

# Vote 3

## Agriculture and Rural Development

R thousand	2023/24			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	2 513 116	2 476 722	(36 394)	
MEC remuneration	2 037	2 098		61
<b>Total amount to be appropriated</b>	<b>2 515 153</b>	<b>2 478 820</b>	<b>(36 333)</b>	
<i>of which:</i>				
Current payments	2 051 287	2 048 135	(3 152)	
Transfers and subsidies	317 141	314 922	(2 219)	
Payments for capital assets	146 725	115 763	(30 962)	
Payments for financial assets	-	-		
Responsible MEC	MEC for Agriculture and Rural Development			
Administering department	Agriculture and Rural Development			
Accounting Officer	Head: Agriculture and Rural Development			

### 1. Vision and mission

#### 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

The department's mission is: *To maximise agricultural potential through comprehensive farmer support and technological services for inclusive growth and sustainable rural development.*

### 2. Strategic outcomes

The impact and outcomes of the department are as follows:

- Effective and efficient corporate and financial support services to the department.
- Improved household food security in the province.
- Improved farmer development for increased agricultural production, sector growth and inclusive rural economy.
- Reduced outbreak cases of controlled and notifiable animal diseases.
- Increased research knowledge production, agricultural education and training.

### 3. Summary of the adjustments estimate for 2023/24

The main appropriation of the department was R2.515 billion in 2023/24. During the year, the department's budget was reduced by R36.333 million in respect of fiscal consolidation reductions made in-year by National Treasury to the conditional grant funding due to lower than expected revenue to be collected *via* SARS, as well as reductions relating to funds surrendered towards the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA, thus decreasing the budget to R2.479 billion. The main reasons for this decrease, as well as other adjustments, are summarised below, and explained in detail in Section 4.

The department was not allocated funding in respect of the 2023 wage agreement which was implemented on 1 April 2023 as the national and provincial fiscus is unable to assist with any additional funding. During the first six months of 2023/24, the department realised savings of R43.432 million under *Compensation of employees* due to natural attrition, internal promotions for newly advertised posts and slower than planned filling of posts, which it committed towards identified spending pressures. The non-allocation of additional funding for the 2023 wage agreement resulted in these savings being moved back into *Compensation of employees*. In this regard, the department is able to mostly absorb the costs in the current budget, but has reprioritised funds under Programme 2: Agriculture and Programme 3: Rural Development as those programmes do not have sufficient savings under *Compensation of employees* to fully absorb the pressure.

The department undertook several budget adjustments, as explained below, and detailed in Section 4.

- *Virements between programmes:* The department undertook various virements across programmes. This also affected various economic classifications and sub-programmes, as detailed in Section 4:
  - Programme 1: Administration was increased by R29.926 million resulting from savings moved from Programme 2 against *Goods and services* (R19.343 million) due to enforced savings in respect of travel and subsistence, consumable supplies, contractors' costs and community investment projects by reducing the number of tractors and bulls to be distributed, as well as savings through lower quotations than estimated, which will not be recommitted to other projects. There were also saving against *Public corporations and private enterprises* (R634 000) as a result of various changes to the direct funded projects, and *Buildings and other fixed structures* (R9.949 million) because of projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to Programme 1 under *Goods and services* to offset pressures in respect of the once-off costs for the new telecommunication system being installed by the department and this includes video-conference facilities which will have long-term efficiency and financial benefits for the department (R15.303 million), higher than budgeted increases for utility and security services (R7.484 million), higher travel and subsistence costs linked to the verification of performance targets for the 2022/23 audit process (R4.713 million), as well as higher than budgeted costs for state attorney fees due to invoices from the prior year only being received and paid for in 2023/24 (R2.426 million).
  - Programme 2 was decreased by R35.549 million resulting from virements to other programmes, as follows:
    - R19.343 million was moved from *Goods and services* due to enforced savings in respect of travel and subsistence, consumable supplies, contractors' costs and the reprioritisation of community investment projects by reducing the number of tractors and bulls to be distributed, as well as savings through lower quotations than estimated which will not be recommitted to other projects to address budget pressures under the same category in Programme 1, as mentioned.
    - R634 000 was moved from *Transfers and subsidies to: Public corporations and private enterprises* as a result of various changes to the direct funded projects to address budget pressures under Programme 1 against *Goods and services*, as mentioned.
    - R15.572 million was moved from *Buildings and other fixed structures* because of projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to Programme 1 (R9.949 million) to address budget pressures against *Goods and services* and to Programme 3 (R5.623 million) for upgrading and equipping the Ndumo packhouse as part of the aggregation of agri-hubs. This was not budgeted for as the details of this project were not finalised at the time the 2023/24 budget was prepared, and these funds were moved to *Buildings and other fixed structures* (R851 000), *Machinery equipment* (R1.004 million) and *Goods and services* (R3.768 million).

- o Programme 3 was increased by R5.623 million resulting from savings identified under Programme 2 against *Buildings and other fixed structures* because of projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to Programme 3 under *Buildings and other fixed structures* (R851 000), *Machinery equipment* (R1.004 million) and *Goods and services* (R3.768 million) for upgrading and equipping the Ndumo packhouse as part of the aggregation of agri-hubs which was not budgeted for, as mentioned.

These virements are permissible in terms of the PFMA and Treasury Regulations. In addition to the above virements, the department undertook virements across sub-programmes and economic categories within programmes and these are discussed in more detail in Section 4. The increases in *Transfers and subsidies to: Higher education institutions*, *Transfers and subsidies to: Public corporations and private enterprises* and *Transfers and subsidies to: Non-profit institutions* received Provincial Treasury approval. Some of the virements undertaken at programme level require Legislature approval, and this is highlighted in grey shading under the relevant programmes.

Legislature approval is required for the virement to Programme 3 as it exceed the 8 per cent threshold in respect of the receiving programme in terms of Section 43(2) of the PFMA. Legislature approval is also required in terms of Section 43(4)(c) of the PFMA for the decrease in *Payments for capital assets* of R11.071 million as capital for the Vote as a whole was decreased. In addition, Legislature approval is required for the decrease in various transfers, totalling R17.526 million, against *Transfers and subsidies to: Public corporations and private enterprises* in line with Section 43(4)(b) of the PFMA, as detailed and highlighted in grey in Table 3.15.

- *Shifts:* The department undertook no shifting of funds across programmes, however, funds were shifted across economic categories and sub-programmes within Programmes 2 and 3, as detailed in Section 4.
- *Other adjustments:* The department's budget was reduced by an amount of R36.333 million, as explained below:
  - o An amount of R25.333 million was reduced in respect of fiscal consolidation reductions made by National Treasury to the conditional grant funding due to lower than expected revenue to be collected *via* SARS, as follows:
    - R17.581 million was cut from the Comprehensive Agricultural Support Programme (CASP) grant. Of this cut, R16.276 million was effected against Programme 2, against *Goods and services* (R1 million) by reducing mileage for official kilometres, *Transfers and subsidies to: Departmental agencies and accounts* (R10.591 million) by not implementing projects such as Triwin Africa, Copper Sunset Trading, Imbo-Mapholoba Rosemount Farming, Stillmac Printing and Our Harvest, undertaken by Agri-business Development Agency (ADA), *Transfers and subsidies to: Public corporations and private enterprises* (R2.604 million) by not implementing direct funded projects such as What a Deal Trading, and Motshawe Beef Project, and *Buildings and other fixed structures* (R2.081 million) against the Owen Sithole College of Agriculture (OSCA) infrastructure due to slow progress by DOPW. The balance of R1.305 million was reduced from Programme 3, against *Goods and services* by scaling down the mentorship programme.
    - R6.500 million was cut from the Ilima/Letsema Projects grant. This cut was implemented in Programme 2, against *Goods and services* (R2.690 million) by reducing the production inputs under the mechanisation programme, but not the number of farmers supported, and *Buildings and other fixed structures* (R3.810 million) by deferring the Phangela irrigation scheme project, as well as some activities relating to subsurface drainage, the clearing of the canal and the rehabilitation of Makhathini irrigation pumps, to 2024/25.
    - R800 000 was cut from the Land Care Programme grant. This cut was implemented under Programme 2, against *Machinery and equipment* through savings from equipment acquired, where quotations were lower than budgeted.

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- R452 000 was cut from the EPWP Integrated Grant for Provinces. This cut was implemented under Programme 2, against *Goods and services*. These savings were realised on EPWP wages due to the project starting later than anticipated (R200 000) and personal protective equipment (R252 000).
- o Furthermore, an amount of R11 million was reduced against the equitable share allocation of the department (R10 million) and against the transfer to ADA (R1 million). This reduction is in respect of funds surrendered towards the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA. This reduction was effected in Programme 1 against *Buildings and other fixed structures* (R5 million), and in Programme 2 against *Buildings and other fixed structures* (R5 million), as well as *Transfers and subsidies to: Departmental agencies and accounts* by reducing the transfer to ADA (R1 million). The decrease of R5 million against Programme 1 will be achieved by the department deferring some projects, such as the rehabilitation of the ablution facilities at Cedara main building and perimeter fencing of Allerton and Cedara. The decrease in Programme 2 was possible due to poor responses for the bid for the completion of defects at the Bambanana abattoir which requires re-advertising. The department will defer this project to 2024/25.

