



## 1. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### 1.1 Service Delivery Environment

During the year under review, the Department pursued mandates over two critical sectors in the province, namely, Agriculture and Rural Development. The 2015/16 year marked the end of the strategic cycle, where priorities and outcomes pursued for the corresponding administration were concluded. Through various priority projects, the Department provided critical services communities across the province.

Table 1: Core Services and Products of the Department

SERVICES	PRODUCTS
Agriculture	Crop production, livestock farming, aquaculture, natural resources use and management and land reform (a national competency but supported by the Department at provincial level), extension, and care, and agricultural research.
Veterinary Services	Animal disease control, prevention of zoonotic diseases, inspection services and primary health care services.

Agriculture remains one of the most important sectors through which government has committed to change the social and economic outlook of South Africa. In KwaZulu-Natal, farming is one of the major contributors to the provincial economy.

Agriculture in its basic form is a business where the farmer buys inputs, uses these inputs with her/his skills, knowledge and abilities to produce a product that he/she then sells to a market place. Due a lack in some of these skills, knowledge and abilities including other very important issues such as availability of finances and decision models farming is failing in the rural areas. The lack of success in the rural areas can thus be accounted to among other factors to such as the lack of adapted business models and principles for commercial agricultural production.

This is further exacerbated by the fact that farmers duties relate to “farm employees” which are not clearly defined, resulting in the lack of accountability.

Farmers lack farming skills to utilize the existing land to fullest capacity that lead to incorrect farm usage has caused vast farm areas to experience soil erosion, thus significantly reducing yields and profitability. Furthermore, cultural and generational beliefs result in a lack of commitment and willingness to farm, which have resulted in the under-utilization of farming land.

Many farmers do not keep basic accounting and farming records of farm operations. This makes it very difficult for farmers to apply for funding to expand or improve farm operations through investment. This further leads to farmers not being able to afford to pay for services to successfully operate a commercial agricultural business (electricity, water, maintenance of irrigation etc.), due to financial constraints. Cultural and generational beliefs result in a lack of commitment and willingness to farm, which have resulted in the under-utilization of farming land. Some farmers prefer to obtain employment in other sectors of the economy, which may result in the abandonment of farms.

The implementation of the Occupational Specific Dispensation in respect of Legal Officers has proven to be prejudicial in relation to the appointment of skilled and experienced legal officers within the component. The commencing salary levels are not commensurate with the years of experience of legal practitioners who are attempting to be employed in the public service. Accordingly it becomes difficult to appoint experienced individuals as they are not willing to accept the salaries being offered to them.

## **1.2 Organisational environment**

During the reporting period the department has undergone a restructuring process of the department so as to ensure optimal service delivery to the external clients. The structuring process was spearheaded by the development of the Strategic Plan which set the scene for a revised line functionary strategy. Emanating there from, was the development of Line Functionary policies which the developed organization structure was aligned to.



The organization structure was to provide a 5 year plan for a sustainable and vibrant agricultural sector with the added Rural Development portfolio to ensure thriving rural communities within the province. The structure was approved by the MEC on 23 July 2015.

The structure made provision for improved service delivery models which resulted in the following major benefits:

- It was ensured that a single specialist competent authority would be provided for each discipline or accountability, eliminating duplication and fragmentation of services.
- A rigid reporting line directly from Districts (where all implementation take place) to the Head Office, where policy, co-ordination, planning, control and monitoring will take place.
- Shorter decision making processes by removing Regional Services.

The structure is in the process of being implemented.

### **1.3 Key policy developments and legislative changes**

The Agricultural Development Policy has influenced operations in agricultural development services. This Policy brought about major changes to the Mechanisation Programme which was adopted by the Department a few years ago. Previously the Department owned a fleet of tractors and implements; and provided free ploughing and planting services to farmers.

According to this Policy, the department will no longer own the fleet of tractors and implements as these will be transferred to the Communal Estates over a period of time. During this period the fleet will be allocated and managed by the respective Communal Estates but the department will repair, service and maintain the fleet. The farmers are encouraged to farm for themselves in order to grow in the agricultural sector. This has positively influenced the operations since the farmers are now in charge.

The Corporate Governance of ICT Framework and Charter were reviewed and approved by the Head of Department. The Business Continuity Plan was reviewed and approved by the Head of Department. The Information Security Management System was developed in line with ISO 27000 standards.

A new criterion was introduced in terms of the Management Performance Assessment Tool (MPAT) relating to the implementation of the Promotion of Administrative Justice Act within the Department. The implementation of this criteria placed additional obligations on the Department generally and the directorate in particular. The Department was had to nominate/assign a PAJA coordinator, amongst others, to keep a register of its administrative decision-making areas and applicable decisions and coordinate the promotion, monitoring and evaluation of its implementation of the PAJA. This necessitated the formation of a steering committee with the relevant officials who are exercising legislative powers in terms of delegations given to them in terms of certain national laws. The said officials had to also be sensitised to the requirements of PAJA and their decisions had to be reviewed to ensure the alignment thereof with the requirements of the Acts that they were administering as well as the requirements of PAJA.

The introduction of the Strategy for Agrarian Transformation in KwaZulu-Natal has also necessitated the drafting of new agreements and the review of existing agreements to ensure that they are aligned to the requirements of the policy provisions.

#### **1.4 Departmental Revenue, Expenditure, and Other Specific Topics**

##### **1.4.1 Collection of Departmental Revenue**

The table below provides the summary of the departmental receipts for 2014/15 and 2015/16 financial years by type of receipt. The total actual revenue for 2015/16 exceeded the estimated revenue by R420 000 or 1.8 per cent. Departmental revenue decreased from R32.267 million in 2014/15 to R23.712 million in 2015/16.

This decrease is mainly due to high proceeds under the sale of capital assets in 2014/15 due to the proceeds for sale that took place in 2013/14 were only receipted in the 2014/15 financial year. The department undertakes an auction of redundant assets at least annually. In essence, this means that the 2014/15 revenue reflects the proceeds from the sale of redundant assets for two financial years. The revenue collected for 2015/16 was over collected by R420 thousand. Reasons for this over collection are provided by category as follows:

- Sale of goods and services other than capital assets under-collected by R1.051 million. This category comprises mainly of receipts relating to the laboratory samples, rendering of academic services such as registration, tuition fees and accommodation at the department's

agricultural colleges. The under collection is largely attributable to the drought as farmers are sending fewer soil samples to the department's laboratories for analysis prior to planting season.

