

# VOTE 3

## Agriculture and Rural Development

Operational budget	R 2 199 045 726
MEC remuneration	R 1 901 726
Total amount to be appropriated	R 2 197 144 000
Responsible MEC	MEC for Agriculture and Rural Development
Administering department	Agriculture and Rural Development
Accounting officer	Head: Agriculture and Rural Development

### 1. Overview

#### Vision

The vision of the Department of Agriculture and Rural Development (DARD) is: *An inclusive, sustainable and radically transformed agricultural sector that builds thriving communities in balance with nature.*

#### Mission statement

The department's mission is: *To advance sound agricultural practices that stimulate comprehensive economic growth, food security and advancement of rural communities.*

#### Strategic objectives

*Strategic policy direction:* The department has reviewed its strategy and the realigned strategic direction will be biased towards food security at subsistence and household level, thereby addressing poverty, inequality and unemployment.

The department has set the following goals and strategic objectives in order to achieve this:

- *Corporate governance and integrated service delivery:* Provision of sound and transparent corporate and financial management systems.
- *Develop and promote the agricultural potential in KwaZulu-Natal:* Promotion of optimal agricultural production for improved economic development and job creation.
- *Sustainable natural environmental management:* Promotion of natural resource conservation for improved agricultural production.
- *Promote sustainable rural livelihoods:* Improve access to services in rural areas through co-ordination.

#### Core functions

The core functions of the department are as follows:

- Food security
- Farmer development
- Veterinary services
- Rural development
- Governance

#### Legislative mandate

The core functions are governed by various Acts and regulations, falling under the following categories:

***Transversal legislation***

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and Treasury Regulations
- KZN Provincial SCM Policy Framework of 2006
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Public Service Act (Act No. 109 of 1994, as amended) and Public Service Regulations of 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Promotion of Administrative Justice Act (Act No. 3 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Annual Division of Revenue Act
- Employment Equity Act (Act No. 55 of 1998)
- Public Service Commission Act (Act No. 65 of 1984)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

***Agriculture and rural development legislation***

- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Subdivision of Agricultural Land Act (Act No. 10 of 1970)
- Plant Improvement Act (Act No. 53 of 1976)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agriculture Law Extension Act (Act No. 87 of 1996)
- National Veld and Forest Fire Act (Act No. 101 of 1998)
- Veterinary and Para-Veterinary Professions Act (Act No. 19 of 1982)
- Livestock Brands Act (Act No. 87 of 1962)
- Livestock Improvement Act (Act No. 25 of 1977)
- Meat Safety Act (Act No. 40 of 2000) (Replacing Abattoir and Co-operation Act)
- Animal Diseases Act (Act No. 35 of 1984)
- Water Services Act (Act No. 108 of 1997)
- Marketing of Agricultural Products Act (Act No. 47 of 1996)
- Agricultural Pests Act (Act No. 36 of 1983)
- Agricultural Research Act (Act No. 86 1990)
- Agricultural Products Standards Act (Act No. 119 of 1990)
- Agricultural Produce Agents Act (Act No. 12 of 1992)
- Agricultural Development Fund Act (Act No. 175 of 1993)
- Perishable Product Export Control Act (Act No. 9 of 1983)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Agricultural Credit Act (Act No. 28 of 1966)
- Fencing Act (Act No. 31 of 1963)
- Marketing Act (Act No. 59 of 1958)
- Plant Breeders Rights Act (Act No. 15 of 1976)
- Agricultural Debt Management Act (Act No. 45 of 2001)

- Soil User Planning Ordinance (Ordinance No. 15 of 1985)
- Genetically Modified Organisms Act (Act No. 15 of 1997)
- Hazardous Substances Act (Act No. 63 of 1973)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Environment Conservation Act (Act No. 73 of 1989)
- Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act (Act No. 36 of 1947)
- Environmental Conservation Amendment Act (Act No. 50 of 2003)
- Veld and Forest Fire Act (Act No. 101 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)
- South African Medicines and Medical Devices Regulatory Authority Act (Act No. 32 of 1998)
- Further Education and Training Act (Act No. 98 of 1998)
- Higher Education Act (Act No. 101 of 1997)
- National Qualifications Act (Act No. 67 of 2008)
- International Animal Health Code of World Organisation for Animal Health (OIE-Office International *des Epizooties*)
- International Code for Laboratory Diagnostic Procedure for Animal Diseases of World Organisation for Animal Health
- The Sanitary and Phyto-sanitary Agreement of the World Trade Organisation (WTO)
- Spatial Planning and Land Use Management White Paper 2001
- Land Redistribution Policy for Agricultural Development

## 2. Review of the 2016/17 financial year

Section 2 provides a review of 2016/17, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

### *Administration*

The implementation of the new structure has taken longer than anticipated and the matching and placing of staff from the old organisational structure into the new structure has not yet been finalised which resulted in the department not advertising and filling vacant posts at levels 2 to 12. At management level (level 13 and above), the department has implemented the structure and critical vacant posts that were approved by Provincial Treasury and Office of the Premier (OTP) were advertised and some were filled by the end of the third quarter. In other instances, some posts had to be re-advertised but it is envisaged that these posts will be filled by 31 March 2017, provided that suitable candidates are identified during the recruitment process. The clean-up of PERSAL will be done by 31 March 2017, by when only the filled and budgeted vacant posts will be activated.

### *Agriculture*

The Communal Estates implementation was negatively affected by the drought which commenced in 2015/16 and, in many cases, very little could be planted by the Communal Estates. Where maize was planted, yields varied between 2 tons per ha to 3 tons per ha, which was below the expected potential of 5 tons per ha. During 2016/17, 144 registered Communal Estates were assisted and the department distributed 87 tractors and implements to those Communal Estates that did not receive the required number of tractors and implements to meet the targeted hectares in the previous year. The department provided funding for the operational costs, such as fuel and tractor drivers, by way of a transfer payment. The crop production forecast for the planting season was much better than the previous year and good yields can be expected. The total area ploughed and planted by December 2016 was 11 496 ha, and included maize, dry beans, soya beans, potatoes and groundnuts.

### *Drought relief*

The drought relief programme included provision of animal feed and fodder to assist livestock farmers during winter and beyond. In total, 58 boreholes against a target of 80 boreholes were completed, as well as 47 against a target of 77 stock watering dams and 28 diptanks against a target of 30, by the end of the

third quarter. In addition, the province also received animal feed from the National Department of Agriculture, Forestry and Fisheries (DAFF) which was distributed to livestock farmers. As at end of the third quarter, two irrigation schemes were rehabilitated and eight new schemes were finalised with the balance of 26 in final stages and to be completed by 31 March 2017.

#### ***Rural Development***

The department focussed on the roll-out of the national agri-parks strategy at a district level. At least half of the districts finalised and approved strategies for their districts and commenced with detailed planning on either the agri-hub sites or the farmer production support unit sites. The initial key sites in all districts were confirmed by the district co-ordinating task teams. The increased focus was enabled through the appointment of additional staff and due to improved co-ordination, co-operation and integration of planning around agriculture interventions at a district level. Following this intense planning process, funds now need to be urgently secured to enable infrastructure implementation to take place and such funds will need to be forthcoming from all spheres of government and the private sector for the plans to become a reality. The department also commenced engaging in all districts with farmer enterprises and co-operatives around this strategy, to get their support, guidance and buy-in on the roll-out. The engagement with private sector agri-business and related enterprises and industries was less insistent. However, a few districts have developed agri-park plans with the support and involvement of private sector businesses. More careful work needs to be done around analysing the functionality of key agricultural value chains, and the opportunities they present to smallholder farmers in rural areas.

The launch of the Radical Agrarian Socio-Economic Transformation (RASET) strategy during the year also provided the department with a key and directed opportunity to support rural enterprises and co-operatives to participate in agricultural value chains. Plans to align this strategy with the national agri-parks strategy have commenced to ensure that the RASET strategy becomes a key market for the smallholder farmers and the agri-park hubs across the province. Planning around an agri-village in the Groenvlei area of the eMadlangeni Municipality commenced in detail but was slightly delayed by the late appointment of planners by the Department of Human Settlements.

#### ***Mjindi Farming (Pty) Ltd (Mjindi)***

Mjindi is a provincial government business enterprise, mandated to provide farming support to farmers in the Makhathini area. The productivity of the farmers in the area depends on the availability of water. Therefore, the proper functioning of the irrigation scheme is critical. The main focus in 2016/17 remained the maintenance of the irrigation infrastructure and equipment.

During 2015/16, in line with the recommendations of the Operation Phakisa report, DARD appointed a service provider to do a mechanical review of Mjindi, which was underway in 2016/17 and is in the final stages to be completed in the first quarter of 2017/18. The moratorium on the filling of vacant positions and the continued resignations of key personnel impacted on the provision of services and on the overall performance of the entity. As such, the seedling nursery operated at less than full capacity.

The entity continued with farmer development initiatives. These initiatives included the training of farmers and introducing farmers to the commercialisation strategy, aimed at encouraging farmers to produce on a commercial basis by pooling their resources and producing in line with market demands. During 2016/17, four co-operatives participated in the commercialisation programme.

Challenges were experienced with implementing capital projects, such as the automation of pump stations, due to a lack of service providers and/or suppliers. The drought also affected the area, resulting in the entity needing to divert funds to the purchase of water. The entity also faced challenges with regard to operational uncertainty, due to the prolonged mechanical review and successful claim of a large portion of Mjindi's land (and fixed assets) by land claimants.

Delays were also experienced with the issuing of irrigation pipes, due to farmers not meeting the required criteria, as well as disputes over land and, to date, 245 out of 314 plots received irrigation pipes.

#### ***Agri-business Development Agency (ADA)***

During 2016/17, ADA was assigned the mandate of fostering the growth of agri-business in KZN. In the past, the department and entity did similar activities and it was then decided that ADA should focus on

secondary agriculture and the department should focus on primary agriculture. In line therewith, ADA implemented agri-business projects assigned to it by DARD. ADA also implemented an Export Readiness programme for farmers, a SABS Certification programme, as well as a Youth in Agri-business Empowerment programme. The latter incorporates ADA's Schools programme, which is an attempt to entice in-school youth to have an interest in pursuing careers in the agri-business sector. In addition, ADA provided training to agri-business entrepreneurs even if they were not beneficiaries of the projects being implemented. Furthermore, for the first time, two Masters students received bursaries from ADA to pursue careers in agriculture at institutions of their choice.

To foster product differentiation and diversification in the market, ADA successfully implemented projects in the field of strawberries and grapes, and is exploring other fruits to be developed in the uMkhanyakude District. The grapes will be processed into wine. ADA continued with providing its normal support to the agri-business sector by assisting entrepreneurs with technical support and infrastructure development. The ADA Board approved two policies, a fundraising policy and a partnership policy, which have set ADA on a strategic path to leverage its own funding.

The change in mandate for the entity to focus on secondary agriculture has necessitated that ADA revise its organisational structure. However, the rationalisation of public entities process and inability to fill posts on a permanent basis continues to cause instability within the organisation, which has resulted in staff attrition. The draft ADA Bill was finalised and is awaiting MEC approval.

### **3. Outlook for the 2017/18 financial year**

Section 3 looks at the key focus areas of 2017/18, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

With the 2017/18 budget allocation, the department will focus on providing support to food insecure communities at subsistence and household food production level. However, continued support will be provided to commercial farmers with the aim to continue to improve agricultural production, as well as focus on the development of rural communities through agri-villages and a co-ordinated approach to rural development.

#### ***Administration***

The implementation of the organisational structure will be finalised in the first quarter of 2017/18 when the placement of all employees is anticipated to be finalised. This has been a lengthy process but will lead to a more streamlined administration that is geared to provide support to the line function and core mandate of the department. The department will strive towards good governance and best practices to achieve a clean audit.

#### ***Agriculture***

The department will be focusing on food security at household level while continuing to implement the agrarian transformation strategy, and will participate in RASET in identifying, approving and implementing various programmes and projects to work towards household food security for the poor households in the province. The department will be procuring mechanisation equipment, tractors and relevant equipment that will be suitable to support the focus on household food security interventions. It is further planned to acquire the services of an agent to manage the mechanisation fleet of the department as this skill does not exist in the department. The strategy of the department focuses on four pillars. The Communal Estate pillar will continue with the already established estates, but the focus will be on extension support in respect of crop production and farm business management. The Communal Estates will be further developed to enable these estates to become self-sufficient and economically viable entities. The department will continue providing assistance through extension and, where the estates have proved themselves, the allocated tractors and implements will be transferred to the Communal Estates. The River Valley pillar, which focuses on developing agricultural land along rivers that can be utilised for irrigation, is aimed to lead to the development of 36 irrigation schemes and the rehabilitation of a further 14 irrigation schemes. The third pillar focuses on the development of agri-villages, which will contribute to the upliftment of rural communities. The Land Reform pillar provides for continuous post-settlement support and recapitalisation of land reform farms.

***Rural development***

The intense planning processes around agri-parks, RASET and the agri-villages in the preceding year have ensured that implementation of critical infrastructure for the establishment of farmers' production support units, new agri-hubs for processing and an agri-village, piloted in Groenvlei, eMadlangeni Municipality, will commence during this year. The department will give closer attention to the critical partnerships needed to ensure the success of these enterprises and industries by engaging proactively with the relevant retail sector and potential markets. The department will also work closely with relevant departments to ensure that there is a co-ordinated approach to agro-processing development in the rural areas of the province. The launch of actual sites around the new hubs and farmer production support units will be supported by smallholder expos promoting the produce of smallholders and exposing them to new relevant technologies to improve their productivity, and to potential partners to link them into markets.

The department will also launch rural based agri-business one-stop shops in tandem with the new agri-hub sites as a strategy to reduce the transaction costs of rural Small, Medium and Micro Enterprises (SMMEs) and farmers and to link them to critical information and services required to improve their businesses. These one-stop shops will also see the expansion of the mentorship programme into an incubation type programme for agri-business in collaboration with identified partners, as well as provide a testing ground for the development of appropriate financing models for co-operatives and SMMEs. The department also plans to develop a database of agricultural baseline, statistics and trends information in KZN to enable a closer and more accessible monitoring system of the role of agriculture in the provincial economy.

Expanding the department's role beyond agriculture is critical and this will commence in 2017/18 with a review of provincial and district planning and spatial developments around rural settlements, their links to agricultural initiatives and the way in which they are being comprehensively planned, supported and developed. Through this, the department wishes to add value to the existing initiatives of various departments and assist with improving co-ordination so that comprehensive development materialises.

***Mjindi Farming (Pty) Ltd (Mjindi)***

The rehabilitation of the irrigation infrastructure will remain the main priority for Mjindi to ensure that farmers receive an efficient and uninterrupted supply of water. The underground mainline asbestos pipes and valves are beyond repair and require replacement. The entity will apply for funds through the MTEF budget process to replace all the old pipes, automate pump stations and for the installation of water meters. Mjindi will continue with the maintenance of the irrigation scheme to ensure efficient supply of water through the existing scheme.

The entity will introduce control measures that will assist the commercialisation co-operatives to better manage their resources. New qualifying criteria for farmers to receive agricultural inputs and grants will be developed. The commercialisation strategy, which includes training and informative meetings to keep farmers up-to-date and to encourage farmers to participate in the strategy, is ongoing. The programme will take some time before it becomes fully accepted and commonly practised by farmers.

The entity will establish a stakeholder forum that will build better understanding and relationships between the entity and the surrounding communities. It is anticipated that this will contribute to reduce the theft and vandalism of infrastructure in the irrigation scheme.

It is anticipated that the mechanical review will be completed in 2017/18 and there will be a clear direction on the future of Mjindi.

***Agri-business Development Agency (ADA)***

It is anticipated that 2017/18 will be marked by some changes in the strategic direction of ADA. This is due to the current rationalisation of the public entities exercise which might have significant outcomes for the strategy of ADA going forward. ADA plans to continue with the implementation of its projects that started in 2016/17, including the following:

- Vegetable production programme implemented in partnership with the Jobs Fund.
- KZN Essential oils programme.
- Abattoirs.
- Wine project in uThukela.

- Citrus project in Empangisweni.
- Tannery project which is implemented in partnership with the Food and Agricultural Organisation (FAO) of the United Nations.
- Various other high impact projects that have been approved for 2017/18.

#### **4. Reprioritisation**

The reprioritisation over the 2017/18 MTEF is primarily to fund critical posts, and will enable the department to increase the number of budgeted posts by 116 from 2 957 budgeted posts (2 788 of which are filled) in 2016/17 to 3 073 in 2017/18 and over the MTEF. DARD will review the filling of posts in the 2018/19 MTEF. The budget cuts over the 2017/18 MTEF and the impact of the higher than budgeted annual wage adjustments means that the department is not able to cut operational costs further to fund its vacant posts. The funding for these posts is thus reprioritised from the capital budget affecting projects such as poultry, piggery and fencing, as well as infrastructure planning and farming supplies within *Goods and services*. The reduction in these areas will unfortunately impact on the number of farmers that will be assisted, and will result in some projects being deferred to the outer years of the MTEF.

The department's approved establishment provides for 3 719 posts compared to filled posts of 2 788 as at December 2016. The department has been in the process of restructuring which resulted in not filling vacancies. In the 2016/17 MTEF planning process, the department had set aside R123 million in 2016/17, R184 million in 2017/18 and R247 million in 2018/19 for filling 347 posts, 141 posts and 143 posts, respectively. However, the freezing of posts and subsequent budget cuts resulted in the department's baseline reducing by R177 million, R189 million and R202 million over the 2016/17 MTEF. The department therefore has to reprioritise again to fill critical posts such as DDG: Rural Development, Chief Directors for Rural Development, Veterinary Services, Research and Technology Development, Directors: District Agricultural Services, Project Office, Supply Chain Management, Veterinary Laboratory Services, as well as lower level posts across the department. The vacant posts at management level have critical impact on the operations of the department and the lower level posts are equally critical to ensure that the department can deliver on its mandate.

#### **5. Procurement**

The department is participating in a number of transversal contracts managed by National Treasury which includes the provision of veterinary supplies, chemicals, fertilizer, fuel, as well as acquisition of departmental vehicles. The department had some challenges with supply of a certain type of fertilizer due to poor performance by the service provider which required the department to source these through alternate means at short notice. The department will align its procurement strategy to accommodate the needs of the service delivery branches, including the procurement of inputs and services to provide support for food security interventions at household level. This strategy is to be finalised in time for 2017/18. A further focus will be on contract management to ensure that the department does not extend existing contracts beyond permissible time periods, resulting in irregular expenditure. The department is in the process of filling the post of Director: Supply Chain Management and, as soon as the placing of all staff into the new organisation structure is finalised, critical lower level posts will be filled, thereby improving the efficiency of the unit and enhancing service delivery.

#### **6. Receipts and financing**

##### **6.1 Summary of receipts and financing**

Table 3.1 indicates the sources of funding for Vote 3 for the period 2013/14 to 2019/20. The department will receive a budget of R2.197 billion for 2017/18, including conditional grants of R297.432 million made up of the Land Care Programme Grant: Poverty Relief and Infrastructure Development (henceforth called the Land Care) grant, the Comprehensive Agricultural Support Programme (CASP) grant, the Ilima/Letsema Projects grant and the EPWP Integrated Grant for Provinces, details of which are provided

in Section 7.4. It is noted that the EPWP Integrated Grant for Provinces allocation ends in 2017/18 since this grant is allocated on an annual basis, dependent on the department's prior year's actual performance.

**Table 3.1 : Summary of receipts and financing**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Equitable share	1 735 957	1 748 500	1 884 349	1 870 141	1 870 141	1 870 141	1 899 712	2 009 546	2 135 720
Conditional grants	287 036	319 760	308 524	300 503	300 503	300 503	297 432	307 254	331 774
CASP grant	202 522	212 632	226 161	222 155	222 155	222 155	209 598	223 975	243 118
Ilima/Letsema Projects grant	65 768	92 093	69 401	63 876	63 876	63 876	67 356	71 263	75 253
Land Care grant	18 746	10 854	10 666	10 632	10 632	10 632	12 012	12 016	13 403
EPWP Integrated Grant for Provinces	-	4 181	2 296	3 840	3 840	3 840	8 466	-	-
<b>Total receipts</b>	<b>2 022 993</b>	<b>2 068 260</b>	<b>2 192 873</b>	<b>2 170 644</b>	<b>2 170 644</b>	<b>2 170 644</b>	<b>2 197 144</b>	<b>2 316 800</b>	<b>2 467 494</b>
<b>Total payments</b>	<b>2 005 528</b>	<b>2 003 044</b>	<b>2 199 187</b>	<b>2 170 644</b>	<b>2 216 742</b>	<b>2 216 742</b>	<b>2 197 144</b>	<b>2 316 800</b>	<b>2 467 494</b>
Surplus/(Deficit) before financing	17 465	65 216	(6 314)	-	(46 098)	(46 098)	-	-	-
Financing									
of which									
Provincial roll-overs	-	31 800	50 506	-	-	-	-	-	-
Provincial cash resources	21 000	30 986	49 100	-	46 098	46 098	-	-	-
<b>Surplus/(Deficit) after financing</b>	<b>38 465</b>	<b>128 002</b>	<b>93 292</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The table shows that, in the period 2013/14 to 2015/16, the department under-spent its budget allocation by R38.465 million, R128.002 million and R93.292 million, respectively.

In 2013/14, provincial cash resources of R21 million were allocated as follows:

- R20 million toward the further development of the Makhathini area, being the carry-through of the amounts allocated in 2012/13.
- R1 million to fund Operation Sukuma Sakhe (OSS) initiatives, as identified by the MEC. The funds were used at the MEC's discretion, aimed at improving the daily lives of the people of this province.

The under-expenditure of R38.465 million in 2013/14 relates mainly to:

- R23 million for the liming programme under the Ilima/Letsema Projects grant due to delays in the procurement and delivery of the lime and fertilizer required. Orders were issued but delivery could not be finalised before 31 March 2014.
- R8.847 million for the provision of sheds for the mechanisation programme, as the department had not finalised the procurement process.
- R4.436 million relates to vehicles ordered but not delivered and paid for before year-end.
- R750 000 in respect of Zakhe Agricultural College. This transfer relates to a one-year partnership, whereby the department committed R1 million towards improving the facilities at the college. At the time of finalising the agreement, the department made provision for transfer of R1 million in 2013/14 as it was not certain at what rate the implementation would take place. However, Zakhe Agricultural College could only utilise R250 000 during the year, resulting in under-spending of R750 000.

The roll-over of R31.800 million in 2014/15 comprised R23 million in respect of the liming programme under the Ilima/Letsema Projects grant, and R8.800 million for the provision of mechanisation sheds, which were unspent in 2013/14, as mentioned above.

