



Five Year Strategic and Performance Plan

2005 / 2010

**FREE STATE
DEPARTMENT
OF AGRICULTURE**

Foreword by the MEC of Agriculture

Agriculture in the Free State will play a major role in the country's drive to create jobs and fight poverty. The Free State Department of Agriculture will concentrate its efforts on actively contributing to the success of such national strategies and to meeting the needs of our stakeholders, new and established, in the agricultural sector.

This strategic plan will be the cornerstone; listening to our stakeholders will be our philosophy; and implementation "on the ground" our commitment.

Our strategy over the next five years will be:

1. We must best utilise the land that we have and open up land currently not used: all production must follow the philosophy of sustainability;
2. Those who wish to farm, focusing on those previously excluded from exercising such rights, must have the opportunity. Whether commercially oriented or simply wishing to secure food for their families, the Department of Agriculture will aggressively support them;
3. The opportunities for job creation in secondary, tertiary and delivery industries that service the agricultural sector must be realised. Free State must become a processor of agricultural produce to rival any other province; and finally;
4. Agriculture cannot ignore its responsibility to socially uplift the Free State community. The tendency to focus on technology and specialisation to the exclusion of concern for the problems of youth development, woman development, HIV/AIDS, animal diseases, racism, gender insensitivity and the protection of our most vulnerable community members must end. Every decision we take in the core business of Agriculture will be informed by how it can benefit the social upliftment programme in South Africa.

This department will act as a role model for a transforming South African organisation in the way that it embraces the spirit of Employment Equity and Skills Development.

I commit to continue a process of full engagement with all our stakeholders. Your input has already influenced this Strategic Plan and will continue to do so.

In this way we will achieve our vision which is:

"To be the leader in the field of agriculture, which ensures that there is a place for those who wish to farm, and achieves social and economic development for our community through the services we deliver".

Mr Ace Magashule
MEC for Agriculture

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1 Strategic overview by the Head of Department

This Strategic Plan is the road map for the Free State Department of Agriculture. The Plan outlines a decisive and focused way forward for agricultural development and the restructuring of the rural economy of the Province. It complies with the principles and practices of good governance, fundamental to public management and administration in the Free State.

Poverty and unemployment are two of the most critical challenges that face the Province at the moment. The Provincial unemployment rate is estimated at 34%, a major factor contributing to the high poverty levels. The incidence of poverty in rural Free State is approximately 41, 3%. Fifty-four percent (54%) of the Free State population is classified as poor. It is a major challenge for us to restructure and improve these rural economies as doing so holds the potential to contribute significantly to economic and social upliftment.

The Agricultural Sector is further faced with the very real challenges posed by regular changes in the local, national and global economic environment, as well as the ever-changing climatic conditions of the Province. The current drought and the strengthening of the Rand are but two examples of that impact on the economic sustainability of farming enterprises. Some relief has come in the form of support schemes from National Government, but it will only be through the vigorous efforts of all role players in the Free State Agricultural Sector that we will overcome the challenges.

This document gives the strategic intent of the Department of Agriculture. The challenge is to promote and facilitate the development of new entrepreneurs in the Sector and to maintaining the support to those already established. Both should be able to create jobs for others and create a sustainable livelihood for themselves.

The Department has identified four strategic priorities: mainstreaming of new farmers settled through the Local Reform Programme; Food Security; Agro-Processing and Beneficiation; and Sustainable Commonage Development. Our Programme Structure is made up of seven programmes and twenty-two sub-programmes, all in support of these goals.

Free State agriculture contributes on average, 9, 3% of the Gross Geographical Product (GGP) of the Province. This makes it the third biggest contributor to the economy of the province after mining and tourism. It is against this background that our initiatives and programmes are directed to further unlock our agricultural potential.

For the year ending 30 September 2004 the gross income of Free State farmers amounted to R10 728 million, a decrease of 6,5% compared to the previous year. Free State farmers earn R5 330 million from field crops and produce 34% of the maize, 50% of the sorghum, 33% of the wheat and 43% of the sunflower seed in the country. They are the largest producers of grain crops in South Africa and this is the reason behind our reputation as, "The Bread Basket of the Country".

Mr. W Barnes
Head of Department

2 Vision

The context and challenges expressed by the Premier of the Free State Province and the President of the Republic of South Africa, together with the basic premises and values of our new South African society, have led to the vision for the Free State Department of Agriculture, this being:

“To be the leader in the field of agriculture which ensures that there is a place for those who wish to farm and achieves social and economic development for our community through the services we deliver.”

