

- Irrigation infrastructure: The provision of on-farm infrastructure to emerging farmers, through, for example, the revitalisation of smallholders irrigation scheme (RESIS).
- Restructuring of state-owned assets, including the Agricultural and Rural Development Corporation (ARDC) and other state enterprises.
- Business support: The identification of market opportunities, the development of business plans, the mobilisation of finance and the provision of advice on enterprise management.
- Extension and technology support: The provision planning, production and after-care support.
- Farmer settlement: The provision of support to land reform beneficiaries to access land, produce and markets.
- Information and communication: The improvement of communication and information dissemination to customers and stakeholders.
- Financial management: The provision of financial support, control and reporting in line with the Public Finance Management Act (PFMA) and Generally Acceptable Accounting Principles (GAAP).
- Human resource development: The provision of training to both the department staff and farmers as targeted by government priorities.
- Municipal focus on the Integrated Development Plan (IDP) processes to support service delivery at local government level.

#### **1.4 Acts, rules and regulations**

The Department of Agriculture's mandate is vested mainly in the following statutes:

- Constitution of the Republic of South Africa of 1996 (Act No. 108 of 1996).
- The Constitution Veterinary Acts.
- Human Rights Act.
- Plant and Crop-Related Legislation.
- Land and Land Reform Legislation.
- Land Care-Related Legislation.
- Recruitment Policies.
- Conditions of Service.
- Public Service Act and Regulations.
- PFMA and Treasury Regulations .
- Supply Chain Management Framework.
- Preferential Procurement Policy Framework Act .

- Black Economic Empowerment Act.
- Resource Conservation Act.
- The State Information Technology Agency (SITA) Act.
- Electronic Communications and Transaction Act .

## **2. Review of the current financial year (2008/09)**

The Department of Agriculture has implemented its planned programmes as outlined in the Annual Performance Plan (APP). These programmes are outlined as follows:

The Department has improved its capacity to deliver by completing organisational re-alignment to ensure that grassroots and local clients' needs are consistently managed within reasonable proximity.

The capacity and competency of the LDA have also been improved by targeted and relevant qualifications.

AgriBEE is now law, and willing and committed agri-entrepreneurs have become involved. The key thrust of this framework is to assist the government to fight poverty and joblessness through a sustainable, business-oriented and profit-based mechanism. The launch of AgriBEE coincides with challenges emerging in the economic environment, such as high consumer food prices. Globally, nations and governments are grappling with the cost of food.

At a glance, it may seem that the agricultural sector is to some extent culpable. However, farmers are price-takers within the value chain and the current world food crop shortages are a result of many inter-dependent factors, such as increased food demand in China and India, sharp increases in the world's oil and energy costs, competition for food crops, high and increasing agricultural commodity prices, changing lifestyles and rapid urbanisation in most countries.

Increasing commodity prices are a welcome signal for farmers; however, high and increasing food prices spell doom for consumers. High and increasing energy and oil costs, as well as high interest rates where there are no sustainable social safety nets mean the most vulnerable become desperate. Poverty is a result of a lack of capacity and a lack of access to any set of resources, whether productive resources or cash, to enable one to acquire goods.

It should be noted that neither farmers nor consumers are directly responsible for the current high food price conditions. The response to high commodity prices by farmers can only lead to lower commodity prices in the medium to long term. The law of supply and demand always seeks to correct short-term market imperfections. This suggests that investigations must be targeted at processors, manufacturers, retailers and wholesalers to understand the cost structure that leads to such alarming food price increases. The Department of Agriculture alone cannot deal with the issue, and we call upon the the Departments of Trade and Industry , and Minerals and Energy, as well as the Chamber of Commerce to be part of investigating the problem and providing a sustainable solution. As the ANC stated at the 2008 Polokwane Conference, more and better support for farmers will assist in minimising the food shortage issue and achieving more reasonable food crop prices.