In 2014/15, provincial cash resources of R30.986 million were allocated for the following:

- R8.500 million to provide for sheds in various districts for the department's mechanisation equipment (tractors and implements). This amount was subsequently diverted, with Treasury approval, towards rural development initiatives and provision of other infrastructure such as irrigation and fencing, due to the decision to review the department's mechanisation programme.
- R10.200 million for the livestock identification programme.
- R12.286 million to Mjindi to purchase irrigation equipment for the Makhathini irrigation scheme.

The under-expenditure of R128.002 million in 2014/15 was largely as a result of late rains affecting the planting season, as well as procurement delays and SCM challenges, including the following:



- R18.778 million relating to the Foot and Mouth Disease (FMD) barrier, irrigation, diptanks, boreholes, stock watering dams and repairs to quarantine camps. This was due to SCM delays, as well as invoices for work done in March not being received in time to process before 31 March 2015.
- R17.825 million in respect of seed scoops, seedlings, Jojo tanks, as well as food production packs.
- R15.739 million in respect of the infrastructure budget that was not spent by the Department of Public Works (DOPW), for various infrastructure projects relating to the department's administration buildings.
- R10.712 million for the mechanisation and food security programmes.
- R6.377 million for the continuation of the project to replace the signage at all departmental offices since the offices are poorly marked and existing signage bears the outdated name of the department.
- R1.553 million in respect of the Exinda project (this software accelerates access to applications and transversal systems, such as BAS, PERSAL, HARDCAT, Logis, etc.) on all official computers. There were delays with the service provider in implementing the project.

Of the under-expenditure of R128.002 million in 2014/15, an amount of R50.506 million was rolled over to 2015/16 as follows:

- R1.554 million in respect of a project to install Exinda software on all official computers, as mentioned above.
- R22.490 million in respect of the FMD barrier, irrigation projects in the Makhathini area relating to irrigation at Ndumo, as well as the KwaNgwanase abattoir and Jozini packer house, construction of diptanks, boreholes, stock watering dams and repairs to quarantine camps for the red-line fence, in response to FMD control and maintaining the current FMD-free status in northern KZN.
- R26.462 million for animal vaccines that were ordered in 2014/15 but only delivered and paid for in 2015/16, as well as production inputs for the food security programme, which were delayed as a result of late rains and procurement challenges.

In 2015/16, the department received once-off provincial cash resources of R49.100 million as follows:

- R10.200 million for assistance in the form of livestock fodder for the farmers affected by the veld fire disaster in 2014 in the Harry Gwala District. This funding was made available late in 2014/15, however, considering the procurement process, it was deemed financially prudent to only allocate the funding in 2015/16.
- R38.900 million which was suspended from the 2014/15 budget to 2015/16. This suspension was included in the 2014/15 Second Adjustments Estimate but was too late to be included in the 2015/16 Main Budget. Of this, R10.200 million related to the livestock identification programme, for which the tender process took longer than anticipated, hence the request for suspension. The remaining R28.700 million related to rural development initiatives.

The under-expenditure of R93.292 million in 2015/16 was mainly attributable to:

- R22 million for the software migration from Novell to Microsoft which was not finalised by year-end.
- R38.009 million in respect of the drought relief programme, of which R10.276 million relates to animal feed and medicines that were ordered but not delivered and R27.733 million in respect of boreholes, stock watering dams and diptanks that were not completed by 31 March 2016.
- R8.089 million in respect of departmental vehicles ordered but not delivered.
- R19.852 million under transfer payments of which R15.752 million related to Communal Estates for fuel and tractor drivers that was not transferred due to the impact of the drought that resulted in fewer hectares planted under the Communal Estates. A further R4 million relates to a direct transfer for a poultry project where the project was behind schedule, hence DARD withheld the next tranche.

Of the under-expenditure of R93.292 million, an amount of R46.098 million was rolled over to 2016/17 for the following:

- R8.089 million in respect of motor vehicles, for which orders were placed in 2015/16 but were not delivered by year-end.
- R27.733 million relates to boreholes, stock watering dams and the rehabilitation of diptanks. The funds were not spent in 2015/16 but orders were issued by year-end.
- R10.276 million in respect of feed, fodder and animal medicine for which orders were issued by year-end. The general supply of animal feed was limited, due to the high demand across the country as a result of the drought.

The decrease in the equitable share in 2016/17 is due to data updates of the PES formula, a declining Provincial Own Revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that had arisen. There is only a minimal increase in 2017/18 as a result of further reductions to the Provincial Own Revenue and the PES due to data updates of the PES formula, fiscal framework reductions, as well as funding requirements for the remuneration of *Izinduna*. There is steady growth in the outer two years of the 2017/18 MTEF. It is noted that conditional grants were also affected by the fiscal consolidation cuts from 2015/16 onward. Conditional grant funding shows a decrease in 2016/17 in respect of Land Care grant, the Ilima/Letsema Projects grant and the CASP grant. The CASP grant decrease in 2017/18 due to further reductions in the grant over the 2017/18 MTEF, partly due to fiscal consolidation, and to partly allow DAFF to conduct an agriculture and rural census, and also to correctly allocate funds that were inadvertently allocated to all nine provinces instead of Northern Cape for disaster. The CASP allocation shows a steady increase in 2018/19 and 2019/20. The EPWP Integrated Grant for Provinces increases considerably in 2017/18 which is an indication of DARD's good performance in the previous year, as the grant is allocated on an annual basis, dependent on the prior year's actual performance by the department.

## 6.2 Departmental receipts collection

The estimated departmental receipts for Vote 3 are reflected in Table 3.2. Further details are provided in *Annexure – Vote 3: Agriculture and Rural Development*.

**Table 3.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	15 709	19 520	18 720	20 207	20 207	17 208	19 718	21 566	22 511
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	224	369	27	10	10	54	11	12	13
Sale of capital assets	138	10 594	3 323	3 976	3 976	3 976	4 187	4 430	4 678
Transactions in financial assets and liabilities	1 811	1 784	1 642	527	527	1 571	560	592	625
<b>Total</b>	<b>17 882</b>	<b>32 267</b>	<b>23 712</b>	<b>24 720</b>	<b>24 720</b>	<b>22 809</b>	<b>24 476</b>	<b>26 600</b>	<b>27 827</b>

The bulk of the revenue collected by department is against *Sale of goods and services other than capital assets*. This category comprises student fees at Cedara Agricultural College and Owen Sithole College of Agriculture (OSCA), as well as soil and veterinary analytical services offered at the department's laboratories. The 2016/17 Revised Estimate shows a projected under-collection against this category due to, among others, no increase in tuition fees, 30 students who received bursaries from the department and, adding to this, are slow payments by students. The steady increase of revenue collection expected over the MTEF is due to inflationary increments. The tuition fees at the two agricultural colleges were not increased in 2016 and 2017 in line with the "fees must fall" movement.

*Interest, dividends and rent on land* mainly relates to interest charged on outstanding debts. The high revenue reflected in 2013/14 and 2014/15 partly includes the number of debts previously written-off, which resulted in additional interest being recognised as revenue. It is difficult to budget for this category, hence the department's projections are conservative over the MTEF.

Revenue collected against *Sale of capital assets* is derived from the sale of redundant assets such as the sale of farming equipment, vehicles, etc. The high collection in 2014/15 was due to higher than expected revenue collected at the auction which took place in that financial year. In the 2016/17 Revised Estimate, the department is anticipating to fully collect against its budgeted revenue. The increase over the MTEF is due to inflationary increments.

Revenue collected against *Transactions in financial assets and liabilities* comprises staff debts recovered, such as breach of bursary contracts, salary and supplier over-payments, etc. The department anticipates to over-collect against its budget in 2016/17 due to the recovery of payments from previous years, as well as funds owed from previous years, insurance on subsidised vehicles and suppliers' debts. The conservative budgeting over the MTEF is due to the uncertainty in the recovery of debts.

### 6.3 Donor funding

Tables 3.3 and 3.4 reflect information relating to donor funding that the department receives. The department does not have any current donor funding agreements and hence the tables only reflect historic information. The department had an agreement with the World Health Organisation (WHO) which ended in December 2015.

**Table 3.3 : Details of donor funding receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Donor funding</b>	<b>2 291</b>	<b>-</b>	<b>2 895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
World Health Organisation (Rabies project)	2 291	-	2 895	-	-	-	-	-	-
<b>Total</b>	<b>2 291</b>	<b>-</b>	<b>2 895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.4 : Details of payments and estimates of donor funding receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Donor funding</b>	<b>1 059</b>	<b>1 410</b>	<b>2 895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
World Health Organisation (Rabies project)	1 059	1 410	2 895	-	-	-	-	-	-
<b>Total</b>	<b>1 059</b>	<b>1 410</b>	<b>2 895</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The agreement with WHO provided funding over five years from 2009/10, aimed at human rabies prevention through dog rabies control and eventual elimination in KZN. This funding was made available by the Bill and Melinda Gates Foundation. The final transfer was received in the first quarter of 2015/16 and the programme ended in December 2015.

## 7. Payment summary

Section 7 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 3: Agriculture and Rural Development*.

### 7.1 Key assumptions

The key assumptions that underpin the MTEF budget of the department are summarised below:

- All inflation related increases are based on CPI projections.
- Provision was made for the carry-through costs of the above-budget 2016 wage agreement and an inflationary wage adjustment of 7.2, 6.9 and 6.6 per cent for each of the three years of the 2017/18 MTEF, respectively. The department also provided for the 1.5 per cent pay progression. Additional funding is also provided through internal reprioritisation for approved critical posts to be filled in 2017/18. The department will review the number of posts it intends to fill in the outer years during the budget planning for the 2018/19 MTEF period, as the growth shown in Table 3.7 in the outer years does not fully comply with the National Treasury prescribed increases at this stage.

- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2016/17, will continue to be adhered to over the 2017/18 MTEF, in conjunction with National Treasury Instructions 02 and 03 of 2016/17: Cost-containment measures
- The Rural Development function is still unfunded but the department committed to fund the core co-ordination function from within its baseline.

## 7.2 Additional allocations for the 2015/16 to 2017/18 MTEF

Table 3.5 shows additional funding received by the department over the three MTEF periods: 2015/16, 2016/17 and 2017/18. Note that the table reflects only the impact of the provincial allocations, and excludes allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2015/16 and 2016/17 MTEF periods (i.e. for the financial year 2019/20) are based on the incremental percentage used in the 2017/18 MTEF.

**Table 3.5 : Summary of additional provincial allocations for the 2015/16 to 2017/18 MTEF**

R thousand	2015/16	2016/17	2017/18	2018/19	2019/20
<b>2015/16 MTEF period</b>	<b>12 292</b>	<b>2 076</b>	<b>2 079</b>	<b>2 200</b>	<b>2 323</b>
Correction of DARD communications budget	6 729	7 065	7 418	7 848	8 288
Correction of DARD bursaries budget	1 889	1 957	2 055	2 174	2 296
Disaster funding - Harry Gwala District veld fires in June 2014	10 200	-	-	-	-
Remainder of Environmental Affairs function shift to DEDTEA	(11 356)	(12 017)	(12 719)	(13 457)	(14 210)
Decentralisation of bursaries budget	4 830	5 071	5 325	5 634	5 949
<b>2016/17 MTEF period</b>		<b>(115 159)</b>	<b>(174 440)</b>	<b>(184 276)</b>	<b>(194 595)</b>
Above-budget 2015 wage agreement		29 420	31 546	33 931	35 831
Freezing all vacant non-OSD posts		(176 941)	(188 972)	(201 823)	(213 125)
Cutting events' budgets		(4 650)	(4 650)	(4 650)	(4 910)
2% Goods and services cut		(12 988)	(12 364)	(11 734)	(12 391)
Drought relief - scooping of dams and winter fodder		50 000	-	-	-
<b>2017/18 MTEF period</b>			<b>(10 312)</b>	<b>(11 541)</b>	<b>1 452</b>
PES and Provincial Own Revenue reductions			(7 485)	(8 558)	(15 179)
Budget cuts to fund remuneration of <i>Izinduna</i>			(2 827)	(2 983)	(3 147)
Additional funding from National Treasury			-	-	19 778
<b>Total</b>	<b>12 292</b>	<b>(113 083)</b>	<b>(182 673)</b>	<b>(193 617)</b>	<b>(190 820)</b>

Over the 2015/16 MTEF, there was a once-off allocation of R10.200 million for assistance in the form of livestock fodder for the farmers affected by the veld fire disaster in 2014 in the Harry Gwala District. In addition, the remainder of the Environmental Affairs budget was moved to the Department of Economic Development, Tourism and Environmental Affairs (EDTEA). The bulk of this happened in the *Explanatory Memorandum to the 2014/15 EPRE*. However, the administrative support for the Environmental Affairs function was only finalised after the *Explanatory Memorandum* and was effected in the 2014/15 Adjustments Estimate. The carry-through of this function shift was therefore undertaken over the 2015/16 MTEF. The 2015/16 MTEF also included the decentralisation of external bursaries budget from OTP and correction of the amount previously suspended for the centralisation of the bursaries and parts of the communications budget.

With regard to the 2016/17 MTEF, due to data updates of the PES formula, a declining Provincial Own Revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that had arisen, the funding available to the province was reduced or cut. Provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. In order to effect these cuts in the province, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF.

Offsetting these cuts to some extent over the 2016/17 MTEF is the fact that the department received additional funding for the carry-through of the above-budget 2015 wage agreement. Furthermore,

additional funding was allocated to the department in respect of scooping of stock water dams and buying animal feed for farmers that were affected by drought.

As determined by the Executive Council on 2 November 2016, the province commenced the process of the remuneration of *Izinduna* in compliance with previously issued Presidential proclamations. The remuneration of *Izinduna* is partly funded (50 per cent) through internal reprioritisation by the Department of Co-operative Governance and Traditional Affairs (COGTA) and the balance of 50 per cent is funded through a proportional cut against all the remaining Votes over the 2017/18 MTEF. There are also further reductions to the Provincial Own Revenue and the PES due to data updates of the PES formula, as well as fiscal framework reductions. As a result, the department's budget is reduced by R10.312 million, R11.541 million and R18.326 million over the MTEF against Programme 2 in the Farmer Support and Development sub-programme under *Goods and services*. The outer year shows an addition of R19.778 million due to additional funding from National Treasury, and this offsets the reduction that has been made as part of the fiscal consolidation programme.

### 7.3 Summary by programme and economic classification

The department's budget structure largely conforms to the uniform programme structure prescribed for the Agriculture and Rural Development sector, which was revised in 2014.

The department has opted to utilise three programmes, namely Administration, Agriculture and Rural Development. The latter was only activated from 2015/16 onward and provides for rural development co-ordination and social facilitation in KZN. Administration comprises the support services budget, and the core functions are housed under the Agriculture and Rural Development Programmes.

The bulk of the department's budget allocation is for Agriculture (crop production, livestock farming, natural resources use and management, extension, and land care and agricultural research), Veterinary Services (animal disease control, prevention of zoonotic diseases, inspection services, and primary health care services), as well as Rural Development (co-ordination and social facilitation). The department also receives various conditional grants and makes transfers to its two public entities, ADA and Mjindi.

Programme 2: Agriculture provides the sector information by sub-programme and sub-sub-programme, due to the level of detail required by the sector in respect of Agriculture. The programme structure and the new organisational structure are closely aligned, which enhances financial controls within the programmes and the Vote as a whole.

It must be noted that the *Fleet services* budget (under *Goods and services*) in respect of departmental vehicles that are primarily utilised for functions under Programme 2 was moved from Programme 1 to Programme 2 in 2016/17, and the prior year figures were restated for comparative purposes.

Tables 3.6 and 3.7 reflect a summary per programme and per economic classification for the Vote, details of which are given in *Annexure – Vote 3: Agriculture and Rural Development*. The noticeable decrease from 2015/16 to the 2016/17 Main Appropriation relates to the previously mentioned PES cuts implemented by National Treasury, as well as the cut against the CASP grant in 2016/17. The minimal growth between the 2016/17 Revised Estimate and 2017/18 is due to the roll-over of R46.098 million in the 2016/17 Adjusted Appropriation, as well as the further budget cuts implemented against both the equitable share and conditional grants over the 2017/18 MTEF. The outer year shows some growth due to additional funding from National Treasury to offset the reductions that have been made as part of the fiscal consolidation programme.

**Table 3.6 : Summary of payments and estimates by programme: Agriculture and Rural Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
1. Administration	414 134	390 126	432 548	486 144	491 622	451 957	510 164	545 601	576 377
2. Agriculture	1 591 394	1 612 918	1 764 748	1 673 278	1 711 598	1 751 263	1 655 274	1 737 762	1 856 657
3. Rural Development	-	-	1 891	11 222	13 522	13 522	31 706	33 437	34 460
<b>Total</b>	<b>2 005 528</b>	<b>2 003 044</b>	<b>2 199 187</b>	<b>2 170 644</b>	<b>2 216 742</b>	<b>2 216 742</b>	<b>2 197 144</b>	<b>2 316 800</b>	<b>2 467 494</b>

**Table 3.7 : Summary of payments and estimates by economic classification: Agriculture and Rural Development**

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>1 657 712</b>	<b>1 565 342</b>	<b>1 738 423</b>	<b>1 742 000</b>	<b>1 576 383</b>	<b>1 587 976</b>	<b>1 806 173</b>	<b>1 934 821</b>	<b>2 053 983</b>
Compensation of employees	832 928	851 046	911 392	983 934	966 724	951 028	1 125 922	1 216 962	1 286 285
Goods and services	824 673	714 125	826 804	757 995	609 588	636 877	680 176	717 780	767 615
Interest and rent on land	111	171	227	71	71	71	75	79	83
<b>Transfers and subsidies to:</b>	<b>167 945</b>	<b>219 116</b>	<b>246 968</b>	<b>249 496</b>	<b>465 965</b>	<b>437 783</b>	<b>269 631</b>	<b>232 657</b>	<b>237 832</b>
Provinces and municipalities	869	1 237	1 313	1 466	1 452	1 452	1 586	1 713	1 808
Departmental agencies and accounts	101 152	108 351	101 306	131 350	130 915	130 915	137 820	145 879	154 051
Higher education institutions	-	-	-	-	3 000	3 000	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	55 243	91 962	112 091	83 792	291 431	272 570	106 798	71 751	67 878
Non-profit institutions	250	5 300	13 770	25 207	25 207	15 069	11 023	-	-
Households	10 431	12 266	18 488	7 681	13 960	14 777	12 404	13 314	14 095
<b>Payments for capital assets</b>	<b>178 798</b>	<b>215 178</b>	<b>213 177</b>	<b>179 148</b>	<b>174 394</b>	<b>190 983</b>	<b>121 340</b>	<b>149 322</b>	<b>175 679</b>
Buildings and other fixed structures	133 464	182 814	172 688	136 190	128 347	152 032	77 897	102 762	126 512
Machinery and equipment	44 817	32 180	40 139	42 267	44 645	37 939	42 715	45 788	48 351
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	474	145	350	636	1 347	957	668	707	747
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	43	39	-	55	55	55	60	65	69
<b>Payments for financial assets</b>	<b>1 073</b>	<b>3 408</b>	<b>619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 005 528</b>	<b>2 003 044</b>	<b>2 199 187</b>	<b>2 170 644</b>	<b>2 216 742</b>	<b>2 216 742</b>	<b>2 197 144</b>	<b>2 316 800</b>	<b>2 467 494</b>

With regard to Programme 1, the actual spending decreases between 2013/14 to 2015/16 mainly due to the functions of the Ministry being aligned to the guidelines for providing support to the Office of the MEC as outlined in the Ministerial handbook, the effect of the centralisation of certain communication functions to OTP, as well as the decline in infrastructure expenditure between 2013/14 and 2014/15 by DOPW. The increase from the 2016/17 Main to Adjusted Appropriation is in respect of the roll-over for departmental vehicles. The decline in 2016/17, and the low growth over the 2017/18 MTEF is due to the budget cuts implemented. The MTEF provides for the carry-through costs of the above-budget wage agreements.

Programme 2 shows relatively slow growth between 2013/14 and 2015/16. The small increase between 2013/14 and 2014/15 is due to procurement challenges, late rains, as well as SCM challenges which resulted in under-expenditure. Spending in 2015/16 was affected by the drought which resulted in the department reprioritising funding during the year to provide drought relief assistance to farmers in the form of animal feed, animal medicines, Jojo tanks for future rain harvesting, as well as stock watering dams and boreholes. The implementation of the animal feed and deworming programmes was a success. However, some of the animal feed/medicines ordered towards the end of the year, through re-prioritisation, was unfortunately not delivered and paid for before the end of the financial year. The implementation of infrastructure projects, namely stock watering dams and boreholes, was slower than expected as the procurement for such services was more time consuming than the supply and delivery of animal feed, resulting in these projects not being finalised by 31 March 2016. The increase in the 2016/17 Adjusted Appropriation is in respect of a roll-over of R41.075 million for animal feed and medicines, diptanks, stock watering dams and boreholes, as well as departmental vehicles ordered but not delivered.

The allocation in 2017/18 shows a minimal increase from the 2016/17 Main Appropriation due to the equitable share and conditional grant budget cuts, as mentioned previously.

Programme 3: Rural Development is a programme that commenced in 2015/16 and provides funding for *Compensation of employees* and related expenditure to perform the rural development co-ordination and social facilitation functions for the province. This function was transferred from the OTP in 2014 without funding or personnel. The department did reprioritise funding during 2016/17 and provided for 49 posts and running costs for the Rural Development Co-ordination and Social Facilitation sub-programme which were subsequently suspended as part of the freezing of all vacant posts. The increase from 2015/16 to 2016/17 also takes into account the new organisational structure where certain directorates such as Investment and Partnerships are now under this programme. The increase in the 2016/17 Adjusted Appropriation is in respect of the partnership with the University of Zululand (UNIZULU) for the development of a Centre for Sustainable and Integrated Rural Development (CSIRD) at the university.

The increase from 2017/18 onward provides for the implementation of the Unemployed Agricultural Graduates Youth programme aimed at facilitating comprehensive interventions towards promoting equitable and sustainable opportunities for unemployed agricultural graduates in KZN.

*Compensation of employees* shows a steady increase from 2013/14 to 2015/16 which is mainly in respect of the annual wage adjustments and pay progressions rather than the appointment of additional staff. The increase in the 2016/17 Main Appropriation was to cater for the above-budget wage adjustment. This process has not been completed and therefore the posts were not filled at the rate anticipated, resulting in these savings being redirected during the 2016/17 Adjustments Estimate towards service delivery items under *Goods and services*, as well as to offset the shortfall under *Transfer and subsidies to: Households*, as a result of unplanned staff exits. This also accounts for the further drop in the Revised Estimate. The increase in 2017/18 is to provide for the filling of 133 approved critical posts, including senior management posts and various posts on levels two (farm aids at the research farms) to 12, the carry-through costs of the above-budget 2016 wage agreement, as well as annual salary increments. The department will review the number of posts to be filled in the outer years during the 2018/19 MTEF planning process.

