364	103%
LAND CARE	1,873	6,150	8,023	8,216	102%
PIG	1,588	3,220	4,808	4,807	99,9%
TOTAL	10,179	25,147	35,327	36,387	103%

3

3rd quarter expenditure – Conditional Grants

Conditional Grant	2007/2008		
	Budget	Actual	%
CASP	28,555	15,387	54%
LAND CARE	6,075	3,319	55%
IGP	8,806	3,618	41%
TOTAL	43,436	22,324	51%

4

Conditional Grant spending versus cash allocation - 07/08

Conditional Grant	3rd quarter allocation		
	Cash received	Actual spent	%
CASP	11,420	15,387	135%
LAND CARE	3,040	3,319	109%
PIG	3,000	3,618	121%
TOTAL	17,460	22,324	128%

5

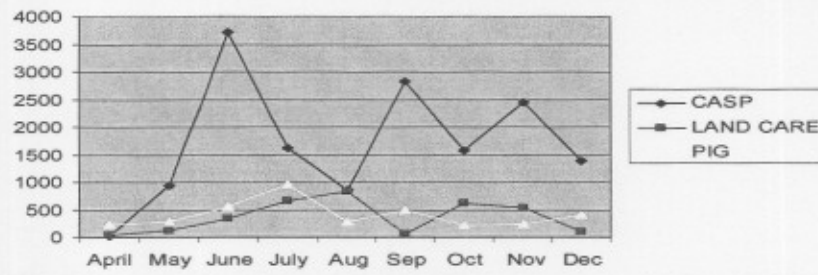
February 2008 expenditure – Conditional Grants

Conditional Grant	2007/2008 allocation		
	Budget	Estimate Expenditure	%
CASP	28,555	19,900	70%
LAND CARE	6,075	4,140	68%
PIG	8,806	6,699	76%
DROUGHT RELIEF	45000	35,776	80%
TOTAL	88,436	66,615	75%

6

Expenditure trends per month

Conditional Grant	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Total
CASP	11	943	3732	1620	856	2820	1576	2450	1379		16387
LAND CARE	47	122	342	666	821	63	612	530	116		3319
PIG	235	274	546	948	277	489	212	239	398		3618
TOTAL	293	1339	4620	3234	1954	3372	2400	3219	1893		22324



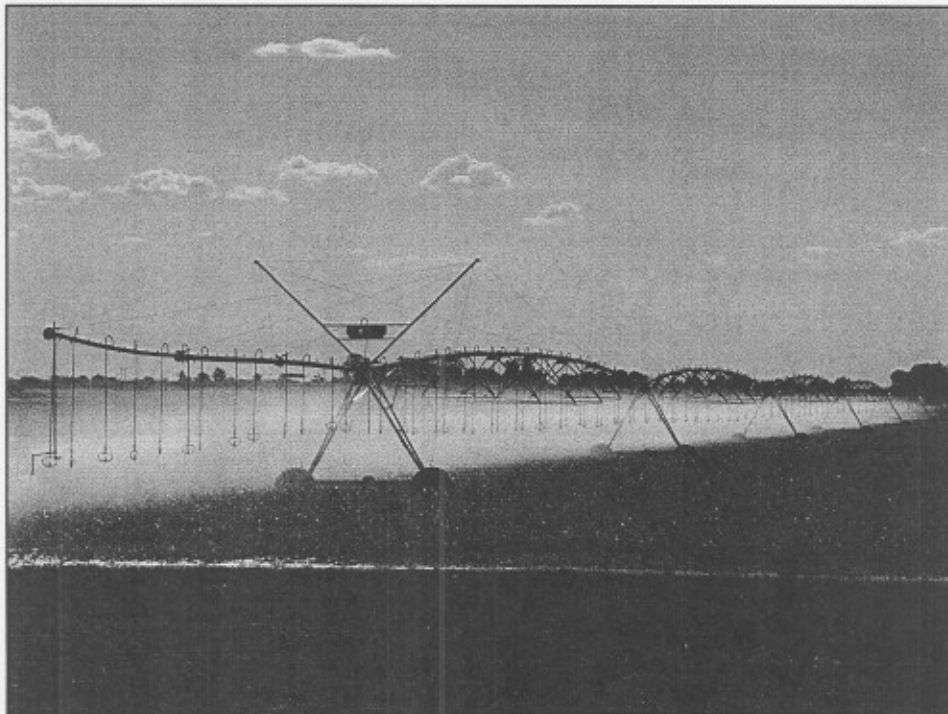
7



Project summary: CASP 07/08

Project Name	Activity	Beneficiaries	Budget	Expenditure
Frances Baard				
5J14	Irrigation Farming	10	R1 000 000	R458 000
Batsamaya Mmogo	Irrigation Farming	45	R1 400 000	R1 235 000
Boonita Park	Irrigation Farming	10	R900 000	
Vaalharts Farmer Settlement	Irrigation Farming, Infrastructure for farming	12	R1 800 000	
Ditaung	Irrigation Farming	21	R900 000	R835 000
Iphemeleng	Irrigation Farming	10	R900 000	R347 000
Provincial				
Grape Training	Training	14	R135 000	R102 000
Commercialization of Goats	Assisting emerging farmers to upgrade to commercial farming	82 Co-ops	R2 000 000	
Administration			R229 000	R239 000