Tables 3.1 and 3.2 reflect a summary of the 2023/24 adjusted appropriation of the department, summarised according to programme and economic classification. Further details of adjustments at economic classification level are provided in *Annexure – Vote 3: Agriculture and Rural Development*.

**Table 3.1 : Summary by programmes**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	699 076	-	-	29 926	-	(5 000)	24 926	724 002
2. Agriculture	1 753 811	-	-	(35 549)	-	(30 028)	(65 577)	1 688 234
3. Rural Development	62 266	-	-	5 623	-	(1 305)	4 318	66 584
<b>Total</b>	<b>2 515 153</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36 333)</b>	<b>(36 333)</b>	<b>2 478 820</b>
<b>Amount to be voted</b>								<b>(36 333)</b>

**Table 3.2 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>2 051 287</b>	<b>-</b>	<b>-</b>	<b>9 095</b>	<b>(6 800)</b>	<b>(5 447)</b>	<b>(3 152)</b>	<b>2 048 135</b>
Compensation of employees	1 199 212	-	-	(109)	-	-	(109)	1 199 103
Goods and services	852 075	-	-	7 078	(6 800)	(5 447)	(5 169)	846 906
Interest and rent on land	-	-	-	2 126	-	-	2 126	2 126
<b>Transfers and subsidies to:</b>	<b>317 141</b>	<b>-</b>	<b>-</b>	<b>1 976</b>	<b>10 000</b>	<b>(14 195)</b>	<b>(2 219)</b>	<b>314 922</b>
Provinces and municipalities	2 369	-	-	(217)	-	-	(217)	2 152
Departmental agencies and accounts	216 505	-	-	1	-	(11 591)	(11 590)	204 915
Higher education institutions	-	-	-	10	-	-	10	10
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	89 893	-	-	(3 932)	10 000	(2 604)	3 464	93 357
Non-profit institutions	-	-	-	100	-	-	100	100
Households	8 374	-	-	6 014	-	-	6 014	14 388
<b>Payments for capital assets</b>	<b>146 725</b>	<b>-</b>	<b>-</b>	<b>(11 071)</b>	<b>(3 200)</b>	<b>(16 691)</b>	<b>(30 962)</b>	<b>115 763</b>
Buildings and other fixed structures	125 914	-	-	(17 110)	-	(15 891)	(33 001)	92 913
Machinery and equipment	20 181	-	-	6 379	(3 200)	(800)	2 379	22 560
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	630	-	-	(340)	-	-	(340)	290
Land and subsoil 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>Total</b>	<b>2 515 153</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36 333)</b>	<b>(36 333)</b>	<b>2 478 820</b>
<b>Amount to be voted</b>								<b>(36 333)</b>

## 4. Changes to programme purposes and service delivery measures

The department has not changed the purpose of any of its programmes, which conform to the sector specific programme and budget structure for the Agriculture sector for 2023/24. The non-financial information currently reflected in the 2023/24 *EPRE* largely corresponds to the department's 2023/24 APP, with a few discrepancies between the *EPRE* and the APP. According to the department, when the *EPRE* was finalised, it was still in the process of finalising the APP. As such, a few of the targets were

amended and these changes were not brought into the *EPRE*. The department is now aligning the non-financial information in the 2023/24 *EPRE* to the information in the APP, as detailed later.

#### 4.1 Programme 1: Administration

The primary role of Programme 1 is to support the line function components of the department in achieving their goals.

Tables 3.3 and 3.4 reflect a summary of the 2023/24 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R24.926 million, are provided in the paragraphs after the tables.

**Table 3.3 : Programme 1: Administration**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Office of the MEC	29 136			(1 529)			(1 529)	27 607
2. Senior Management	47 742			3 028			3 028	50 770
3. Corporate Services	405 771			39 616			39 616	445 387
4. Financial Management	179 212			(8 473)		(5 000)	(13 473)	165 739
5. Communication Services	37 215			(2 716)			(2 716)	34 499
<b>Total</b>	<b>699 076</b>	<b>-</b>	<b>-</b>	<b>29 926</b>	<b>-</b>	<b>(5 000)</b>	<b>24 926</b>	<b>724 002</b>
<b>Amount to be voted</b>								<b>24 926</b>

**Table 3.4 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>651 668</b>	<b>-</b>	<b>-</b>	<b>24 985</b>	<b>-</b>	<b>-</b>	<b>24 985</b>	<b>676 653</b>
Compensation of employees	249 427			(4 901)			(4 901)	244 526
Goods and services	402 241			27 760			27 760	430 001
Interest and rent on land				2 126			2 126	2 126
<b>Transfers and subsidies to:</b>	<b>10 954</b>	<b>-</b>	<b>-</b>	<b>2 295</b>	<b>-</b>	<b>-</b>	<b>2 295</b>	<b>13 249</b>
Provinces and municipalities	1 295						-	1 295
Departmental agencies and accounts	3 058						-	3 058
Higher education institutions				10			10	10
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	6 601			2 285			2 285	8 886
<b>Payments for capital assets</b>	<b>36 454</b>	<b>-</b>	<b>-</b>	<b>2 646</b>	<b>-</b>	<b>(5 000)</b>	<b>(2 354)</b>	<b>34 100</b>
Buildings and other fixed structures	25 998					(5 000)	(5 000)	20 998
Machinery and equipment	10 456			2 646			2 646	13 102
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>699 076</b>	<b>-</b>	<b>-</b>	<b>29 926</b>	<b>-</b>	<b>(5 000)</b>	<b>24 926</b>	<b>724 002</b>
<b>Amount to be voted</b>								<b>24 926</b>

#### Virement – Programme 1: Administration: R29.926 million

The main appropriation of Programme 1 was increased by an amount of R29.926 million resulting from virements from Programme 2, and there were further virements between economic categories and across the sub-programmes, as explained below:

- R29.926 million was moved from Programme 2 resulting from savings against *Goods and services* (R19.343 million), *Transfers and subsidies to: Public corporations and private enterprises* (R634 000) and *Buildings and other fixed structures* (R9.949 million). These savings were moved to the sub-programme: Corporate Services in Programme 1 against *Goods and services* to offset pressures in respect of the once-off costs for the new telecommunication system being installed by the department, including video-conferencing facilities, with the aim to have long-term efficiency and financial benefits. The costs for this new system were not adequately budgeted for (R15.303 million), while funds are also allocated for the higher than budgeted increases in utility

and security services (R7.484 million), higher travel and subsistence costs linked to the verification of performance targets for the 2022/23 audit process (R4.713 million), as well as higher than budgeted costs for state attorney fees due to invoices from the prior year only being received and paid for in 2023/24 (R2.426 million), as mentioned.

In addition to the above virement, the following virements were undertaken within sub-programmes and between economic categories in Programme 1:

- R2.166 million was moved from the sub-programme: Financial Management, against *Goods and services* as a result of enforced savings against fleet management costs. These savings were moved within the sub-programme to *Machinery and equipment* in respect of the procurement of office and computer equipment which was ordered in 2022/23 but only delivered and paid for in 2023/24.

Furthermore, the following virements were undertaken between sub-programmes and between economic categories in Programme 1:

- R4.901 million was moved from various sub-programmes, against *Compensation of employees* as a result of various vacant posts. These savings were moved to various sub-programmes within this programme, as follows:
  - R2.126 million was moved to the sub-programme: Senior Management against *Interest and rent on land* to cater for interest for SARS relating to SARS interest penalties.
  - R10 000 was moved to the sub-programme: Senior Management against *Transfers and subsidies to: Higher education institutions* in respect of donations made by the department to the University of KwaZulu-Natal (UKZN) towards student prizes for the annual Postgraduate Research and Innovation Symposium (PRIS).
  - R2.285 million was moved to various sub-programmes against *Transfers and subsidies to: Households* for leave gratuity payments in respect of staff exit costs (R2.098 million) and external bursaries (R187 000) which were all higher than budgeted for.
  - The balance of R480 000 was moved to the sub-programme: Financial Management against *Machinery and equipment* in respect of the procurement of bulk office and computer equipment which was ordered in 2022/23, but only delivered and paid for in 2023/24.

The department undertook various other virements between sub-programmes, but within the same economic categories. All of these virements are permissible in terms of the PFMA and Treasury Regulations. The introduction of a new transfer to UKZN against *Transfers and subsidies to: Higher education institutions* was approved by Provincial Treasury.

#### **Other adjustments – Programme 1: Administration: (R5 million)**

An amount of R5 million was reduced against the equitable share allocation of the department. This reduction is in respect of funds surrendered towards the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA. This reduction was undertaken from the sub-programme: Financial Management against *Buildings and other fixed structures*. This decrease is due to the fact that the department will defer these projects to 2024/25, such as the rehabilitation of the ablution facilities at Cedara main building and perimeter fencing of Allerton and Cedara, in order to surrender these funds.

## **4.2 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.

The information for the programme is given at sub-programme and sub-sub-programme level because of the level of detail required by the sector.

Tables 3.5 and 3.6 reflect a summary of the 2023/24 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall decrease of R65.577 million, are provided in the paragraphs after the tables.