The spending against *Goods and services* shows an inconsistent trend between 2013/14 and 2016/17 and then shows a steady increase over the MTEF. The decrease in 2014/15 is due to late rains affecting crop production, as well as procurement delays and SCM challenges, as mentioned under Programme 2 above. The decrease in the 2016/17 Main Appropriation relates to the above-mentioned budget cuts in 2016/17, as well as the fact that the department reprioritised funds from this category to *Compensation of employees*. These funds were previously realised as savings under *Compensation of employees* due to the organisational structure not being finalised and were moved to fund pressures under *Goods and services*. The further decrease from the 2016/17 Main to Adjusted Appropriation is mainly in respect of the new approach to funding commercial projects supported by the department, whereby the department makes direct transfers to farmers instead of procuring the *Goods and services*. This has resulted in the funds being re-classified as transfer payments and hence the increase against the category *Transfers and subsidies to: Public corporations and private enterprises*. There is low but steady growth in 2017/18, 2018/19 and 2019/20 partly due to the conditional grant budget cuts in respect of the CASP grant.

*Transfers and subsidies to: Provinces and municipalities* relates to the payment of motor vehicle licences, and the increase over the MTEF is aligned to the anticipated number of vehicles and tractors.

The growth in *Transfers and subsidies to: Departmental agencies and accounts* relates mainly to the transfers to ADA, as well as some transfers in terms of the Skills Development Levy and TV licences. The funding for ADA is for operational costs and project implementation by the entity in line with its mandate to improve the secondary agriculture sector in the province. The decrease in 2015/16 is due to the review of ADA to ensure that there is no duplication of functions between the department and the entity, which led to delays in the implementation of projects. The category shows steady growth over the MTEF.

*Transfers and subsidies to: Public corporations and private enterprises* comprises transfers to several entities, the main ones being Mjindi, as well as Ithala in 2014/15 and 2015/16. The fluctuations from 2013/14 to 2015/16 are largely due to once-off allocations to Mjindi for repairs to the irrigation scheme and acquisition of farming equipment. During 2013/14, the department provided funding of R6 million for People's Bio Oil (Pty) Ltd in respect of the Moringa Project, which was completed in 2014/15 with a further transfer of R2 million. The increase in 2014/15 is due to a once-off amount of R12.286 million for the irrigation scheme at Mjindi. Also, the department transferred R14 million to the SA Sugar Association to assist identified sugar cane farmers. The increase in 2015/16 is in respect of the transfer of R25 million to the Communal Estates to fund various operational costs, such as fuel and tractor drivers in respect of the tractors and implements. In addition, a transfer of R12.193 million was also made to Ntingwe Tea Estate via Ithala to meet its payroll obligations during the off-season. From 2016/17, this category provides for increased transfers to Mjindi, as well as transfers for the soil conservation subsidy, agricultural show societies, Communal Estates and the SA Sugarcane Research Institute. Furthermore, the increase from the 2016/17 Main to the Adjusted Appropriation is mainly to cater for projects funded through direct transfer payments such as the SA Sugar Association, Inqanawe Tunnels, Rapid Dawn 1064 CC, River Valley Project, Siyathuthuka Farms, Independent Development Trust (IDT), Nyezenhle Holdings – Roadside Abattoir, Uthukela Local House of Traditional Leaders Development Trust, Sizisizwe Trading Enterprise

Co-operative, Copperfield Dairy, Izobuya Nini Trading Enterprise CC, Indlovu Family CC, as well as Ekuphileni Poultry and Agricultural Farming Primary Co-operative. These were reclassified from *Goods and services*, as mentioned above.

The increase under *Transfers and subsidies to: Non-profit institutions* in 2015/16 is in respect of the agricultural schools revitalisation programme. The department is providing R50 million between 2015/16 to 2017/18 to improve the facilities for agricultural education at the five agricultural schools, namely Zakhe Agricultural College, Weston Agricultural College, Vryheid Landbou High School, James Nxumalo Agricultural High School and Shakaskraal Secondary School in the province. It should be noted that Zakhe Agricultural College is a private college, unlike the other four government colleges, but is benefitting from the programme and is therefore shown separately in the tables. The R250 000 transferred in 2013/14 relates to funding to the Zakhe Agricultural College, to assist in improving the training facilities for the students, as mentioned previously, with this allocation continuing through to 2017/18. This allocation is made based on approved business plans and is done in collaboration with DOE, with a plan to implement over three years.

*Transfers and subsidies to: Households* caters for staff exit costs and bursaries to external bursary holders.

*Buildings and other fixed structures* shows a fluctuating trend between 2013/14 and 2015/16, with the high in 2014/15 due to the good progress made in the development of the Makhathini area with projects such as the packer house, abattoir and irrigation scheme. The 2015/16 amount relates to pressures in the Makhathini area in respect of the construction of the irrigation schemes at Ndumo. The allocation in 2016/17 decreases as a result of reprioritisation that was done to fund pressures under *Compensation of employees*. The high 2016/17 Revised Estimate is in respect of good progress made on Makhathini projects such as the sub-surface drainage at Block 6 A. The allocations for 2017/18, 2018/19 and 2019/20 show steady increases and provide for agricultural infrastructure such as irrigation schemes, diptanks, fencing, poultry houses, etc. throughout the province. The implementation of the budget cuts against this category does not mean that the department will stop doing projects, but instead means that the department will be implementing fewer projects, and also providing infrastructure to fewer farmers, and also deferring some projects to the outer years. The 2017/18 MTEF shows steady growth despite the budget cuts.

*Machinery and equipment* shows a decrease from 2013/14 to 2014/15 due to the department not acquiring additional tractors and implements in line with a decision taken by the department to take stock of the existing mechanisation fleet, to ensure optimal utilisation thereof before further purchases were made. The increase in 2015/16 is in respect of replacing the aging main server at Cedara, which was estimated at R10 million. Furthermore, the increase in 2015/16 was to offset the shortfall for departmental vehicles required to enhance service delivery. The decrease in 2017/18 is due to the above-mentioned budget cuts against this category. The amounts cut were in respect of the purchase of furniture and office equipment for staff and therefore does not affect service delivery. There is steady growth over the 2017/18 MTEF, despite the budget cuts.

*Biological assets* is high in 2013/14, to make provision for the department's Nguni breeding initiative, aimed at revitalising the Nguni breed in KZN. This explains the comparatively low amounts in 2014/15 and 2015/16. The increase from the 2016/17 Main to the Adjusted Appropriation is in respect of a virement to this category to offset the shortfall as a result of the purchase of animals for research purposes and livestock projects. This explains the decline in 2017/18 and the steady growth over the MTEF.

*Software and other intangible assets* fluctuates as it makes provision for software upgrades as and when required.

*Payments for financial assets* reflects expenditure in 2013/14, 2014/15 and 2015/16 only, and this relates to approved write-off of thefts and losses.

#### **7.4 Summary of conditional grant payments and estimates**

Tables 3.8 and 3.9 illustrate conditional grant payments and estimates from 2013/14 to 2019/20. Further details are given in *Annexure – Vote 3: Agriculture and Rural Development*.



Note that the conditional grant figures in Table 3.1 for the period 2013/14 to 2019/20 indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 3.8, which show the actual expenditure and estimates. It must be noted that the Revised Estimate reflects spending lower than the Adjusted Appropriation in respect of the Land Care grant and the EPWP Integrated Grant for Provinces and this is due to an error in the December IYM. This will be corrected and the department is projecting to fully spend against all conditional grants in 2016/17.

**Table 3.8 : Summary of conditional grants payments and estimates by name**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
CASP grant	202 522	212 632	226 161	222 155	222 155	222 155	209 598	223 975	243 118
Ilima/Letsema Projects grant	42 768	92 093	69 401	63 876	63 876	63 876	67 356	71 263	75 253
Land Care grant	18 746	10 854	10 666	10 632	10 632	10 362	12 012	12 016	13 403
EPWP Integrated Grant for Provinces	550	4 181	2 296	3 840	3 840	3 783	8 466	-	-
<b>Total</b>	<b>264 586</b>	<b>319 760</b>	<b>308 524</b>	<b>300 503</b>	<b>300 503</b>	<b>300 176</b>	<b>297 432</b>	<b>307 254</b>	<b>331 774</b>

**Table 3.9 : Summary of conditional grants payments and estimates by economic classification**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	<b>150 450</b>	<b>185 702</b>	<b>179 231</b>	<b>245 500</b>	<b>235 000</b>	<b>234 673</b>	<b>239 631</b>	<b>247 597</b>	<b>269 670</b>
Compensation of employees	10 745	17 013	18 000	17 893	17 893	17 893	19 109	20 409	20 409
Goods and services	139 705	168 689	161 231	227 607	217 107	216 780	220 522	227 188	249 261
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>63 000</b>	<b>66 465</b>	<b>48 297</b>	<b>-</b>	<b>41 348</b>	<b>41 348</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	63 000	66 465	20 707	-	-	10 500	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	27 590	-	41 348	30 848	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>51 136</b>	<b>67 593</b>	<b>80 996</b>	<b>55 003</b>	<b>24 155</b>	<b>24 155</b>	<b>57 801</b>	<b>59 657</b>	<b>62 104</b>
Buildings and other fixed structures	41 795	59 907	70 633	47 492	16 644	16 644	49 867	51 723	53 729
Machinery and equipment	9 257	7 541	10 363	7 511	7 511	7 511	7 934	7 934	8 375
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	145	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>264 586</b>	<b>319 760</b>	<b>308 524</b>	<b>300 503</b>	<b>300 503</b>	<b>300 176</b>	<b>297 432</b>	<b>307 254</b>	<b>331 774</b>

The department is responsible for the following four national conditional grants:

- The CASP grant is aimed at enhancing the capacity of the Agriculture sector by providing support to beneficiaries of land and agrarian reform programmes. This programme also focuses on the revival of agricultural extension services. This grant increases steadily between 2013/14 and 2015/16, whereafter there is a decrease in 2016/17, and a minimal increase in 2017/18 before increasing again in the outer two years of the 2017/18 MTEF. The decrease in 2016/17 and minimal growth in 2017/18 is twofold. Firstly, the commitment made by National Treasury to maintain the country's current expenditure ceiling required that the baseline allocations for provincial conditional grants be reduced, hence, the CASP grant was cut over the 2016/17 MTEF. Secondly, the CASP grant was reduced again over the 2017/18 MTEF due to fiscal consolidation, to allow DAFF to conduct an agriculture and rural census, and also to correctly allocate disaster funds that were inadvertently allocated to all nine provinces instead of Northern Cape. The CASP grant sees budget cuts of R26.114 million and R25.497 million and R6.354 million over the 2017/18 MTEF. It must be noted that, with effect from 2010/11, the department commenced transferring a portion of CASP funding to ADA, to assist the department to implement land reform projects. In the past, the department and entity did similar activities and it was decided in 2016/17 that ADA should focus on secondary agriculture and the department should focus on primary agriculture, as mentioned. It is noted that CASP funding is no longer transferred to ADA over the 2017/18 MTEF due to the department being of the view that it wants to be accountable for all conditional grant funding and not to restrict the entity with conditions attached to conditional grants, and this accounts for the reduction in *Transfers*

*and subsidies to: Departmental agencies and accounts.* The transfer of R10.500 million in the 2016/17 Revised Estimate relates to the finalisation of ADA projects that commenced in 2015/16, and were funded from CASP. The allocation against *Public corporations and private enterprises* for 2015/16 and 2016/17 is in respect of projects that are funded by way of direct transfers and managed through a SLA between the department and beneficiaries. This method of funding is only utilised once the beneficiary has met certain criteria and the adjustments are then effected during the Adjustments Estimate, and hence there is no allocation over the MTEF. Beneficiaries funded under this category include Inqanawe Tunnel Project, Rapid Dawn, Siyathuthuka Farms, Copperfield Dairy, Ekuphileni Poultry and Agricultural Farming Primary Co-operative.

- The Ilima/Letsema Projects grant, which falls under the Ilima/Letsema campaign driven by DAFF, is aimed at unlocking the potential of currently ‘dead’ land and other assets, particularly in communal areas. In KZN, this grant is utilised for various projects, including the food security and mechanisation programme and the irrigation schemes within the Makhathini development project. The low expenditure in 2013/14 is due to the liming programme that was delayed by prolonged procurement processes and resulted in R23 million not being spent. However, this amount was rolled over to 2014/15, hence the increase in that year and the drop in 2015/16. Apart from this fluctuation and a decrease in 2016/17, the grant shows a steady increase and was not affected by budget cuts over the 2017/18 MTEF.
- The Land Care grant is aimed at optimising the sustainable use of natural resources to ensure greater productivity, food security, job creation, and a better quality of life for all. The high amount in 2013/14 is in respect of specific funding for fencing which ended in 2013/14, hence the drop in 2014/15. The allocation decreases slightly in 2015/16 and 2016/17, due to the fiscal consolidation cuts implemented in 2015/16, before increasing over the 2017/18 MTEF. The grant is not affected by the fiscal consolidation cuts over the 2017/18 MTEF.
- The department received R2.296 million and R3.840 million in 2015/16 and 2016/17, respectively in respect of the EPWP Integrated Grant for Provinces. The grant allocation is based on the number of EPWP jobs created in the previous year and therefore allocations are for one year only and not over the MTEF period, hence there is no allocation in 2018/19 and 2019/20. This grant is used to fund additional projects in the department’s land care programme, and therefore includes costs for material and wages. The high allocation in 2017/18 is an indication of good performance by the department during the prior year in respect of the EPWP Integrated Grant for Provinces.

The actual expenditure against *Compensation of employees* and the budget over the MTEF is in respect of the extension officers funded from the Extension Recovery Plan (ERP) pillar of CASP.

The increase in *Goods and services* from 2013/14 to 2014/15 relates to R23 million for inputs in respect of the liming programme that was not spent in 2013/14 but was rolled over to 2014/15. The further decrease from 2015/16 and from the 2016/17 Main to Adjusted Appropriation is in respect of a change of the funding mechanism to direct transfer for certain projects against *Transfers and subsidies to: Public corporations and private enterprises*. The allocation under this category is to cater for mechanisation services, agricultural production inputs and materials, as well as computer services and uniforms for extension officers under the ERP pillar. There is a steady increase over the MTEF.

The spending against *Transfers and subsidies to: Departmental agencies and accounts* from 2013/14 to the 2016/17 Revised Estimate relates to transfers made to ADA to implement projects funded from the CASP grant. There is no allocation over the 2017/18 MTEF due to the decision that all projects implemented by ADA will be funded from the equitable share and not *via* a conditional grant allocation. As such, these funds are moved from *Transfers and subsidies to: Departmental agencies and accounts* to *Goods and services* and *Buildings and other fixed structures* over the MTEF. The amount of R10.500 million in the 2016/17 Revised Estimate is in respect of the finalisation of ADA projects that commenced in 2015/16 and were funded from the CASP grant, as mentioned above.

The expenditure against *Transfers and subsidies to: Public corporations and private enterprises* in 2015/16 and 2016/17 is in respect of those projects where the department provides the funding as a direct transfer instead of procuring the goods and services. Such funding mechanism is only utilised where the

beneficiary meets specific requirements and the adjustments are therefore effected during the year and hence there is no allocation over the MTEF at this stage. Beneficiaries funded under this category include Inqanawe Tunnel Project, Rapid Dawn, Siyathuthuka Farms, Copperfield Dairy, Ekuphileni Poultry and Agricultural Farming Primary Co-operative, as mentioned.

*Buildings and other fixed structures* is mainly related to agricultural infrastructure such as poultry houses, fencing, irrigation schemes, etc. The expenditure increases from 2013/14 to 2015/16 and then decreases in 2016/17. The high expenditure in 2015/16 is mainly due to the good progress on the infrastructure developed in the Makathini area. The decrease from the 2016/17 Main to Adjusted Appropriation is due to the change in funding mechanism to direct transfer payments made to beneficiaries, as mentioned above. As this is effected during the year, the allocation in 2017/18 shows a steep increase and then there is steady growth over the MTEF.

*Machinery and equipment* relates to various agricultural equipment, as well as computers and vehicles acquired under the ERP pillar of the CASP grant. The minimal growth over the MTEF caters for the replacement of existing equipment such as computers and office furniture.

## 7.5 Summary of infrastructure payments and estimates

Table 3.10 illustrates infrastructure payments and estimates for the period 2013/14 to 2019/20. Further details of the department's infrastructure payments and estimates are presented in the *2017/18 Estimates of Capital Expenditure*.

**Table 3.10 : Summary of infrastructure payments and estimates by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Existing infrastructure assets</b>	<b>88 101</b>	<b>54 418</b>	<b>56 937</b>	<b>108 005</b>	<b>95 814</b>	<b>54 331</b>	<b>48 953</b>	<b>52 545</b>	<b>77 412</b>
Maintenance and repair: Current	22 829	24 199	25 312	26 654	8 328	7 906	8 769	9 278	9 798
Upgrades and additions: Capital	-	3 228	6 321	-	-	523	-	-	-
Refurbishment and rehabilitation: Capital	65 272	26 991	25 304	81 351	87 486	45 902	40 184	43 267	67 614
<b>New infrastructure assets: Capital</b>	<b>68 192</b>	<b>152 595</b>	<b>141 063</b>	<b>54 839</b>	<b>40 861</b>	<b>105 607</b>	<b>37 713</b>	<b>59 495</b>	<b>58 898</b>
<b>Infrastructure transfers</b>	<b>6 000</b>	<b>2 000</b>	<b>-</b>	<b>-</b>	<b>35 576</b>	<b>35 576</b>	<b>10 621</b>	<b>-</b>	<b>-</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	6 000	2 000	-	-	35 576	35 576	10 621	-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure: Leases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>162 293</b>	<b>209 013</b>	<b>198 000</b>	<b>162 844</b>	<b>172 251</b>	<b>195 514</b>	<b>97 287</b>	<b>112 040</b>	<b>136 310</b>
<i>Capital infrastructure</i>	139 464	184 814	172 688	136 190	163 923	187 608	88 518	102 762	126 512
<i>Current infrastructure</i>	22 829	24 199	25 312	26 654	8 328	7 906	8 769	9 278	9 798

The department's infrastructure budget peaks in 2014/15 before decreasing in 2017/18 and thereafter shows a steady increase over the MTEF. The decrease in 2017/18 is primarily due to the reprioritisation in 2016/17 towards filling vacant posts for implementation of the new structure, as well as further budget cuts as part of the fiscal consolidation programme.

*Maintenance and repair: Current* increases at a generally steady rate from 2013/14 to the 2016/17 Main Appropriation and is in respect of maintenance of all the department's buildings, which is mostly outsourced to DOPW and forms part of the department's asset management plan. The decrease in the 2016/17 Adjusted Appropriation is in respect of an incorrect allocation for repairs of agricultural infrastructure which is now reflected under *Refurbishment and rehabilitation: Capital*, hence the increase against this category between 2015/16 and 2016/17.

*Upgrades and additions: Capital* shows no provision for 2016/17 and beyond as all the projects are classified as *Refurbishment and rehabilitation: Capital*.

*Refurbishment and rehabilitation: Capital* shows a significant increase between 2015/16 and 2016/17, as mentioned above. The increase in the 2016/17 Adjusted Appropriation is due to a roll-over in respect of rehabilitation of diptanks. The low amount in 2014/15 is in respect of challenges with the implementation of a number of projects by DOPW, such as Loskop, Nongoma, Umzimkulu, Umkhanyakude and Nkandla

local offices, as well as OSCA and Cedara Head Office. The low amount in 2015/16 relates to the rehabilitation of dip tanks not being finalised by 31 March 2016. The slow progress by DOPW continues in 2016/17 with the decrease in 2017/18 due to budget cuts as part of the fiscal consolidation programme. The 2017/18 MTEF provides for continuous refurbishment and rehabilitation of departmental offices at district and local office level, as well as at the two agricultural colleges, namely Cedara and OSCA. The decrease in the 2016/17 Revised Estimate is as a result of the department correcting the allocation for agricultural projects which were incorrectly classified in prior years as *Refurbishment and rehabilitation: Capital*, whereas these are new structures and therefore included under the category *New infrastructure assets: Capital*, thus explaining the increase in the 2016/17 Revised Estimate under *New infrastructure assets: Capital*.

*New infrastructure assets: Capital* increases from 2014/15 to 2015/16 mainly in respect of the projects in the Makhathini area progressing faster than anticipated in 2015/16. The decrease in 2016/17 is in respect of a shift from this category to *Infrastructure transfers: Capital* in respect of projects where the department's CASP grant portion is transferred to the beneficiaries. The department provides 50 per cent of the funding to farmers as support and the farmer must provide the other 50 per cent. These beneficiaries include Copperfield Dairy, Izobuya Nini Trading Enterprise CC, Indlovu Family CC, as well as Ekuphileni Poultry and Agricultural Farming Primary Co-operative. The 2017/18 MTEF provides for projects such as irrigation schemes at Makhathini, animal handling facilities and new sport facilities at OSCA, as well as fencing.

The category *Infrastructure transfers: Capital* in 2013/14 and 2014/15 is for infrastructure requirements in respect of the Moringa project undertaken by People's Bio Oil (Pty) Ltd. The allocation in 2016/17 is in respect of a shift relating to projects where the department's CASP grant portion is transferred to the beneficiaries, as mentioned above. The allocation in 2017/18 is to finalise the projects such as Nyezenhle Holdings – Roadside Abattoir which commenced in 2016/17, as the department is currently reviewing its funding mechanism, hence there is no allocation over the MTEF at this stage.

## 7.6 Summary of Public Private Partnerships – Nil

## 7.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 3.11 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA. The financial summaries received from ADA and Mjindi are provided in *Annexure – Vote 3: Agriculture and Rural Development*. Although decisions taken in respect of the rationalisation of public entities are expected to have an impact on the 2017/18 MTEF budgets of Mjindi and ADA, the baselines for these entities were maintained, with inflationary growth provided for over the MTEF, pending the finalisation of the rationalisation exercise.