- Interest, dividends and rent on land collected R27 000 against the budget of R21 000 relating to staff debts. The budget was based on previous years' trend.
- Sale of capital assets collected an amount of R3.322 million against the budget of R3 million, due to higher than anticipated proceeds from the sale of redundant assets.
- *Transactions in financial assets and liabilities* exceeded projections substantially by R1.142 million. This relates mainly to the recovery of over payments made in previous financial years for instance, repayment from staff debts such as salary overpayments, bursary breached contracts, etc. It is difficult to project for this category due to its uncertain nature.

***Departmental Own Receipts by main revenue category***

Departmental receipts	2014/15			2015/16		
	Estimate	Actual amount collected	(Over)/ Under Collection	Estimate	Actual amount collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	16 981	19 520	(2 539)	19 771	18 720	1 051
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	20	369	(349)	21	27	(6)
Sale of capital assets	3 801	10 594	(6 793)	3 000	3 323	(323)
Financial transactions in assets and liabilities	500	1 784	(1 284)	500	1 642	(1 142)
<b>TOTAL</b>	<b>21 302</b>	<b>32 267</b>	<b>(10 965)</b>	<b>23 292</b>	<b>23 712</b>	<b>(420)</b>

### **Tariff policy**

The Department reviewed the fees charged for services rendered and where possible aligned the fees with national and provincial norms. The review was done in consultation with all relevant role players and submitted to the Provincial Treasury for approval. The approved fees for the 2015/16 financial year was circulated for implementation with effect from 1 April 2015. The tariffs will be reviewed on an annual basis as part of the budget process and the revised tariffs will be implemented on 1 April of every year.

### **Free Services**

The Department does not provide free services, except extension services.

## **2. PERFORMANCE INFORMATION BY PROGRAMME**

### **2.1 Programme 1: Administration**

The main role of the service renders by Programme 1 is to provide support to the line function components of the Department in achieving their goals. The focus for Programme 1 is the provision of Finance, Corporate and Strategic Support Services to the Department.

### **MEASURABLE OBJECTIVES**

- To provide efficient and effective advisory and support services to the MEC.
- To establish and implement policy development and strategic management system within the Department.
- To establish a fully integrated corporate service function that delivers effective and efficient services.
- To ensure that the Department complies with its legal mandate and is effectively protected from legal risk exposure.

- To provide quality human resources management and development services to the Department.
- To ensure effective financial resources management that complies with the PFMA.
- Development and maintenance of effective, efficient and transparent financial management systems.
- To ensure effective management of Departmental assets.
- To provide effective management and advisory services.
- To provide an effective monitoring and evaluation system for the Department.
- To ensure that the Department is effectively integrated and positioned through corporate communications.

## **OVERVIEW OF PROGRAMME PERFORMANCE**

### **OFFICE OF THE MEC**

The Office of the MEC provides ministerial support functions to the MEC for Agriculture and Rural Development. The Department continued to forge links with the community of KwaZulu-Natal, including organized agriculture, Amakhosi, farming communities and various other institutions. This was very critical as the Department prepared to launch its transformation strategy, which set to redefine agricultural activity in the province.

### **OFFICE OF THE HEAD OF DEPARTMENT**

The purpose of the Office of the Head of Department is to provide strategic and supportive leadership, ensure compliance to legislative imperatives and good governance, guide the policy direction of the Department and oversee the use of state resources. The Head of Department was appointed in June 2015.



## **CORPORATE SERVICES**

### **Organizational Structure**

As indicated under organization environment above, the department has undergone a major restructuring process to ensure improved service delivery to the external clients. Since the approval of the structure, 95% of newly created or redefined posts were job profiled and job evaluated to determine the correct salary level. To ensure smooth transition from the old to the new structure process mapping is provided a high priority, while the Human Resource, SCM and Financial delegations have been reviewed.

### **Legal Services**

Notable achievements of the directorate in this reporting period has been the scoring of 4 that the section has achieved in terms of the Management Performance Assessment Tool (MPAT) with regard to the implementation and adherence to the provisions of the Promotion of Access to Information Act and the Promotion of Administrative Justice Act within the Department. Notwithstanding the fact that the implementation of the requirements of PAJA was newly introduced in all Departments at short notice, the directorate was able to successfully initiate various interventions to ensure adherence to all the requirements as prescribed in terms of MPAT.

### **Information Communications Technology**

The Department undertook to implement the new ICT structure thereby appointing the Senior Manager: ICT, the purpose being to provide strategic leadership with regards to ICT Governance, Systems and Operational support. The governance sub-component was activated to improve the implementation of the Corporate Governance of ICT framework and effectively manage ICT Governance. This has enabled the unit to improve MPAT scores and AG audits. In terms of the implementation of the ICT Charter, the relevant committees were constituted to effectively manage ICT in the Department.

### **Integrated Human Resource Management**

The new organizational structure was successfully implemented. Placement Models which guided the placement for employees at all salary levels were developed and approved during November 2015 and the matching and placing process subsequently commenced.

All staff was successfully migrated from the old structure to the new structure as at 31 March 2016 and to date 2103 staff members have been appropriately placed.

### Monitoring and Evaluation

Compliance was maintained for all planning and reporting activities as required in terms of Treasury Regulations and the PFMA. Quarterly reviews were held with the Portfolio Committees, sector Departments and Treasury (including the Audit and risk Committee).

The Department maintained its systems to ensure accurate planning, implementation and reporting is achieved by the Department in 2015/16.

A policy register was introduced which tracked the status of all Departmental policies. Updates are made when policies are formulated and/ scheduled for review.

### FINANCIAL MANAGEMENT

The Finance Branch has a mission to support the Department to improve and ensure compliance with PFMA, Treasury Regulations, SCM policies and any other relevant prescripts which will results in clean administration and give public confidence that the public funds are utilized in an appropriate and transparent manner that will improve service delivery.

The revised organisational structure provides for the Finance Chief Directorate and comprises of the Office of the Chief Financial Officer, four Directorates and one Sub-directorate as follows:

- a) **The Office of the Chief Financial Officer:** responsible for providing financial, technical, strategic and leadership support to the entire Department.
- b) **Directorate Management Accounting Services:** Manage budget and revenue planning, control and reporting.
- c) **Directorate Financial Accounting and Administration Services:** Provides expenditure and creditor management, bookkeeping, loss control, banking, financial systems development services as well as salary administration, financial administration and reporting services.
- d) **Directorate Asset Management:** responsible for fleet management, infrastructure management and moveable asset management services.
- e) **Directorate Acquisition, Demand, Supply and Logistic Management:** Provides contract development, bids administration, demand, supply and logistic services to the department.

- f) **Sub-directorate Internal Control:** This sub-directorate is responsible to ensure adequate internal controls are in place and implementation of corrective measures in terms of financial risks and audit findings.