9

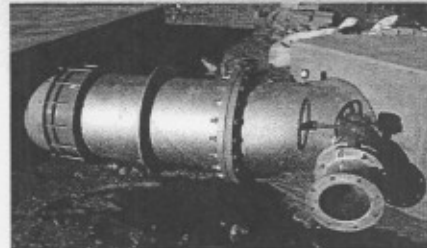


Project summary: CASP 07/08

Project Name	Activity	Beneficiaries	Budget	Expenditure
Pixley Ka Seme				
Karoo Irrigation	Designs of the irrigation system and specifications, EIA		R2 750 000	R427 000
Britstown Small farmers	Repair and upgrading of watering system & fencing	19	R500 000	R56 000
Oranjezicht/Geduld	Repair and upgrading of stock watering system	22	R402 000	R384 000
Salinga Emerging Farmers	Fencing of stock watering system	30	R556 000	R556 000
Siyanda				
Blucoso	Irrigation development	466	R7 599 680	R6 781 000
Sanddraal/Arbeidsgenot	Irrigation system, trellising	58	R1 582 000	R1 707 000
Kgalagadi				
March	Water system for Livestock farming		R738 000	
Smouswanl	Stock watering system and bush encroachment	35	R400 000	R389 000

11

Main water supply system at BLOCUSO



12

Project summary: CASP 07/08

Project Name	Activity	Beneficiaries	Budget	Expenditure
Namakwa				
Koerles	On-farm infrastructure	52	R521 450	R499 000
Coalition Trading	On-farm infrastructure	19	R863 870	R895 000
Onseepkaans	Development of infrastructure	162	R2 383 000	R39 000
Swarthouwels	On-farm infrastructure	10	R995 000	R638 000
Total			R28 555 000	R15 387 000

13

Project summary: Landcare 07/08

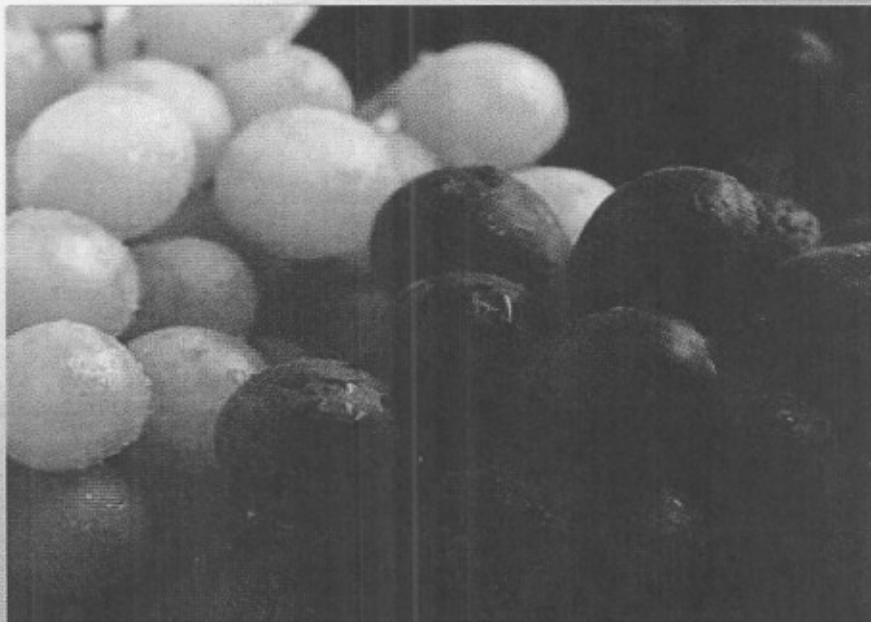
Project Name	Activity	Beneficiaries	Budget	Expenditure
N. Cape Awareness	Land Care Awareness Week	366	R590 000	R466 000
Siyanda				
High School Kelmoes	To expose the youth to land care principles and agriculture	43	R45 000	R41 000
Kakamas Junior Land Care	To expose the youth to land care principles and agriculture	66	R51 000	R44 000
Loubos Junior Land care	To expose the youth to land care principles and agriculture	38	R43 000	R46 000
Ribbok Elland	Upgrading of infrastructure	50	R280 730	
Miershoop	Stock water and fencing	8	R1 240 000	R1 252 000
Beeshoek	Infrastructure development and Capacity building and training	10	R695 000	R563 000
Skeyfontein	Repair infrastructure	500	R2 164 800	R432 000
CAY Farmer Training	Soil conservation works of denuded areas	200	R140 000	R112 000
Postmasburg Farmer Training	To combat bush encroachment	100	R70 000	R60 000