**Table 3.11 : Summary of departmental transfers to public entities**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
Agri-business Development Agency	101 152	106 410	99 500	128 397	128 397	128 397	134 948	142 775	150 770
Ithala Development Finance Corporation	-	11 080	12 193	-	-	-	-	-	-
Mjindi Farming (Pty) Ltd	46 607	60 816	50 506	53 183	53 183	53 183	56 001	58 801	62 094
<b>Total</b>	<b>147 759</b>	<b>178 306</b>	<b>162 199</b>	<b>181 580</b>	<b>181 580</b>	<b>181 580</b>	<b>190 949</b>	<b>201 576</b>	<b>212 864</b>

### *Agri-business Development Agency (ADA)*

As from 2013/14, the oversight of the entity was shifted from EDTEA to DARD in respect of the ADA Bill. The actual expenditure and 2017/18 MTEF allocation is for projects to be implemented by ADA, as well as the operational costs of the entity. The decrease in 2015/16 is due to the review of the entity's mandate to ensure that there is no duplication of functions within the department. The entity will continue with the focus on secondary agriculture with particular focus on the agro-processing sector and the department on primary agriculture aligned to the department's agrarian transformation strategy. ADA plans to continue with the implementation of its projects that started in 2016/17, including the vegetable

production programme implemented in partnership with the Jobs Fund, the KZN Essential oils programme, construction of abattoirs, etc.

#### ***Ithala Development Finance Corporation (Ithala)***

The 2014/15 and 2015/16 amounts relating to Ithala cater for a shortfall in wages of Ntingwe Tea Estate during the off-season. DARD is the main shareholder in the Ntingwe Tea Estate through the significant funding that was provided for the establishment thereof in 2003. Ithala is a lesser shareholder, and provides the management oversight of the entity and has been providing additional funding over the last few years to assist the estate to meet its operational costs. The department uses Ithala as the vehicle to channel the funding to Ntingwe Tea Estate. The provincial government is considering the funding proposal that has been submitted by Ntingwe Tea Estate, proposing to turn-around the estate into a profitable entity. Pending a final decision in this regard, the department has not allocated funding over the MTEF, but provided funding in 2014/15 and 2015/16 to cater for the shortfall in wages.

#### ***Mjindi Farming (Pty) Ltd (Mjindi)***

The high expenditure in 2014/15 is due to once-off allocations provided for the acquisition of irrigation material for the irrigation scheme. The allocation from 2015/16 onward provides for the operational costs and maintenance of existing infrastructure. The department is currently undertaking a mechanical review of the entity which may affect its future operations and mandate. The mechanical review has not yet been completed and the moratorium on the filling of posts is still in place, hence the future position of the entity is not clear at this stage. This review will also take into account the impact of the land claims, as mentioned previously. The budget over the 2017/18 MTEF provides for operational costs of the entity, as well as maintenance of existing infrastructure.

## **7.8 Transfers to other entities**

Table 3.12 indicates departmental transfers to other entities. The transfers fluctuate markedly over the seven years, as explained below the table

**Table 3.12 : Summary of departmental transfers to other entities**

R thousand		Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
		2013/14	2014/15	2015/16				2017/18	2018/19	2019/20	
	Soil conservation subsidy	2.1. Sust. Resource	1 431	1 269	1 500	1 605	1 605	1 605	1 717	1 817	1 919
	Agricultural Show Societies	2.2. Farmer supp.	-	-	-	100	100	100	105	110	116
	SA Sugarcane Research Institute	2.2. Farmer supp.	1 197	918	2 544	2 242	2 242	2 242	2 565	2 716	2 874
	People's Bio Oil	2.2. Farmer supp.	6 000	2 000	-	-	-	-	-	-	-
	Zakhe Agricultural College	2.6. Struc. Agric. Edu. and Train.	250	-	3 089	3 446	3 446	3 446	2 540	-	-
	Animal Anti-Cruelty League (AACL)	2.3. Vet. Services	-	5 300	-	-	-	-	-	-	-
	Lungisisa Indlela Village (LIV)	2.2. Farmer supp.	-	1 200	-	-	-	-	-	-	-
	Nyonende Hatchery	2.2. Farmer supp.	-	-	4 200	-	-	-	-	-	-
	Communal Estates	2.2. Farmer supp.	-	-	9 640	26 662	26 662	20 799	13 995	6 995	-
	Agricultural Schools	2.6. Struc. Agric. Edu. and Train.	-	-	10 681	21 761	21 761	11 623	8 483	-	-
	South African Sugar Association (SASA)	2.2. Farmer supp.	-	14 604	27 053	-	28 115	15 117	8 744	-	-
	Inqanawe Tunnel Project	2.2. Farmer supp.	-	-	4 450	-	3 054	3 054	-	-	-
	Rapid Dawn 1064 CC	2.2. Farmer supp.	-	-	-	-	1 474	1 474	-	-	-
	River Valley Project	2.2. Farmer supp.	-	-	-	-	1 200	1 200	-	-	-
	Siyathuthuka Farms	2.2. Farmer supp.	-	-	-	-	4 099	4 099	-	-	-
	Independent Development Trust (IDT)	2.2. Farmer supp.	-	-	-	-	20 326	20 326	-	-	-
	Masisizane Fund	2.2. Farmer supp.	-	-	-	-	98 377	98 377	-	-	-
	Nyezenhle Holdings - Roadside Abattoir	2.2. Farmer supp.	-	-	-	-	7 000	7 000	3 900	-	-
	Uthukela Local House of Trad. Leaders Dev. Tr.	2.2. Farmer supp.	-	-	-	-	18 245	18 245	-	-	-
	Sizisizwe Trad. Ent. Primary Co-op.	2.2. Farmer supp.	-	-	-	-	4 728	4 728	-	-	-
	Copperfield Dairy	2.2. Farmer supp.	-	-	-	-	6 500	6 500	-	-	-
	Izobuya Nini Trading Enterprise CC	2.2. Farmer supp.	-	-	-	-	1 500	1 500	-	-	-
	Indlovu Family CC	2.2. Farmer supp.	-	-	-	-	7 521	7 521	-	-	-
	Ekuphileni Poultry and Agric. Farming Prim. Co-	2.2. Farmer supp.	-	-	-	-	5 500	5 500	6 500	-	-
	University of Zululand	2.6. Struc. Agric. Edu. and Train.	-	-	-	-	3 000	3 000	-	-	-
	THB Matebese Trading 114 CC	2.2. Farmer supp.	-	-	-	-	-	-	4 121	-	-
	Ndisinduna Multipurpose Co-op LTD	2.2. Farmer supp.	-	-	-	-	-	-	800	-	-
	KZN Goat Agri-business Project	2.2. Farmer supp.	-	-	-	-	-	-	8 350	1 312	875
<b>Total</b>			<b>8 878</b>	<b>25 291</b>	<b>63 157</b>	<b>55 816</b>	<b>266 455</b>	<b>237 456</b>	<b>61 820</b>	<b>12 950</b>	<b>5 784</b>

The Soil conservation subsidy is a provision to business and farming enterprises for sub-surface drainage works, and is a national initiative in response to the Conservation of Agricultural Resources Act (CARA). The allocation over the 2017/18 MTEF is based on past trends in claims received and approved.

The department makes provision for contributions to various agricultural show societies, which are aimed at showcasing the latest developments in agriculture. The expenditure is demand based and the department only makes a transfer if a funding request with required supporting documentation is received.

The partnership with the SA Sugarcane Research Institute, which was formed in 2010/11, continues and grows steadily over the seven years. This partnership ensures the provision of specialist extension services to assist small-scale sugarcane farmers. The decrease in 2014/15 and subsequent peak in 2015/16 is due to an unforeseen delay in submitting and processing of invoices for the final quarter of 2014/15. Also, a new agreement was signed in 2015/16 which increased the activities of the institute, meaning there will be increased research undertaken by the institute and, hence, an increased financial contribution by DARD.

The transfer to People's Bio Oil relates to a two-year agreement beginning in 2013/14, whereby DARD provided funding for the infrastructure development in respect of the Moringa Project on the South Coast.

The transfer to Zakhe Agricultural College is in line with a partnership with the department, aimed at improving the facilities at the college to enhance agricultural education at the institution, as mentioned previously. This allocation continues through to 2017/18. Zakhe Agricultural College is one of five agricultural schools to be improved by the department up to 2017/18, but is shown separately due to the fact that it is a private college, unlike the other four which are government colleges, and these are mentioned below under agricultural schools.

DARD entered into a one-year partnership with the Animal Anti-Cruelty League (AACL) in 2014/15 for the KZN Outreach programme.

A once-off transfer of R1.200 million in 2014/15 was made to Lungisisa Indlela Village (LIV) in respect of a hydroponics projects at this institution which supports orphans.

In 2015/16, the department provided funding to the Nyonende Hatchery to the amount of R2.200 million to enable the hatchery to become economically viable.

The allocation to Communal Estates is for the operational costs such as fuel and tractor drivers in respect of the tractors and farming implements that the department has transferred to them, in line with its agricultural transformation strategy implemented from 2015/16. The actual amount transferred in 2015/16 is R9.640 million and was low due to the prevailing drought which restricted agricultural activities. The allocation decreases over the MTEF as these Communal Estates are expected to be self-sufficient after three years, and the department will shift its focus to food security at household level.

The department also entered into a funding agreement with the DOE whereby R50 million was made available over three-years commencing in 2015/16 for the improvement of agricultural facilities of agricultural schools in order to enable the practical teaching and learning in the five agricultural schools in the province, namely Zakhe Agricultural College (a private college, as mentioned above), Weston Agricultural College, Vryheid Landbou High School, James Nxumalo Agricultural High School and Shakaskraal Secondary School, as mentioned previously. The funding ends in 2017/18 and the DOE will be responsible for the maintenance of the infrastructure thereafter.

In 2014/15, DARD entered into an agreement with the SA Sugar Association to implement specifically approved sugar cane projects from 2014/15 to 2017/18. The decrease in the 2016/17 Revised Estimate is partly because the prevailing drought resulted in project implementation being extended into 2017/18.

The peak in the 2016/17 Adjusted Appropriation is mainly to cater for projects funded through direct transfer payments such as the SA Sugar Association, Inqanawe Tunnels, Rapid Dawn 1064 CC, River Valley Project, Siyathuthuka Farms, IDT, Nyezenhle Holdings – Roadside Abattoir, Uthukela Local House of Traditional Leaders Development Trust, Sizisizwe Trading Enterprise Co-operative, Copperfield Dairy, Izobuya Nini Trading Enterprise CC, Indlovu Family CC, as well as Ekuphileni Poultry and Agricultural Farming Primary Co-operative, as mentioned previously. Two of these projects, namely Nyezenhle Holdings – Roadside Abattoir and Ekuphileni Poultry and Agricultural Farming Primary Co-operative are funded over two years ending in 2017/18.

The transfers to IDT and Masisizane Fund in 2016/17 are in respect of implementing agent agreements for the clearance of alien-invasive species on agricultural land and the provision of tractors and implements, respectively. Both agreements were for a one-year period and hence no allocation in the outer years.

## 7.9 Transfers to local government

The department does not transfer any funds to local government. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and so are excluded from the tables.

## 7.10 Transfers and subsidies

Table 3.13 summarises *Transfers and subsidies* by programme and category, as explained below the table.

**Table 3.13 : Summary of transfers and subsidies by programme and main category**

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>1. Administration</b>	<b>1 806</b>	<b>5 142</b>	<b>7 327</b>	<b>4 192</b>	<b>8 777</b>	<b>8 850</b>	<b>8 561</b>	<b>9 348</b>	<b>9 911</b>
Provinces and municipalities	471	619	1 147	770	1 225	1 225	850	935	987
Motor vehicle licences	471	619	1 147	770	1 225	1 225	850	935	987
Departmental agencies and accounts	-	1 938	1 805	2 952	2 517	2 517	2 871	3 103	3 280
Skills Development Levy	-	1 938	1 805	2 952	2 517	2 517	2 871	3 103	3 280
Public corporations and private enterprises	8	-	5	-	-	-	-	-	-
Sponsorship to Emerging Farmers	8	-	-	-	-	-	-	-	-
Edendale Lay Ecumenical Centre	-	-	5	-	-	-	-	-	-
Households	1 327	2 585	4 370	470	5 035	5 108	4 840	5 310	5 644
Staff exit costs	1 322	2 585	1 260	470	770	837	540	610	644
Bursaries	5	-	3 110	-	4 265	4 271	4 300	4 700	5 000
<b>2. Agriculture</b>	<b>166 139</b>	<b>213 974</b>	<b>239 641</b>	<b>245 304</b>	<b>454 188</b>	<b>425 905</b>	<b>261 070</b>	<b>223 309</b>	<b>227 921</b>
Provinces and municipalities	398	618	166	696	227	227	736	778	821
Motor vehicle licences	398	584	153	658	203	203	696	736	777
Municipal agencies and funds	-	34	13	38	24	24	40	42	44
Departmental agencies and accounts	101 152	106 413	99 501	128 398	128 398	128 398	134 949	142 776	150 771
Agri-Business Development Agency	101 152	106 410	99 500	128 397	128 397	128 397	134 948	142 775	150 770
TV and radio licences	-	3	1	1	1	1	1	1	1
Public corporations and private enterprises	55 235	91 962	112 086	83 792	291 431	272 570	106 798	71 751	67 878
Agricultural Show Societies	-	-	-	100	100	100	105	110	116
Mjindi Farming (Pty) Ltd	46 607	60 816	50 506	53 183	53 183	53 183	56 001	58 801	62 094
SA Sugarcane Research Institute	1 197	918	2 544	2 242	2 242	2 242	2 565	2 716	2 874
Soil Conservation Subsidy	1 431	1 269	1 500	1 605	1 605	1 605	1 717	1 817	1 919
Ithala	-	11 080	12 193	-	-	-	-	-	-
People's Bio Oil	6 000	2 000	-	-	-	-	-	-	-
SA Sugar Association (SASA)	-	14 604	27 053	-	28 115	15 117	8 744	-	-
Lungisisa Indlela Village (LIV)	-	1 200	-	-	-	-	-	-	-
Donations & Gifts Private Enterprise	-	75	-	-	-	-	-	-	-
Nyonende Hatchery	-	-	4 200	-	-	-	-	-	-
Communal Estates	-	-	9 640	26 662	26 662	20 799	13 995	6 995	-
Inqanawe Tunnel Project	-	-	4 450	-	3 054	3 054	-	-	-
Rapid Dawn 1064 CC	-	-	-	-	1 474	1 474	-	-	-
River Valley Project	-	-	-	-	1 200	1 200	-	-	-
Siyathuthuka Farms	-	-	-	-	4 099	4 099	-	-	-
Independent Development Trust (IDT)	-	-	-	-	20 326	20 326	-	-	-
Masisizane Fund	-	-	-	-	98 377	98 377	-	-	-
Nyezenhle Holdings - Roadside Abattoir	-	-	-	-	7 000	7 000	3 900	-	-
Uthukela Local House of Trad. Leaders Dev. Tr.	-	-	-	-	18 245	18 245	-	-	-
Sizisizwe Trad. Ent. Primary Co-op.	-	-	-	-	4 728	4 728	-	-	-
Copperfield Dairy	-	-	-	-	6 500	6 500	-	-	-
Izobuya Nini Trading Enterprise CC	-	-	-	-	1 500	1 500	-	-	-
Indlovu Family CC	-	-	-	-	7 521	7 521	-	-	-
Ekuphileni Poultry and Agric. Farming Primary Co-op.	-	-	-	-	5 500	5 500	6 500	-	-
THB Matebese Trading 114 CC	-	-	-	-	-	-	4 121	-	-
Ndisinduna Multipurpose Co-op Ltd	-	-	-	-	-	-	800	-	-
KZN Goat Agri-business Project	-	-	-	-	-	-	8 350	1 312	875
Non-profit institutions	250	5 300	13 770	25 207	25 207	15 069	11 023	-	-
Zakhe Agricultural College	250	-	3 089	3 446	3 446	3 446	2 540	-	-
Animal Anti-Cruelty League	-	5 300	-	-	-	-	-	-	-
Agricultural Schools	-	-	10 681	21 761	21 761	11 623	8 483	-	-
Households	9 104	9 681	14 118	7 211	8 925	9 641	7 564	8 004	8 451
Staff exit costs	9 104	9 681	14 118	7 211	8 925	9 641	7 564	8 004	8 451
<b>3. Rural Development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 000</b>	<b>3 028</b>	<b>-</b>	<b>-</b>	<b>-</b>
Higher education institutions	-	-	-	-	3 000	3 000	-	-	-
University of Zululand	-	-	-	-	3 000	3 000	-	-	-
Households	-	-	-	-	-	-	28	-	-
Staff exit costs	-	-	-	-	-	-	28	-	-
<b>Total</b>	<b>167 945</b>	<b>219 116</b>	<b>246 968</b>	<b>249 496</b>	<b>465 965</b>	<b>437 783</b>	<b>269 631</b>	<b>232 657</b>	<b>237 832</b>

Programme 1's *Transfers and subsidies* fluctuate, largely due to the nature of transfers made as follows:

- *Provinces and municipalities* caters for motor vehicle licences. There is a steady increase between 2013/14 to the 2016/17 Adjusted Appropriation due to the increases in licence fees, as well as additional vehicles procured during that period. The payments against this category are dependent on the number of vehicles registered and are affected by acquisitions and disposals of vehicles. The provision over the MTEF is based on the planned number of vehicles to be licensed.
- *Departmental agencies and accounts* caters for the Skills Development Levy that is payable based on the actual number of personnel employed. The decrease in 2016/17 is due to vacant posts and hence a reduction in the skills levy.
- *Public corporations and private enterprises* caters for a once-off sponsorship in respect of the SA National Committee on Irrigation and Drainage symposium that was held in the province in 2013/14 and a registration fee paid as a sponsorship for an emerging farmer to attend the World Soya Bean Research Conference. The R5 000 transferred in 2015/16 is in respect of a donation toward the gala dinner for the Edendale Lay Ecumenical Centre centenary celebration, where the National Minister of Finance addressed the guests.
- *Households* caters for staff exits, which are difficult to predict, hence the fluctuating trend, as well as bursaries to 54 external bursary holders covering Agricultural Engineering and various Agriculture Science Degrees, as well as Veterinary Degrees and Diplomas.

*Transfers and subsidies* under Programme 2 also fluctuates markedly over the seven years, as follows:

- *Provinces and municipalities* provides for the payment of motor vehicle licences. The increase from 2017/18 onward is in line with the planned number of vehicles to be licensed. Municipal agencies and funds are in respect of rates paid for OSCA, which the department is providing for until DOPW takes responsibility for this account.
- *Departmental agencies and accounts* reflects payments for TV licences, as well as the transfers made to ADA. The fluctuations take into account the operational costs and projects undertaken by ADA. There is a year-on-year increase over the seven-year period except in 2015/16 due to a reduction in the value of projects to be implemented by ADA following the review of its mandate and alignment to the department's strategy. This was a once-off reduction, hence the increase in 2016/17 and steady growth over the MTEF.
- *Public corporations and private enterprises* relates to transfers made by the department to Mjindi, as explained in more detail in Section 7.7, transfers made to implementing agents (IDT and Masisizane Fund), as well as project beneficiaries that received direct grant funding as detailed in Section 7.8. From 2017/18 onward, this category provides for increased transfers to Mjindi, as well as transfers for the soil conservation subsidy, agricultural show societies, Communal Estates, the SA Sugarcane Research Institute, Nyezenhle Holdings – Roadside Abattoir, Ekuphileni Poultry and Agricultural Farming Primary Co-operative and the KZN Goat Agri-business Project.
- The funding for *Non-profit institutions* is dependent on partnerships/agreements that may be in place at any given point in time. For example, the department had a one-year partnership with the AACL for the KZN Outreach programme in 2014/15. The 2013/14 transfer of R250 000 to Zakhe Agricultural College in Richmond provides funding to improve the facilities at the college as mentioned previously, and this allocation continues through to 2017/18. The transfer against agricultural schools is in respect of the agricultural school revitalisation programme, whereby the department, in partnership with DOE, is providing funding to improve the agricultural infrastructure at the agricultural schools in the province (including Zakhe Agricultural College), and this allocation continues through to 2017/18.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend.
- *Transfers and subsidies* under Programme 3 relate to an amount of R3 million in 2016/17 in respect of the department's contribution to the development of the CSIRD at UNIZULU.



## 8. Programme description

The services rendered by the department are categorised under three programmes, which largely conform to the uniform budget and programme structure of the Agriculture and Rural Development sector, as explained previously. Programme 2 provides the sector information by sub-programme and sub-sub-programme, because of the level of detail required by the sector.

### 8.1 Programme 1: Administration

The primary role of Programme 1 is to support the line function components of the department in achieving their goals. Tables 3.14 and 3.15 summarise payments and estimates relating to Programme 1 for the period 2013/14 to 2019/20. The decrease in the aggregated Revised Estimate is primarily due to the slow progress by DOPW regarding office accommodation projects under the sub-programme: Financial Management which is offset by the high projected expenditure under the Corporate Services sub-programme in respect of SITA service fees, as well as the costs for migration from Novell to Microsoft.

**Table 3.14 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Office of the MEC	27 738	17 968	14 129	12 920	12 920	15 929	15 342	16 318	17 277
2. Senior Management	34 035	27 492	31 238	38 301	38 472	26 727	42 249	45 111	47 665
3. Corporate Services	188 799	196 499	227 745	213 771	227 734	241 496	247 141	263 434	278 205
4. Financial Management	127 294	124 014	133 645	190 386	181 708	138 978	176 864	190 244	201 030
5. Communication Services	36 268	24 153	25 791	30 766	30 788	28 827	28 568	30 494	32 200
<b>Total</b>	<b>414 134</b>	<b>390 126</b>	<b>432 548</b>	<b>486 144</b>	<b>491 622</b>	<b>451 957</b>	<b>510 164</b>	<b>545 601</b>	<b>576 377</b>

**Table 3.15 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>374 904</b>	<b>358 916</b>	<b>391 822</b>	<b>433 010</b>	<b>428 880</b>	<b>407 880</b>	<b>451 954</b>	<b>483 901</b>	<b>511 183</b>
Compensation of employees	165 517	173 138	188 954	201 857	193 438	192 767	229 785	247 938	262 049
Goods and services	209 304	185 701	202 817	231 153	235 442	215 113	222 169	235 963	249 134
Interest and rent on land	83	77	51	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 806</b>	<b>5 142</b>	<b>7 327</b>	<b>4 192</b>	<b>8 777</b>	<b>8 850</b>	<b>8 561</b>	<b>9 348</b>	<b>9 911</b>
Provinces and municipalities	471	619	1 147	770	1 225	1 225	850	935	987
Departmental agencies and accounts	-	1 938	1 805	2 952	2 517	2 517	2 871	3 103	3 280
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	8	-	5	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 327	2 585	4 370	470	5 035	5 108	4 840	5 310	5 644
<b>Payments for capital assets</b>	<b>36 351</b>	<b>22 660</b>	<b>32 780</b>	<b>48 942</b>	<b>53 965</b>	<b>35 227</b>	<b>49 649</b>	<b>52 352</b>	<b>55 283</b>
Buildings and other fixed structures	17 913	6 140	10 705	26 775	26 775	10 778	26 759	27 789	29 345
Machinery and equipment	18 438	16 520	22 075	22 167	27 190	24 449	22 890	24 563	25 938
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1 073</b>	<b>3 408</b>	<b>619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>414 134</b>	<b>390 126</b>	<b>432 548</b>	<b>486 144</b>	<b>491 622</b>	<b>451 957</b>	<b>510 164</b>	<b>545 601</b>	<b>576 377</b>

The sub-programme: Office of the MEC provides for efficient operation of the Ministry and the MTEF allocation shows steady growth in line with anticipated wage adjustments and inflationary increases.