### Highlights for 2015/16 Financial Year:

Compliance was maintained for all planning and reporting activities as required in terms of Treasury Regulations and the PFMA. Quarterly reviews were held with the Portfolio Committees, sector Departments and Treasury (including the Audit and Risk Committee). The finance branch implemented an audit action plan to address the findings of the Auditor-General and Internal Audit findings in its commitment towards a clean audit. The Assets and Fleet Management unit ensured that the Department's fleet is well maintained and that the asset register accurately reflects the Department's movable assets. Despite numerous challenges, the Supply Chain Management unit was committed in providing the support and services to create an enabling environment for service delivery particularly during the procurement for the drought relief interventions provided by the department.

### Expenditure by sub-programme: Administration

Sub-programme	2014/15			2015/16		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Office of MEC	20,756	17,968	2,788	14,144	14,129	15
Senior Management	28,386	27,492	894	31,238	31,238	-
Corporate Services	168,429	167,271	1,158	225,495	201,514	23,981
Financial Management	84,515	64,957	19,558	75,454	69,089	6,365
Communications	32,125	24,153	7,972	25,793	25,791	2
<b>TOTAL</b>	<b>334,211</b>	<b>301,841</b>	<b>32,370</b>	<b>372,124</b>	<b>341,761</b>	<b>30,363</b>

The under expenditure of R30.363 million is due to the following:

- R1,646 million as a result of the moratorium on filling posts until the matching and placing of existing staff into the new organisational structure is finalised.
- R12,168 million in respect of the migration from Novell to Microsoft not being finalised as anticipated.
- R955,000 relates to the fact that the payment to Public Service SETA did not materialise as this payment is now managed at a national level.
- R15,594 million relates to Machinery and equipment, mainly as a result of vehicles ordered but not delivered of R5.023 million, as well as the delay in the migration from Novell to Microsoft resulting in the server not being acquired as planned, amounting to R10,571 million.



## **PROGRAMME 2: AGRICULTURAL DEVELOPMENT SERVICES**

### **PURPOSE AND OVERVIEW**

The main purpose of the Agricultural Development Services branch is to engage, empower and transform farmers at all levels to participate in sustainable agricultural and environmental practices in order to realize economic development and food security in the Province.

The branch also played a pivotal role on the implementation, monitoring and evaluation of departmental programmes/ projects in line with departmental policies and strategic objectives.

The year 2015/16 exposed the province to severe drought, with most areas having less than 7000mm of rainfall per year.

This report articulates progress and achievements of the programme. Challenges and lessons learned are also highlighted. Most importantly, this report presents a way-forward of this programme in line with the new agricultural development approach recently adopted by the Department.

#### **Communal Estates Programme**

During 2015/16 financial year the Department of Agriculture and Rural Development has established 122 Communal Estates across the Province of KwaZulu-Natal. 198 Tractors have already been transferred to these communal estates. Maize and bean production in the province was severely affected by drought in 2015/16. Fewer hectares were planted than anticipated. The Department planted 4 258 ha of beans and 5 608 ha of maize during 2015/16 .

#### **River Valley Programme**

During the 2015/16 financial year, the department did not meet its targets on the implementation of irrigations schemes due to the drought situation in the province. The department managed to plant 159 ha of vegetables.

### **Infrastructure Projects**

The Department implemented various infrastructure projects comprising dams, diptanks and boreholes across the Province. The detailed Close-Out Report is available from the Office of SGM: ADS. During 2015/16, the department has implemented 75 dams at a cost of R26 million. Out of 75 dams, 12 dams are already completed. The Department also established diptanks and boreholes across the Province. A total of 6 piggery and 8 poultry projects were completed.

### **Foot and Mouth Disease**

Consulting Engineers were appointed through IDT and 4 contractors are on site.

The R76, 019 million FMD Redline fencing project is nearing completion with 96 kms of fence line erected, together with associated vehicle and pedestrian gates. An adjacent gravel patrol road is nearing completion with 98 kms completed and 30 guard houses are completed.

### **Rabies**

Unlike in other provinces, in KZN the animal species which is a rabies vector has always been domesticated dog. However, since January 2015 well into March 2016, 36 positive rabies cases were reported and half of that have been outbreaks amongst jackal population in the midlands. This is being monitored and measures to confine it in the affected areas have been put in place with the hope that the disease fizzles out without it spilling over to other animals. The insurgence of rabies amongst wild animals is of concern in that unlike domesticated ones, they are difficult to vaccinate.

### **Veterinary Diagnostic Services**

During the report period the two laboratories i.e. Allerton and Vryheid generated revenue in excess of R1,5 million despite the glitches of procurement of reagents earlier

in the year. The problem earlier in the year was that the reagents used at the laboratory are supplied by sole suppliers.

### **Makhathini Development Projects**

The Department implemented the following projects as a part of Makhathini Development:

- Irrigation Canal – R2 million
- Surface Drainage Scheme - R24 million
- Rehabilitation of Balamhlanga Pan – R11.5 million
- Expansion of Makhathini Irrigation Scheme - R2 million
- Development of Nondabuya/Kwela Irrigation - R2 million
- Development of Skhakha irrigation – R5 million
- Development of Mbangweni – R1 million

### **Research & Technology Development**

The Department targeted 72 research and technology development projects to improve agricultural production in the Province but has performed above the target by achieving 92 projects which were implemented during 2015/16.

### **Agriculture Skill Development Training**

The Department has established a Departmental coordination forum in order to have a comprehensive Departmental Training Plan for a more coordinated training approach.

The update report is based on the training that was only conducted through ASD and excludes the sessions that are conducted by other sections through outsourced service providers:

- (ii) 352 farmers trained by OSCA
- (iii) 327 farmers trained by Cedara

### Revitalisation of Agricultural Schools Programme

The MOU between Department of Agriculture and Rural Development and Department of Education was entered into. The funding agreement with Zakhe Agricultural College is in place. The first tranche payments effected for 5 schools (Weston, James Nxumalo, Shakaskraal, Vryheid Landbou and Zakhe Agric College).

### Drought Intervention Programme

The Province of KwaZulu-Natal has been affected by a severe drought in the 2015/16 financial year where the department of Agriculture and Rural Development had to intervene with measures including animal feed, deworming and hay(7 454 tons of Lucerne and Teff).