A brief review of key agricultural indicators suggests that the sector is still not in good shape. Beside the good rains for the greater part of the year, farm investments in the country are reported to have declined significantly since 1996. This situation can be attributed to the settlement of land claims for most commercial white farmers. New farmers are, however, not assisted in purchasing working tools and working capital to sustain or even increase the productivity of the properties they inherit. This is an unintended outcome of policy, which is now being reviewed to enable the Land Affairs Department to purchase properties as going concerns.

The involvement of the Land Bank and the Industrial Development Corporation (IDC) in the agri-business value chain has become very important to build the much-needed capital and production base with sound business standards.

As the Department of Agriculture in Limpopo, we support the Alliance's concerns over the devastating impact of rising food prices on our people. We furthermore support the following measures for urgent consideration:

- Removing VAT on a wider range of basic food.
- Restructuring and increasing financial allocations to the school feeding schemes.
- Subsidies to cushion the effect of food price rises on the poor in a manner that does not enrich food manufacturers.

Land and agrarian reform programmes must be fast-tracked so that more land can be made available for food production to ensure food security. This must, however, be matched by commensurate capacity within the departments of Agriculture and their development agents to be able to deliver appropriate services. The department also supports a summit on the impact of high food prices and the rising cost of living on South Africans, with Limpopo as a starting point.

Within the Province, the departments of Agriculture, Health, Local Government and Education have embarked on a campaign against ignorance of food safety, nutrition and household production. These measures will ensure that people take responsibility to produce basic food in their back-yard gardens and food plots or community gardens to lessen the impact of rising prices and food insecurity.

The following programmes have been implemented or continued during the financial year:

- Human resource development: Bursaries were awarded to students at various institutions in fields such as agricultural engineering, hydrology, veterinary medicine, horticulture and agricultural entomology.
- A mentorship programme was entered into with the private sector and has seen employees benefiting. Poverty alleviation is being addressed, with renewed focus on how food security and rural micro-projects will be managed and implemented by local entrepreneurs, the community and non-governmental organisations. This approach will cut costs and target the identified clients.
- Animal health: Vaccinations for controlled diseases have been taken into the Animal Diseases Act.

- Control measures to prevent foot and mouth disease within the Vhembe district have been successful.
- The implementation of the Performance Management System, coupled with targeted capacity-building of the management staff, have proved to be of value to line management staff. Better and well-focused development plans, based on sound data base capturing and management systems, have been implemented.
- Rehabilitation of irrigation schemes: The revitalisation of 36 schemes under the RESIS programme is continuing.
- The Comprehensive Agricultural Support Programme (CASP) has been launched successfully as a supplementary funding mechanism, with an emphasis on on-and-off farm infrastructure.
- Food security and the rehabilitation of poverty relief projects were completed.
- The AgriBEE framework has been completed and will be implemented during the year. Black agri-business entrepreneurs stand to gain from this legislation.
- Extension and research methodology has been adopted in collaboration with external partners.

### **3. Outlook for 2009/10**

The department is determined to continuously increase the capacity, competency, professionalism and effectiveness of the operational systems in our administration to improve the quality of service intended for our targeted clients. The department is proceeding with the implementation of an integrated development planning approach at local municipality level to improve local agricultural planning, technical and administrative capacity for effective service delivery.

The department will actively aim to create a fertile environment for all farmers to achieve the goals of job and wealth creation. Programmes are developed and specifically designed to make farming accessible to the previously disadvantaged and for them to participate in the mainstream agricultural industry. Mechanisms are in place to positively intervene in improving the lives of the poor by using agriculture to eradicate poverty and combat hunger and disease. The point of departure is to implement a Food Security Programme with projects that will be sustainable in the long run. The department will also continue to perform all statutory obligations such as Veterinary and Animal Health requirements effectively.