3 Mission

The Mission of the Department is as follows:

“To provide agricultural development and support to the people of the Free State through:

- *Commitment to new and established farmers;*
- *Co-operation with all our stakeholders; and*
Innovative and creative research and development.”

4 Values

The core values of the Department are informed by the letter and spirit of the Constitution of the Republic of South Africa (Act No. 108 of 1996), and the supporting suite of transformation legislation. These values are shown below:

- Equitable use of scarce resources;
- Batho Pele;
- Co-operation with our stakeholders;
- Accountability to our stakeholders;
- Good Governance;
- Loyalty to the programmes of the Government of South Africa;
- Dedication and integrity; and
- Passion.

5 Sectoral situational analysis

The following provides a broad picture of the agricultural community which the Department is currently serving:

Beneficiaries:

Land Redistribution for Agricultural Development	Number of beneficiaries
Emerging farmers (LRAD*/ SLAG**)	90339
LRAD / SLAG beneficiaries per year	2000
LRAD / SLAG beneficiaries over the next 15 years	30 000

Household Food Security / Household food production	
Estimated number of people that qualify for starter packs	30 000
Estimated number of people with land (average 200m ²)	30 000
Access to water	Maximum 100m away from water source, with most households having taps in their backyards.

Commercial Farming	
Number of Farmers	8981
Number of Farm workers / Employees	28711
Type of crops	Maize, wheat, sunflower, dry beans, fruit and vegetables
Type and number of Agribusiness opportunities	Cash crops, fruit and vegetables, large and small stock, poultry and pigs

Veterinary Services	
Type of veterinary services provided	Animal health Export control Veterinary Public Health Veterinary Laboratory Services

* Land Redistribution and Development

** Settlement Land Acquisition Grant

5.1 Service delivery environment and principles

The Department delivers its services in accordance with the following principles:

- All services rendered embrace the spirit of Batho Pele;
- All services reach those most in need; and
- All services are rendered in a manner which is equitable, efficient, and effective.

5.2 The organisational environment and its challenges

The potential number of people making use of the Department's services is estimated to be 300 000 (based on 1996 investigations by the Department and World Bank). Clients are categorised as, emerging farmers, small-scale farmers, peri-urban farmers, agricultural land reform beneficiaries, farm workers, commercial farmers, students and community.

Stakeholders comprise the community, agricultural organisations, academic and research institutions, government departments and donor agencies.

The following were identified as the main challenges facing the Free State Agriculture Sector.

Agro-production and processing

"The enormity of the task of rebuilding our society is dependent in the first place on eradicating poverty in our Province, the Country and Africa. The primary objectives are to reduce hunger and promote self-reliance." To alleviate poverty, it is crucial that the Department stimulates job creation through agro-processing and production. Agriculture is the third biggest contributor to the Gross Geographical Product of the Province, and contributes 14% of the total from the agricultural sector in South Africa. This compares to 24% from the Western Cape, the difference being the fact that of all the agri-production and processing performed on Free State produce, 89% takes place in other provinces.

The overall unemployment rate in the Free State Province is 34%, ranging from 27% in Northern Free State and Lejweleputswa to 37% in Thabo Mofutsanyane. For those aged less than 30, the unemployment rate is 45%. According to Statistics SA (2000), the proportion of population with a standard of living below the poverty line of R800 per month is estimated to be 48% in our province. The SA Institute for Race Relations (2001) estimated that 54,1% of our population in 1995, lived in poverty. Incomes are being constrained because the rural economy is not vibrant enough to provide remunerative jobs or self-employment opportunities.

Food Security

Food security is of prime concern to the Department. Poverty is the major contributor to food insecurity and sustainable progress in poverty eradication is critical if we are to improve access to food. Amongst those affected, women, children and the elderly are the most vulnerable. Pensions, wages from live-in household members, remittances from other household members and trading are major sources of income to the rural areas, but increasing unemployment is reducing the contribution from salaries thus increasing the importance of agriculture in contributing towards food security and income.

Our poorer households have a low asset base and few of them own livestock, farming and/or gardening equipment therefore, technology solutions must be made relevant to those people's daily knowledge and environment. Our solution is to build local capacity for food production and to adapt available technologies to make them suitable and relevant to the task at hand.