#### Expenditure by sub-programme: Agriculture

	2014/15			2015/16		
Sub-programme	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Sustainable Resource Management	79,655	77,460	2,195	75,492	75,492	-
Farmer Support and Development	1,253,807	1,167,294	86,513	1,381,999	1,326,626	55,373
Veterinary Services	183,047	182,517	530	169,450	163,086	6,364
Research & Technology Development	171,693	169,990	1,703	182,490	181,914	576
Agricultural Economic Services	6,561	6,262	299	6,070	5,699	371
Structured Agricultural Education and Training	102,072	97,680	4,392	102,859	102,718	141
<b>TOTAL</b>	<b>1,796,835</b>	<b>1,701,203</b>	<b>95,632</b>	<b>1,918,360</b>	<b>1,855,535</b>	<b>62,825</b>



The under expenditure of R62.825 million can largely be attributed to the following:

- R1, 877 million as a result of the moratorium on filling posts until the matching and placing of existing staff into the new organisational structure is finalised.
- R10, 276 million in respect of animal feed and medicines ordered but not delivered and paid for by 31 March 2016. This includes additional fodder for drought relief to small scale and subsistence farmers.
- R19.873 million in respect of lower than planned transfers to Communal Estates that were established by the consolidation of adjacent parcels of land into viable farming units and the establishment of commercial farming operations by the land owners in partnership with government due to limited farming activities, as a result of the drought as well as slower than anticipated progress on a hatchery project supported by the department.
- R30.799 million under Payment for capital assets as a result of slower than anticipated implementation of drought relief interventions such as boreholes, stock watering dams and dip tanks due to high demand and short supply for service providers due to drought amounting to R27.733 million as well as vehicles ordered but not delivered amounting to R3.066 million.

### **PROGRAMME 3: RURAL DEVELOPMENT**

The programme seeks to ensure the coordination of vibrant, equitable and sustainable government services to rural communities in KwaZulu-Natal. It is made up of two sub-programmes namely **Rural Coordination and Social Facilitation**

#### **PROGRAMME PRIORITIES**

The Rural Development programme has six main priorities which respond directly to the intended outcome of the mandate, which seeks to achieve “vibrant, equitable, sustainable rural communities contributing towards food security for all”. These priorities will be the focus of the coming MTSF period:

1. Improved land administration and spatial planning for integrated development in rural areas.
2. Sustainable land reform (agrarian transformation).
3. Improved food security.
4. Smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation
5. Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas.
6. Growth of sustainable rural enterprises and industries characterised by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services - resulting in rural job creation.

The Department seeks to make significant strides towards achieving the long-term objective of government, where rural areas will be spatially, socially and economically integrated across the three spheres of government. The objective further aims for a state where rural communities will be economically active, have access to basic services, health care, quality education, food security and jobs as a result of agrarian transformation and infrastructure development programs.

The branch was consistent in providing all monthly, quarterly and annual reports as required by the various planning processes. This has been supported and complemented by the established KZN Interdepartmental Task team. In this regard the department hosted two (2) task teams during the year and held meetings with relevant departments and the PGDP Action Working Groups to share the Outcome 7 strategies. This has resulted in a comprehensively consulted and aligned KZN Outcome 7 plan for 2016/17 financial year.

The branch was tasked the provincial responsibility for co-ordinating the provinces Agrivillage initiative in Emadlangeni. It successfully took on this task and managed the involvement of all local and government stakeholders. This has resulted in a co-ordinated and integrated human and agricultural settlement planning approach which will see fruition in 2016/17.

The branch together with the national DRDLR launched the national agriparks strategy in KZN at provincial and district level. All districts are participating effectively in the roll -out with established task teams and integrated strategy plans. The interdepartmental structure at provincial level has met, planned and reviewed progress monthly. Wide scale consultations with smallholder farmers in the districts has occurred.

The Department supported the Provincial champion of the Comprehensive Rural Development Programme will all the relevant reporting, monitoring and evaluation reports.

In transition from the old to the new structure, the branch remained responsible for supporting youth and women development programmes and events. The branch supported the successful hosting of the National Female Entrepreneur Awards, Youth Summit for unemployed agricultural graduates and provided a Skills Programme for Entrepreneurial Development of women.

#### **Expenditure by sub-programme : Rural Development**

	2014/15			2015/16		
Sub-programme	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Rural Development Co-ordination	-	-	-	1,173	1,089	84
Social Facilitation	-	-	-	822	802	20
<b>TOTAL</b>	-	-	-	<b>1,995</b>	<b>1,891</b>	<b>104</b>

The under-expenditure of R104 000 is in respect of Compensation of employees and related costs in respect of vacant posts.

Output	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned and performance achieved	Comments on deviations
CORPORATE SERVICES							
Legal Services	Provide effective and corporate and strategic support services to MEC, HOD and the Department	85	Number of Legal Contracts and opinions finalized	95	150	55	Clients demanded more legal contracts and opinions than planned
ITC		0	Approved knowledge Management Strategy	1	1	0	
Integrated Human Resource Management		2	No. of HR policies developed	2	3	1	Identified gaps necessitated development of policies
Monitoring and Evaluation		4	No. of performance reports compiled	4	4	0	
Management Advisory Services		N/A	Approved HR Plan	1	1	0	
FINANCIAL MANAGEMENT							
Acquisition, Demand and Logistics	Provide effective, efficient and transparent financial and management systems.	1	Approved procurement plan.	1	1	0	
Asset Management		1	Approved Infrastructure Project Management Plan (IPMP).	1	1	0	
Financial Accounting		85%	Number of invoices paid within 30 days.	92%	95%	3%	More invoices were processed and paid.
Management Accounting		12	Number of In year Monitoring reports submitted	12	12	0	
Internal Control and Risk		1	Approved Risk Register	1	1	0	



**PROGRAMME 2:**  
Agriculture Development  
Services

Output	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned and performance achieved	Comments on deviations
SUSTAINABLE RESOURCE MANAGEMENT							
Engineering Services	To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources	12	Number of agricultural engineering advisory reports prepared	12	247	235	Demand driven
		75	Number of designs with specification for agricultural engineering solutions provided	250	236	-14	Demand driven
		100	Number of agricultural infrastructure established	37	76	39	Delayed award of infrastructure projects contracts.
		40	No. of diptanks rehabilitated.	102	2	-100	Delayed award of infrastructure projects contracts.
Infrastructure		50	Number of boreholes established	42	41	-1	Delayed award of infrastructure projects contracts.
		50	No. of Irrigation schemes rehabilitated	1	0	-1	Project design stage was extended due to technical requirements.