Table 3.5 : Programme 2: Agriculture

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>1. Sustainable Resource Use and Management</b>	<b>74 665</b>	-	-	(4 362)	-	(1 252)	(5 614)	<b>69 051</b>
Agricultural Engineering Services	20 561			(3 643)			(3 643)	16 918
Land Care	37 648			(1 498)		(1 252)	(2 750)	34 898
Land Use Management	10 987			1 481			1 481	12 468
Disaster Risk Reduction	5 469			(702)			(702)	4 767
<b>2. Agricultural Producer Support and Development</b>	<b>1 160 651</b>	-	-	(49 470)	-	(25 695)	(75 165)	<b>1 085 486</b>
Producer Support Services	343 891			(9 903)		(23 305)	(33 208)	310 683
Extension and Advisory Services	644 789			(17 131)		(1 000)	(18 131)	626 658
Food Security	171 971			(22 436)		(1 390)	(23 826)	148 145
<b>3. Veterinary Services</b>	<b>218 654</b>	-	-	<b>2 663</b>	-	<b>(1 000)</b>	<b>1 663</b>	<b>220 317</b>
Animal Health	176 944			5 352		(1 000)	4 352	181 296
Veterinary Public Health	6 136			(60)			(60)	6 076
Veterinary Diagnostics Services	35 574			(2 629)			(2 629)	32 945
<b>4. Research and Technology Development Services</b>	<b>181 797</b>	-	-	<b>12 948</b>	-	-	<b>12 948</b>	<b>194 745</b>
Agricultural Research	118 000			3 451			3 451	121 451
Research Infrastructure Support Services	63 797			9 497			9 497	73 294
<b>5. Agricultural Economic Services</b>	<b>13 712</b>	-	-	<b>(70)</b>	-	-	<b>(70)</b>	<b>13 642</b>
Production Economics and Marketing Support	13 712			(70)			(70)	13 642
<b>6. Agricultural Education and Training</b>	<b>104 332</b>	-	-	<b>2 742</b>	-	<b>(2 081)</b>	<b>661</b>	<b>104 993</b>
Higher Education and Training	92 792			2 716		(2 081)	635	93 427
Agricultural Skills Development	11 540			26			26	11 566
<b>Total</b>	<b>1 753 811</b>	-	-	<b>(35 549)</b>	-	<b>(30 028)</b>	<b>(65 577)</b>	<b>1 688 234</b>
<b>Amount to be voted</b>								<b>(65 577)</b>

Table 3.6 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>1 337 353</b>	-	-	(19 343)	(6 800)	(4 142)	(30 285)	<b>1 307 068</b>
Compensation of employees	905 971			3 485			3 485	909 456
Goods and services	431 382			(22 828)	(6 800)	(4 142)	(33 770)	397 612
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>306 187</b>	-	-	<b>(634)</b>	<b>10 000</b>	<b>(14 195)</b>	<b>(4 829)</b>	<b>301 358</b>
Provinces and municipalities	1 074			(217)			(217)	857
Departmental agencies and accounts	213 447			1		(11 591)	(11 590)	201 857
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises	89 893			(4 232)	10 000	(2 604)	3 164	93 057
Non-profit institutions				100			100	100
Households	1 773			3 714			3 714	5 487
<b>Payments for capital assets</b>	<b>110 271</b>	-	-	<b>(15 572)</b>	<b>(3 200)</b>	<b>(11 691)</b>	<b>(30 463)</b>	<b>79 808</b>
Buildings and other fixed structures	99 916			(17 961)		(10 891)	(28 852)	71 064
Machinery and equipment	9 725			2 729	(3 200)	(800)	(1 271)	8 454
Heritage assets							-	-
Specialised military assets							-	-
Biological assets	630			(340)			(340)	290
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>1 753 811</b>	-	-	<b>(35 549)</b>	-	<b>(30 028)</b>	<b>(65 577)</b>	<b>1 688 234</b>
<b>Amount to be voted</b>								<b>(65 577)</b>

### Virement – Programme 2: Agriculture: (R35.549 million)

The main appropriation of Programme 2 was decreased by an amount of R35.549 million resulting from virements to Programmes 1 and 3, as explained below:

- Savings of R29.926 million were identified from the sub-programme: Agricultural Producer Support and Development against *Goods and services* (R19.343 million) due to enforced savings in respect of travel and subsistence, consumable supplies, contractors' costs and the reprioritisation of community investment projects, *Transfers and subsidies to: Public corporations and private*

*enterprises* (R634 000) as a result of various changes to the direct funded projects, as well as *Buildings and other fixed structures* (R9.949 million) because of projects being deferred to 2024/25 due to slow implementation, as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to Programme 1 against *Goods and services* to offset pressures in respect of the once-off costs for the new telecommunication system, higher than budgeted increase for utility and security services, higher travel and subsistence costs linked to the verification of performance targets for the 2022/23 audit process, and higher than budgeted costs for state attorney fees due to invoices from the prior year only received in 2023/24, as mentioned.

- Savings of R5.623 million were identified from the sub-programme: Agricultural Producer Support and Development against *Buildings and other fixed structures* resulting from projects being deferred due to slow implementation, as there were non-responsive bids for projects which required re-advertising, as mentioned. These savings were moved to Programme 3 under *Buildings and other fixed structures* (R851 000), *Machinery equipment* (R1.004 million) and *Goods and services* (R3.768 million) for upgrading and equipping the Ndumo packhouse as part of the aggregation of agri-hubs. This was not budgeted for, as the details of this project were not finalised at the time the 2023/24 budget was prepared, as mentioned.

In addition, the department undertook virements across all sub-programmes and within the programme affecting various economic classifications as follows:

- R3.485 million was moved from *Goods and services* under the sub-programme: Agricultural Producer Support and Development due to enforced savings in respect of travel and subsistence, consumable supplies, contractors' costs, maintenance of office buildings as a result of slow implementation by service providers, as well as the reprioritisation of community investment projects. These funds were moved to *Compensation of employees* against various sub-programmes to cater for the pressure of the 2023 wage agreement, which was not budgeted for.
- R217 000 was moved from *Transfers and subsidies to: Provinces and municipalities* due to the renewal of fewer motor vehicle licence fees following an auction of redundant vehicles and no replacements were purchased, as part of cost containment to fund the 2023 wage agreement (R211 000), as well as relating to the rates at the OSCA as the department has not been billed for the last two years and the King Cetshwayo Municipality is in process of resolving the matter with the Ingonyama Trust (R6 000). These funds were moved to *Transfers and subsidies to: Departmental agencies and accounts* (R1 000) relating to under-provision for TV licences, *Transfers and subsidies to: Non-profit institutions* (R100 000) for the introduction of a new transfer payment as a sponsorship for the South African Agricultural Awards (SAAA), a non-profit organisation, as well as *Transfers and subsidies to: Households* (R116 000) in respect of staff exit costs.
- Net savings of R3.598 million were identified in the Agricultural Producer Support and Development sub-programme against *Transfers and subsidies to: Public corporations and private enterprises* in respect of direct funded projects which will not be implemented in the current year, including Amashadu Projects, BNYL Trading, Lisakhanya Israel Farming, Maqaqa Trading, Masiqhame Trading, Melusana Trading Enterprise, What a Deal Trading and Projects and these will thus not be implemented in the current year. There were also reductions made against some projects that will continue, but at a slower pace, and these reductions in transfers were made to projects such as KwaNodumo Forestry, Mvelo Primary Co-op, Ndlutsha Trading Goats project, Njonji Farm, Phathumuzi Enterprises – Majozi Layers, as well as Vumisa Farming and Agri Services. This was offset by new projects, namely Epicentre Foods Primary Co-op, Siyahluma Smart Solutions, Amantombazana Ezwe Lethu Trading, and Mendi Msimang Innovation Hub. These changes were undertaken to align projects to the final CASP and Ilima/Letsema Projects grants business plans, as well as those under the equitable share. These funds were moved to *Transfers and subsidies to: Households* for leave gratuity payments in respect of staff exit costs (R3.059 million), as well as for injury on duty claims (R539 000). These movements in respect of direct funded projects are detailed in Table 3.15 below.



- R2.389 million was moved from the sub-programme: Agricultural Producer Support and Development against *Buildings and other fixed structures* resulting from projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These funds were moved to *Machinery and equipment* to cater for the Cedara sports field upgrades and solar panels which were not budgeted for (R1.050 million), and for the procurement of bulk office and computer equipment which was ordered in 2022/23 but only delivered and paid for in 2023/24 (R1.339 million).
- R340 000 was identified under *Biological assets* due to an over-provision for animals required for research purposes. These funds were moved to *Machinery and equipment* to cater for the procurement of bulk office and computer equipment, which was ordered in 2022/23 but only delivered and paid for in 2023/24.

These virements are permissible in terms of the PFMA and Treasury Regulations. It is noted that the sponsorship to SAAA against *Transfers and subsidies to: Non-profit institutions* is not higher than R100 000 and therefore does not require Legislature approval. The increases in *Transfers and subsidies to: Public corporations and private enterprises* and *Transfers and subsidies to: Non-profit institutions* received Provincial Treasury approval.

Legislature approval is required in terms of Section 43(4)(c) of the PFMA for the decrease in *Payments for capital assets* of R11.071 million, as capital for the Vote was decreased. Also, Legislature approval is required for the decreases in various transfers against *Transfers and subsidies to: Public corporations and private enterprises* amounting to R17.526 million, in line with Section 43(4)(b) of the PFMA, as detailed and highlighted in grey shading in Table 3.15.