14

Project summary: Landcare 07/08

Project Name	Activity	Beneficiaries	Budget	Expenditure
Fraances Baard				
VH 1	Livestock Farming	25	R36 000	
Springfield	Create 13km fire lanes	21	R40 000	R32 000
Namakwa				
Dorper Course	Training	Communities	R60 000	R49 000
Junlor Land Care	Capacity building for the learners	100	R51 000	
Kgalagadi				
Kono	Livestock Farming	80	R200 000	R201 000
Administration			R319 470	R22 000
Total			R6 075 000	R3 319 000

15



16

Progress / status of the projects CASP

PROJECT NAME	Progress / Project status
Fraances Baard	
5J14	Project completed
Batsamaya Mogo	Tender for Centre Pivot allocated and construction in progress.
Bonnita ParkJan	A shed is under construction.
Vaalharts Farmer Settlement	EIA recently finalised. Debushing and ripping in progress.
Ditaung	Reservoir completed and implements delivered.
Iphemeleng	Reservoir completed and construction of centre pivot in progress.
Kgalagadi	
Smouswani	Project completed
Provincial	
Commercialization of goats	Procurement in progress.
Grape Training	Training has been completed

17

Progress / status of the projects CASP

PROJECT NAME	Progress / Project status
Namakwa	
Koeries	Material delivered, Construction of fence in progress.
Coalition Trading	Tender recently awarded and drilling of borehole in progress.
Onseepkans	Implements purchased and awaiting delivery.
Swartheuwels	Tender recently awarded and drilling of borehole in progress.
Siyanda	
Blucoso	Construction of the pump station, main pipes and storage dam is complete. Design for on-field irrigation system is in progress
Sanddraal / Arbeidsgenot	Soil preparation completed, trellises complete, Invoice recently submitted.

18

Progress / status of the projects CASP

PROJECT NAME	Progress / Project status
Pitley Ka Some	
Britsown Small	Tender recently awarded and construction in progress.
Oranjezicht / Geduld	Project is completed
Salinga Emerging Farmers	Project is completed.
Karoo Irrigation	Consultants busy with irrigation designs. EIA in progress. Municipality has appointed a consultant for development of a master plan for electricity supply.

19

Progress / status of the projects Land Care

PROJECT NAME	Progress / Project status
Fraances Baard	
VH1	Project completed
Springfield	Completed
Namakwa	
Namaqua Dorpers Course	Completed
Namaqua Jnr Land Care	To be implemented in 4 th quarter
Kgalagadi	
Kono	Project completed
Provincial	
Awareness	Land Care week was held in June 2007

20

Progress / status of the projects CASP

PROJECT NAME	Progress / Project status
Siyanda	
High school Keimos	Completed
Kakamas jnr Land Care	Completed
Loubos jnr Land Care	Completed
Mlershooppan	Tender recently awarded and construction in progress
CAY Practical farm training	Training scheduled during 4 th quarter.
Postmasburg PFT	Completed
Ribbok Eiland	Tender recently awarded.
Skeyfontein	Watering system completed and construction of fence recently started.
Pixley	
Boeshoek	Tender awarded and construction of fence and stock watering system in progress.

21



22

Monitoring and Evaluation

- Project leaders and teams monitoring progress daily
- Senior management evaluates expenditure monthly
- Project Coordinating Committee established and meetings held quarterly
 - Assesses project proposals
 - Recommends for approval
 - Assesses and evaluates progress

23

Challenges for Conditional Grants

- More demands by other land reform beneficiaries /nodal area thus Kgalagadi which did not receive its allocation when transferred to NC
- Delays from suppliers who do not deliver material on the agreed time-frames and don't issue invoice on time or issue wrong invoices, resulting in delayed expenditure
- Delays from Eskom for the connection of electricity at the projects' sites, thus delaying testing of the irrigation systems hence the payments
- Long EIA processes delays implementation of projects, in some instances it takes up to a year or two to complete
- Credit facilities for BEE contractors problematic thus a delay in delivery of material and other services



24

Plans to improve delivery on conditional grants

- Weekly and monthly review of expenditure
- Holding quarterly reviews with project leaders
- Senior managers visiting projects regularly to monitor progress

25