The sub-programme: Senior Management provides for the running costs of the office of the HOD, DDGs and Chief Directors. The growth over the MTEF is in respect of the carry-through costs of the above-budget wage agreements and annual salary increments.

The Corporate Services sub-programme includes Human Resource Management and Development, Business Support Services, Legal Services, Security Services, Facilities, etc. The budget grows steadily over the 2017/18 MTEF and provides for support to the department in terms of sound legal advice,

adequate IT infrastructure, human resource management and development, employee wellness and ensuring adherence to the occupational health and safety requirements.

The sub-programme: Financial Management provides for the management of the departmental fleet which is a function of asset management, as well as the acquisition of new vehicles (whereas the running costs of vehicles has been moved to the relevant programmes e.g. Programme 2), sound financial management systems and controls, as well as SCM systems that are fair, transparent and address the need for radical economic transformation. The 2017/18 MTEF provides for continued support to the line function, as well as rehabilitation and upgrades of departmental owned office accommodation through DOPW and the replacement of departmental vehicles.

The sub-programme: Communication Services includes activities to promote the image of the department and marketing the services provided by the department through a comprehensive communication strategy for both external stakeholders, as well as internal employees. Over the 2017/18 MTEF, the department will continue to promote the image of the department and market the services provided by the department.

*Compensation of employees* in 2017/18 provides for the filling of 25 approved critical vacant posts at senior management level such as DDG: Agricultural Development Services, DDG: Rural Development, Director: Acquisition, Demand and Logistics, as well as clerks and personal assistants. The allocation over the MTEF provides for 571 posts compared to 552 budgeted posts (including warm bodies), of which only 547 are filled in 2016/17. The increase in 2017/18 is due to the filling of these additional posts, with the outer two years providing for the carry-through costs of the above-budget wage agreements, as well as annual salary increments.

*Goods and services* provides for hiring of offices and ITC services through SITA, both for the whole department, as well as leases of labour saving devices, telecommunication services, fleet management costs, operational costs such as subsistence and travel, as well as utility and security services, all in respect of Programme 1. The budget over the 2017/18 MTEF provides for these items.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to the payment of motor vehicle licence fees and is affected by the number of vehicles acquired and disposed of during any particular financial year. The provision over the 2017/18 MTEF is aligned to the planned number of vehicles to be licensed. These payments are also affected by the timing of the sale of redundant vehicles, that is, whether the disposal takes place before or after the annual licence renewal.
- Expenditure against *Departmental agencies and accounts* is in respect of the Skills Development Levy payable to the Agriculture SETA. The 2017/18 MTEF continues to cater for the Skills Development Levy payable to the Agriculture SETA.
- *Public corporations and private enterprises* caters for a once-off payment in respect of a sponsorship for an emerging farmer to attend the World Soya Bean Conference in 2013/14 and the R5 000 transferred in 2015/16 is in respect of a donation toward the gala dinner for the Edendale Lay Ecumenical Centre centenary celebration. No provision is made over the 2017/18 MTEF.
- *Households* caters for staff exit costs, which are difficult to predict, hence the fluctuating trend, as well as bursaries to 54 external bursary holders covering Agricultural Engineering, Agricultural Science Degrees, as well as Veterinary Degrees and Diplomas, as mentioned.

*Buildings and other fixed structures* comprises mainly renovations of office buildings at head office, as well as district and local offices. The category shows no growth in 2017/18 due to the impact of the budget cuts. There is steady growth in 2018/19 and 2019/20. The projects under this category over the 2017/18 MTEF relate to the rehabilitation of departmental buildings, such as staff housing, the canteen facilities and college facilities, which are implemented by DOPW. The low Revised Estimate is aligned to the current slow progress in implementation by DOPW.

*Machinery and equipment* provides for the purchase of replacement vehicles and, to a limited extent, new vehicles for the departmental fleet, centralised under Programme 1, as well as office furniture and equipment. The 2017/18 MTEF continues to cater for office furniture and equipment, as well as the purchase of replacement departmental vehicles.

Payments for financial assets provides for the approved write-off of thefts and losses between 2013/14 and 2015/16 in line with the departmental write-off policy. Due to the nature of these transactions, no provision is made over the MTEF.

## 8.2 Programme 2: Agriculture

Programme 2 has two main core functions, namely Agriculture and Veterinary Services. Agriculture encompasses crop production, livestock farming, land use and land reform (a national priority run by DARD at a provincial level). Veterinary Services entails animal disease control, prevention of zoonotic diseases, and ensuring safety of food products of animal origin.

Tables 3.16 and 3.17 give information relating to Programme 2, providing detail at sub-programme and sub-sub programme level, largely conforming to the uniform budget and programme structure for the sector, as mentioned earlier.

**Table 3.16 : Summary of payments and estimates by sub-programme: Agriculture**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>1. Sustainable Resource Management</b>	<b>112 361</b>	<b>77 460</b>	<b>75 492</b>	<b>88 808</b>	<b>91 261</b>	<b>74 196</b>	<b>101 490</b>	<b>98 595</b>	<b>105 531</b>
Engineering Services	48 222	37 981	36 571	34 337	32 884	18 739	38 473	40 162	42 065
Land Care	64 139	39 479	38 921	37 832	41 832	40 052	45 013	38 954	42 522
Land Use Management	-	-	-	13 202	13 108	10 562	14 281	15 449	16 688
Disaster Risk Management	-	-	-	3 437	3 437	4 843	3 723	4 030	4 256
<b>2. Farmer Support and Development</b>	<b>1 051 655</b>	<b>1 079 009</b>	<b>1 235 839</b>	<b>1 154 348</b>	<b>1 167 447</b>	<b>1 230 535</b>	<b>1 067 071</b>	<b>1 124 964</b>	<b>1 207 335</b>
Farmer-Settlement and Development	214 833	234 899	452 879	488 319	493 218	632 736	265 788	257 469	292 390
Extension and Advisory Services	743 647	818 583	761 833	617 129	609 229	537 976	601 283	658 559	695 562
Food Security	93 175	25 527	21 127	48 900	65 000	59 823	200 000	208 936	219 383
<b>3. Veterinary Services</b>	<b>135 812</b>	<b>182 517</b>	<b>163 086</b>	<b>145 959</b>	<b>174 742</b>	<b>171 366</b>	<b>163 348</b>	<b>176 297</b>	<b>186 232</b>
Animal Health	109 104	155 354	131 833	108 935	137 801	136 026	123 405	133 380	140 912
Veterinary Public Health	7 094	7 400	7 951	8 752	8 752	8 976	9 380	10 090	10 655
Veterinary Laboratory Services	19 614	19 763	23 302	28 272	28 189	26 364	30 563	32 827	34 665
<b>4. Research and Technology Development Services</b>	<b>163 704</b>	<b>169 990</b>	<b>181 914</b>	<b>159 058</b>	<b>153 295</b>	<b>174 952</b>	<b>191 848</b>	<b>207 898</b>	<b>219 952</b>
Research	121 888	124 758	133 932	100 376	94 314	124 533	121 429	132 109	139 716
Infrastructure Support Services	41 816	45 232	47 982	58 682	58 981	50 419	70 419	75 789	80 236
<b>5. Agricultural Economic Services</b>	<b>5 641</b>	<b>6 262</b>	<b>5 699</b>	<b>7 492</b>	<b>7 524</b>	<b>5 033</b>	<b>8 063</b>	<b>8 676</b>	<b>9 161</b>
Agri-Business Support and Development	5 641	6 262	5 699	7 492	7 524	5 033	8 063	8 676	9 161
<b>6. Structured Agricultural Education and Training</b>	<b>122 221</b>	<b>97 680</b>	<b>102 718</b>	<b>117 613</b>	<b>117 329</b>	<b>95 181</b>	<b>123 454</b>	<b>121 332</b>	<b>128 446</b>
Higher Education and Training	122 221	97 680	102 718	100 799	100 515	80 304	99 432	102 322	108 371
Further Education and Training (FET)	-	-	-	16 814	16 814	14 877	24 022	19 010	20 075
<b>Total</b>	<b>1 591 394</b>	<b>1 612 918</b>	<b>1 764 748</b>	<b>1 673 278</b>	<b>1 711 598</b>	<b>1 751 263</b>	<b>1 655 274</b>	<b>1 737 762</b>	<b>1 856 657</b>

**Table 3.17 : Summary of payments and estimates by economic classification: Agriculture**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>1 282 808</b>	<b>1 206 426</b>	<b>1 344 710</b>	<b>1 298 068</b>	<b>1 137 281</b>	<b>1 169 908</b>	<b>1 322 867</b>	<b>1 417 946</b>	<b>1 508 829</b>
Compensation of employees	667 411	677 908	720 896	775 610	767 519	752 401	889 191	961 564	1 016 358
Goods and services	615 369	528 424	623 638	522 387	369 691	417 436	433 601	456 303	492 388
Interest and rent on land	28	94	176	71	71	71	75	79	83
<b>Transfers and subsidies to:</b>	<b>166 139</b>	<b>213 974</b>	<b>239 641</b>	<b>245 304</b>	<b>454 188</b>	<b>425 905</b>	<b>261 070</b>	<b>223 309</b>	<b>227 921</b>
Provinces and municipalities	398	618	166	696	227	227	736	778	821
Departmental agencies and accounts	101 152	106 413	99 501	128 398	128 398	128 398	134 949	142 776	150 771
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	55 235	91 962	112 086	83 792	291 431	272 570	106 798	71 751	67 878
Non-profit institutions	250	5 300	13 770	25 207	25 207	15 069	11 023	-	-
Households	9 104	9 681	14 118	7 211	8 925	9 641	7 564	8 004	8 451
<b>Payments for capital assets</b>	<b>142 447</b>	<b>192 518</b>	<b>180 397</b>	<b>129 906</b>	<b>120 129</b>	<b>155 450</b>	<b>71 337</b>	<b>96 507</b>	<b>119 907</b>
Buildings and other fixed structures	115 551	176 674	161 983	109 415	101 572	141 254	51 138	74 973	97 167
Machinery and equipment	26 379	15 660	18 064	19 800	17 155	13 184	19 471	20 762	21 924
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	474	145	350	636	1 347	957	668	707	747
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	43	39	-	55	55	55	60	65	69
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 591 394</b>	<b>1 612 918</b>	<b>1 764 748</b>	<b>1 673 278</b>	<b>1 711 598</b>	<b>1 751 263</b>	<b>1 655 274</b>	<b>1 737 762</b>	<b>1 856 657</b>

The Sustainable Resource Management sub-programme includes the Engineering Services and Land Care sub-sub-programmes from 2013/14, as well as Land Use Management and Disaster Risk Management from 2016/17 onward. The additions of the latter two sub-sub-programmes were in line with the organisational structure, as well as further alignment to the uniform budget structure for the sector. Also affecting this sub-programme is the EPWP Integrated Grant for Provinces, which is an annual allocation based on the prior year's performance. The allocation in 2017/18 increased from R3.840 million to R8.466 million and accounts for the increase in 2017/18 and the subsequent decrease in 2018/19. The budget over the 2017/18 MTEF is to provide for the implementation of land care projects to re-establish land for agricultural purposes, and these are implemented using the EPWP principles aimed at job creation. The Engineering Services sub-sub-programme provides the technical support and specification for infrastructure related projects such as irrigation schemes, fencing, animal handling facilities, etc., and also ensures that the service providers adhere to the correct standards and specification during implementation. A total of 30 critical engineering posts have been approved and will be filled during 2017/18. This sub-sub-programme also provides for soil conservation services by developing and conducting research on new soil conservation methods that will be adaptive to climate change, as well as providing such advisory services to farmers. The provision for disaster management is to fund the operational costs of the unit only, which provides continuous monitoring and advisory services on any potential and unusual climatic conditions. This unit will manage any disaster that may occur and oversee the implementation of any interventions required, including the submission of requests for funding to the provincial and national disaster management centres.

The Farmer Support and Development sub-programme houses the bulk of the conditional grants, funding for the Makhathini development project, extension services, as well as the fencing and irrigation scheme programmes. It must be noted that the Farmer-Settlement and Development sub-sub-programme includes the subsidy to ADA and Mjindi. The decrease in 2017/18 is as a result of the fiscal consolidation cuts, as well as the reprioritisation undertaken to fund 133 critical vacant posts in the department, resulting in a reduction of R31.786 million. This sub-programme shows low but steady growth over the 2017/18 MTEF. This sub-programme is the key service delivery programme of the department, with the budget allowing the department to facilitate, co-ordinate and provide support to smallholder and commercial farmers through sustainable agricultural development within agrarian reform initiatives. The allocation for this sub-sub-programme is reduced in line with the shift in the strategy towards providing food security support at household levels which is reflected under the sub-sub-programme: Food Security. The intervention at household levels will include one household one hectare, communal gardens and distribution of various varieties of seeds/commodities to provide nutritious food throughout the year. There will therefore be multiple planting seasons and not only one season for maize and beans. The sub-sub-programme: Extension and Advisory Services provides for extension services to farmers through the department's extension officers that are located at the local offices throughout the province. The budget under this sub-sub-programme is therefore primarily for *Compensation of employees* and related costs such as travel and subsistence, as well as the utility and security services at district and local level.

Veterinary Services provides for the acquisition of animal medicines and dipping chemicals. There is steady growth over the 2017/18 MTEF to provide veterinary services to clients in order to ensure healthy animals, safe animal products and the welfare of the people of South Africa. The sub-sub-programme: Animal Health provides for animal health technicians in the various veterinary offices with the aim to facilitate and provide animal disease control services in order to protect the animal and human population against identified infectious, zoonotic and/or economic diseases, through the implementation of the Animal Diseases Act, and primary animal health programme/projects such as dipping and vaccinations. The sub-sub-programme: Veterinary Public Health ensures the safety of meat and meat products through the implementation of the Meat Safety Act, the Animal Diseases Act, and other relevant legislation through inspections of abattoir facilities and quality control of the export of meat. The provision for the sub-sub-programme: Veterinary Laboratory Services is for the operational costs of the veterinary laboratories at Allerton in Pietermaritzburg and Vryheid, which are utilised to render veterinary diagnostic, laboratory and investigative services that will back the control of animal diseases for adherence to hygienic standards and to generate data.

The sub-programme: Research and Technology Development Services increases steadily over the seven-year period, except for the decrease in 2016/17. The specialist agricultural advisors were previously placed under this programme but are now placed within Extension Services and not under Research. This sub-programme was also affected by the budget cuts totalling R39 million, with R30 million cut from *Compensation of employees* and R9 million from *Machinery and equipment*. The increase in 2017/18 is to provide funding for the filling of 58 critical posts such as scientific researchers and farm aids on the research farms. The sub-sub-programme: Research provides for the appointment of scientists to conduct, facilitate and co-ordinate research and to participate in multi-disciplinary development projects, as well as to disseminate information on research and technology developed to farmers. The department has a soil analytical laboratory at Cedara to provide critical soil analysis for farmers to maintain and enhance the fertility of the soil. The sub-sub-programme: Infrastructure Support Services provides for the maintenance and management of the six agricultural research farms that are used to conduct the above-mentioned research. These research farms are at Cedara in uMgungundlovu, Kokstad in Harry Gwala, Dundee in uMzinyathi and Makhathini, Bartlow and OSCA in uMkhanyakude.

The purpose of the Agricultural Economic Services sub-programme is to market information and facilitate marketing and provide agricultural economic services to clients. It is expected that the activities under this sub-programme will play a leading role in stimulating agri-business and related activities in the rural areas of KZN. As such, this sub-programme increases steadily over the seven-year period, and was not impacted by any budget cuts.

The Structured Agricultural Education and Training sub-programme houses the department's agricultural colleges, namely Cedara and OSCA. The two colleges provide an accredited two-year diploma in agriculture courses, and various FET short courses. Cedara is also accredited with the University of KZN and provides a three-year B.Agric degree. Funding for improving the infrastructure at these colleges is received from the CASP grant. The assistant extension officers' programme that ended in 2014/15 was funded under this sub-programme, thus explaining the decrease in 2014/15. The reduction in 2018/19 is due to the agricultural school revitalisation programme, in respect of which funding commenced in 2015/16 and ends in 2017/18. The remaining allocation is mainly in respect of the appointment of lecturers and support staff, as well as operational costs for the student farms and hostels. It is noted that a due diligence exercise is being conducted by DAFF with regard to moving the colleges to the department of Higher Education and Training.

*Compensation of employees* shows steady growth over the seven-year period, which is reflective of the annual wage adjustments, filling of critical vacant posts, as well as the implementation of the various OSDs within the department. The growth in 2017/18 is to provide for the filling of critical vacant posts such as engineers, farm aids, district agriculture directors, scientific researchers and lecturers and funds have been reprioritised from *Goods and services* and *Payments for capital assets* to fund these posts. The allocation in the outer two years of the MTEF are to cater for the carry-through costs of the above-budget wage agreements and anticipated annual wage adjustments. The allocation to this category will be closely monitored by the department so that any savings emanating from vacant posts can be re-directed to other areas during the year. The low Revised Estimate is aligned to the actual number of employees which is reducing because of natural attrition without being replaced due to the department's matching and placing process not being finalised.

*Goods and services* includes the bulk of the conditional grant funding. The funding for the disaster relief for the fire in Harry Gwala and animal feed and fodder for drought is therefore under this category and contributes to the fluctuations in expenditure. This category has been negatively affected by the reduction in the conditional grants, budget cuts of R56 million and the need to reprioritise to fund critical posts. There is steady growth over the 2017/18 MTEF. This category provides for the acquisition of agricultural inputs such as seeds, fertilizer, chemicals and pesticides, as well as fencing and irrigation material and supplies. The other major items are subsistence and travel for scientists, extension officers and animal health technicians, running costs of departmental vehicles (which were moved from Programme 1) and the payment for security services and utility services at the various district and local offices.

With regard to *Transfers and subsidies*:

- The amount under *Provinces and municipalities* relates to motor vehicle and tractor licences.

- *Departmental agencies and accounts* comprises transfers made to ADA, which are dependent on operational costs and the projects to be undertaken by the entity each year, and hence the fluctuations. The entity's focus shifted to secondary agriculture from 2015/16 onward, and the department's focus shifted to primary agriculture. The allocation over the MTEF increases steadily. There is a minimal allocation for TV and radio licences.
- *Public corporations and private enterprises* includes the transfers to Mjindi, but also includes transfers to various other entities, as well as direct grants for certain agricultural projects. The direct grants account for the significant increase in the 2016/17 Adjusted Appropriation and details hereof are provided under Section 7.10. The allocations for direct transfer are finalised during the year, once the beneficiary has met the criteria and agreed to the terms as depicted in the Funding Agreement, and therefore the decrease in 2017/18 against this category. The 2014/15 and 2015/16 amounts include the transfer to Ithala to assist Ntingwe Tea Estate for their wages during the tea off-crop season. Furthermore, a new transfer payment was introduced in 2015/16 in respect of the operational costs (fuel, tractor drivers and minor repairs) of the tractors and implements transferred to the Communal Estates supported by the department. This category also provides for transfers for the soil conservation subsidy, agricultural show societies, and the SA Sugarcane Research Institute over the 2017/18 MTEF.
- *Non-profit institutions* provides for the transfer to agricultural schools in the province as part of the agricultural school revitalisation programme whereby the department, in partnership with DOE, is providing funding to improve the agricultural infrastructure at the agricultural schools in the province over a three-year period from 2015/16 to 2017/18, and hence no allocation in the outer two years.
- *Households* caters for staff exit costs.

*Buildings and other fixed structures* shows a steady increase between 2013/14 and 2015/16, with the peak in 2014/15 in respect of the good progress made on the infrastructure projects in the Makhathini area such as the Ndumo irrigation scheme, KwaNganase abattoir and the Jozini packer house. The decrease in 2016/17 is the effect of the implementation of the new departmental structure where the department had to reprioritise funding to *Compensation of employees*, as well as the impact of conditional grant cuts, as mentioned earlier. Further cuts in 2017/18 are as a result of the need to reprioritise funding to fill critical vacant posts, as mentioned. Projects provided for over the MTEF include further development in the Makhathini area, agricultural colleges, as well as fencing, boreholes, etc.

*Machinery and equipment* shows high expenditure in 2013/14 due to the acquisition of high-tech laboratory equipment, as well as agricultural farming equipment. The steady increase from 2017/18 provides for farming equipment at the research farms and agricultural colleges, departmental vehicles for the ERP, as well as office furniture and equipment at the various district and regional agricultural offices.

*Biological assets* is primarily in respect of animals acquired for research and educational purposes and is affected by deaths, type of research to be undertaken, as well as availability of the specific breed, resulting in the fluctuating trend. The increase in the 2016/17 Adjusted Appropriation is in respect of a virement to this category to offset the shortfall as a result of the purchase of animals for research purposes.

*Software and other intangible assets* fluctuates over the period, as this category is dependent on the need for updated software.

### **Service delivery measures – Programme 2: Agriculture**

Table 3.18 shows service delivery measures pertaining to Programme 2, which are aligned to the customised measures prescribed for the Agriculture sector.

In addition to the information reflected, the department reports on several measures which are not prescribed by the sector, which are not reflected here but are included in the APP.