### Shifts – Programme 2: Agriculture

The following shifts were undertaken within sub-programmes and across economic categories in Programme 2:

- R10 million was moved from *Goods and services* to *Transfers and subsidies to: Public corporations and private enterprises* within this programme under the Producer Support Services sub-sub programme in respect of the sugar seed cane programme for small-scale farmers. These funds will be transferred as a direct funded grant to the South African Farmers Development Association (SAFDA), and the project will no longer be implemented by the department. The purpose of the funds remains unchanged.
- R3.200 million was moved from *Machinery and equipment* to *Inventory: Other consumables* under *Goods and services* within the sub-programme: Sustainable Resource Management in respect of agricultural machinery and equipment that is acquired for land care projects and allocated to project beneficiaries. In terms of SCOA classification, such equipment acquired for service delivery must be classified as *Inventory: Other consumables* and not *Machinery and equipment* as the equipment does not become an asset of the department. The purpose of the funds remains unchanged.

### Other adjustments – Programme 2: Agriculture: (R30.028 million)

The main appropriation of Programme 2 was decreased by R30.028 million as a result of the following adjustments:

- An amount of R24.028 million was reduced in respect of fiscal consolidation reductions made by National Treasury to the conditional grant funding due to lower than expected revenue to be collected *via* SARS, as follows:
  - R16.276 million was cut from the CASP grant, partly under the sub-programme: Agricultural Producer Support and Development against *Goods and services* (R1 million) by reducing mileage for official kilometres, *Transfers and subsidies to: Departmental agencies and accounts* (R10.591 million) in respect of the transfer to ADA, by not implementing projects

such as Triwin Africa, Copper Sunset Trading, Imbo-Mapholoba Rosemount Farming, Stillmac Printing and Our Harvest. The cut was also effected against *Transfers and subsidies to: Public corporations and private enterprises* (R2.604 million) by not implementing direct funded projects, such as What a Deal Trading and Motshawe Beef Project, and the sub-programme: Agricultural Education and Training against *Buildings and other fixed structures* (R2.081 million) in respect of OSCA infrastructure due to slow progress by DOPW.

- o R6.500 million was cut from the Ilima/Letsema Projects grant. This cut was implemented under Veterinary Services (R1 million) and Agricultural Producer Support and Development (R5.500 million), against *Goods and services* (R2.690 million) by reducing the production inputs provided under the mechanisation programme but not the number of farmer supported. The cut was also effected against *Buildings and other fixed structures* (R3.810 million) by deferring the Phangela irrigation scheme project, as well as activities relating to subsurface drainage, clearing of the canal and rehabilitation of Makhathini irrigation pumps, to 2024/25.
- o R800 000 was cut from the Land Care Programme grant, from the Sustainable Resource Use and Management sub-programme against *Machinery and equipment* through savings from the equipment acquired where quotations were lower than budgeted.
- o R452 000 was cut from the EPWP Integrated Grant for Provinces. This cut was implemented under the sub-programme: Sustainable Resource Use and Management, against *Goods and services*. These savings were realised on EPWP wages due to the project starting later than anticipated (R200 000) and personal protective equipment (R252 000)
- Furthermore, an amount of R6 million was reduced against the equitable share allocation of the department (R5 million) and against the transfer to ADA (R1 million). This reduction is in respect of funds surrendered towards the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA. This reduction was effected under the sub-programme: Agricultural Producer Support and Development against *Buildings and other fixed structures* (R5 million) due to poor responses for the bid for the completion of defects at the Bambanana abattoir which requires re-advertising and the department will defer this project to 2024/25, and against *Transfers and subsidies to: Departmental agencies and accounts* in respect of the transfer to ADA (R1 million).

### Service delivery measures – Programme 2: Agriculture

Table 3.7 shows the revised service delivery information for Programme 2, as per the tabled 2023/24 APP of Agriculture and Rural Development, as well as the actual achievement for the first six months of the year. It is noted that a number of changes were made to the service delivery measures and targets originally published in the 2023/24 *EPRE* in order to align with the department's 2023/24 APP, which was tabled after the *EPRE*. The wording of a few measures was corrected to align to the revised APP, and this is highlighted in bold italics and a strikethrough where wording has been deleted. There are various changes made to the performance targets, and these are shown in the Revised target column.

**Table 3.7: Service delivery measures – Programme 2: Agriculture**

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
<b>1. Sustainable Resource Use and Management</b>				
1.1 Engineering services	<ul style="list-style-type: none"> <li>• No. of agricultural infrastructure established <b><i>by the department</i></b></li> <li>• No. of agricultural infrastructure rehabilitated <b><i>by the department</i></b></li> <li>• No. of kilometre of fenced-<del>for</del> agricultural use</li> </ul>	46 6 153	7 - -	101 13 221
1.2 Land use management	<ul style="list-style-type: none"> <li>• No. of ha of cultivated land under Conservation Agriculture practices</li> <li>• No. of Subdivision of agricultural Land Act applications to change land use submitted to DALRRD within 30 days</li> <li>• No. of farm management plans developed <b><i>for farmers</i></b></li> </ul>	650 116 10	- 35 4	 140  
1.3 Disaster risk management	<ul style="list-style-type: none"> <li>• No. of disaster risk early warning campaigns conducted</li> <li>• No. of surveys on uptake for early warning information conducted</li> </ul>	4 4	1 2	3
1.4 Land care	<ul style="list-style-type: none"> <li>• No. of beneficiaries trained under Land Care EPWP Programme</li> <li>• No. of green jobs created (<b><i>EPWP</i></b>) through Land Care</li> </ul>	382 725	- 10	195 621

Table 3.7: Service delivery measures – Programme 2: Agriculture

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
<b>2. Farmer Support and Development</b>				
2.1 Farmer-settlement and development	<ul style="list-style-type: none"> <li>No. of smallholder producers supported</li> <li>No. of black commercial farmers supported</li> </ul>	978 20	91 2	593 13
2.2 Extension and advisory services	<ul style="list-style-type: none"> <li>No. of <i>female</i> farmer projects supported by the department</li> <li>No. of youth projects supported by the department</li> <li>No. of projects for people with disability supported by the department</li> </ul>	171 86 23	25 17 3	141 63 28
2.3 Food security	<ul style="list-style-type: none"> <li>No. of ha planted for food production through departmental support</li> <li>No. of subsistence producers supported with food security interventions</li> </ul>	22 310 13 455	764 3 035	19 760 15 644
<b>3. Veterinary Services</b>				
3.1 Animal health	<ul style="list-style-type: none"> <li>No. of visits to epidemiological units <i>visited</i> for veterinary interventions</li> <li>No. of animals vaccinated against rabies</li> </ul>	13 200 180 000	3 375 60 000	12 996 203 412
3.2 Veterinary export control	<ul style="list-style-type: none"> <li>No. of veterinary certificates issued for export facilitation</li> </ul>	1 400	400	1 594
3.3 Veterinary public health	<ul style="list-style-type: none"> <li>No. of inspections conducted on facilities producing meat</li> </ul>	320	120	480
3.4 Veterinary laboratory services	<ul style="list-style-type: none"> <li>No. of laboratory tests performed according to prescribed standards</li> </ul>	100 000	27 500	
<b>4. Research and Technology Development Services</b>				
4.1 Research	<ul style="list-style-type: none"> <li>No. of research projects implemented to improve agricultural production</li> </ul>	90	-	68
4.2 Technology transfer services	<ul style="list-style-type: none"> <li>No. of scientific papers published in accredited journals</li> <li>No. of research presentations made at peer reviewed events</li> <li>No. of research presentations made at technology transfer events</li> </ul>	6 12 240	- - 72	3 4 144
4.3 Research infrastructure support	<ul style="list-style-type: none"> <li>No. of research infrastructure managed</li> </ul>	6	-	
<b>5. Agricultural Economic Services</b>				
5.1 Production economics and marketing support	<ul style="list-style-type: none"> <li>No. of beneficiaries supported with marketing advisory services</li> <li>No. of clients supported with production economic services</li> </ul>	350 400	168 73	450 450
5.2 Macroeconomics support	<ul style="list-style-type: none"> <li>No. of economic reports produced <i>by the department</i></li> </ul>	4	1	
5.3 Agro-processing support	<ul style="list-style-type: none"> <li>No. of agri-businesses supported with agro-processing initiatives</li> </ul>	400	258	500
<b>6. Agricultural Education and Training</b>				
6.1 Higher Education and Training	<ul style="list-style-type: none"> <li>No. of students graduated from Agricultural Training Institutions</li> </ul>	90	-	
6.2 Agricultural skills development	<ul style="list-style-type: none"> <li>No. of participants trained in skills development programmes in the sector</li> <li>No. of career awareness activities organised to promote agricultural education</li> </ul>	1 600 72	465 54	1 560

### 4.3 Programme 3: Rural Development

The aim of the programme is to initiate, plan and monitor development in specific rural areas (comprehensive rural development project sites) across the three spheres of government and to facilitate rural development initiatives by engaging communities on priorities and to institutionalise and support community organisational structures.

Tables 3.8 and 3.9 reflect a summary of the 2023/24 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R4.318 million, are provided in the paragraphs following the tables.