#### **3.1 List of key outcomes**

- Restructuring of state agricultural assets and the promotion of sustainable natural resources management and utilisation (through, for example, RESIS).
- Promote agri-business through appropriate market access strategies, value-adding and commodity associations to maximise farmer participation in broader economic development opportunities.

- Promotion and development of appropriate training/research-based production and value-adding technologies for successful agri-businesses.
- Promotion of access to commercial agricultural land and agri-business for previously disadvantaged individuals, as well as pre- and post-settlement support for land reform projects to ensure sustainable agricultural enterprises.
- Provision of appropriate advisory support and sustainable poverty alleviation and household food security and nutrition strategies.
- Promotion and establishment of a reliable information and communication strategy through information technology for knowledge and information sharing.
- Animal production and health interventions to improve livestock and control animal diseases.

## 4. Receipts and financing

### 4.1 Summary of receipts and financing

Table 4.1(a) contains an analysis of departmental receipts per main category over the seven-year period from 2005/06 to 2011/12. The details of these receipts are presented in Table 4.14 in the Annexure to Vote 4 – Agriculture.

**Table 4.1(a): Summary of receipts: Agriculture**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
Equitable share	940,705	917,042	819,329	869,486	866,171	869,501	1,046,633	1,168,475	1,228,508
Conditional grants	139,726	101,860	173,723	161,069	221,832	221,832	126,196	158,947	196,790
Departmental receipts	13,817	10,257	10,770	11,697	11,697	11,697	12,281	12,894	13,540
<b>Total receipts</b>	<b>1,094,248</b>	<b>1,029,159</b>	<b>1,003,822</b>	<b>1,042,252</b>	<b>1,099,700</b>	<b>1,103,030</b>	<b>1,185,110</b>	<b>1,340,316</b>	<b>1,438,838</b>

### 4.2 Departmental own receipts collection

Table 4.1(b) shows the revenue collected or to be collected for Vote 4: Agriculture over the seven-year period from 2005/06 to 2011/12. The details of these receipts are presented in Table 4.14 in the Annexure to Vote 4 – Agriculture.

**Table 4.1(b): Departmental receipts: Agriculture**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
<b>Non-tax receipts</b>	<b>6,480</b>	<b>5,036</b>	<b>3,950</b>	<b>4,699</b>	<b>5,109</b>	<b>5,109</b>	<b>6,371</b>	<b>7,762</b>	<b>8,151</b>
Sale of goods and services other than capital assets	4,780	4,245	3,119	3,784	4,394	4,394	5,455	6,801	7,142
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1,700	791	831	915	715	715	916	961	1,009
<b>Transfers received</b>	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>4,750</b>	<b>3,756</b>	<b>4,201</b>	<b>3,986</b>	<b>5,143</b>	<b>5,143</b>	<b>4,347</b>	<b>3,351</b>	<b>3,519</b>
<b>Financial transactions</b>	<b>2,587</b>	<b>1,465</b>	<b>2,819</b>	<b>3,012</b>	<b>1,445</b>	<b>1,445</b>	<b>1,563</b>	<b>1,781</b>	<b>1,870</b>
<b>Total departmental receipts</b>	<b>13,817</b>	<b>10,257</b>	<b>10,770</b>	<b>11,697</b>	<b>11,697</b>	<b>11,697</b>	<b>12,281</b>	<b>12,894</b>	<b>13,540</b>

The revenue collection for this department consists mainly of the sale of goods and services, including the sale of agricultural produce, veterinary services and farm rentals, as well as the sale of capital assets. Positive growth of 5% occurred over the period as a result of an anticipated increase in the sale of agricultural produce and the recovery of outstanding debt.

## 5. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budget estimates in terms of programmes and economic classification. Further details are given in Section 6, as well as in the Annexure to Vote 4 – Agriculture.

### 5.1 Key assumptions

The following general assumptions were made by the department in formulating the 2006/07 budget:

- Salary increases of 6.0 per cent for 2009/10 and 2010/11 and 5.6 per cent for 2011/12 were included to improve conditions of service, as well as the annual one per cent pay progression.
- Provisions for inflationary adjustments are based on CPIX projections.