This challenge is met by our Food Security Programme, the aim of which is to promote food production in homes, schools etc, making use of crops with high nutritional values.

Land Reform

The Land Reform Programme in the province redresses the situation that denied land rights to the majority of our people, and improves the quality of life of those most in need by placing assets and sources of income in their hands.

The programme also aims to: improve the standard of living of the poorest; overcome discrimination based on gender; increase opportunities for youth; promote sustainable food production; and promote the conservation of land resources.

The main challenge for this programme is the empowerment of LRAD beneficiaries by providing technical skills and physical support (e.g.: management skills, management of natural resources etc). "Glen Agricultural Institute will be working closely with the University of the Free State, Central University of Technology, Human Sciences Research Council (HSRC) and the Department of Education to ensure that higher education and technical training shall be opened for all by means of state allowances awarded on the basis of merit. Full decentralisation of the operational field services of the Department to regional level was concluded in 2004/2005. Institutional arrangements will be put in place in order to render fully integrated multi-disciplinary services from each of the five regional centers of Provincial Government in the next three months. The Department will structure itself to accommodate programmes directed at the improvement of skills, wage progression, internships and the remuneration of performance."

Communal Land Development

The utilisation of tribal land and municipal commonages plays a significant role in the process of speeding up land redistribution in the province.

Our programme assists with the sustainable development of such land, manages the land, and transfers skills and technology to those farming this land.

Summary

"A new forum will be established with the private sector, banking sector, researchers, academics, agricultural unions and other stakeholders to promote investment of growth in the agricultural sector."

"..drawing on resources within the Agricultural Credit Scheme (ACS), ensuring the implementation of the Land Reform for Agricultural Development process and the Comprehensive Agricultural Support Programme (CASP)."

"Information and knowledge management, technical and advisory assistance, training and capacity building, marketing and business development, on-farm and off-farm infrastructure and production inputs including financial assistance will be top four delivery agenda."

“Black Economic Empowerment (BEE) should not only be seen in the context of transforming sectors rather it should be seen as the empowerment of black people through the creation of new enterprises in new and existing sectors.”

“The key services to be performed are those in respect of agricultural engineering, soil conservation and Land Care.”

“In order for development to be sustained as a priority, we must practice integrity in our commitments and practices, both personal and social.’

6 Legislative and other mandates

The Department of Agriculture is an integral part of the South African Public Service established in terms of section 197 of the Constitution as read with section 7(1) and 7(2) of the Public Service Act (Act No. 103 of 1994).

It derives its administrative mandate from both national and provincial executive authority.

No changes in the current mandates of the Department have been effected.

The mandate is currently vested in the following statutes:

A. Transformation legislation.

- The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Skills Development Act, 1998 (Act No. 97 of 1998)
- Skills Development Levies Act, 1999 (Act No. 9 of 1999)
- South African Qualifications Act, 1995 (Act No. 58 of 1995)
- South African Qualifications Regulations
- National Education Policy Act, 1996 (Act No. 27 of 1996)
- Further Education and Training Act, 1998 (Act No. 98 of 1998)
- General and Further Education and Training Quality Assurance Act, 2001 (Act No. 58 of 2001)
- Employment of Education and Training Act, 1998 (Act No. 76 of 1998)
- Higher Education and Training Act, 1997 (Act No. 101 of 1997)
- Adult Basic Education Training Act, 2000 (Act No. 52 of 2000)
- Land Redistribution Policy for Agricultural Development
- Designated Areas Development Act, 1997 (Act No. 87 of 1997)
- Land Reform Act, 1997 (Act No. 3 of 1997)

[Note: Some of the Acts listed under this heading are vital components of the Transformation Legislation enacted by our government which are also part of the mandates under Land and Land Reform, Land Care and so on. Where this is the case, the Act in question is repeated under the appropriate heading.]