Table 3.8 : Programme 3: Rural Development

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
1. Rural Development Co-ordination	14 506			526	(8 400)	(7 874)	6 632
2. Social Facilitation	47 760			5 097	8 400	(1 305)	59 952
<b>Total</b>	<b>62 266</b>	<b>-</b>	<b>-</b>	<b>5 623</b>	<b>-</b>	<b>(1 305)</b>	<b>66 584</b>
Amount to be voted							<b>4 318</b>

Table 3.9 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>62 266</b>	-	-	<b>3 453</b>	-	<b>(1 305)</b>	<b>2 148</b>	<b>64 414</b>
Compensation of employees	43 814			1 307			1 307	45 121
Goods and services	18 452			2 146		(1 305)	841	19 293
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>315</b>	<b>315</b>
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises				300			300	300
Non-profit institutions							-	-
Households				15			15	15
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 855</b>	<b>-</b>	<b>-</b>	<b>1 855</b>	<b>1 855</b>
Buildings and other fixed structures				851			851	851
Machinery and equipment				1 004			1 004	1 004
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil 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>Total</b>	<b>62 266</b>	<b>-</b>	<b>-</b>	<b>5 623</b>	<b>-</b>	<b>(1 305)</b>	<b>4 318</b>	<b>66 584</b>
<b>Amount to be voted</b>								<b>4 318</b>

### Virement – Programme 3: Rural Development: R5.623 million

The main appropriation of Programme 3 was increased by an amount of R5.623 million resulting from a virement from another programme, as explained below:

- Savings of R5.623 million were identified under Programme 2 against *Buildings and other fixed structures* because of projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to this programme, to the sub-programme: Social Facilitation under *Buildings and other fixed structures* (R851 000), *Machinery equipment* (R1.004 million) and *Goods and services* (R3.768 million) for upgrading and equipping the Ndumo packhouse as part of the aggregation of agri-hubs. This was not budgeted for as the details of this project were not finalised at the time the 2023/24 budget was prepared, as mentioned.

In addition, the department undertook virements between sub-programmes and within the programme affecting various economic classifications as follows:

- R1.622 million was moved from *Goods and services* from enforced savings against training and development, and consumable supplies. These savings were moved within Programme 3, as follows:
  - R1.307 million was moved to *Compensation of employees* to cater for the 2023 wage agreement which was not budgeted for.
  - R300 000 was moved to *Transfers and subsidies to: Public corporations and private enterprises* for the introduction of a new transfer to the Tembe Marula Development Trust in respect of the establishment of a food testing facility at the Marula Factory (KwaNgwanase) as this will allow them to gain Hazard Analysis Critical Control Points (HACCP) certification and thus increase their ability to sell their products commercially on large scale.
  - R15 000 was moved to *Transfers and subsidies to: Households* for leave gratuity payments in respect of staff exit costs which were not budgeted for.

The virement is permissible in terms of the PFMA and Treasury Regulations. The introduction of a new transfer against *Transfers and subsidies to: Public corporations and private enterprises* relating to the Tembe Marula Development Trust received Provincial Treasury approval.

Legislature approval is required for the virement to this programme in terms of Section 43(2) of the PFMA, as it exceed the 8 per cent threshold in respect of the receiving programme.

### Shifts – Programme 3: Rural Development

An amount of R8.400 million was moved from the sub-programme: Rural Development Co-ordination to the sub-programme: Social Facilitation, within *Goods and services* in respect of implementation of the fresh produce hub funded by the Budget Facility for Infrastructure (BFI) through the CASP conditional grant. The project will be implemented under the Social Facilitation sub-programme. The movement is evident in Table 3.8 only, and the purpose of the funds remains unchanged.

### Other adjustments – Programme 3: Rural Development: (R1.305 million)

The main appropriation of Programme 3 was decreased by R1.305 million in respect of fiscal consolidation reductions made by National Treasury to the conditional grant funding due to lower than expected revenue to be collected *via SARS*. As such, the CASP grant under this programme was reduced by R1.305 million under the sub-programme: Social Facilitation, against *Goods and services*.

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

Table 3.10 shows the revised service delivery information for Programme 3, as per the tabled 2023/24 APP, as well as the actual achievement for the first six months of the year. These targets show no output at the end of mid-year as they are projected for the second half of the year. A change was affected to one of the performance targets for this programme and this is shown in the Revised target column.

**Table 3.10: Service delivery measures – Programme 3: Rural Development**

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
<b>1. Integrated Co-ordination of implementation for Rural Development</b>				
1.1 Improved farmer development	<ul style="list-style-type: none"> <li>No. of environment impact assessments for agri-hubs conducted</li> <li>No. of rural projects supported with mentorship</li> <li>No. of graduates enrolled into the UAGYP</li> </ul>	4 43 340	- - -	30

## 5. Specifically and exclusively appropriated allocations

Table 3.11 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act. Note that conditional grants, as well as transfers to public entities and local government (which are also specifically and exclusively appropriated funds) are not included here, as they are discussed in Sections 8, 9 and 10 below. The department did not undertake any adjustments relating to the specifically and exclusively appropriated allocations.

**Table 3.11 : Summary of specifically and exclusively appropriated funding**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Prog. 1: District Champion of OSS/DDM responsibilities	2 000						-	2 000
<b>Total</b>	<b>2 000</b>	-	-	-	-	-	-	<b>2 000</b>
Amount to be voted								

## 6. Gifts, donations and sponsorships

The department is not envisaging granting any gifts, donation and sponsorships in excess of R100 000 during the current financial year.

## 7. Infrastructure

Table 3.12 shows the summary of infrastructure payments per main category. Details of the main adjustments, which resulted in an overall decrease of R38.294 million, are provided in the paragraphs following the tables.

Table 3.12 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/				Other adjustments		
		Roll-overs	unavoidable	Virement	Shifts			
Existing infrastructure assets	50 396	-	-	(5 502)	-	(2 391)	(7 893)	42 503
Maintenance and repair: Current	10 000			(5 293)			(5 293)	4 707
Upgrades and additions: Capital	5 950			(3 540)			(3 540)	2 410
Refurbishment and rehabilitation: Capital	34 446			3 331		(2 391)	940	35 386
New infrastructure assets: Capital	85 518			(16 901)		(13 500)	(30 401)	55 117
Infrastructure transfers	52 626	-	-	-	-	-	-	52 626
Infrastructure transfers: Capital	52 626						-	52 626
Infrastructure transfers: Current							-	-
Infrastructure: Payments for financial assets							-	-
Infrastructure: Leases	38 996						-	38 996
Non infrastructure							-	-
Capital infrastructure	178 540	-	-	(17 110)	-	(15 891)	(33 001)	145 539
Current infrastructure	48 996	-	-	(5 293)	-	-	(5 293)	43 703
Total	227 536	-	-	(22 403)	-	(15 891)	(38 294)	189 242
Amount to be voted								(38 294)

- **Virement:** The department undertook the following virements affecting the infrastructure allocation:
  - R5.293 million was moved within *Goods and services* from *Maintenance and repair: Current* to assist with budget pressures resulting from the 2023 wage agreement which was not budgeted for. These savings were in respect of the maintenance of office buildings as a result of slow implementation by service providers, as well as projects deferred to 2024/25.
  - R3.540 million was moved from *Upgrades and additions: Capital* as a result of delays by DOPW in upgrading the canteen at Cedara, as well as delaying the implementation of upgrading ablution facilities at Cedara and perimeter fencing. These funds were moved towards the rehabilitation of houses at Dundee and Bartlow research stations that are progressing well (R3.331 million), as well as for the construction of new uMzimkhulu Office (R331 000) against *New infrastructure assets: Capital*. This movement was within *Buildings and other fixed structures*, hence is only visible in the infrastructure table. A portion of the anticipated savings from these projects is surrendered towards the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA
  - R3.331 million was moved to *Refurbishment and rehabilitation: Capital* towards the rehabilitation of houses at Dundee and Bartlow research stations that are progressing well. These savings were from *Upgrades and additions: Capital* as a result of delays by DOPW in upgrading the canteen at Cedara, as mentioned.
  - A net amount of R16.901 million was moved from *New infrastructure assets: Capital* resulting from projects being deferred due to slow implementation as there were non-responsive bids for projects which required re-advertising, such as the Bambanana abattoir, uMbumbulu Veterinary Clinic, Lekkerwater and Pheshiya irrigation. These savings were moved to offset pressure under *Goods and services*.

These virements are permissible in terms of the PFMA and Treasury Regulations.

Legislature approval is required for the reduction against *Capital infrastructure*, in terms of Section 43(4)(c) of the PFMA, as the capital allocation for the Vote decreased by R11.071 million.

- **Other adjustments:** The infrastructure budget was decreased by R15.891 million under the CASP grant (R2.081 million) against *New infrastructure assets: Capital*, and the Ilima/Letsema Projects grant (R3.810 million), against *Refurbishment and rehabilitation: Capital* (R2.391 million) and *New infrastructure assets: Capital* (R1.419 million) due to in-year fiscal consolidation budget cuts made by National Treasury against these two grants. Also, the reduction relates to funds surrendered (R10 million) towards the provincial Crime Fighting Initiative, as announced by the Premier in SOPA, against *New infrastructure assets: Capital*.

## 8. Conditional grants

Tables 3.13 and 3.14 summarise changes to conditional grants. Details of the main adjustments, which resulted in an overall decrease of R25.333 million, are given in the paragraphs following the tables.