### 5.2 Summary of programmes

Vote 4 consists of seven budget programmes, in accordance with the generic structure developed for the sector. These programmes are Administration, Sustainable Resource Management, Farmer Support and Development, Veterinary Services, Technology Research and Development, Agricultural Economics and Structured Agricultural Training.

Table 4.2(a) and 4.2(b) reflect payments and estimates by programme and economic classification.

**Table 4.2(a): Summary of payments and estimates: Agriculture**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
Programme 1: Administration	139,516	201,658	241,661	223,437	236,326	236,561	229,592	271,604	286,353
Programme 2: Sustainable Resource Management	127,082	138,953	169,666	126,746	118,683	118,919	148,273	172,203	183,026
Programme 3: Farmer Support and Development	547,236	578,830	490,184	594,774	609,983	613,710	662,250	743,727	807,508
Programme 4: Veterinary Services	15,570	14,642	18,514	17,593	31,170	30,928	20,868	23,321	24,720
Programme 5: Technology Research and Development	98,109	42,449	33,867	30,394	35,714	36,511	35,621	34,037	36,080
Programme 6: Agricultural Economics	18,138	13,152	14,088	13,353	24,899	23,459	45,639	48,364	51,266
Programme 7: Structured Agricultural Training	35,134	34,134	35,842	35,955	42,925	42,942	42,867	47,060	49,884
<b>Total payments and estimates</b>	<b>980,785</b>	<b>1,023,818</b>	<b>1,003,822</b>	<b>1,042,252</b>	<b>1,099,700</b>	<b>1,103,030</b>	<b>1,185,110</b>	<b>1,340,316</b>	<b>1,438,837</b>

**Table 4.2(b): Summary of provincial payments and estimates by economic classification: Agriculture**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
<b>Current payments</b>	<b>740,015</b>	<b>729,091</b>	<b>724,546</b>	<b>737,265</b>	<b>818,356</b>	<b>815,992</b>	<b>939,820</b>	<b>1,021,769</b>	<b>1,072,974</b>
Compensation of employees	483,573	519,004	543,052	596,602	602,749	599,849	646,478	681,596	698,693
Goods and services	255,693	209,972	181,052	140,663	214,607	216,121	291,842	340,173	374,281
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	749	115	442	-	1,000	22	1,500	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>32,833</b>	<b>83,049</b>	<b>53,235</b>	<b>30,314</b>	<b>60,038</b>	<b>71,954</b>	<b>66,686</b>	<b>41,450</b>	<b>43,934</b>
Provinces and municipalities	1,720	434	2	50	-	-	-	-	-
Departmental agencies and accounts	24,095	76,347	44,070	28,145	41,145	41,146	59,698	31,474	33,362
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	22	31	11	147	16,734	24,074	355	567	601
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	100	140	148
Households	6,996	6,237	11,152	1,972	2,159	6,734	6,533	9,269	9,823
<b>Payments for capital assets</b>	<b>207,937</b>	<b>211,678</b>	<b>224,041</b>	<b>274,673</b>	<b>221,306</b>	<b>215,084</b>	<b>178,604</b>	<b>277,097</b>	<b>321,929</b>
Buildings and other fixed structures	19,061	160,969	141,386	86,670	194,998	158,393	119,131	249,117	286,658
Machinery and equipment	49,115	32,262	47,681	90,029	20,698	34,599	47,294	23,585	30,613
Cultivated assets	-	-	201	-	-	-	-	-	-
Software and other intangible assets	-	432	1,390	3,871	5,610	5,610	9,814	4,395	4,658
Land and subsoil assets	139,761	18,015	33,383	94,103	-	16,482	2,365	-	-
<b>Total economic classification:</b>	<b>980,785</b>	<b>1,023,818</b>	<b>1,003,822</b>	<b>1,042,252</b>	<b>1,099,700</b>	<b>1,103,030</b>	<b>1,185,110</b>	<b>1,340,316</b>	<b>1,438,837</b>

The increase in compensation of employees in the 2009/10 budget can be ascribed to a job evaluation process which elevated some of the posts to a higher rank retain existing staff.