Table 3.18 : Service delivery measures – Programme 2: Agriculture

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
<b>1. Sustainable Resource Management</b>					
1.1 Engineering services	• No. of agricultural infrastructure established	100	73	350	350
1.2 Land use	• No. of ha of agricultural land protected through guiding subdivision / rezoning / change of agricultural land use	5 000	4 000	5 500	5 500
1.3 Disaster risk management	• No. of disaster risk reduction programmes managed	4	1	4	4
	• No. of disaster relief schemes managed	3	1	3	3
1.4 Land care	• No. of green jobs created	1 120	1 088	1 100	1 100
	• No. of ha protected/rehabilitated to improve agricultural production	8 000	8 800	8 500	8 500
<b>2. Farmer Support and Development</b>					
2.1 Farmer-settlement and development	• No. of smallholder producers receiving support	3 500	6 285	4 000	4 500
	• No. of smallholder producers supported with agricultural advice	8 500	23 851	9 000	9 000
2.2 Food security	• No. of households benefiting from agricultural food security initiatives	120 021	65 807	69 097	76 000
	• No. of ha cultivated for food production in communal areas and land reform projects	27 100	18 289	33 800	33 800
<b>3. Veterinary Services</b>					
3.1 Animal health	• No. of epidemiological units visited for veterinary interventions	15 000	13 680	13 966	14 036
3.2 Export control	• No. of clients serviced for animal and animal products export control	1 000	2 264	2 400	2 500
3.3 Veterinary Public Health	• Percentage level of abattoir compliance to meat safety legislation	60%	100%	100%	100%
3.4 Veterinary laboratory services	• No. of tests performed the quality of which meets ISO 17025 standard and OIE requirements	62 400	65 000	64 500	64 500
<b>4. Research and Technology Development Services</b>					
4.1 Research	• No. of research and technology development projects implemented to improve agricultural production	90	96	100	150
4.2 Technology transfer services	• No. of research presentations made nationally or internationally	95	101	110	120
	• No. of scientific papers published nationally or internationally	7	11	12	12
4.3 Infrastructure Support Services	• No. of research infrastructure managed	11	11	11	11
<b>5. Agricultural Economic Services</b>					
5.1 Agri-business support and development	• No. of agri-businesses supported with agricultural economic services to access markets	30	20	30	40
	• No. of clients who have benefitted from agricultural economic advice provided	1 100	1 000	2 000	2 000
<b>6. Structured Agricultural Education and Training</b>					
6.1 Higher Education and Training	• No. of agricultural Higher Education and Training graduates	90	90	90	90
6.2 Further education and training (FET)	• No. of participants trained in agricultural skills development programmes	2 500	2 400	3 200	3 200

### 8.3 Programme 3: Rural Development

This is a new programme from 2015/16, following the function shift from OTP. The programme aims to:

- Initiate, plan and monitor development in specific rural areas (comprehensive rural development project sites) across the three spheres of government.
- Facilitate rural development initiatives by engaging communities on priorities and to institutionalise and support community organisational structures.

The department did not receive additional funding for this function and has reprioritised some funds from within its budget to at least partially fund this function.

Tables 3.19 and 3.20 summarise payments and estimates for Programme 3, which conforms to the uniform budget structure of the Agriculture and Rural Development sector. The MTEF allocation is for the co-ordination and facilitation function only. The proposed organisational structure also provides for rural development enterprise which is not included in this programme at this stage. Part of this function is provided within the Agriculture programme in as far as it relates to agricultural enterprises.

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 toward food security for all. These six main priorities are:

- Improved land administration and spatial planning for integrated development in rural areas.
- Sustainable land reform (agrarian transformation).
- Improved food security.
- Smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation.
- Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas.
- 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.

**Table 3.19 : Summary of payments and estimates by sub-programme: Rural Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
1. Rural Development Co-ordination	-	-	1 089	4 492	6 341	6 389	4 848	5 183	5 473
2. Social Facilitation	-	-	802	6 730	7 181	7 133	26 858	28 254	28 987
<b>Total</b>	-	-	<b>1 891</b>	<b>11 222</b>	<b>13 522</b>	<b>13 522</b>	<b>31 706</b>	<b>33 437</b>	<b>34 460</b>

**Table 3.20 : Summary of payments and estimates by economic classification: Rural Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	-	-	<b>1 891</b>	<b>10 922</b>	<b>10 222</b>	<b>10 188</b>	<b>31 352</b>	<b>32 974</b>	<b>33 971</b>
Compensation of employees	-	-	1 542	6 467	5 767	5 860	6 946	7 460	7 878
Goods and services	-	-	349	4 455	4 455	4 328	24 406	25 514	26 093
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	-	-	-	-	<b>3 000</b>	<b>3 028</b>	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	3 000	3 000	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	28	-	-	-
<b>Payments for capital assets</b>	-	-	-	<b>300</b>	<b>300</b>	<b>306</b>	<b>354</b>	<b>463</b>	<b>489</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	300	300	306	354	463	489
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>1 891</b>	<b>11 222</b>	<b>13 522</b>	<b>13 522</b>	<b>31 706</b>	<b>33 437</b>	<b>34 460</b>

The Rural Development Co-ordination sub-programme aims at ensuring that effective rural development co-ordination, monitoring and evaluation structures are established across all three spheres of government. The allocation provides for *Compensation of employees* and related costs and, to some extent, the hosting and co-ordination of meetings and forums.

The Social Facilitation sub-programme shows a significant increase in 2017/18 and this provides for the implementation of the Unemployed Agricultural Graduates Youth programme aimed at facilitating comprehensive interventions towards promoting equitable and sustainable opportunities for unemployed agricultural graduates in KZN.



The *Compensation of employees* budget over the 2017/18 MTEF is to cater for carry-through costs and anticipated wage adjustments only and no provision for additional posts. This will be reviewed during the year and as the structure is implemented. There are currently 11 filled posts in respect of this programme.

*Goods and services* provides for operational costs such as travel and subsistence, stationery, office furniture and equipment less than R5 000, as well as the implementation of the Unemployed Agricultural Graduates Youth programme, as mentioned above. It also provides for costs relating to the facilitation of rural development co-ordination meetings and forums.

The allocation against *Transfers and subsidies to: Higher education institutions* in 2016/17 relates to the department's contribution to the development of the CSIRD at UNIZULU. This is a once-off allocation to enable the university to establish this centre.

*Machinery and equipment* provides for computer and office related equipment and furniture.

### Service delivery measures – Programme 3: Rural Development

Table 3.21 shows service delivery pertaining to Programme 3. Although there are no customised measures for this programme, the following measures are part of the set of measures published in the APP. Note that the department publishes additional measures for this programme in its annual APP. The targets indicated as “n/a” means that the targets are not applicable in 2016/17 and will commence from 2017/18 onward.

**Table 3.21 : Service delivery measures – Programme 3: Rural Development**

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2016/17	2017/18	2018/19	2019/20
<b>1.</b>	<b>Rural Development Co-ordination</b>				
1.1	Effective Rural Development monitoring and evaluation				
	• Develop and co-ordinate a comprehensive Rural Development Policy and Strategy framework	1	1	1	1
	• Develop a KZN programme of action aligned to Outcome 7	1	1	1	1
	• Establish a rural infrastructure development database				
	• No. of KZN Interdepartmental task team meetings convened to track rural development implementation	4	4	4	4
	• District rural development plans integrated into IDPs	11	11	11	11
	• No. of youth, women and people with disabilities who participate in rural development projects	1 550	2 000	2 000	2 000
	• Develop outcome 7 performance reports for the province	4	4	4	4
	• Develop quarterly agri-parks' reports	n/a	4	4	4
	• No. of reported sub-outcomes verified	2	2	2	2
	• No. of impact assessments completed	2	2	2	2
	• No. of statistical review reports produced	2	2	2	2
<b>2.</b>	<b>Social Facilitation</b>				
2.1	Maximisation of agricultural profitability for benefit of society				
	• No. of irrigation scheme enterprises market strategies developed	n/a	6	6	6
	• No. of business entities (incl. co-ops) equipped with rural enterprise development skills (youth, women and other)	110	175	180	200
	• No. of projects mentored	50	50	50	50
	• No. of social organisations representing rural community enterprise interests supported	50	50	50	50
	• No. of partnerships signed in promoting rural enterprise and industry development	4	4	4	4

## 9. Other programme information

### 9.1 Personnel numbers and costs

Table 3.22 illustrates personnel estimates for the department by programme from 2013/14 to 2019/20.

Table 3.22 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2016/17 - 2019/20		
	2013/14		2014/15		2015/16		2016/17				2017/18		2018/19		2019/20		Pers. growth rate	Costs growth rate	% costs of total
	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Filled posts	Addit. posts	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs	Pers. nos <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 6	1 991	-	1 739	-	1 416	261 030	1 339	-	1 339	277 806	1 523	317 268	1 523	343 268	1 523	363 045	4.4%	9.3%	28.5%
7 – 10	1 149	-	1 121	-	1 191	466 207	1 160	-	1 160	436 318	1 188	527 203	1 188	570 310	1 188	602 964	0.8%	11.4%	46.6%
11 – 12	190	-	195	-	185	131 275	176	-	176	171 930	265	190 017	265	205 780	265	217 316	14.6%	8.1%	17.2%
13 – 16	40	-	44	-	48	49 935	47	-	47	48 203	66	73 095	66	77 762	66	82 002	12.0%	19.4%	6.0%
Other	-	832 928	-	851 046	17	2 945	66	-	66	16 771	31	18 339	31	19 842	31	20 958	(22.3%)	7.7%	1.7%
<b>Total</b>	<b>3 370</b>	<b>832 928</b>	<b>3 099</b>	<b>851 046</b>	<b>2 857</b>	<b>911 392</b>	<b>2 788</b>	<b>-</b>	<b>2 788</b>	<b>951 028</b>	<b>3 073</b>	<b>1 125 922</b>	<b>3 073</b>	<b>1 216 962</b>	<b>3 073</b>	<b>1 286 285</b>	<b>3.3%</b>	<b>10.6%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	336	165 517	377	173 138	352	188 954	547	-	547	192 767	571	229 785	571	247 938	571	262 049	1.4%	10.8%	20.3%
2. Agriculture	3 034	667 411	2 722	677 908	2 501	720 896	2 231	-	2 231	752 401	2 491	889 191	2 491	961 564	2 491	1 016 358	3.7%	10.5%	79.0%
3. Rural Development	-	-	-	-	4	1 542	10	-	10	5 860	11	6 946	11	7 460	11	7 878	3.2%	10.4%	0.6%
<b>Total</b>	<b>3 370</b>	<b>832 928</b>	<b>3 099</b>	<b>851 046</b>	<b>2 857</b>	<b>911 392</b>	<b>2 788</b>	<b>-</b>	<b>2 788</b>	<b>951 028</b>	<b>3 073</b>	<b>1 125 922</b>	<b>3 073</b>	<b>1 216 962</b>	<b>3 073</b>	<b>1 286 285</b>	<b>3.3%</b>	<b>10.6%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
PSA appointees not covered by OSDs	-	-	-	-	-	840 538	2 642	-	2 642	870 094	2 927	1 038 289	2 927	1 122 072	2 927	1 186 082	3.5%	10.9%	92.0%
Legal professionals	-	-	-	-	-	2 891	4	-	4	3 277	4	3 533	4	3 810	4	4 023	0.0%	7.1%	0.3%
Engineering prof. and related	-	-	-	-	-	67 963	142	-	142	77 657	142	84 100	142	91 080	142	96 180	0.0%	7.4%	7.7%
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>911 392</b>	<b>2 788</b>	<b>-</b>	<b>2 788</b>	<b>951 028</b>	<b>3 073</b>	<b>1 125 922</b>	<b>3 073</b>	<b>1 216 962</b>	<b>3 073</b>	<b>1 286 285</b>	<b>3.3%</b>	<b>10.6%</b>	<b>100.0%</b>

1. Personnel numbers includes all filled posts together with those posts additional to the approved establishment

It is noted that the personnel numbers from 2016/17 onward are based on the proposed phased-in implementation of the organisational structure that is expected to be fully implemented by 1 July 2017. This revised structure makes provision for 3 719 posts as opposed to the previous approved establishment of 3 796 posts, a reduction of 77 posts, but the department plans to fill 3 073 posts at this stage. This proposed structure includes the provision of the Rural Development function, which was not previously catered for. The reduction in the budget for all funded vacant non-OSD posts, as per PERSAL as at 31 January 2016, following the decision to freeze all non-OSD posts, resulted in the department's *Compensation of employees* budget being reduced. This has had an impact on the implementation of the new structure and the effective operations of the department as there are critical vacant management posts that require to be filled such as the Branch Heads for Agriculture and Rural Development, Chief Directors, Directors, as well as lower level posts. The subsequent directive that departments may fill critical posts with the approval of the Provincial Treasury and OTP on condition that the department provides funding for these from within its reduced baseline limits the extent to which such vacancies can be filled. As at 31 January 2016, the department had 2 922 filled posts which reduced to 2 812 as at November 2016. The budget for these vacancies since January 2016 is with the department and remains in the baseline. The department has reprioritised to fund an additional 133 posts, thereby increasing the total number of employees to 3 073 in 2017/18. No provision is made for new posts in 2018/19 and 2019/20, as the department will be monitoring the rate of filling the current posts and will re-assess the need thereafter.

As is evident in the table, the number of filled posts between 2013/14 and 2016/17 is far below the approved establishment of 3 796 posts for a number of reasons, including the freezing of posts, moratorium on the filling of posts pending the finalisation of the matching and placing of existing employees into the new organisational structure. The declining number of employees during this period is due to natural attrition and retirements. Also affecting the drop in March 2015 against Programme 2 is the assistant extension officer programme that ended in September 2014. This programme offered contracts to undergraduates with a Diploma to gain experience and an opportunity to improve their qualification from a Diploma to a three-year Degree.

The increase in personnel numbers under Programme 1 and similar decrease under Programme 2 as at March 2016/17 is due to the new organisational structure in terms of where the support functions, such as Human Resource and Finance at regional offices, now form part of Programme 1, and no longer fall under Programme 2.

## 9.2 Training

Table 3.23 give a summary of departmental spending and information on training per programme over the seven-year period. The amounts reflected pertain to capacitating and improving the skills of the staff of the department. As required by the Skills Development Act, the department budgets at least 1 per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development.

It is noted that information for Programme 3 is not included in these tables as this is a new function and the development requirements will be established once this branch is fully implemented and appointments made. Any training needs will be catered for from existing budget allocations.

The table reflects costs as per the *Training and development* item under *Goods and services*, and the associated costs such as *Travel and subsistence* are excluded.

**Table 3.23 : Information on training: Agriculture and Rural Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Number of staff	3 370	3 099	2 857	2 788	2 788	2 788	3 073	3 073	3 073
Number of personnel trained	3 340	2 080	2 600	2 000	2 000	2 000	1 500	2 500	2 640
of which									
Male	1 560	1 000	1 100	800	800	800	600	1 000	1 056
Female	1 780	1 080	1 500	1 200	1 200	1 200	900	1 500	1 584
Number of training opportunities	2 739	1 859	2 731	2 000	2 000	2 000	1 500	1 500	1 584
of which									
Tertiary	210	40	127	150	150	150	150	130	137
Workshops	2 510	1 800	2 500	1 746	1 746	1 746	1 226	1 266	1 337
Seminars	15	15	100	100	100	100	120	100	106
Other	4	4	4	4	4	4	4	4	4
Number of bursaries offered	200	40	127	195	195	195	195	206	218
Number of interns appointed	175	128	149	148	148	148	190	201	212
Number of learnerships appointed	-	-	20	20	20	20	20	11	12
Number of days spent on training	6 900	5 000	5 000	3 700	3 700	3 700	2 700	2 740	2 893
<b>Payments on training by programme</b>									
1. Administration	4 737	3 511	3 898	4 920	5 355	5 040	5 638	6 097	6 435
2. Agriculture	5 693	4 529	3 263	5 031	5 002	2 264	5 323	5 631	5 947
3. Rural Development	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10 430</b>	<b>8 040</b>	<b>7 161</b>	<b>9 951</b>	<b>10 357</b>	<b>7 304</b>	<b>10 961</b>	<b>11 728</b>	<b>12 382</b>



## ANNEXURE – VOTE 3: AGRICULTURE AND RURAL DEVELOPMENT

Table 3.A : Details of departmental receipts: Agriculture and Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>15 709</b>	<b>19 520</b>	<b>18 720</b>	<b>20 207</b>	<b>20 207</b>	<b>17 208</b>	<b>19 718</b>	<b>21 566</b>	<b>22 511</b>
Sale of goods and services produced by department (excluding capital assets)	15 708	19 518	18 717	20 207	20 207	17 204	19 718	21 566	22 511
Sales by market establishments	3 511	3 324	3 312	3 428	3 428	2 720	3 000	3 100	3 200
Administrative fees	5	5	26	11	11	11	404	404	405
Other sales	12 192	16 189	15 379	16 768	16 768	14 473	16 314	18 062	18 906
Of which									
Academic services	4 686	8 017	5 798	7 763	7 763	5 918	6 800	7 200	7 400
Laboratory services	2 731	2 434	2 472	3 370	3 370	2 757	3 000	3 100	3 200
Laboratory services: Veterinary	1 483	1 575	1 841	1 994	1 994	2 102	2 173	2 325	2 485
Serv rend: Commission, insurance, gamishee	886	923	916	1 050	1 050	937	950	970	980
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	1	2	3	-	-	4	-	-	-
<b>Transfers received from:</b>	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	-	-	-	-	-	-	-	-	-
<b>Interest, dividends and rent on land</b>	<b>224</b>	<b>369</b>	<b>27</b>	<b>10</b>	<b>10</b>	<b>54</b>	<b>11</b>	<b>12</b>	<b>13</b>
Interest	224	369	27	10	10	54	11	12	13
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>138</b>	<b>10 594</b>	<b>3 323</b>	<b>3 976</b>	<b>3 976</b>	<b>3 976</b>	<b>4 187</b>	<b>4 430</b>	<b>4 678</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	138	10 594	3 323	3 976	3 976	3 976	4 187	4 430	4 678
<b>Transactions in financial assets and liabilities</b>	<b>1 811</b>	<b>1 784</b>	<b>1 642</b>	<b>527</b>	<b>527</b>	<b>1 571</b>	<b>560</b>	<b>592</b>	<b>625</b>
<b>Total</b>	<b>17 882</b>	<b>32 267</b>	<b>23 712</b>	<b>24 720</b>	<b>24 720</b>	<b>22 809</b>	<b>24 476</b>	<b>26 600</b>	<b>27 827</b>









Table 3.E : Details of payments and estimates by economic classification - Sub-programme: Sustainable Resource Management

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>106 138</b>	<b>70 594</b>	<b>72 837</b>	<b>85 639</b>	<b>89 279</b>	<b>72 414</b>	<b>98 142</b>	<b>95 070</b>	<b>101 809</b>
Compensation of employees	24 153	24 503	29 390	43 200	43 200	29 517	47 832	51 752	54 679
Salaries and wages	21 061	21 500	26 300	37 730	37 730	26 963	41 727	45 142	47 694
Social contributions	3 092	3 003	3 090	5 470	5 470	2 554	6 105	6 610	6 985
Goods and services	81 985	46 091	43 447	42 439	46 079	42 897	50 310	43 318	47 130
Administrative fees	-	-	117	105	97	140	108	111	117
Advertising	10	-	45	-	39	54	-	-	-
Minor assets	228	41	60	448	168	115	474	501	529
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	253	219	174	261	249	161	276	292	308
Communication (G&S)	279	275	252	372	610	579	394	417	440
Computer services	405	941	740	1 061	1 061	-	1 123	1 189	1 256
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	59 844	23 057	29 464	25 480	27 980	27 631	32 179	23 943	26 671
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	139	1 417	234	1 598	881	8	1 691	1 789	1 889
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	1	26	-	63	78	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	4 283	1 587	1 281	1 789	2 759	2 759	1 893	2 003	2 115
Inventory: Farming supplies	2 766	2 399	1 187	1 706	1 706	1 946	1 763	1 829	1 931
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 603	333	472	1 076	604	424	1 148	1 221	1 289
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5 993	5 942	2 883	1 801	3 622	3 262	2 128	2 477	2 616
Consumable: Stationery, printing and office supplies	130	112	238	212	143	178	224	237	250
Operating leases	56	89	81	106	196	217	112	118	125
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 480	5 175	5 833	5 837	5 497	5 185	6 176	6 534	6 900
Training and development	323	136	111	153	153	76	162	171	181
Operating payments	193	230	249	269	86	84	285	302	319
Venues and facilities	-	4 137	-	165	165	-	174	184	194
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>1 485</b>	<b>1 702</b>	<b>1 931</b>	<b>2 076</b>	<b>1 632</b>	<b>1 632</b>	<b>2 213</b>	<b>2 342</b>	<b>2 473</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 431	1 269	1 500	1 605	1 605	1 605	1 717	1 817	1 919
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	1 431	1 269	1 500	1 605	1 605	1 605	1 717	1 817	1 919
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	1 431	1 269	1 500	1 605	1 605	1 605	1 717	1 817	1 919
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	54	433	431	471	27	27	496	525	554
Social benefits	54	433	431	471	27	27	496	525	554
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>4 738</b>	<b>5 164</b>	<b>724</b>	<b>1 093</b>	<b>350</b>	<b>150</b>	<b>1 135</b>	<b>1 183</b>	<b>1 249</b>
Buildings and other fixed structures	2 268	3 968	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	2 268	3 968	-	-	-	-	-	-	-
Machinery and equipment	2 443	1 196	724	1 093	350	150	1 135	1 183	1 249
Transport equipment	54	-	-	-	-	-	-	-	-
Other machinery and equipment	2 389	1 196	724	1 093	350	150	1 135	1 183	1 249
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	27	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>112 361</b>	<b>77 460</b>	<b>75 492</b>	<b>88 808</b>	<b>91 261</b>	<b>74 196</b>	<b>101 490</b>	<b>98 595</b>	<b>105 531</b>