**Table 3.13 : Summary of changes to conditional grants**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>2. Agriculture</b>	<b>299 865</b>	-	-	-	-	(24 028)	<b>(24 028)</b>	<b>275 837</b>
CASP grant	205 234					(16 276)	(16 276)	188 958
Ilima/Letsema Projects grant	76 685					(6 500)	(6 500)	70 185
Land Care Programme grant	13 310					(800)	(800)	12 510
EPWP Integrated Grant for Provinces	4 636					(452)	(452)	4 184
<b>3. Rural Development</b>	<b>25 340</b>	-	-	-	-	(1 305)	<b>(1 305)</b>	<b>24 035</b>
CASP grant	25 340					(1 305)	(1 305)	24 035
<b>Total</b>	<b>325 205</b>	-	-	-	-	<b>(25 333)</b>	<b>(25 333)</b>	<b>299 872</b>
Amount to be voted								<b>(25 333)</b>

**Table 3.14 : Summary of conditional grants by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>168 283</b>	-	-	<b>10 174</b>	<b>3 200</b>	<b>(5 447)</b>	<b>7 927</b>	<b>176 210</b>
Compensation of employees	43 591			954			954	44 545
Goods and services	124 692			9 220	3 200	(5 447)	6 973	131 665
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>106 594</b>	-	-	<b>(2 145)</b>	-	<b>(13 195)</b>	<b>(15 340)</b>	<b>91 254</b>
Provinces and municipalities							-	-
Departmental agencies and accounts	60 000					(10 591)	(10 591)	49 409
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises	46 594			(2 181)		(2 604)	(4 785)	41 809
Non-profit institutions							-	-
Households				36			36	36
<b>Payments for capital assets</b>	<b>50 328</b>	-	-	<b>(8 029)</b>	<b>(3 200)</b>	<b>(6 691)</b>	<b>(17 920)</b>	<b>32 408</b>
Buildings and other fixed structures	42 398			(10 758)		(5 891)	(16 649)	25 749
Machinery and equipment	7 930			2 729	(3 200)	(800)	(1 271)	6 659
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>325 205</b>	-	-	-	-	<b>(25 333)</b>	<b>(25 333)</b>	<b>299 872</b>
Amount to be voted								<b>(25 333)</b>

- *Virement*: The department undertook the following virements:
  - o Net savings of R2.181 million against *Transfers and subsidies to: Public corporations and private enterprise* were moved to *Goods and services* (R2.145 million) for the acquisition of tractors for mechanisation, as well as to *Transfers and subsidies to: Households* (R36 000) for staff exit costs that were budgeted for. This was as a result of various changes to the direct funded projects in respect of both the CASP and Ilima/Letsma Projects grants, as mentioned.
  - o Savings of R10.758 million were identified against *Buildings and other fixed* resulting from the revised business plan for the Ilima/Letsema Projects grant, with the reduced allocation being in respect of the Makhathini rehabilitation of pump stations, Phangela irrigation scheme project and clearing of canals, as well as the combi-court at the Cedara Agricultural College. These savings were moved to offset spending pressures against *Compensation of employees* (R954 000) for the 2023 wage agreement, *Goods and services* (R7.075 million) for mechanisation services, as well as *Machinery and equipment* (R2.729 million) to cater for the Cedara sports field upgrades and solar panels which were not budgeted for.

Legislature approval is required in terms of Section 43(4)(c) of the PFMA for the decrease in *Payments for capital assets* as capital for the Vote as a whole was decreased by R11.071 million. Also, Legislature approval is required for the decrease in various transfers against *Transfers and subsidies to: Public corporations and private enterprises* totalling R17.526 million, in line with Section 43(4)(b) of the PFMA, as detailed and highlighted in grey shading in Table 3.15.

- *Shift*: An amount of R3.200 million was moved within the Land Care Programme grant, from *Machinery and equipment* to *Inventory: Other consumables* under *Goods and services* in respect of agricultural machinery and equipment that is acquired for land care projects and allocated to project beneficiaries. In terms of SCOA classification, such equipment acquired for service delivery must be classified as *Inventory: Other consumables* and not *Machinery and equipment* as the equipment does not become an asset of the department. The purpose of the funds remains unchanged.
- *Other adjustments*: The department's conditional grant allocation was reduced by R25.333 million in respect of fiscal consolidation reductions made by National Treasury to the conditional grant funding due to lower than expected revenue to be collected *via* SARS, as follows:
  - o R17.581 million was cut from the CASP grant. Of this cut, R16.276 million was effected against Programme 2 against *Goods and services* (R1 million) by reducing mileage for official kilometres, *Transfers and subsidies to: Departmental agencies and accounts* (R10.591 million) in respect of the transfer to ADA by not implementing projects such as Triwin Africa, Copper Sunset Trading, Imbo-Mapholoba Rosemount Farming, Stillmac Printing and Our Harvest, The cut was also effected against *Transfers and subsidies to: Public corporations and private enterprises* (R2.604 million) by not implementing direct funded projects such as What a Deal Trading and Motshawe Beef Project, and *Buildings and other fixed structures* (R2.081 million) against OSCA infrastructure due to slow progress by DOPW. The balance of R1.305 million was reduced from Programme 3, against *Goods and services* by scaling down the mentorship programme.
  - o R6.500 million was cut from the Ilima/Letsema Projects grant. This cut was implemented against *Goods and services* (R2.690 million) by reducing the production inputs provided under the mechanisation programme but not the number of farmer supported, and *Buildings and other fixed structures* (R3.810 million) by deferring the Phangela irrigation scheme project, as well as some activities relating to subsurface drainage, the clearing of canals and the rehabilitation of Makhathini irrigation pumps, to 2024/25.
  - o R800 000 was cut from the Land Care Programme grant. This cut was implemented against *Machinery and equipment* through savings from the equipment acquired where quotations were lower than budgeted.
  - o R452 000 was cut from the EPWP Integrated Grant for Provinces. This cut was implemented against *Goods and services*. These savings were realised on EPWP wages due to the project starting later than anticipated (R200 000) and personal protective equipment (R252 000).

## 9. Transfers and subsidies

Table 3.28 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall decrease of R2.219 million in the transfers and subsidies allocation, are provided in the paragraphs following the table.

Note that further details of adjustments made to the budget of the department's public entity, ADA, are provided in *Annexure – Vote 3: Agriculture and Rural Development*.

**Table 3.15 : Summary of transfers and subsidies by programme and main category**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>1. Administration</b>	<b>10 954</b>	-	-	2 295	-	-	<b>2 295</b>	<b>13 249</b>
Provinces and municipalities	1 295	-	-	-	-	-	-	1 295
Motor vehicle licences	1 295						-	1 295
Departmental agencies and accounts	3 058	-	-	-	-	-	-	3 058
Skills Development Levy	3 058						-	3 058
Higher education institutions	-	-	-	10	-	-	10	10
UKZN donations				10			10	10
Households	6 601	-	-	2 285	-	-	2 285	8 886
Staff exit costs	714			2 098			2 098	2 812
External bursaries	5 887			187			187	6 074



Table 3.15 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>2. Agriculture</b>	<b>306 187</b>	-	-	(634)	10 000	(14 195)	(4 829)	301 358
Provinces and municipalities	1 074	-	-	(217)	-	-	(217)	857
Motor vehicle licences	1 068			(211)			(211)	857
Municipal agencies and funds	6			(6)			(6)	-
Departmental agencies and accounts	213 447	-	-	1	-	(11 591)	(11 590)	201 857
Agri-business Development Agency	213 444					(11 591)	(11 591)	201 853
TV and radio licences	3			1			1	4
Public corporations and private enterprises	89 893	-	-	(4 232)	10 000	(2 604)	3 164	93 057
SA Sugarcane Research Institute	3 298						-	3 298
Amafu Farming (Pty) Ltd	500						-	500
Amahlubi 1985 Trading Co-op Ltd	2 290						-	2 290
Amandla Power Agric (Pty) Ltd	1 700						-	1 700
Amashadu Projects (Pty) Ltd	2 500			(2 500)			(2 500)	-
Asakhenive (Pty) Ltd	1 622						-	1 622
BNYL Trading	1 600			(1 600)			(1 600)	-
Cebolakhe Projects (Pty) Ltd	3 600						-	3 600
Confluence Farm-Beef Production	3 474						-	3 474
Dleks (Pty) Ltd	4 100						-	4 100
Gagulethu farming	1 872						-	1 872
Igejay Farming services (Pty) Ltd	3 799						-	3 799
Khukhza Farming 01	5 000						-	5 000
Khulekakahle (Pty) Ltd	1 000						-	1 000
Kwa Malulekoes Herb (Pty) Ltd	1 456						-	1 456
KwaNodumo Forestry (Pty) Ltd	2 668			(600)			(600)	2 068
Lisakhanya Israel Farming (Pty) Ltd	3 134			(3 134)			(3 134)	-
Maqaqa Trading CC	2 220			(2 220)			(2 220)	-
Masiqame Trading (Pty) Ltd	3 880			(3 880)			(3 880)	-
Mbayiyanamkhulu Trading and Projects	1 881						-	1 881
Mdanozi Training and Projects	3 000						-	3 000
Melusana Trading Enterprise	1 000			(1 000)			(1 000)	-
Mjonaiza Dairy Farming	1 450						-	1 450
Mkhize Farm	1 875						-	1 875
Motshawe beef project	1 000					(1 000)	(1 000)	-
Mpembe Consulting CC	500						-	500
Mvelo Primary Co-op Ltd	1 160			(100)			(100)	1 060
Ndlutsha Trading Goats Project	1 327			(1)			(1)	1 326
Njonji Farm (Pty) Ltd	2 310			(207)			(207)	2 103
Ntabayenkunzi Piggery	300						-	300
Osolwazi Trading (Pty) Ltd	300						-	300
Phangela Trading - Beef Production	7 000						-	7 000
Phathumuzi Enterprises - Majozzi Layers	1 000			(400)			(400)	600
Phumphethe Farming (Pty) Ltd	4 720						-	4 720
Qalani Piggery	250			94			94	344
Siphosethu investments	1 419						-	1 419
SJL Farming Enterprise (Pty) Ltd	1 000						-	1 000
STZ Farming CC	2 000						-	2 000
Vumisa Farming and Agri Services (Pty) Ltd	1 703			(1 553)			(1 553)	150
What a Deal Trading and Projects	1 935			(331)		(1 604)	(1 935)	-
Zenzero Trading (Pty) Ltd	3 050						-	3 050
Epicentre Foods Primary Co-op				4 650			4 650	4 650
Siyahluma Smart Solutions				4 050			4 050	4 050
Amantombazana Ezwe Lethu Trading				3 000			3 000	3 000
Mendi Msimang Innovation Hub				1 500			1 500	1 500
SAFDA FMS (Pty) Ltd					10 000		10 000	10 000
Non-profit institutions	-	-	-	100	-	-	100	100
SAAA sponsorship				100			100	100
Households	1 773	-	-	3 714	-	-	3 714	5 487
Staff exit costs	1 773			3 175			3 175	4 948
Injury on Duty				539			539	539
<b>3. Rural Development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>315</b>	<b>-</b>	<b>-</b>	<b>315</b>	<b>315</b>
Public corporations and private enterprises	-	-	-	300	-	-	300	300
Tembe Marula Development Trust				300			300	300
Households	-	-	-	15	-	-	15	15
Staff exit costs				15			15	15
<b>Total</b>	<b>317 141</b>	<b>-</b>	<b>-</b>	<b>1 976</b>	<b>10 000</b>	<b>(14 195)</b>	<b>(2 219)</b>	<b>314 922</b>
<b>Amount to be voted</b>								<b>(2 219)</b>