An increase in goods and services over the MTEF is due to the shifting of funds for Conditional Grants to goods and services.

A decline in transfers and subsidies is attributable to once-off payments to the ARDC.

The increase in the allocation for payment for capital assets is attributable to an increase in the Conditional Grant allocation.

### 5.3 Infrastructure payments

The table below represents a summary of infrastructure expenditure and estimates by category for the period 2005/06 to 2011/12. Detailed information on infrastructure is reflected in the Annexure to Vote 4 – Agriculture.

Programme	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12
	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Payments for infrastructure by category</b>									
<b>New infrastructure assets</b>	-	-	-	258,836	194,998	149,929	58,373	74,173	76,336
<b>Existing infrastructure assets</b>	119,258	144,301	174,401	-	-	-	65,510	118,556	114,017
Maintenance and repair	-	-	-	-	-	-	-	-	-
Upgrading and additions	-	-	-	-	-	-	54,510	96,216	106,017
Rehabilitation and refurbishment	119,258	144,301	174,401	-	-	-	11,000	22,340	8,000
<b>Infrastructure transfers</b>	81,988	93,910	-	-	-	-	29,255	61,388	101,605
Current	-	-	-	-	-	-	29,255	61,388	101,605
Capital	81,988	93,910	-	-	-	-	-	-	-
<i>Current infrastructure</i>	-	-	-	-	-	-	29,255	61,388	101,605
<i>Capital infrastructure</i>	201,246	238,211	174,401	258,836	194,998	149,929	123,883	192,729	190,353
<b>Total provincial infrastructure</b>	<b>201,246</b>	<b>238,211</b>	<b>174,401</b>	<b>258,836</b>	<b>194,998</b>	<b>149,929</b>	<b>153,138</b>	<b>254,117</b>	<b>291,958</b>

The department has a very clear responsibility in terms of the conservation of natural resources such as agricultural land and to stimulate local economies and the economy of the Province. By implementing projects in the Province and creating job opportunities, the department is contributing to income generation and food security.

Agriculture requires engineering services for such applications as irrigation schemes, soil and water conservation, soil tillage and farm structures. The Limpopo Province is semi-arid and is prone to droughts and floods. In this respect, irrigation, soil and water conservation are paramount to the socio-economic development of rural areas in the Province. 10.55 million hectares of potential agricultural land is available, of which 1.7 million hectares are suitable for crop production and 8.55 million hectares for grazing.

Infrastructure development is undertaken in a holistic manner within the value chain approach, involving production, marketing and value-adding activities. Development is done in a participatory manner, with beneficiaries playing a part in the decision-making process and contributing directly and/or in kind. Once completed, the infrastructure facility is handed over to the empowered beneficiaries for operation and maintenance.

### 5.4 Transfers to public entities

Table 4.3 reflects departmental transfers to the ARDC over the MTEF period.



**Table 4.3: Summary of departmental transfers to public entities**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
ARDC	24,095	76,347	44,070	28,145	41,146	41,146	29,692	31,474	33,362
<b>Total departmental transfers to public entities</b>	<b>24,095</b>	<b>76,347</b>	<b>44,070</b>	<b>28,145</b>	<b>41,146</b>	<b>41,146</b>	<b>29,692</b>	<b>31,474</b>	<b>33,362</b>

## 6. Programme description

The services rendered by this department are categorised under seven programmes, which conform to the generic budget structure as reflected in Section 5.2.

### 6.1 Programme 1: Administration

The purpose of this programme is to improve administrative support to the MEC and overall management of the department.