Table 3.G : Details of payments and estimates by economic classification - Sub-programme: Veterinary Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation 2016/17	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>131 438</b>	<b>170 367</b>	<b>152 604</b>	<b>144 586</b>	<b>167 317</b>	<b>163 226</b>	<b>161 793</b>	<b>174 617</b>	<b>184 458</b>
Compensation of employees	94 869	101 537	111 217	117 773	117 773	115 528	133 181	144 021	152 148
Salaries and wages	81 678	87 553	95 342	100 732	100 732	98 818	114 747	124 075	131 085
Social contributions	13 191	13 984	15 875	17 041	17 041	16 710	18 434	19 946	21 063
Goods and services	36 569	68 830	41 387	26 813	49 544	47 698	28 612	30 596	32 310
Administrative fees	20	21	233	297	422	451	314	332	351
Advertising	-	-	7	-	-	-	-	-	-
Minor assets	633	124	148	591	362	127	626	663	700
Audit cost: External	-	-	-	-	-	8	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	33	34	43	38	19	-	40	42	44
Communication (G&S)	511	389	234	530	530	397	567	606	640
Computer services	9	7	-	53	-	-	56	59	62
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	375	485	546	547	596	551	579	614	648
Agency and support / outsourced services	380	541	635	610	645	644	645	683	721
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	10	-	21	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	152	422	281	-	39	39	-	-	-
Inventory: Farming supplies	13 146	43 260	3 716	-	449	885	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	166	189	207	265	287	118	280	297	314
Inventory: Learner and teacher support material	5	9	7	106	-	-	112	118	125
Inventory: Materials and supplies	242	85	85	265	48	32	280	296	313
Inventory: Medical supplies	577	436	532	492	359	278	521	551	582
Inventory: Medicine	3 719	4 570	19 851	5 154	30 885	30 835	5 453	5 769	6 092
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 828	2 118	2 736	2 388	3 140	2 803	2 527	2 674	2 824
Consumable supplies	181	128	211	1 062	305	141	1 124	1 189	1 256
Consumable: Stationery, printing and office supplies	830	448	451	637	484	269	674	713	753
Operating leases	127	144	138	212	97	97	230	249	263
Property payments	88	88	90	212	163	140	224	237	250
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	12 520	13 781	9 566	11 542	9 042	8 227	12 443	13 397	14 147
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	1 017	1 551	1 649	1 812	1 672	1 656	1 917	2 107	2 225
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>1 938</b>	<b>5 865</b>	<b>2 093</b>	<b>323</b>	<b>240</b>	<b>1 141</b>	<b>340</b>	<b>360</b>	<b>380</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	1	1	1	1	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	1	1	1	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	5 300	-	-	-	-	-	-	-
Households	1 938	564	2 092	322	239	1 140	339	359	379
Social benefits	1 938	564	2 092	322	239	1 140	339	359	379
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>2 436</b>	<b>6 285</b>	<b>8 389</b>	<b>1 050</b>	<b>7 185</b>	<b>6 999</b>	<b>1 215</b>	<b>1 320</b>	<b>1 394</b>
Buildings and other fixed structures	-	5 277	7 453	-	6 135	6 135	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	5 277	7 453	-	6 135	6 135	-	-	-
Machinery and equipment	2 436	1 008	936	1 050	1 050	864	1 215	1 320	1 394
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	2 436	1 008	936	1 050	1 050	864	1 215	1 320	1 394
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>135 812</b>	<b>182 517</b>	<b>163 086</b>	<b>145 959</b>	<b>174 742</b>	<b>171 366</b>	<b>163 348</b>	<b>176 297</b>	<b>186 232</b>

Table 3.H : Details of payments and estimates by economic classification - Sub-programme: Research and Technology Development Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
<b>Current payments</b>	<b>149 800</b>	<b>163 619</b>	<b>171 966</b>	<b>144 323</b>	<b>140 896</b>	<b>169 234</b>	<b>176 118</b>	<b>191 081</b>	<b>202 193</b>
Compensation of employees	117 596	124 665	133 389	101 719	101 719	133 214	129 579	140 146	148 406
Salaries and wages	101 664	107 631	115 061	86 087	86 087	114 450	109 916	118 845	125 839
Social contributions	15 932	17 034	18 328	15 632	15 632	18 764	19 663	21 301	22 567
Goods and services	32 204	38 890	38 506	42 533	39 106	35 949	46 464	50 856	53 704
Administrative fees	1	2	93	106	100	90	112	118	125
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	270	472	154	984	874	443	1 041	1 101	1 163
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	83	123	16	139	111	111	147	156	165
Communication (G&S)	248	377	217	622	622	302	667	714	754
Computer services	23	97	111	159	183	283	168	178	188
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	54	53	445	347	82	471	499	527
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	2 567	3 202	3 650	3 612	3 809	5 046	3 821	4 043	4 269
Agency and support / outsourced services	136	63	115	106	97	46	112	118	125
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. gov motor transport)	410	430	322	532	388	421	563	596	629
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	716	1 019	1 174	-	231	392	-	-	-
Inventory: Farming supplies	4 135	5 764	6 207	6 501	6 757	5 748	6 878	7 277	7 685
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 094	1 496	1 917	1 858	1 902	1 859	1 966	2 080	2 196
Inventory: Learner and teacher support material	-	4	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 291	1 766	2 485	2 124	2 063	1 901	2 247	2 377	2 510
Inventory: Medical supplies	-	9	54	24	5	5	25	26	27
Inventory: Medicine	246	287	68	324	324	128	343	363	383
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 033	1 481	1 147	1 671	1 262	1 232	1 768	1 871	1 976
Consumable supplies	1 210	1 506	2 558	1 698	2 102	2 416	1 796	1 900	2 006
Consumable: Stationery, printing and office supplies	230	287	396	398	445	363	421	445	470
Operating leases	260	355	357	450	371	351	482	516	545
Property payments	7 631	9 498	7 562	9 096	7 943	7 514	10 440	11 981	12 652
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	9 033	9 996	9 321	10 828	8 252	6 720	12 090	13 538	14 296
Training and development	13	-	-	-	-	-	-	-	-
Operating payments	517	588	529	856	918	496	906	959	1 013
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	57	14	-	-	-	-	-	-	-
Interest and rent on land	-	64	71	71	71	71	75	79	83
Interest	-	1	1	-	-	-	-	-	-
Rent on land	-	63	70	71	71	71	75	79	83
<b>Transfers and subsidies to</b>	<b>1 404</b>	<b>1 010</b>	<b>2 398</b>	<b>576</b>	<b>1 775</b>	<b>1 524</b>	<b>580</b>	<b>614</b>	<b>648</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entitles receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 404	1 010	2 398	576	1 775	1 524	580	614	648
Social benefits	1 404	1 010	2 398	576	1 775	1 524	580	614	648
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>12 500</b>	<b>5 361</b>	<b>7 550</b>	<b>14 159</b>	<b>10 624</b>	<b>4 194</b>	<b>15 150</b>	<b>16 203</b>	<b>17 111</b>
Buildings and other fixed structures	5 528	2 144	5 627	6 104	6 104	675	6 458	6 833	7 216
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	5 528	2 144	5 627	6 104	6 104	675	6 458	6 833	7 216
Machinery and equipment	6 566	3 217	1 573	7 524	3 989	3 519	8 134	8 780	9 272
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	6 566	3 217	1 573	7 524	3 989	3 519	8 134	8 780	9 272
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	390	-	350	531	531	-	558	590	623
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	16	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>163 704</b>	<b>169 990</b>	<b>181 914</b>	<b>159 058</b>	<b>153 295</b>	<b>174 952</b>	<b>191 848</b>	<b>207 898</b>	<b>219 952</b>

Table 3.1 : Details of payments and estimates by economic classification - Sub-programme: Agricultural Economic Services

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation 2016/17	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>5 641</b>	<b>6 262</b>	<b>5 660</b>	<b>7 454</b>	<b>7 454</b>	<b>4 964</b>	<b>8 022</b>	<b>8 633</b>	<b>9 116</b>
Compensation of employees	4 998	5 491	5 203	6 582	6 582	4 134	7 100	7 657	8 086
Salaries and wages	4 419	4 818	4 656	5 846	5 846	3 851	6 305	6 800	7 181
Social contributions	579	673	547	736	736	283	795	857	905
Goods and services	643	771	457	872	872	830	922	976	1 030
Administrative fees	-	-	2	3	5	7	3	3	3
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	5	-	-	-
Communication (G&S)	8	8	20	8	74	81	8	8	8
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	2	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	21	-	30	38	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	2	3	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	2	4	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	13	22	-	-	-
Consumable: Stationery, printing and office supplies	-	70	-	79	55	55	84	89	94
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	635	692	414	781	690	612	826	875	924
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	1	-	1	1	1	1	1	1
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>32</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	39	-	32	69	-	-	-
Social benefits	-	-	39	-	32	69	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>38</b>	<b>-</b>	<b>41</b>	<b>43</b>	<b>45</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	38	38	-	41	43	45
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	38	38	-	41	43	45
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 641</b>	<b>6 262</b>	<b>5 699</b>	<b>7 492</b>	<b>7 524</b>	<b>5 033</b>	<b>8 063</b>	<b>8 676</b>	<b>9 161</b>

Table 3.J : Details of payments and estimates by economic classification - Sub-programme: Structured Agricultural Education and Training

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
				2016/17					
<b>Current payments</b>	<b>106 370</b>	<b>84 059</b>	<b>81 157</b>	<b>80 089</b>	<b>79 689</b>	<b>72 886</b>	<b>98 530</b>	<b>106 100</b>	<b>112 361</b>
Compensation of employees	73 013	53 608	45 152	44 181	44 181	42 983	60 162	65 111	69 077
Salaries and wages	67 481	47 348	38 363	37 199	37 199	36 412	50 514	54 661	57 986
Social contributions	5 532	6 260	6 789	6 982	6 982	6 571	9 648	10 450	11 091
Goods and services	33 349	30 446	35 999	35 908	35 508	29 903	38 368	40 989	43 284
Administrative fees	84	53	238	179	274	318	184	189	200
Advertising	-	-	-	-	18	18	-	-	-
Minor assets	2 910	768	339	503	256	256	555	610	644
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 089	-	9	53	-	-	56	59	62
Communication (G&S)	635	657	452	741	741	495	784	829	875
Computer services	180	-	6	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Infras and planning	-	479	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 469	2 880	1 704	2 249	1 109	128	2 437	2 636	2 784
Agency and support / outsourced services	7 715	8 085	8 548	9 558	10 720	8 522	10 112	10 698	11 297
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	1 920	1 913	2 189	2 158	2 326	2 343	2 283	2 415	2 550
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	133	156	215	-	17	17	-	-	-
Inventory: Farming supplies	3 324	2 925	3 667	3 308	2 487	1 897	3 508	3 712	3 920
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	157	51	294	157	152	85	160	163	172
Inventory: Learner and teacher support material	769	1 434	1 786	1 217	1 353	1 157	1 311	1 410	1 489
Inventory: Materials and supplies	217	219	79	247	133	29	261	276	291
Inventory: Medical supplies	6	-	9	-	-	-	-	-	-
Inventory: Medicine	155	291	309	328	299	128	347	367	388
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 120	641	522	723	855	584	765	809	854
Consumable: Stationery, printing and office supplies	745	862	663	972	942	618	1 028	1 088	1 149
Operating leases	762	812	804	1 009	785	724	1 068	1 130	1 193
Property payments	5 119	2 845	6 876	6 600	7 575	8 106	7 260	7 986	8 433
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	4 275	4 025	3 880	4 540	4 185	3 817	4 803	5 082	5 367
Training and development	442	832	3 025	1 062	1 062	536	1 124	1 189	1 256
Operating payments	123	260	385	304	219	125	322	341	360
Venues and facilities	-	258	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	8	5	6	-	-	-	-	-	-
Interest	8	5	6	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>397</b>	<b>422</b>	<b>14 621</b>	<b>25 485</b>	<b>25 601</b>	<b>15 492</b>	<b>11 313</b>	<b>307</b>	<b>324</b>
Provinces and municipalities	-	34	13	38	24	24	40	42	44
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	34	13	38	24	24	40	42	44
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	34	13	38	24	24	40	42	44
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	250	-	13 770	25 207	25 207	15 069	11 023	-	-
Households	147	388	838	240	370	399	250	265	280
Social benefits	147	328	838	240	370	399	250	265	280
Other transfers to households	-	60	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>15 454</b>	<b>13 199</b>	<b>6 940</b>	<b>12 039</b>	<b>12 039</b>	<b>6 803</b>	<b>13 611</b>	<b>14 925</b>	<b>15 761</b>
Buildings and other fixed structures	13 971	9 673	6 929	11 190	11 190	6 190	12 613	13 769	14 540
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	13 971	9 673	6 929	11 190	11 190	6 190	12 613	13 769	14 540
Machinery and equipment	1 483	3 487	11	716	716	480	856	1 004	1 060
Transport equipment	-	2 793	-	-	-	-	-	-	-
Other machinery and equipment	1 483	694	11	716	716	480	856	1 004	1 060
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	78	78	78	82	87	92
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	39	-	55	55	55	60	65	69
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>122 221</b>	<b>97 680</b>	<b>102 718</b>	<b>117 613</b>	<b>117 329</b>	<b>95 181</b>	<b>123 454</b>	<b>121 332</b>	<b>128 446</b>

Table 3.K: Payments and estimates by economic classification: Rural Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Current payments</b>	-	-	1 891	10 922	10 222	10 188	31 352	32 974	33 971
Compensation of employees	-	-	1 542	6 467	5 767	5 860	6 946	7 460	7 878
Salaries and wages	-	-	1 411	5 693	5 293	5 400	6 113	6 563	6 930
Social contributions	-	-	131	774	474	460	833	897	948
Goods and services	-	-	349	4 455	4 455	4 328	24 406	25 514	26 093
Administrative fees	-	-	9	53	47	40	56	59	62
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	186	6	39	196	210	222
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	467	373	334	552	642	678
Communication (G&S)	-	-	-	154	216	207	162	171	180
Computer services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Business and advisory services	-	-	-	-	1	1	-	-	-
Infrastructure and planning	-	-	-	2 000	-	-	21 748	22 607	23 024
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	161	161	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	210	132	103	222	234	248
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	1	1	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	1 184	1 184	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	103	69	67	108	114	120
Operating leases	-	-	-	97	81	87	112	126	133
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	340	340	-	-	-
Travel and subsistence	-	-	340	955	970	935	1 006	1 091	1 152
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	47	381	381	51	56	59
Venues and facilities	-	-	-	183	493	448	193	204	215
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	3 000	3 028	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	3 000	3 000	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	28	-	-	-
Social benefits	-	-	-	-	-	28	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	300	300	306	354	463	489
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	300	300	306	354	463	489
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	300	300	306	354	463	489
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	1 891	11 222	13 522	13 522	31 706	33 437	34 460

Estimates of Provincial Revenue and Expenditure

Table 3.L : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2013/14	2014/15	2015/16	Appropriation	Appropriation	Estimate	2017/18	2018/19	2019/20
<b>Current payments</b>	<b>150 450</b>	<b>185 702</b>	<b>179 231</b>	<b>245 500</b>	<b>235 000</b>	<b>234 673</b>	<b>239 631</b>	<b>247 597</b>	<b>269 670</b>
Compensation of employees	10 745	17 013	18 000	17 893	17 893	17 893	19 109	20 409	20 409
Salaries and wages	10 745	17 013	18 000	17 893	17 893	17 893	19 109	20 409	20 409
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	139 705	168 689	161 231	227 607	217 107	216 780	220 522	227 188	249 261
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	49	-	100	100	105	113	120
Minor assets	406	-	3 521	943	943	943	990	990	1 045
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	5 772	507	191	551	551	551	579	579	611
Catering: Departmental activities	1 746	176	207	745	745	745	775	806	842
Communication (G&S)	2 619	6 907	3 694	6 698	6 698	6 698	7 033	7 033	7 427
Computer services	1 969	-	7 358	8 000	8 000	8 000	2 000	2 000	2 112
Cons and prof serv: Business & advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	37 141	42 045	8 610	60 913	50 012	49 685	54 522	52 505	58 996
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	-	-	-	-	-	-	-	-	-
Contractors	1 104	7 711	6 549	8 913	8 913	8 913	9 358	9 958	10 114
Agency & support/outsourced services	1 965	16 793	449	3 000	3 000	3 000	3 150	3 300	3 485
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 006	1 309	236	576	998	998	1 390	840	906
Inventory: Farming supplies	69 111	76 730	113 316	126 940	126 969	126 969	129 349	137 309	151 111
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	68	4 323	16	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Material and supplies	388	210	-	1 001	1 001	1 001	1 100	1 200	1 300
Inventory: Medicine	-	-	9 025	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5 074	1 789	3 851	1 123	1 123	1 123	1 202	1 252	1 336
Consumable: Stationery, printing and office supplies	830	25	12	56	56	56	58	58	61
Operating leases	-	28	126	221	221	221	232	232	245
Property payments	-	180	-	-	-	-	-	-	-
Transport provided: Departmental activity	247	-	-	-	-	-	-	-	-
Travel and subsistence	5 822	2 322	1 051	4 064	4 064	4 064	4 542	4 642	4 940
Training and development	1 389	4 109	2 766	3 713	3 713	3 713	4 137	4 371	4 610
Operating payments	-	600	163	-	-	-	-	-	-
Venues and facilities	1 048	2 925	41	150	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>63 000</b>	<b>66 465</b>	<b>48 297</b>	<b>-</b>	<b>41 348</b>	<b>41 348</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	63 000	66 465	20 707	-	-	10 500	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	63 000	66 465	20 707	-	-	10 500	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	27 590	-	41 348	30 848	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	27 590	-	41 348	30 848	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	27 590	-	41 348	30 848	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>51 136</b>	<b>67 593</b>	<b>80 996</b>	<b>55 003</b>	<b>24 155</b>	<b>24 155</b>	<b>57 801</b>	<b>59 657</b>	<b>62 104</b>
Buildings and other fixed structures	41 795	59 907	70 633	47 492	16 644	16 644	49 867	51 723	53 729
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	41 795	59 907	70 633	47 492	16 644	16 644	49 867	51 723	53 729
Machinery and equipment	9 257	7 541	10 363	7 511	7 511	7 511	7 934	7 934	8 375
Transport equipment	1 889	7 252	3 938	2 410	2 410	2 410	2 538	2 538	2 680
Other machinery and equipment	7 368	289	6 425	5 101	5 101	5 101	5 396	5 396	5 695
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	84	145	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>264 586</b>	<b>319 760</b>	<b>308 524</b>	<b>300 503</b>	<b>300 503</b>	<b>300 176</b>	<b>297 432</b>	<b>307 254</b>	<b>331 774</b>



Table 3.M : Payments and estimates by economic classification: CASP grant (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>107 027</b>	<b>102 067</b>	<b>118 676</b>	<b>182 226</b>	<b>171 726</b>	<b>171 726</b>	<b>167 597</b>	<b>180 268</b>	<b>196 964</b>
Compensation of employees	10 745	17 013	18 000	17 893	17 893	17 893	19 109	20 409	20 409
Salaries and wages	10 745	17 013	18 000	17 893	17 893	17 893	19 109	20 409	20 409
Goods and services	96 282	85 054	100 676	164 333	153 833	153 833	148 488	159 859	176 555
Minor assets	406	-	2 911	943	943	943	990	990	1 045
Bursaries: Employees	5 772	507	191	551	551	551	579	579	611
Catering: Departmental activities	1 502	37	10	500	500	500	525	551	582
Communication (G&S)	2 619	6 907	3 694	6 698	6 698	6 698	7 033	7 033	7 427
Computer services	1 969	-	7 358	8 000	8 000	8 000	2 000	2 000	2 112
Infrastructure and planning	26 266	33 124	-	50 746	40 246	40 246	39 799	45 807	51 273
Contractors	-	5 607	580	2 646	2 646	2 646	2 778	2 778	2 934
Agency & support/outourced services	1 415	1 394	449	3 000	3 000	3 000	3 150	3 300	3 485
Inventory: Clothing material and accessories	-	250	-	276	276	276	290	290	306
Inventory: Farming supplies	47 214	27 109	72 790	83 131	83 131	83 131	82 873	87 826	97 588
Inventory: Fuel, oil and gas	68	2 696	-	-	-	-	-	-	-
Inventory: Material and supplies	388	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	8 999	-	-	-	-	-	-
Consumable supplies	265	520	1	573	573	573	602	602	636
Consumable: Stationery, printing and office supplies	830	25	12	56	56	56	58	58	61
Operating leases	-	28	126	221	221	221	232	232	245
Property payments	-	180	-	-	-	-	-	-	-
Travel and subsistence	5 131	1 619	585	3 374	3 374	3 374	3 542	3 542	3 740
Training and development	1 389	4 026	2 766	3 618	3 618	3 618	4 037	4 271	4 510
Operating payments	-	600	163	-	-	-	-	-	-
Venues and facilities	1 048	425	41	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>63 000</b>	<b>66 465</b>	<b>48 297</b>	<b>-</b>	<b>41 348</b>	<b>41 348</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental agencies and accounts	63 000	66 465	20 707	-	-	10 500	-	-	-
Entities receiving transfers	63 000	66 465	20 707	-	-	10 500	-	-	-
Public corporations and private enterprises	-	-	27 590	-	41 348	30 848	-	-	-
Private enterprises	-	-	27 590	-	41 348	30 848	-	-	-
Other transfers	-	-	27 590	-	41 348	30 848	-	-	-
<b>Payments for capital assets</b>	<b>32 495</b>	<b>44 100</b>	<b>59 188</b>	<b>39 929</b>	<b>9 081</b>	<b>9 081</b>	<b>42 001</b>	<b>43 707</b>	<b>46 154</b>
Buildings and other fixed structures	23 154	36 414	49 586	32 492	1 644	1 644	34 117	35 823	37 829
Other fixed structures	23 154	36 414	49 586	32 492	1 644	1 644	34 117	35 823	37 829
Machinery and equipment	9 257	7 541	9 602	7 437	7 437	7 437	7 884	7 884	8 325
Transport equipment	1 889	7 252	3 938	2 410	2 410	2 410	2 538	2 538	2 680
Other machinery and equipment	7 368	289	5 664	5 027	5 027	5 027	5 346	5 346	5 645
Biological assets	84	145	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>202 522</b>	<b>212 632</b>	<b>226 161</b>	<b>222 155</b>	<b>222 155</b>	<b>222 155</b>	<b>209 598</b>	<b>223 975</b>	<b>243 118</b>

Table 3.N : Payments and estimates by economic classification: Ilima/Letsema Projects grant (Prog. 2: Agriculture)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>24 127</b>	<b>68 600</b>	<b>47 750</b>	<b>48 876</b>	<b>48 876</b>	<b>48 876</b>	<b>51 606</b>	<b>55 363</b>	<b>59 353</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	24 127	68 600	47 750	48 876	48 876	48 876	51 606	55 363	59 353
Minor assets	-	-	610	-	-	-	-	-	-
Catering: Departmental activities	-	-	23	-	-	-	-	-	-
Infrastructure and planning	3 414	1 122	-	-	-	-	-	-	-
Contractors	1 104	2 104	5 969	6 267	6 267	6 267	6 580	7 180	7 180
Agency & support/outourced services	-	15 399	-	-	-	-	-	-	-
Inventory: Farming supplies	19 609	48 348	39 339	42 609	42 609	42 609	45 026	48 183	52 173
Inventory: Fuel, oil and gas	-	1 627	16	-	-	-	-	-	-
Inventory: Medicine	-	-	26	-	-	-	-	-	-
Consumable supplies	-	-	1 767	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>18 641</b>	<b>23 493</b>	<b>21 651</b>	<b>15 000</b>	<b>15 000</b>	<b>15 000</b>	<b>15 750</b>	<b>15 900</b>	<b>15 900</b>
Buildings and other fixed structures	18 641	23 493	21 047	15 000	15 000	15 000	15 750	15 900	15 900
Other fixed structures	18 641	23 493	21 047	15 000	15 000	15 000	15 750	15 900	15 900
Machinery and equipment	-	-	604	-	-	-	-	-	-
Other machinery and equipment	-	-	604	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>42 768</b>	<b>92 093</b>	<b>69 401</b>	<b>63 876</b>	<b>63 876</b>	<b>63 876</b>	<b>67 356</b>	<b>71 263</b>	<b>75 253</b>