- *Virement*: The department undertook the following virements affecting *Transfers and subsidies*:
  - o R10 000 was moved to *Higher education institutions* in Programme 1 from savings under *Compensation of employees* in respect of donations made by the department to UKZN towards student prizes for the annual PRIS.
  - o R2.285 million was moved to *Households* in Programme 1 from *Compensation of employees* for staff exit costs (R2.098 million) and external bursaries (R187 000), as mentioned.

- o R217 000 was moved from *Provinces and municipalities* in Programme 2 due to fewer renewal of motor vehicle licence fees (R211 000), as well as relating to the rates at OSCA as the department has not been billed for the last two years and the King Cetshwayo Municipality is in the process of resolving the matter with the Ingonyama Trust (R6 000). These funds were moved within the programme to *Departmental agencies and accounts* (R1 000) relating to under-provision for TV licences, *Non-profit institutions* (R100 000) for the introduction of a new transfer to the SAAA, a non-profit organisation, being a sponsorship towards the awards, as well as *Households* (R116 000) for leave gratuity payments in respect of staff exit costs.
- o Net savings of R4.232 million were identified in the Agricultural Producer Support and Development sub-programme in Programme 2 against *Public corporations and private enterprises* in respect of direct funded projects, where no transfers will be made this year in respect of projects that will not be implemented in the current year, such as Amashadu Projects, BNYL Trading, Lisakhanya Israel, Maqaqa Trading, Masiqhame trading, Melusana Trading Enterprise, What a Deal Trading and Projects. There were also reductions to some projects that will continue, but at a slower pace, such as KwaNodumo Forestry, Mvelo Primary Co-op, Ndlutsha Trading Goats, Njonji Farm, Phathumuzi Enterprises – Majozi Layers, and Vumisa Farming and Agri Services. These funds were moved to *Households* for staff exit costs, as well as injury on duty claims. This was offset by transfers to new projects, namely Epicentre Foods Primary Co-op, Siyahluma Smart Solutions, Amantombazana Ezwe Lethu Trading, and Mendi Msimang Innovation Hub. These changes were undertaken to align projects to the final CASP and Ilima/Letsema Projects grants business plans, as well as those under the equitable share.
- o R300 000 was moved to *Public corporations and private enterprises* under Programme 3, from savings against *Goods and services* for the introduction of a new transfer to the Tembe Marula Development Trust in respect of the establishment of food testing that will allow them to gain HACCP certification and the ability to sell their products commercially on large scale at the Marula Factory (KwaNgwanase).
- o R15 000 was moved to *Households* under Programme 3, from savings against *Goods and services* for leave gratuity payments in respect of staff exit costs which not budgeted for

These virements are permissible in terms of the PFMA and Treasury Regulations. It is noted that the sponsorship to SAAA against *Non-profit institutions* is not higher than R100 000 and thus does not need Legislature approval. The increases in *Higher education institutions*, *Public corporations and private enterprises* and *Non-profit institutions* received Provincial Treasury approval.

Legislature approval is required in terms of Section 43(4)(c) of the PFMA for the decreases in various transfers against *Public corporations and private enterprises* totalling R17.526 million, in line with Section 43(4)(b) of the PFMA, as highlighted in grey shading in Table 3.15.

- *Shifts*: An amount of R10 million was moved from *Goods and services* to *Public corporations and private enterprises* under Programme 2 in respect of the sugar seed cane programme for small-scale farmers as these funds will be transferred as a direct funded grant to SAFDA, and the project will not be implemented by the department. The purpose of the funds remains unchanged.
- *Other adjustments*: The department's conditional grant allocation was reduced by R14.195 million in respect of in-year fiscal consolidation reductions made by National Treasury due to lower than expected revenue to be collected via SARS, against the CASP grant, as follows:
  - o *Departmental agencies and accounts* was reduced by R10.591 million by not implementing projects such as Triwin Africa, Copper Sunset Trading, Imbo-Mapholoba Rosemount Farming, Stillmac Printing and Our Harvest, undertaken by ADA.
  - o *Public corporations and private enterprises* was reduced by R2.604 million by not implementing direct funded projects such as What a Deal Trading, and Motshawe Beef Project

Furthermore, R1 million was reduced against the transfer to ADA in respect of funds surrendered for the provincial Crime Fighting Initiative, as announced by the Honourable Premier in SOPA. This reduction was effected under *Transfers and subsidies to: Departmental agencies and accounts*.

## 10. Transfers to local government

Table 3.16 shows the details of transfers to local government, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act. It is noted that the amount against *Provinces and municipalities* in Table 3.2 includes provision for motor vehicle licences. This amount is excluded from the transfers to local government table, as these funds will not be transferred to any municipality. Details of the main adjustments, which resulted in an overall decrease of R6 000, are provided in the paragraphs following the tables.

**Table 3.16 : Summary of transfers to local government**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Total: King Cetshwayo Municipalities</b>	<b>6</b>	-	(6)	-	-	-	(6)	-
C DC28 King Cetshwayo District Municipality	6	-	(6)	-	-	-	(6)	-
<b>Total</b>	<b>6</b>	-	(6)	-	-	-	(6)	-
Amount to be voted								
								(6)

- *Virement*: The reduction of R6 000 relates to the rates at OSCA as the department has not been billed for the last two years and the King Cetshwayo Municipality is in process of resolving matter with the Ingonyama Trust. These savings were moved to *Transfers and subsidies to: Households* for staff exit costs. This reduction in a transfer is permissible, as the funds are not gazetted for transfer.

## 11. Actual payments and revised spending projections for the rest of 2023/24

Tables 3.17 and 3.18 reflect actual payments as at the end of September 2023, projected payments for the rest of the financial year and the total revised spending in Rand value and as a percentage of the Adjusted Appropriation per programme and economic classification. The tables also show the 2022/23 Audited outcome.