		30	No. of Irrigation schemes developed	32	0	-32	Most of the projects were still at design stage.
		85	No. km of fencing erected	329	149.28	-179.72	Delayed award of fencing contracts.
		200	Number of hectares of agricultural land protected through guiding subdivision / rezoning / change of agricultural land use	5000	3305.25	-1694.75	Few applications required subdivision and change of land use.
Land Use		new indicator	Number of Natural resource assessment completed	16	22	6	There was a need for additional assessments to be conducted following drought incidents in the province.
		new indicator	No of hectares surveyed for soil classification	5000	4911	-89	Underachieved due to directive to undertake drought assessments for 8 weeks.
		new indicator	No of hectares surveyed for vegetation management.	12 000	232 023	220023	Hectares assessed for grazing capacity Nambiti and hectares assessed for biomass only – drought mitigation
		n/a	Number of disaster relief schemes managed	3	0	-3	-Demand-driven
Disaster Risk Management		New indicator	Number of disaster risk reduction programmes managed	4	5	1	SWAS and ARDM had additional Workshops on climate and weather.

Land Care		2293	No of green jobs created through Land Care.	1 120	2069	949	There was an increase in the number of project beneficiaries, which resulted in more jobs being created.
		6500	Number of hectares protected / rehabilitated to improve agricultural production	8 000	10 665.10	2665.1	A total of 26 additional projects were approved. This increased the number of hectares rehabilitated.
Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations
FARMER SUPPORT AND DEVELOPMENT							
Specialist Agricultural Advisory Services	To provide support to farmers through agricultural development programmes	100	Number of smallholder producers receiving support	22253	10769	-11484	due to prevailing draught conditions
		22	Number of commercial farmers supported	2073	380	-1693	due to prevailing draught conditions
		90	Number of scientific evaluation reports on commodity based project	90	76	-14	Fewer projects evaluated due to prevailing drought conditions
		22	Number of on farm research report	22	9	-13	Limited personnel capacity led to under-achievement of target
		60	Number of scientific value adding reports on diversified agricultural products	70	26	-44	Limited personnel capacity led to under-achievement of target.

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Food Security		5850	Number of hectares of beans established under the mechanisation Programme	4 324	4 258	-66	Because of the drought, commodity was changed from maize to dry beans in some districts
		New indicator	Number of hectares of vegetable established	22884	159.6	-22724.4	Target could not be met due to severe drought.
		New indicator	Number of hectares of chicory established under mechanization programme	40	9	-31	Target could not be met due to severe drought.
		New indicator	Number of hectares of groundnuts established under mechanization programme	700	208.6	-491.4	Underachievement was due to severe drought .Seed has been kept for the coming season.
		300000	Number of households benefiting from agricultural food security initiatives	300 000	24 899.20	-275101	Target could not be met due to severe drought.
		New indicator	Number of hectares cultivated for food production in communal areas and land reform projects	27100	2292.5	-24807.5	Target could not be met due to severe drought.
		100	No. of community gardens established	100	41	-59	Target could not be met due to severe drought.

			80 000	No. of household gardens established	1100	584	-516	Target could not be met due to severe drought.
			350	No. of tunnels established	385	0	-385	Projects were reprioritized and funds initially allocated for tunnels were used towards the establishment of communal estates.
			212	No. of institutional gardens supported	200	123	-77	Target could not be met due to severe drought.
Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations	
Veterinary Services								
Animal Health	To provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of people of South Africa	New indicator	Number of epidemiological units visited for veterinary interventions	7 300	8 228	928	Large contribution from Rabies vaccinations	
Export Control		n/a	Number of clients serviced for animal and animal products export control	250	449	199	More clients required services.	

Veterinary Public health		n/a	% level of abattoir compliance to meat safety legislation	60%	60%	0	Policies, norms and standards are still being negotiated with the industry; but facilities do meet the minimum standards.
		450	Number of inspections to facilities processing animal products and by products.	1028	988	-40	There were fewer registered abattoirs. This resulted in a reduction in the number of inspections.
		500	Number of inspections to further processing facilities	536	100	-436	Fewer facilities complied with legislated requirements to allow inspection.
		n/a	Number of veterinary laboratory quality control audits which meets the ISO 17025 standard.	64 200	56 303	-7897	Shortage of relevant reagents.
		170000	No of tests performed	120 000	162 007	42007	Demand driven
Veterinary Laboratory services							

Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations
Technology Research and Development Services							
Research services and technical development	To provide experts and needs based research, development and technology transfer services impacting on development objectives	69	Number of research and technology development projects implemented to improve agricultural production	9	92	83	More projects were completed and implemented than anticipated.
		34 200	Number of samples analysed.	7	29 868	29 861	Indicator is mainly demand driven. Target for the year was under-set and reconsidered later.
Infrastructure and Support Services	To provide and maintain infrastructure facilities for the line function to perform their research and other functions	22	Number of research infrastructure managed	95	11	-84	Target for the year was reconsidered.
Technology Transfer Services	To disseminate information on research and technology	New indicator	Number of scientific papers published nationally or internationally	9	9	0	

	development to clients, peers and scientific community	8	Number of research presentations made nationally or internationally	7	238	231	The output is based on demand. More presentations were requested during the reporting period.
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Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations
<b>Agricultural Economics</b>							
<b>Agri-business Support and Development.</b>	To provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth.	20	Number of Agri-Businesses supported with agricultural economics advice towards accessing markets	40	36	-4	There were fewer requests for advice received.
		2000	Number of clients who have benefitted from agricultural economic advice provided.	2 000	1 758	-242	The shortfall is due to delayed rainfall.
		new indicator	Number of functional agro-processing facilities.	2	0	-2	this is still work in progress



			102	Number of enterprise budgets published	100	100	0	Demand driven
Macro-economic Support			200	Number of agricultural economic information responses provided.	1 500	1 299	-201	Demand driven
			n/a	Number of economic reports compiled.	4	4	0	

Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations
Structured Agricultural training							
HET	To provide tertiary agricultural education and training from NQF levels 5 to anybody who meets the minimum requirements to study in agricultural and related fields.	New indicator	Number of agricultural Higher Education and Training graduates	90	89	-1	One student did not meet the requirements
Further Education and Training	To provide formal and non-formal training on NQF levels 1 to 4 through FET Structured	New indicator	Number of participants trained in agricultural skills development programmes.	2400	3 330	930	Demand driven

	Education programmes to all interested agricultural role players.	New indicator	Number of interventions in revitalization of agricultural schools programme.	4	4	0	
		New indicator	Number of interventions in schools programs.	4	0	-4	Most of work in schools was done through food security program and land care

Outputs	Strategic Objective	Annual Actual Output 2014/15	Performance Measures	ANNUAL TARGET 2015/16	ACTUAL OUTPUT 2015/16	Variance between planned targets and actual performance achieved	Comments on deviations
Rural Development							
	Monitoring of rural development interventions.	New indicator	Provincially agreed Rural Development plan with annual targets for each of the 6 priorities	1	1	0	
		New indicator	Integrated stakeholder management strategy finalised.	1	0	-1	Process commenced in 2014 but still draft.
		New indicator	Quarterly KZN Interdepartmental Task Team (KITT) meetings overseeing CRDP.	4	2	-2	Two were postponed due to non-availability of key members and DARD co-ordinator.

