



**Western Cape
Department of Agriculture**

**MEC JJ Dowry
27 November 2006**

Department of Agriculture Departement Landbou Itebe Lezolimo



Departmental Expenditure

Description	2004/05 R'000 Actual	2005/06 R'000 Actual	2006/07 R'000 Budget
Equitable Share	148 016	174 353	215 651
Conditional Grants	35 492	67 979	26 763
Own Revenue	13 385	16 183	11 620
TOTAL	196 893	258 515	254 034



Expenditure per Programme

Programme	2004/05 R'000 Actual	2005/06 R'000 Actual	2006/07 R'000 Budget
Administration	29 328	34 514	37 059
Sustainable Resource Management	26 266	48 302	35 368
Farmer Support and Development	50 830	72 396	78 865
Veterinary Services	23 054	25 656	25 673
Technology Research and Development	42 206	50 513	45 924
Agricultural Economics	7 046	7 571	8 494
Structured Agricultural Training	18 163	19 581	22 651
TOTAL	196 893	258 515	254 034



Expenditure per Economical Classification

Description	2005/06 R'000 Actual	2006/07 R'000 Budgets
Current Payments	182 206	188 390
Transfers Other	29 170	7 342
Transfers Capital	13 413	13 113
Capital Payments	33 726	45 189
TOTAL	258 515	254 034



Conditional Grants

Grant	2005/06 Budget R'000	2005/06 Actual R'000	2006/07 Budget R'000
PIG	25 756	28 959	3 000
LandCare	3 174	3 200	3 115
CASP	19 264	19 385	20 648
Drought Relief	26 634	16 435	0*
TOTAL	74 828	67 979	26 753

* R10,199 million expected to be rolled over



CASP


Purpose:

To provide post settlement support to targeted beneficiaries of mainly land reform and other producers who have acquired land through private means.




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 **CASP: 2005/06**

- Budget – R17,206 million plus R2,058 million roll over
- Spent – R19,385 million (overspent R121 000 – made good from Equitable Share)
 - 46 Projects (28 LRAD, 2 SLAG)
 - 1 757 Beneficiaries
 - 56 Youth
 - 609 Women
 - Mainly fruit and vegetables

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 **CASP: 2006/07**

- Budget – R20,648 million
- Projected Spending – R20,588 million
 - 143 projects (28 LRAD, 2 SLAG)
 - 73 Food Security, 70 Infrastructure
 - 5 765 Beneficiaries
 - 3 459 Women and Youth

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CASP: 2006/07 (cont.)

1 st Quarter R'000 Actual	2 nd Quarter R'000 Actual	3 rd Quarter R'000 Projection	4 th Quarter R'000 Projection
42	1 957	13 932	4 717

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PIG

Purpose:

To address the infrastructure challenges of the province with this Department putting special emphasis on Land Reform beneficiaries and rural communities.

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FIG: 2005/06

- Budget – R25,832 million plus R13,274 million roll over minus R13,35 million to Education
- Spent – R28,959 million (overspent by R3,203 million – made good from equitable share)
 - 159 projects
 - 7 867 beneficiaries
 - ± 4 720 women and youth



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FIG: 2006/07

- Budget – R3,0 million
- Projected Spending – R5,560 million (over spending to be made good by Equitable Share)
 - 10 projects
 - Beneficiaries are all emerging Philippi market suppliers



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FIG: 2006/07 (cont.)

1 st Quarter R'000 Actual	2 nd Quarter R'000 Actual	3 rd Quarter R'000 Projection	4 th Quarter R'000 Projection
0	4 585	727	248



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LandCare

Purpose:
 Through sustainable resource management, improve and develop the livelihoods of individuals and communities through integrated governmental and community based partnerships.

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LandCare: 2005/06

- Budget – R2,5 million plus R674 000 roll over
- Spent – R3,2 million (overspent by R26 000 – made good from Equitable Share)
 - 33 projects (Junior LandCare and alien clearing)
 - 419 beneficiaries (jobs in alien clearing)

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LandCare: 2006/07

- Budget – R3,115 million
- Projected Spending – R3,115 million
 - 28 projects
 - ± 1 000 beneficiaries (jobs)
 - 200 women
 - 1 440 youth (Junior LandCare)

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LandCare: 2006/07

1 st Quarter R'000 Actual	2 nd Quarter R'000 Actual	3 rd Quarter R'000 Projection	4 th Quarter R'000 Projection
437	555	1 435	688

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Challenges

- Time constraints linked to staffing
- Legal issues within groups (contracts, legal entities not functioning, conflict)
- Serious cash flow problems and debts
- Record keeping – IT problems PIMS
- LRAD program take 35 – 40% of FSD
- "Sleeping partners – tail wagging the dog"
- Reallocation of funds - ± R 2.5 million due to selling off farms and Bank legal processes and repossession of farms

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Remedial Action

- Advertised 28 positions – closing date 15 October 2006, appointment during February 2007.
- Involvement of more NGO's and farmer Unions
- IT – Wireless connections
- LRAD – Monthly meetings with DLA
- CASP delivery – Service Level Agreements with supporting
- HR busy with short listing process
- Intended for next financial year
- Started in Metropole
- Started October
- Intended for next financial year

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- Develop criteria for other CASP pillars
- Auditor General requirements – try to put paper trail in place.
- Area wide planning of projects
- Next CASP cycle
- Currently underway
- Next CASP cycle

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Drought Relief

Purpose:

To give relief to livestock producers in declared drought stricken areas by supplying limited fodder and transport thereof.

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Drought Relief: 2005/06

- Budget – R18 million plus R8,634 million roll over
- The above R18 million was received in December 2005 during the adjustment estimate
- Spent – R16,435 million (under spent by R10,199 million – expected to be rolled over)
– 904 beneficiaries

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Drought Relief: 2006/07

1 st Quarter R'000 Actual	2 nd Quarter R'000 Actual	3 rd Quarter R'000 Actual	4 th Quarter R'000 Actual
5 963	1 470	1 979	781


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 **CAPITAL EXPENDITURE**

Description	2005/2006		2006/2007	
	Budget R'000	Actual R'000	Budget R'000	Projected R'000
Capital	29 431	33 726	45 189	28 264
Transfer Capital	26 267	13 413	13 113	13 907
TOTAL*	55 698	47 139	58 302	42 171

* The difference of R16,131 million between the budgeted and projected expenditure in 2006/2007 is due to reclassification within the Standard Chart of Accounts (SCoA) where capital items under the economic classification "Goods and Services" were reclassified as normal goods and services.

 **CAPITAL EXPENDITURE (CONT.)**

1 st Quarter R'000 Actual	2 nd Quarter R'000 Actual	3 rd Quarter R'000 Projected	4 th Quarter R'000 Projected
1 729	7 399	19 936	13 107

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In answer:

- Question 3:
 - Monthly reporting is done
- Question 4:
 - Certified business plans not submitted to National Treasury, but National Department of Agriculture as prescribed.
- Question 5:
 - No service level agreements has been signed but Memoranda of Agreements are entered into with all service providers.

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THANK YOU

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