**Table 3.17 : Actual payments and revised spending projections by programme**

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments April 2023 - September 2023		Projected payments October 2023 - March 2024		Projected actual
			% of budget		% of budget		
1. Administration	687 734	724 002	340 232	47.0	383 770	53.0	724 002
2. Agriculture	1 781 598	1 688 234	797 138	47.2	891 096	52.8	1 688 234
3. Rural Development	79 916	66 584	28 248	42.4	38 336	57.6	66 584
Total	2 549 248	2 478 820	1 165 618	47.0	1 313 202	53.0	2 478 820

**Table 3.18 : Actual payments and revised spending projections by economic classification**

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2023 - September 2023		October 2023 - March 2024		
			% of budget		% of budget		
Current payments	2 067 604	2 048 135	954 294	46.6	1 093 841	53.4	2 048 135
Compensation of employees	1 164 240	1 199 103	602 222	50.2	596 881	49.8	1 199 103
Goods and services	903 181	846 906	349 947	41.3	496 959	58.7	846 906
Interest and rent on land	183	2 126	2 125	100.0	1	0.0	2 126
Transfers and subsidies to:	352 316	314 922	177 950	56.5	136 972	43.5	314 922
Provinces and municipalities	1 266	2 152	785	36.5	1 367	63.5	2 152
Departmental agencies and accounts	222 926	204 915	115 596	56.4	89 319	43.6	204 915
Higher education institutions		10	-	-	10	100.0	10
Foreign governments and international organisations		-	-	-	-	-	-
Public corporations and private enterprises	109 935	93 357	52 395	56.1	40 962	43.9	93 357
Non-profit institutions		100	100	100.0	-	-	100
Households	18 189	14 388	9 074	63.1	5 314	36.9	14 388
Payments for capital assets	128 845	115 763	33 374	28.8	82 389	71.2	115 763
Buildings and other fixed structures	50 932	92 913	22 155	23.8	70 758	76.2	92 913
Machinery and equipment	77 416	22 560	11 219	49.7	11 341	50.3	22 560
Heritage assets		-	-	-	-	-	-
Specialised military assets		-	-	-	-	-	-
Biological assets	497	290	-	-	290	100.0	290
Land and subsoil assets		-	-	-	-	-	-
Software and other intangible assets		-	-	-	-	-	-
Payments for financial assets	483	-	-	-	-	-	-
Total	2 549 248	2 478 820	1 165 618	47.0	1 313 202	53.0	2 478 820



Table 3.A : Summary by economic classification : Agriculture and Rural Development

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
Current payments	2 051 287	-	-	9 095	(6 800)	(5 447)	(3 152)	2 048 135
Compensation of employees	1 199 212	-	-	(109)	-	-	(109)	1 199 103
Salaries and wages	1 022 198	-	-	8 932	-	-	8 932	1 031 130
Social contributions	177 014	-	-	(9 041)	-	-	(9 041)	167 973
Goods and services	852 075	-	-	7 078	(6 800)	(5 447)	(5 169)	846 906
Administrative fees	6 409	-	-	1 254	-	-	1 254	7 663
Advertising	12 110	-	-	(423)	-	-	(423)	11 687
Minor assets	1 684	-	-	14 473	-	(300)	14 173	15 857
Audit cost: External	8 990	-	-	198	-	-	198	9 188
Bursaries: Employees	986	-	-	-	-	-	-	986
Catering: Departmental activities	2 798	-	-	1 329	-	-	1 329	4 127
Communication (G&S)	12 658	-	-	(572)	-	-	(572)	12 086
Computer services	61 824	-	-	1 541	-	-	1 541	63 365
Cons. & prof serv: Business and advisory services	635	-	-	531	-	-	531	1 166
Infrastructure and planning	129 653	-	-	(46 270)	(10 000)	(1 390)	(57 660)	71 993
Laboratory services	40	-	-	(2)	-	-	(2)	38
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	1 500	-	-	2 453	-	-	2 453	3 953
Contractors	37 908	-	-	(11 403)	-	-	(11 403)	26 505
Agency and support / outsourced services	36 055	-	-	(1 625)	-	-	(1 625)	34 430
Entertainment	-	-	-	-	-	-	-	-
Fleet services (incl govt motor transport)	60 079	-	-	(1 702)	-	-	(1 702)	58 377
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	658	-	-	(658)	-	-	(658)	-
Inventory: Farming supplies	47 024	-	-	40 388	-	(200)	40 188	87 212
Inventory: Food and food supplies	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	4 875	-	-	2 196	-	-	2 196	7 071
Inventory: Learner and teacher support material	2 092	-	-	(654)	-	-	(654)	1 438
Inventory: Materials and supplies	15 780	-	-	4 653	-	-	4 653	20 433
Inventory: Medical supplies	2 743	-	-	(221)	-	-	(221)	2 522
Inventory: Medicine	16 018	-	-	(5 929)	-	(1 000)	(6 929)	9 089
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	1 610	3 200	-	4 810	4 810
Consumable supplies	29 057	-	-	(7 573)	-	(252)	(7 825)	21 232
Consumable: Stationery, printing and office supplies	4 089	-	-	(162)	-	-	(162)	3 927
Operating leases	45 281	-	-	(1 541)	-	-	(1 541)	43 740
Property payments	195 655	-	-	8 067	-	-	8 067	203 722
Transport provided: Departmental activity	-	-	-	-	-	-	-	-
Travel and subsistence	95 245	-	-	(2 374)	-	(1 000)	(3 374)	91 871
Training and development	13 000	-	-	2 990	-	(1 305)	1 685	14 685
Operating payments	7 157	-	-	6 502	-	-	6 502	13 659
Venues and facilities	-	-	-	-	-	-	-	-
Rental and hiring	72	-	-	2	-	-	2	74
Interest and rent on land	-	-	-	2 126	-	-	2 126	2 126
Interest	-	-	-	2 126	-	-	2 126	2 126
Rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to	317 141	-	-	1 976	10 000	(14 195)	(2 219)	314 922
Provinces and municipalities	2 369	-	-	(217)	-	-	(217)	2 152
Provinces	2 363	-	-	(211)	-	-	(211)	2 152
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 363	-	-	(211)	-	-	(211)	2 152
Municipalities	6	-	-	(6)	-	-	(6)	-
Municipalities	-	-	-	-	-	-	-	-
Municipal agencies and funds	6	-	-	(6)	-	-	(6)	-
Departmental agencies and accounts	216 505	-	-	1	-	(11 591)	(11 590)	204 915
Social security funds	-	-	-	-	-	-	-	-
Entities receiving transfers	216 505	-	-	1	-	(11 591)	(11 590)	204 915
Higher education institutions	-	-	-	10	-	-	10	10
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	89 893	-	-	(3 932)	10 000	(2 604)	3 464	93 357
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	89 893	-	-	(3 932)	10 000	(2 604)	3 464	93 357
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	89 893	-	-	(3 932)	10 000	(2 604)	3 464	93 357
Non-profit institutions	-	-	-	100	-	-	100	100
Households	8 374	-	-	6 014	-	-	6 014	14 388
Social benefits	2 487	-	-	5 828	-	-	5 828	8 315
Other transfers to households	5 887	-	-	186	-	-	186	6 073
Payments for capital assets	146 725	-	-	(11 071)	(3 200)	(16 691)	(30 962)	115 763
Buildings and other fixed structures	125 914	-	-	(17 110)	-	(15 891)	(33 001)	92 913
Buildings	91 919	-	-	4 152	-	(12 081)	(7 929)	83 990
Other fixed structures	33 995	-	-	(21 262)	-	(3 810)	(25 072)	8 923
Machinery and equipment	20 181	-	-	6 379	(3 200)	(800)	2 379	22 560
Transport equipment	4 495	-	-	(219)	-	-	(219)	4 276
Other machinery and equipment	15 686	-	-	6 598	(3 200)	(800)	2 598	18 284
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	630	-	-	(340)	-	-	(340)	290
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	2 515 153	-	-	-	-	(36 333)	(36 333)	2 478 820
Amount to be voted								(36 333)

**Table 3.B : Details of provincial own receipts - Agri-business Development Agency (ADA)**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Tax receipts</b>	-	-	-	-	-	-	-	-
<b>Non-tax receipts</b>	<b>221 886</b>	<b>10 011</b>	-	-	-	<b>(5 504)</b>	<b>4 507</b>	<b>226 393</b>
Sale of goods and services other than capital assets	7 106	-	-	-	-	(3 267)	(3 267)	3 839
Entity revenue other than sales	1 336	-	-	-	-	-	-	1 336
Transfers received	213 444	10 011	-	-	-	(2 237)	7 774	221 218
of which:								
Departmental transfer: DARD	213 444	-	-	-	-	(11 591)	(11 591)	201 853
Roll-over: DARD	-	10 011	-	-	-	-	10 011	10 011
National Skills Fund	-	-	-	-	-	9 354	9 354	9 354
Sale of capital assets	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	-	-	-	-	-	-	-	-
Other non-tax revenue	-	-	-	-	-	-	-	-
<b>Total</b>	<b>221 886</b>	<b>10 011</b>	-	-	-	<b>(5 504)</b>	<b>4 507</b>	<b>226 393</b>

**Table 3.C : Summary by programme - ADA**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Finance and Administration	111 306	4 002	-	-	(7 426)	(3 385)	(6 809)	104 497
2. Comprehensive Capacity Building	3 654	540	-	-	(154)	8 854	9 240	12 894
3. Enterprise and Value Chain Development	36 467	4 944	-	(4 384)	116	(5 689)	(5 013)	31 454
4. Infrastructure Development	70 459	525	-	4 384	7 464	(5 284)	7 089	77 548
<b>Total</b>	<b>221 886</b>	<b>10 011</b>	-	-	-	<b>(5 504)</b>	<b>4 507</b>	<b>226 393</b>

**Table 3.D : Summary by economic classification - ADA**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>220 087</b>	<b>9 702</b>	-	-	-	<b>(5 504)</b>	<b>4 198</b>	<b>224 285</b>
Compensation of employees	69 511	-	-	(3 600)	(2 372)	(118)	(6 090)	63 421
Goods and services	150 576	9 702	-	3 600	2 372	(5 386)	10 288	160 864
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 799</b>	<b>309</b>	-	-	-	-	<b>309</b>	<b>2 108</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	1 799	309	-	-	-	-	309	2 108
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil 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>Total</b>	<b>221 886</b>	<b>10 011</b>	-	-	-	<b>(5 504)</b>	<b>4 507</b>	<b>226 393</b>