		New indicator	Effective Interdepartmental Technical Team supporting KITT (monthly meetings).	12	2	-10	Meeting with national DRDLR held but establishment of technical team delayed due to non-availability of DARD co-ordinator.
		New indicator	% of external and internal stakeholder contributing to Rural development plan implemented.	90%	60%	-0.3	Contributions from AWG 8, 1, 18, 6, and from DoH, and EDTEA ICT, and DHS, and DRDLR, and COGTA. Reporting system still being developed.
		New indicator	Number of Rural Development reports produced	4	3	-1	Indicator is on track
	Improved Land Administration And Spatial Planning For Integrated Development Of Rural Areas	New indicator	Provincial SDF reviewed	1	0	-1	This is driven by Planning Commission and is currently underway. To be completed by August 2016 Lekgotla.
		New indicator	District Municipalities produce Rural Development plans aligned to SDFs and PGDP's	10	10	0	
<b>RURAL COORDINATION</b>							

		New indicator	Number of Municipalities implementing Spatial Planning and Land Use Management Act (SPLUMA).	61	61	0	
	Sustainable Land Reform	New indicator	District Land and Agricultural Committees established and functioning	10	30	20	More were done due to cooperation of district officials
		New indicator	% of agricultural land identified for redistribution per district.	20%	0	-0.2	This was to be done through the DLRC which were only formally established in Dec 2015.
		New indicator	Number of hectares of land purchased for agricultural development	10000	1722	-8278	Not available from DRDLR
<b>Rural Development</b>	Rural infrastructure development	New indicator	Agreed provincial and district rural infrastructure App	1	0	-1	Sip 11 has been compiled for KZN. Further engagement is required with OTP with regards provincial co-ordination around rural infrastructure plans is required.

		New indicator	Consistent and accurate reporting on rural development infrastructure implementation	4	2	-2	Only includes Sip 11 to date.
	Rural enterprise development for job creation	New indicator	Rural Enterprises and Industrial Development Strategy developed and agreed to	1	0	-1	Currently engaging stakeholders. Slow progress affected by capacity of team.
		New indicator	Support DMs to host Rural Development partnership investment affairs	5	1	-4	Concept document drafted and approved by HOD. % to take place in last quarter.
		New indicator	Number of Agri-Parks/Agri-Villages established	10	4	-6	Agri-village affected by enviro issues and buy in from farm dwellers, Agriparks – all 10 districts have basic plans ready for construction implementation to commence.
		New indicator	Number of River Valley projects sites identified and planned	5	1	-4	Co-ordination with ADS branch required to avoid overlap/ duplication in reporting and planning.



		New indicator	Number of enterprises and industries supported in rural development initiatives (agriculture and other sectors) by government stakeholders.	20	12	-8	The branch is only able to review its own support given to various initiatives at present: Marula, Aquaculture Imbizo, Intshelenhlahla Project
		New indicator	Number of jobs created through rural enterprises	200	171	-29	This target requires improved system of monitoring and reporting.

### 3. TRANSFER PAYMENTS

#### 3.1 Transfer payments to public entities

The Department had one public entity and one government business entity reporting to the Department during 2015/16 financial year. The entities produce their own separate annual reports that provide details of their mandates, outputs and achievements. The purpose of the entities is as follows:

*Agri-business Development Agency (ADA)* is the public entity providing the vehicle to grow the agricultural sector and improving access for black commercial farmers and agribusiness entrepreneurs through partnership and knowledge. During the year, the mandate of the entity was defined to focus on secondary agricultural interventions whilst the department will focus on primary agriculture, thereby ensuring that there is no duplication of functions between the department and agency.

*Mjindi Farming (Pty) Ltd* (Mjindi), a government business entity assists in the management and implementation of the Makhathini Integrated Master Development Plan which includes:

- Repair and upgrading of the existing 3 500ha currently under irrigation;
- To sustain the Makhathini Irrigation Scheme as a viable and sustainable Farmer Settlement Project;
- To transform Mjindi Farming (Pty) Ltd into a land user / landowner / farmer driven entity;
- To assist with the planned and approved expansion of the Irrigation Scheme to for the settlement of additional farmers;
- To assist and support the Shareholder with the planning and implementation of the Makhathini Integrated Master Development Plan; and
- Explore and facilitate new agri-business opportunities on the irrigation scheme.

The Department monitors the progress and performance of these entities through quarterly reviews of financial and non-financial performance by the steering committee established and chaired by the Head of Department. The Department also has representation at board meetings.

#### Transfers to Public and Government Business Entities

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity	Amount spent by the public entity	(Over)/Under Expenditure
		R'000	R'000	R'000
Agri-Business Development Agency (ADA)	Project implementation	99,500	78,123	21,377
Mjindi Farming (Pty) Ltd	Agricultural development and management of irrigation scheme	50,506	41,373	9,133
<b>TOTAL</b>		<b>150,006</b>	<b>119,496</b>	<b>30,510</b>

The under expenditure by ADA and Mjindi is in respect of outstanding commitments where the goods/services had not been rendered and paid for by 31 March 2016. The entities have requested that the funds be rolled over to the 2016/17 financial year to meet these commitments.

**Reasons for the funds  
unspent by the entity**

**3.2 Transfer payments to all organisations other than public entities**

The Department made transfers to various organisations and private enterprises as listed in the table below. The Department enters into Service Level Agreements (SLA) with all entities that receive funds with the exception of farmers that received soil conservation subsidy. The subsidy is only given if the specific criteria have been met and it is therefore not necessary to enter into any form of agreement. The requirements of S38(1)(j) of the Public Finance Management Act is included in these SLA's. The reporting requirements and monitoring mechanism as well as payment schedule is also included in the SLA.

The table below reflects the transfer payments made for the period 1 April 2015 to 31 March 2016, excluding transfers for motor vehicle licence, radio licence and payments to SETA.