Tables 4.3(a) and 4.3 (b) depict a summary of payments and estimates relating to this programme for the financial year 2005/06 to 2011/12.

**Table 4.3(a): Summary of payments and estimates: Programme 1: Administration**

R thousand	Outcome			Main	Adjusted	Revised	Medium-		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
<b>Subprogramme</b>									
Statutory	680	719	719	775	775	632	-	-	-
Office of the MEC	6,111	4,775	6,508	5,891	9,172	9,172	8,742	8,909	11,441
Senior Management	1,618	2,594	2,508	3,110	3,870	3,870	8,157	8,646	11,726
Financial Management	37,217	117,920	73,698	57,759	74,553	74,653	116,049	148,607	153,415
Corporate Services	93,890	75,650	152,857	149,453	142,205	142,483	81,817	88,725	92,051
Communication Services			5,371	6,449	5,751	5,751	14,827	16,717	17,720
<b>Total payments and estimates:</b>	<b>139,516</b>	<b>201,658</b>	<b>241,661</b>	<b>223,437</b>	<b>236,326</b>	<b>236,561</b>	<b>229,592</b>	<b>271,604</b>	<b>286,353</b>

**Table 4.3(b): Summary of provincial payments and estimates by economic classification: Programme 1: Administration**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08	2008/09					
<b>Current payments</b>	<b>93,753</b>	<b>120,819</b>	<b>183,267</b>	<b>177,788</b>	<b>177,433</b>	<b>176,153</b>	<b>202,549</b>	<b>238,717</b>	<b>246,491</b>
Compensation of employees	42,180	47,729	92,942	101,740	108,000	108,000	111,202	124,062	129,293
Goods and services	50,824	72,975	89,883	76,048	68,433	68,133	89,847	114,655	117,198
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	749	115	442	-	1,000	22	1,500	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>24,223</b>	<b>62,036</b>	<b>46,094</b>	<b>28,207</b>	<b>41,283</b>	<b>41,632</b>	<b>4,438</b>	<b>7,094</b>	<b>7,521</b>
Provinces and municipalities	120	32	2	-	-	-	-	-	-
Departmental agencies and accounts	24,095	61,907	44,070	28,145	41,145	41,146	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1	4	-	62	1	2	130	267	283
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	93	2,022	-	137	484	4,308	6,827	7,238
<b>Payments for capital assets</b>	<b>21,540</b>	<b>18,803</b>	<b>12,300</b>	<b>17,442</b>	<b>17,610</b>	<b>18,774</b>	<b>22,605</b>	<b>25,793</b>	<b>32,341</b>
Buildings and other fixed structures	11,581	6,887	9,602	10,000	10,151	13,175	15,000	17,947	24,024
Machinery and equipment	9,773	11,916	2,698	7,442	7,459	5,599	7,605	7,846	8,317
Cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	186	-	-	-	-	-	-	-	-
<b>Total economic classification:</b>	<b>139,516</b>	<b>201,638</b>	<b>241,661</b>	<b>223,437</b>	<b>236,326</b>	<b>236,561</b>	<b>229,592</b>	<b>271,604</b>	<b>286,353</b>

Programme 1 reflects a negative growth rate in 2009/10. The decrease is due to the reduction in the ARDC budget in terms of an exit strategy and non-renovation of two agricultural colleges.

## 6.2 Programme 2: Sustainable Resource Management

This programme consists of two sub-programmes – Engineering Services and Land Care – and its main objectives are:

- To facilitate agricultural infrastructure development and maintenance.
- To manage resources and soil conservation programmes.
- To manage the infrastructure needs of farmers and other role-players.

Tables 4.4(a) and 4.4(b) depict a summary of payments and estimates relating to this programme for the financial year 2005/06 to 2011/12.