**Table 3.O : Payments and estimates by economic classification: Land Care grant (Prog. 2: Agriculture)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>18 746</b>	<b>10 854</b>	<b>10 509</b>	<b>10 558</b>	<b>10 558</b>	<b>10 288</b>	<b>11 962</b>	<b>11 966</b>	<b>13 353</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	18 746	10 854	10 509	10 558	10 558	10 288	11 962	11 966	13 353
Advertising	-	-	49	-	100	100	105	113	120
Catering: Departmental activities	244	139	174	245	245	245	250	255	260
Infrastructure and planning	7 461	4 461	6 737	6 327	6 235	5 965	7 057	6 698	7 723
Inventory: Clothing material and accessories	3 006	745	206	300	442	442	500	550	600
Inventory: Farming supplies	2 288	980	794	1 200	1 200	1 200	1 250	1 300	1 350
Inventory: Material and supplies	-	210	-	1 001	1 001	1 001	1 100	1 200	1 300
Consumable supplies	4 809	1 055	2 083	550	550	550	600	650	700
Transport provided: Departmental activity	247	-	-	-	-	-	-	-	-
Travel and subsistence	691	681	466	690	690	690	1 000	1 100	1 200
Training and development	-	83	-	95	95	95	100	100	100
Venues and facilities	-	2 500	-	150	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>157</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>50</b>	<b>50</b>	<b>50</b>
Machinery and equipment	-	-	157	74	74	74	50	50	50
Other machinery and equipment	-	-	157	74	74	74	50	50	50
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18 746</b>	<b>10 854</b>	<b>10 666</b>	<b>10 632</b>	<b>10 632</b>	<b>10 362</b>	<b>12 012</b>	<b>12 016</b>	<b>13 403</b>

**Table 3.P : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog. 2: Agriculture)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16	2016/17			2017/18	2018/19	2019/20
<b>Current payments</b>	<b>550</b>	<b>4 181</b>	<b>2 296</b>	<b>3 840</b>	<b>3 840</b>	<b>3 783</b>	<b>8 466</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	550	4 181	2 296	3 840	3 840	3 783	8 466	-	-
Infrastructure and planning	-	3 338	1 873	3 840	3 531	3 474	7 666	-	-
Agency & support/outsourced services	550	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	314	30	-	280	280	600	-	-
Inventory: Farming supplies	-	293	393	-	29	29	200	-	-
Consumable supplies	-	214	-	-	-	-	-	-	-
Travel and subsistence	-	22	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>550</b>	<b>4 181</b>	<b>2 296</b>	<b>3 840</b>	<b>3 840</b>	<b>3 783</b>	<b>8 466</b>	<b>-</b>	<b>-</b>

Table 3. Q : Financial summary for Agri-business Development Agency (ADA)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Revenue</b>									
<b>Tax revenue</b>	-	-	-	-	-	-	-	-	-
<b>Non-tax revenue</b>	129 537	172 296	104 464	129 516	170 511	170 511	136 143	144 051	152 134
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	-	-
Entity revenue other than sales	-	-	-	1 065	1 500	1 500	1 137	1 215	1 298
Transfers received*	129 501	172 245	104 426	128 397	168 936	168 936	134 948	142 775	150 770
Sale of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Other non-tax revenue	36	51	38	54	75	75	58	61	66
<b>Total revenue</b>	<b>129 537</b>	<b>172 296</b>	<b>104 464</b>	<b>129 516</b>	<b>170 511</b>	<b>170 511</b>	<b>136 143</b>	<b>144 051</b>	<b>152 134</b>
<b>Expenses</b>									
<b>Current expense</b>	126 993	170 966	101 736	129 266	169 261	169 261	135 843	143 751	151 834
Compensation of employees	20 275	21 922	23 210	29 357	29 171	29 171	30 835	33 284	35 960
Goods and services	106 716	149 026	78 505	99 888	140 069	140 069	104 986	110 444	115 849
Interest on rent and land	2	18	21	21	21	21	22	23	25
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	3 836	3 182	2 800	250	1 250	1 250	300	300	300
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>130 829</b>	<b>174 148</b>	<b>104 536</b>	<b>129 516</b>	<b>170 511</b>	<b>170 511</b>	<b>136 143</b>	<b>144 051</b>	<b>152 134</b>
<b>Surplus / (Deficit)**</b>	<b>(1 292)</b>	<b>(1 852)</b>	<b>(72)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>									
<b>Adjustments for Surplus / (Deficit)</b>	1 292	1 852	72	-	-	-	-	-	-
Depreciation	782	1 137	846	-	-	-	-	-	-
Other	1 488	2 653	2 340	-	-	-	-	-	-
Changes in working capital	(978)	(1 938)	(3 114)	-	-	-	-	-	-
<b>Surplus/(Deficit) after adjustments</b>	-	-	-	-	-	-	-	-	-
<b>Cash flow from investing activities</b>	7 673	6 235	5 593	427	1 427	1 427	400	400	400
<b>Acquisition of assets</b>	3 836	3 182	2 800	250	1 250	1 250	300	300	300
Computer equipment	1 105	690	804	200	1 000	1 000	200	200	200
Furniture and office equipment	65	412	204	50	-	-	100	100	100
Transport assets	729	-	-	-	-	-	-	-	-
Computer software	1 937	2 080	1 792	-	250	250	-	-	-
<b>Other flows from investing activities</b>	3 837	3 053	2 793	177	177	177	100	100	100
<b>Cash flow from financing activities</b>	138	67	20	21	21	21	22	23	25
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>7 811</b>	<b>6 302</b>	<b>5 613</b>	<b>448</b>	<b>1 448</b>	<b>1 448</b>	<b>422</b>	<b>423</b>	<b>425</b>
<b>Balance sheet data</b>									
<b>Carrying value of assets</b>	5 150	7 105	8 182	7 625	9 688	9 688	8 479	7 270	6 061
Computer equipment	1 546	1 438	1 752	1 952	3 952	3 952	3 587	3 222	2 857
Furniture and office equipment	386	892	946	996	809	809	772	735	698
Other machinery and equipment	96	187	143	123	123	123	103	83	63
Transport assets	927	642	442	354	354	354	266	178	90
Computer software	2 195	3 946	4 899	4 200	4 450	4 450	3 751	3 052	2 353
<b>Investments</b>	-	-	-	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	72 788	19 219	25 273	10 000	10 000	10 000	10 000	11 406	12 181
<b>Receivables and prepayments</b>	62	33	971	43	183	183	187	194	201
Trade receivables	35	6	760	16	16	16	10	7	4
Other receivables	27	27	27	27	17	17	17	17	17
Prepaid expenses	-	-	184	-	150	150	160	170	180
<b>Inventory</b>	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>78 000</b>	<b>26 357</b>	<b>34 426</b>	<b>17 668</b>	<b>19 871</b>	<b>19 871</b>	<b>18 666</b>	<b>18 870</b>	<b>18 443</b>
<b>Capital and reserves</b>	3 953	5 146	9 654	9 606	11 809	11 809	9 061	10 261	9 563
Share capital and premium	5	5	5	5	5	5	5	5	5
Accumulated reserves	5 240	6 993	9 721	9 601	11 804	11 804	9 056	10 256	9 558
Surplus / (Deficit)	(1 292)	(1 852)	(72)	-	-	-	-	-	-
<b>Borrowings</b>	-	-	-	-	-	-	-	-	-
<b>Post retirement benefits</b>	137	1 382	1 669	1 865	1 865	1 865	2 019	2 714	2 939
Other	137	1 382	1 669	1 865	1 865	1 865	2 019	2 714	2 939
<b>Trade and other payables</b>	73 605	19 030	22 510	5 564	5 564	5 564	6 910	5 173	5 170
Trade payables	68 664	17 978	22 029	5 564	5 564	5 564	6 910	5 173	5 170
Accrued interest	4 941	1 052	481	-	-	-	-	-	-
<b>Deferred income</b>	-	-	-	-	-	-	-	-	-
<b>Provisions</b>	305	799	593	633	633	633	676	722	771
<b>Funds managed (e.g. poverty alleviation fund)</b>	-	-	-	-	-	-	-	-	-
<b>Contingent liabilities</b>	-	-	-	-	-	-	-	-	-
<b>Total liabilities and equity</b>	<b>78 000</b>	<b>26 357</b>	<b>34 426</b>	<b>17 668</b>	<b>19 871</b>	<b>19 871</b>	<b>18 666</b>	<b>18 870</b>	<b>18 443</b>

\*Note: Some Transfers received do not equal amounts in Table 3.11, as the amounts reflected include project funds rolled over multiple years.

\*\*Note: The Surplus / Deficit relates to the accounting treatment of capital and other non-cash expense items.

**Table 3. R : Personnel summary for ADA**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Board members</b>									
Personnel cost (R thousand)	1 321	1 966	2 001	2 200	2 200	2 200	1 626	1 650	1 700
Personnel numbers (head count)	13	13	11	13	10	10	10	10	10
Unit cost	102	151	182	169	220	220	163	165	170
<b>Executive management</b>									
Personnel cost (R thousand)	2 317	2 186	2 327	2 484	2 481	2 481	2 815	3 289	4 155
of which									
Chief Financial Officer	858	989	1 136	1 213	1 182	1 182	1 309	1 469	1 888
Chief Executive Officer	1 459	1 197	1 191	1 271	1 299	1 299	1 506	1 820	2 267
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	1 159	1 093	1 164	1 242	1 241	1 241	1 408	1 645	2 078
<b>Senior management</b>									
Personnel cost (R thousand)	3 704	4 816	5 140	7 602	7 562	7 562	8 219	8 901	9 287
Personnel numbers (head count)	6	5	5	10	10	10	10	10	10
Unit cost	617	963	1 028	760	756	756	822	890	929
<b>Middle management</b>									
Personnel cost (R thousand)	6 981	7 276	7 570	9 366	9 223	9 223	9 958	10 624	11 168
Personnel numbers (head count)	11	11	11	13	14	14	14	14	14
Unit cost	635	661	688	720	659	659	711	759	798
<b>Professionals</b>									
Personnel cost (R thousand)	5 141	4 800	4 797	5 245	5 245	5 245	5 682	6 154	6 843
Personnel numbers (head count)	13	11	11	13	13	13	13	13	13
Unit cost	395	436	436	403	403	403	437	473	526
<b>Semi-skilled</b>									
Personnel cost (R thousand)	331	398	925	1 500	1 500	1 500	1 575	1 706	1 847
Personnel numbers (head count)	2	2	4	6	6	6	6	6	6
Unit cost	166	199	231	250	250	250	263	284	308
<b>Very low skilled</b>									
Personnel cost (R thousand)	480	480	450	960	960	960	960	960	960
Personnel numbers (head count)	5	5	4	10	10	10	10	10	10
Unit cost	96	96	113	96	96	96	96	96	96
<b>Total for entity</b>									
Personnel cost (R thousand)	20 275	21 922	23 210	29 357	29 171	29 171	30 835	33 284	35 960
Personnel numbers (head count)	52	49	48	67	65	65	65	65	65
Unit cost	390	447	484	438	449	449	474	512	553
<b>Details of personnel numbers according to salary level</b>									
Salary level	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Board members	13	13	11	13	10	10	10	10	10
Executive management	2	2	2	2	2	2	2	2	2
Senior management	6	5	5	10	10	10	10	10	10
Middle management	11	11	11	13	14	14	14	14	14
Professionals	13	11	11	13	13	13	13	13	13
Semi-skilled	2	2	4	6	6	6	6	6	6
Very low skilled	5	5	4	10	10	10	10	10	10
<b>Total</b>	<b>52</b>	<b>49</b>	<b>48</b>	<b>67</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>

Table 3. S : Financial summary for Mjindi Farming (Pty) Ltd

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Revenue</b>									
Tax revenue	-	-	-	-	-	-	-	-	-
Non-tax revenue	88 713	104 322	75 785	58 555	67 442	67 442	61 910	65 432	69 359
Sale of goods and services other than capital assets	4 184	4 879	4 538	4 809	4 809	4 809	5 290	5 820	6 401
Entity revenue other than sales	1 005	1 527	706	563	563	563	619	811	864
Transfers received*	83 524	97 916	70 541	53 183	62 070	62 070	56 001	58 801	62 094
<b>Total revenue</b>	<b>88 713</b>	<b>104 322</b>	<b>75 785</b>	<b>58 555</b>	<b>67 442</b>	<b>67 442</b>	<b>61 910</b>	<b>65 432</b>	<b>69 359</b>
<b>Expenses</b>									
Current expense	90 354	108 707	80 839	57 805	66 692	66 692	61 407	65 432	69 359
Compensation of employees	13 946	16 044	19 940	22 174	22 174	22 174	25 103	26 637	28 648
Goods and services	76 408	92 663	60 899	35 631	44 518	44 518	36 304	38 795	40 711
Interest on rent and land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>90 354</b>	<b>108 707</b>	<b>80 839</b>	<b>57 805</b>	<b>66 692</b>	<b>66 692</b>	<b>61 407</b>	<b>65 432</b>	<b>69 359</b>
<b>Surplus / (Deficit)**</b>	<b>(1 641)</b>	<b>(4 385)</b>	<b>(5 054)</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>503</b>	<b>-</b>	<b>-</b>
<b>Cash flow summary</b>									
Adjustments for surplus/(deficit)	1 641	4 385	5 054	4 163	4 163	4 163	3 528	3 452	5 367
Depreciation	1 601	4 346	5 034	4 104	4 104	4 104	3 469	3 393	5 308
Interest	40	39	20	59	59	59	59	59	59
<b>Surplus/(deficit) after adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 913</b>	<b>4 913</b>	<b>4 913</b>	<b>4 031</b>	<b>3 452</b>	<b>5 367</b>
<b>Cash flow from investing activities</b>	<b>(4 219)</b>	<b>(15 979)</b>	<b>(4 538)</b>	<b>(750)</b>	<b>(750)</b>	<b>(750)</b>	<b>(503)</b>	<b>-</b>	<b>-</b>
<b>Acquisition of assets</b>	<b>(4 219)</b>	<b>(15 979)</b>	<b>(4 538)</b>	<b>(750)</b>	<b>(750)</b>	<b>(750)</b>	<b>(503)</b>	<b>-</b>	<b>-</b>
Dwellings	(173)	(100)	(197)	(250)	(250)	(250)	(263)	-	-
Non-residential buildings	-	-	(289)	-	-	-	-	-	-
Computer equipment	(2)	-	(308)	-	-	-	-	-	-
Furniture and office equipment	-	(252)	(565)	(200)	(200)	(200)	(140)	-	-
Other machinery and equipment	(720)	(4 579)	(960)	(300)	(300)	(300)	(100)	-	-
Transport assets	(3 324)	(11 048)	(2 219)	-	-	-	-	-	-
<b>Other flows from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(4 219)</b>	<b>(15 979)</b>	<b>(4 538)</b>	<b>(750)</b>	<b>(750)</b>	<b>(750)</b>	<b>(503)</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>									
<b>Carrying value of assets</b>	<b>49 313</b>	<b>61 892</b>	<b>52 750</b>	<b>49 281</b>	<b>49 281</b>	<b>49 281</b>	<b>45 726</b>	<b>42 332</b>	<b>39 001</b>
Dwellings	23 619	23 198	18 640	18 121	18 121	18 121	17 602	17 083	16 564
Non-residential buildings	2 564	2 269	1 961	1 635	1 635	1 635	1 309	983	657
Investment property	7 874	7 719	2 553	2 402	2 402	2 402	2 252	2 207	2 163
Computer equipment	1 070	745	649	494	494	494	309	124	-
Furniture and office equipment	1 077	1 106	1 190	1 012	1 012	1 012	832	652	472
Other machinery and equipment	8 233	11 621	11 259	9 988	9 988	9 988	8 717	7 446	6 175
Transport assets	4 559	14 927	16 199	15 342	15 342	15 342	14 485	13 628	12 771
Other intangibles	317	307	299	287	287	287	220	209	199
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>43 120</b>	<b>24 797</b>	<b>10 820</b>	<b>3 805</b>	<b>3 805</b>	<b>3 805</b>	<b>3 805</b>	<b>3 805</b>	<b>4 205</b>
Bank	43 117	24 794	10 816	3 800	3 800	3 800	3 800	3 800	4 200
Cash on hand	3	3	4	5	5	5	5	5	5
<b>Receivables and prepayments</b>	<b>2 620</b>	<b>11 614</b>	<b>12 550</b>	<b>12 041</b>	<b>12 041</b>	<b>12 041</b>	<b>11 854</b>	<b>12 100</b>	<b>12 680</b>
Trade receivables	1 474	7 242	9 886	9 843	9 843	9 843	9 456	9 452	9 732
Other receivables	1 146	4 372	2 664	2 198	2 198	2 198	2 398	2 648	2 948
<b>Inventory</b>	<b>738</b>	<b>1 593</b>	<b>2 458</b>	<b>2 457</b>	<b>2 457</b>	<b>2 457</b>	<b>2 457</b>	<b>2 457</b>	<b>2 457</b>
Trade	738	1 593	2 458	2 457	2 457	2 457	2 457	2 457	2 457
<b>Total assets</b>	<b>95 791</b>	<b>99 896</b>	<b>78 578</b>	<b>67 584</b>	<b>67 584</b>	<b>67 584</b>	<b>63 842</b>	<b>60 694</b>	<b>58 343</b>
<b>Capital and reserves</b>	<b>46 652</b>	<b>63 182</b>	<b>54 250</b>	<b>59 722</b>	<b>59 722</b>	<b>59 722</b>	<b>56 256</b>	<b>52 425</b>	<b>49 970</b>
Accumulated reserves	46 796	46 796	36 891	50 086	50 086	50 086	50 086	50 086	48 516
Surplus / (Deficit)	(1 641)	(4 385)	(5 054)	-	-	-	-	-	-
Other	1 497	20 771	22 413	9 636	9 636	9 636	6 170	2 339	1 454
<b>Borrowings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Post retirement benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>	<b>6 062</b>	<b>5 773</b>	<b>3 256</b>	<b>3 964</b>	<b>3 964</b>	<b>3 964</b>	<b>3 716</b>	<b>4 319</b>	<b>4 453</b>
Trade payables	2 607	4 733	1 632	2 704	2 704	2 704	2 204	2 504	2 208
Third party payments	3 455	1 040	1 624	1 260	1 260	1 260	1 512	1 815	2 245
<b>Deferred income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>	<b>6 029</b>	<b>6 013</b>	<b>12 079</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funds managed (e.g. Poverty alleviation fund)</b>	<b>37 008</b>	<b>24 760</b>	<b>8 887</b>	<b>3 800</b>	<b>3 800</b>	<b>3 800</b>	<b>3 800</b>	<b>3 800</b>	<b>3 800</b>
<b>Contingent liabilities</b>	<b>40</b>	<b>168</b>	<b>106</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>70</b>	<b>150</b>	<b>120</b>
<b>Total liabilities and equity</b>	<b>95 791</b>	<b>99 896</b>	<b>78 578</b>	<b>67 584</b>	<b>67 584</b>	<b>67 584</b>	<b>63 842</b>	<b>60 694</b>	<b>58 343</b>

\*Note: some transfers received do not equal amounts in Table 3.11, as 2016/17 Adjusted Appropriation and Revised Estimate include funds rolled over.

\*\*Note: The Surplus / Deficit relates to the accounting treatment of capital and other non-cash expense items.

Estimates of Provincial Revenue and Expenditure

**Table 3. T : Personnel summary for Miindi**

Headcount	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
<b>Board Members</b>									
Personnel cost (R thousand)	997	1 289	1 677	956	956	956	1 269	1 369	1 477
Personnel numbers (head count)	8	8	8	8	8	8	8	7	8
Unit cost	125	161	210	120	120	120	159	196	185
<b>Executive Management</b>									
Personnel cost (R thousand)	1 870	2 290	2 474	2 646	2 646	2 646	2 891	3 090	3 295
of which									
Chief Financial Officer	878	1 033	1 116	1 165	1 165	1 165	1 294	1 383	1 430
Chief Executive Officer	1 083	1 257	1 358	1 481	1 481	1 481	1 597	1 707	2 112
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	935	1 145	1 237	1 323	1 323	1 323	1 446	1 545	1 648
<b>Senior Management</b>									
Personnel cost (R thousand)	1 384	1 662	1 796	1 888	1 888	1 888	2 082	2 226	2 373
Personnel numbers (head count)	2	2	2	2	2	2	2	2	2
Unit cost	692	831	898	944	944	944	1 041	1 113	1 187
<b>Middle Management</b>									
Personnel cost (R thousand)	694	774	1 272	2 288	2 288	2 288	1 869	1 998	2 130
Personnel numbers (head count)	1	4	4	4	4	4	4	4	4
Unit cost	694	194	318	572	572	572	467	500	533
<b>Professionals</b>									
Personnel cost (R thousand)	3 468	4 773	6 399	6 600	6 600	6 600	6 350	6 788	7 237
Personnel numbers (head count)	8	8	8	8	8	8	8	8	8
Unit cost	434	597	800	825	825	825	794	849	905
<b>Semi-skilled</b>									
Personnel cost (R thousand)	4 569	3 790	4 848	6 628	6 628	6 628	9 174	9 662	10 421
Personnel numbers (head count)	27	49	54	50	50	50	50	50	50
Unit cost	169	77	90	133	133	133	183	193	208
<b>Very low skilled</b>									
Personnel cost (R thousand)	964	1 466	1 474	1 168	1 168	1 168	1 468	1 504	1 715
Personnel numbers (head count)	8	8	7	6	6	6	6	6	6
Unit cost	121	183	211	195	195	195	245	251	286
<b>Total for entity</b>									
Personnel cost (R thousand)	13 946	16 044	19 940	22 174	22 174	22 174	25 103	26 637	28 648
Personnel numbers (head count)	56	81	85	80	80	80	80	79	80
Unit cost	249	198	235	277	277	277	314	337	358
<b>Details of personnel numbers according to salary level</b>									
Salary level	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19
Board Members	8	8	8	8	8	8	8	7	8
Executive Management	2	2	2	2	2	2	2	2	2
Senior Management	2	2	2	2	2	2	2	2	2
Middle Management	1	4	4	4	4	4	4	4	4
Professionals	8	8	8	8	8	8	8	8	8
Semi-skilled	27	49	54	50	50	50	50	50	50
Very low skilled	8	8	7	6	6	6	6	6	6
<b>Total</b>	<b>56</b>	<b>81</b>	<b>85</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>79</b>	<b>80</b>