Name of transferee	Type of organisation	Purpose for which the funds were used	Amount transferred R'000	Amount spent by the entity R'000	Reasons for the funds unspent by the entity
Mvushini Estate Pty Ltd	Private	Soil conservation subsidy	402	402	
Aquason Construction	Private	Soil conservation subsidy	789	789	
Radley JH	Private	Soil conservation subsidy	309	309	
Nyonende Hatchery	Private	Infrastructure and inputs	4 200	3,290	Slower than anticipated progress in implementation.
Inqanawe Tunnel Project	Private	Infrastructure	4,450	4,450	
SA Sugar Research Institute	Private	Agricultural Research	2,544	2,544	
SA Sugar Association	Private	Project implementation	27,053	Nil	Procurement of goods and services commenced but no payments made by 31 March 2016.
Communal Estates	Private	Operational costs for tractors used for crop production	9,640	889	Prevailing drought conditions.
Ithala Development Finance	Public Corporation	Wages	12,193	11,807	The actual shortfall on operational cost of Ntingwe Tea was slightly less than anticipated.
Zakhe Agricultural College	Private	Infrastructure	3,089	Nil	Late finalisation of business plan and transfers
Agricultural Schools	Public schools	Infrastructure	10,681	Nil	Late finalisation of business plan and transfers
Households	Private	Various employee benefits	18,488	18,488	
Donations	Private	Cash	5	5	
		donations			

The table below provides details of transfers that were budgeted for in the period 1 April 2015 to 31 March 2016 but no transfer payments were not made.

Name of transferee	Purpose for which the funds were used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why the funds were not transferred
Skills Development Levy	Greenest Municipality awards	2,760	1,805	Payment to Public Service Sector is now consolidated and paid at national levy
Nyonende Hatchery	Infrastructure and inputs	8,300	4,200	Slower than anticipated progress in implementation
Communal Estates	Operational Costs for tractors for crop production	25,392	9,640	The prevalent drought condition resulted in less hectares cultivated during 2015/16 planting season resulting in lower operational costs than budgeted.

## 1. CONDITIONAL GRANTS

### 4.1 Conditional grants and earmarked funds received

#### Conditional grants and earmarked funds received

The tables below details the four conditional grants received for the period 1 April 2014 to 31 March 2016.

##### 4.1.1 Land Care Programme Grant-

Department who transferred the grant	Department of Agriculture, Forestry and Fisheries
Purpose of the grant	To promote sustainable use and management of natural resources by engaging in the initiatives that supports the pillars of sustainability (social, economic and environmental) leading to greater productivity, food security, job creation and better well-being for all
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• Community benefiting from the programme through job creation – 816 people</li> <li>• Projects beneficiaries benefiting from skills transfer – 473 people</li> <li>• Making productive land available for agricultural production (grazing) – 4127ha</li> <li>• Number of awareness events hosted -10</li> <li>• Number of youths successfully attending organized Junior Land Care initiatives – 120</li> <li>• Km of fence constructed – 131km's</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• Improved social economic status - 895</li> <li>• Beneficiaries with improved skills - 615</li> <li>• Increased grazing areas – 3054ha</li> <li>• Number of events were to increase awareness amongst communities an stakeholders - 11</li> <li>• Number of youths successfully attending organized Junior Land Care initiatives – 120</li> <li>• Km of fence erected – 47.92km's</li> </ul>
Amount per amended DORA (R'000)	10, 666
Amount received (R'000)	10, 666
Reasons if amount as per DORA was not received	-
Amount spent by the department (R'000)	10, 666
Reasons for the funds unspent by the department	-
Reasons for deviation on performance	Late delivery of fencing material has resulted in projects not being completed by 31 March 2014 which affected the number of kilometers fenced and hectares of grazing land established. However, this has been offset by the over achievement of improved economic status, improved skills and awareness events.
Measures taken to improve performance	Earlier procurement.
Monitoring mechanism by the receiving department	Monthly and quarterly monitoring.

##### 4.1.2 Comprehensive Agriculture Support Programme

Department to whom the grant has been transferred: <b>Kwa-Zulu Natal Department of Agriculture and Rural Development</b>	
Purpose of the grant.	To provide universal and comprehensive agricultural support (products and services) to individual farmers, land reform beneficiaries and farming communities.



Expected outputs of the grant	<ul style="list-style-type: none"> <li>• Hectares of Grain planted: 6250 (11 clusters)</li> <li>• Broiler units established: 1 project with 2 * 1500</li> <li>• Layer units established: 1 * 24 000 unit</li> <li>• Number of irrigation systems developed: 3</li> <li>• Citrus projects developed: 1 (30ha)</li> <li>• Number of Sugarcane clusters: 9</li> <li>• Number of beef projects supported: 3</li> <li>• Number of Aquaculture projects supported: 1</li> <li>• Number of clusters erected fencing: 11</li> <li>• Revitalization of Agricultural Colleges infrastructure: <ul style="list-style-type: none"> <li>○ <b>OSCA:</b> <ul style="list-style-type: none"> <li>- FET Building</li> <li>- Library and Media Centre</li> <li>- Dormitories and Staff Houses</li> <li>- Fencing of the college Poultry and Piggery enterprises.</li> </ul> </li> <li>○ <b>CEDARA:</b> <ul style="list-style-type: none"> <li>- Student Residence</li> <li>- Convert Outbuilding at Piggery into Office/Ablution.</li> <li>- Refurbishment and renovation of student farm buildings.</li> </ul> </li> </ul> </li> <li>• <b>Training and Mentorship</b> <ul style="list-style-type: none"> <li>○ Number of farmers who attended credit bearing courses: 700</li> <li>○ Number of farmers who attended non-credit bearing courses: 1300</li> <li>○ Number of farmers mentored: 169</li> </ul> </li> <li>• <b>Extension Recovery Plan</b> <ul style="list-style-type: none"> <li>○ Registration with professional bodies (SACNASP/SASAE): 1200 extension personnel.</li> <li>○ Qualification and upgrading</li> <li>○ Provision of uniforms for front line extension personnel</li> <li>○ Communication and Branding</li> <li>○ Provision of Extension Tools</li> </ul> </li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• Hectares of Grain planted: 6155 (11 clusters)</li> <li>• Broiler units established: 2 projects with 2 * 1500</li> <li>• Layer units established: 2 * 4 000 and 2000 unit</li> <li>• Number of irrigation systems developed: 3</li> <li>• Citrus projects developed: 1 (30ha)</li> <li>• Number of Sugarcane clusters: 9 (Ratoon management and re-planting etc)</li> <li>• Number of beef projects supported: 3</li> <li>• Number of Aquaculture projects supported: 1 (removal of alien species and installation of 3 irrigation pumps)</li> <li>• Number of clusters erected fencing: 11 (35km)</li> <li>• Drought relief programme for 10 Districts in KZN.</li> <li>• Revitalization of Agricultural Colleges infrastructure: <ul style="list-style-type: none"> <li>○ <b>OSCA:</b> <ul style="list-style-type: none"> <li>- FET Building (Continuation)</li> <li>- Library, Lecture theatre and Media Centre (Continuation)</li> </ul> </li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>- Dormitories and Staff Houses (Continuation)</li> <li>- Fencing of the college Poultry and Piggery enterprises (Order issued and funds committed)</li> <li>o <b>CEDARA:</b> <ul style="list-style-type: none"> <li>- Investigate new hostel for FET (First draft of drawings)</li> <li>- Convert Outbuilding at Piggery into Office/Ablution (tender stage)</li> <li>- Refurbishment and renovation of student farm buildings (80% complete)</li> </ul> </li> <li>• <b>Training and Mentorship</b> <ul style="list-style-type: none"> <li>o Number of farmers who attended credit bearing courses: 1253</li> <li>o Number of farmers who attended non-credit bearing courses: 1575</li> <li>o Number of farmers mentored: 30</li> </ul> </li> <li>• <b>Extension Recovery Plan</b> <ul style="list-style-type: none"> <li>o Registration with professional bodies (SACNASP/SASAE): 1200 extension personnel.</li> <li>o Qualification and upgrading 11 (8 ND: agricultural management; 1 B-Tech agricultural management; 1 ND Animal science and 1 BSC Agricultural science)</li> <li>o Provision of uniforms for front line extension personnel.</li> <li>o Improve image and professionalism (PAHC training in Quarter 4, and 2 papers presented in Quarter 2)</li> <li>o Provision of Extension Tools: 764 Digi-pens issued to extension personnel.</li> <li>o Recruitment (116: 59 agricultural advisors; 49 senior agricultural advisors; 4 agricultural development officers and 4 senior agricultural economists recruited)</li> </ul> </li> </ul>
Amount per amended DORA	R 226 161 000.00
Amount transferred	R 226 161 000.00
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department	R 226 161 000.00
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	<p>The transferring Department is DAFF and Monitoring is done through:</p> <ul style="list-style-type: none"> <li>• Quarterly reports by the province (Financial and Non-financial performance)</li> <li>• Physical project site visits by province and DAFF team.</li> <li>• Annual report by the province (Financial and Non-Financial performance)</li> </ul>