**Table 4.4(a): Summary of payments and estimates: Programme 2: Sustainable Resource Management**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08						
<b>Subprogramme</b>									
Engineering Services	57,022	49,323	131,030	83,927	77,491	77,491	98,638	113,661	120,481
Land Care	70,060	89,630	38,636	42,819	41,192	41,428	49,635	58,542	62,545
<b>Total payments and estimates:</b>	<b>127,082</b>	<b>138,953</b>	<b>169,666</b>	<b>126,746</b>	<b>118,683</b>	<b>118,919</b>	<b>148,273</b>	<b>172,203</b>	<b>183,026</b>

**Table 4.4(b): Summary of payments and estimates by economic classification: Programme 2: Sustainable Resource Management**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2009/10	2010/11	2011/12
	2005/06	2006/07	2007/08						
<b>Current payments</b>	<b>13,585</b>	<b>19,983</b>	<b>40,219</b>	<b>45,868</b>	<b>37,805</b>	<b>37,805</b>	<b>72,091</b>	<b>72,557</b>	<b>76,201</b>
Compensation of employees	4,677	4,982	27,931	30,868	21,016	21,016	32,412	34,033	36,075
Goods and services	8,908	15,001	12,288	15,000	16,789	16,789	39,679	38,524	40,126
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>15</b>	<b>153</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>236</b>	<b>30,006</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	15	4	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	30,006	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	149	277	-	-	236	-	-	-
<b>Payments for capital assets</b>	<b>113,482</b>	<b>118,817</b>	<b>129,170</b>	<b>80,878</b>	<b>80,878</b>	<b>80,878</b>	<b>46,176</b>	<b>99,646</b>	<b>106,825</b>
Buildings and other fixed structures	2,215	115,420	121,889	76,670	76,670	76,670	41,932	99,386	106,549
Machinery and equipment	260	-	7,281	4,208	4,208	4,208	4,244	260	276
Cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	111,007	3,397	-	-	-	-	-	-	-
<b>Total economic classification:</b>	<b>127,082</b>	<b>138,953</b>	<b>169,666</b>	<b>126,746</b>	<b>118,683</b>	<b>118,919</b>	<b>148,273</b>	<b>172,203</b>	<b>183,026</b>

The positive growth of 24.7 per cent reflected in terms of Programme 2 between 2008/09 and 2009/10 is due to the increased budget allocation to Engineering and Land Care Services.

## 6.2.1 Key service delivery measures

Sub -programme – Engineering Services

Performance Measure	Estimated Annual Target		
	2009/2010	2010/2011	2011/2012
Number of schemes with rehabilitated bulk infrastructure	4	4	4
Number of hectares in Irrigation schemes equipped with infield irrigation systems	400	400	400
Number of stock watering and washing systems within schemes area of influence	20	25	25
Number of CASP capital projects supported	80	353	353
Number of dams inspected	5	5	5
Number of dams refurbished	5	5	5
Number of projects processed in PS Next & Integrated Resource Management (IRM) systems	150	70	70
Number of projects monitored	70	70	70
Number of projects reported under IRM	70	70	70
Number projects captured in the Geographic Information System (GIS) database	100	100	100
Number of maps produced	50	60	60

Sub -programme Land Care

Performance Measure	Estimated Annual Target		
	2009/2010	2010/2011	2011/2012
Number of individuals assisted to acquire mechanisation assets with operational support	30	40	40
Number of land use reports completed	10	10	10
Number of implemented area wide plans	4	4	4
Number of hectares cleared of alien and invader plants	300	300	300
Number of applications for subdivision and change of agricultural land use processed	70	80	80
Number of dams desilted	5	5	5
Number of trees planted	40,000	50,000	50,000
Number of hectares protected by conservation measures	50,000	50,000	50,000
Number of Landcare Awareness campaigns undertaken	350	350	350
Number of project beneficiaries and officials trained	250	200	200
Number of effective Landcare institutional structures	12	12	12
Number of EPWP temporary jobs created	23,281	12,772	12,772