#### 4.1.3 Ilima/Letsema Project grant

Department to whom the grant has been transferred: <b>Kwa-Zulu Natal Department of Agriculture and Rural Development</b>	
Purpose of the grant.	To contribute towards the implementation of Departmental objectives which are to increase food production, reduce poverty, unemployment and equalities in rural farming communities.
Expected outputs of the grant	<ul style="list-style-type: none"> <li>• Grain Production Land preparation i.e. Ploughing and Discing (1500ha)</li> <li>• Supply of production inputs.</li> <li>• Cotton production supply and deliver production inputs.</li> <li>• Irrigation Development.</li> <li>• Mechanisation programme (Land preparation including Ploughing, Discing and Planting).</li> <li>• Food security supply mechanization services, inputs and infrastructure (Fetsa Tlala programme).</li> <li>• Drought relief programme in all eleven districts.</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• Grain Production Land preparation i.e. Ploughing and Discing (1869ha)</li> <li>• Supply of inputs: Insecticides, Fertilizer and Seed for Vegetable production.</li> <li>• Cotton production: land preparation, supply and deliver production inputs for Makhathini cotton project.</li> <li>• Irrigation Development: irrigation repairs and canals and installation of new irrigation pumps for Ndumo A and Makhathini irrigation scheme.</li> <li>• Mechanisation programme: Tractor repairs, Land preparation including Ploughing, Discing and Planting for Maize and Dry Beans.</li> <li>• Food security: Supply mechanization services, inputs and infrastructure (Fetsa Tlala programme).</li> <li>• Drought relief programme: Support for livestock farmers through supplying of feed supplements, scooping of dams and boreholes.</li> </ul>
Amount per amended DORA	R69 401 000.00
Amount transferred	R69 401 000.00
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department	R69 401 000.00
Reasons for the funds unspent	N/A
Monitoring mechanism by the transferring department	<p>The transferring Department is DAFF and Monitoring is done through:</p> <ul style="list-style-type: none"> <li>• Quarterly reports by the province (Financial and Non-financial performance)</li> <li>• Physical project site visits by province and DAFF.</li> <li>• Annual report by the province (Financial and Non-Financial performance)</li> </ul>

#### 4.1.4 EPWP incentive grant for Provinces –

Department who transferred the grant	Public Works
Purpose of the grant	Increase work opportunities for unemployed persons
Expected outputs of the grant	4 projects funded 135.65 FTE's 130 Job opportunities 12.4 km Km of fencing constructed 531 Ha rehabilitated
Actual outputs achieved	4 projects funded 135.65 FTE's 130 Job opportunities 12.4 km Km of fencing constructed 531 Ha rehabilitated
Amount per amended DORA (R'000)	R2,296,000
Amount received (R'000)	R2,296,000
Reasons if amount as per DORA was not received	n/a
Amount spent by the Department (R'000)	R2,296,000
Reasons for the funds unspent by the Department	n/a
Reasons for deviation on performance	n/a
Measures taken to improve performance	None
Monitoring mechanism by the receiving Department	Monthly and quarterly monitoring and annual evaluation

## 2. DONOR FUNDS

### 5.1 Donor Funds Received

The Department received foreign aid for the Rabies Programmes during the 2015/16 financial year.

### 5.2 Rabies Programme

The Department signed an agreement with the Bill Gates Foundation for funding of the rabies programme to the value of \$2,179,371 over five year period. This funding will be received through the World Health Organisation.

Name of donor	Bill Gates Foundation through World Health Organisation
Full amount of the funding	\$2,179,371
Purpose of the funding	Prevention of human rabies through the control of dog rabies
Expected outputs	<ul style="list-style-type: none"> <li>• Sustaining and supplementing the Department's control measure against rabies through the acquisition of additional supplies such as vaccinations;</li> <li>• Promoting public awareness which filters into all aspects of rabies control;</li> <li>• Promoting primary health care of companion animals through clinics in key areas; and</li> </ul>
Actual outputs achieved	<ul style="list-style-type: none"> <li>• Sustaining and supplementing the Department's control measure against rabies through the acquisition of additional supplies such as vaccinations;</li> <li>• Promoting public awareness which filters into all aspects of rabies control;</li> <li>• Promoting primary health care of companion animals</li> </ul>
Amount received in current period (R'000)	2,895
Amount spent by the department (R'000)	2,895
Reasons for the funds unspent	The funds received were fully utilised.
Monitoring mechanism by the donor	Regular financial and performance report from the department