B. Veterinary and animal health related legislation

- Veterinary and Para-Veterinary Professions Act, 1982 (Act No.19 of 1982)
- Animal Diseases Act, 1984 (Act No. 35 of 1984)
- Abattoir Hygiene Act, 1992
- Problem Animals Control Ordinance, 1978 (ORD No. 38 of 1965)
- Livestock Brands Act, 1962 (Act No. 87 of 1962)
- Livestock Improvement Act, 1977 (Act No. 25 of 1977)
- South African Abattoir Corporation Act, 1992 (Act No. 120 of 1992)
- Meat Safety Act, 2000 (Act No. 40 of 2000)
- Animal Improvement Act, 1998 (Act No. 62 of 1998)
- South African Medicines and Medical Devices Regulatory Authority Act, 1998 (Act No.132 of 1998)
- The International Animal Health Code of the World Organisation for Animal Health (OIE-Office International des Epizooties)
- The International Code for Laboratory Diagnostic Procedure for Animal Diseases of the World Organisation for Animal Health.
- The Sanitary and Phytosanitary Agreement of the World Trade Organisation (WTO)

C. Plant and Crop related legislation

- Water Services Act, 1997 (Act No.108 of 1997)
- Act on Marketing of Agricultural Products, 1996 (Act No. 47 of 1996)
- Codex Alimentarius of the World Health Organisation (WHO) and Food and Agricultural Organisation (FAO) (International Code on Food Safety).
- Agricultural Pests Act, 1983 (Act No. 36 of 1983)
- Agricultural Research Act, 1990 (Act No. 86 of 1990)
- Agricultural Product Standards Act, 1990 (Act No. 119 of 1990)
- Agriculture Produce Agents Acts, 1992 (Act No. 12 of 1992)
- Agricultural Development Fund Act, 1993 (Act No. 175 of 1993)
- Perishable Product Export Control Act, 1982
- Agricultural Products Standards Act, 1990
- Fertilisers, Farm feeds, Agricultural remedies and Stock remedies Act, 1947
- Agricultural Credit Act, 1966 (Act No. 28 of 1966)
- Marketing Act, 1968 (Act No. 59 of 1968)
- Plant Breeder's Right Act (Act No. 15 of 1976)
- Plant Improvement Act, 1976 (Act No. 53 of 1976)

D. Soil Conservation and Land Care

- Engineering Services Act (Act No. 46 of 2000)
- Land Redistribution Policy for Agricultural Development
- Designated Areas Development Act, 1997 (Act No. 87 of 1979)
- Soil user planning ordinance (Ordinance 15 of 1985)
- Fertilisers, Farm feeds, Agricultural Remedies and Stock Remedies Act, 1947 (Act No. 36 of 1947)
- Conservation of Agricultural Resources Act, 1983
- Atmospheric Pollution Prevention Act, 1973
- National Water Act (Act No. 43 of 1998)

- National Environmental Management Act, (Act No. 107 of 1998)
- Environment Conservation Act (Act No. 73 of 1989)
- Generally Modified Organisms Act, 1997 (Act No. 15 of 1997)

E. Land and land reform

- Land Reform Act, 1997 (Act No. 3 of 1997)
- Conservation of Agricultural Resources Act (Act No. 43 of 1983)
- Subdivision of Agricultural Land Act, 1970 (Act No. 70 of 1970) (pending repeal)
- Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993)
- Nature and Environmental Conservation Ordinance 19 of 1974
- Nature Reserve Validation Ordinance, Ordinance 3 of 1982

F. Administrative Legislation

The Department of Agriculture's administrative functions are regulated by a number of national transversal laws and regulations.

- Employment Equity Act (Act No. 55 of 1998)
- Local Government: Municipal Property Rates Act, (Act No. 6 of 2004)
- Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999)
- Division of Revenue Act (Annually)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Companies Act (Act No. 61 of 1973)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Public Service Act (Act No. 103 of 1994) and Regulations, 2001
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- National Archives Act (Act No. 43 of 1996)
- Promotion of Access to Information Act (Act No. 2 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Compensation for Occupational Injuries and Diseases Act (Act No. 130 of 1993)
- Collective Agreements
- National Treasury Regulations
- Provincial Treasury Instructions
- Administrative Justice Act (Act No. 3 of 2000)
- Public Holidays Act (Act No. 6 of 1994)
- The National Constitution of South Africa (Act No. 108 of 1996)
- Adult Basic Education and Training Act (Act No. 52 of 2000)
- Skills Development Act (Act No. 98 of 1998)
- Skills Development Levies Act (Act No. 9 of 1999)
- South African Qualifications Act (Act No. 58 of 1995)
- South African Qualifications Regulations
- National Education Policy Act (Act No. 27 of 1996)
- Further Education and Training Act (Act No. 98 of 1998)

- General and Further Education and Training Quality Assurance Act (Act No. 58 of 2001)
- Employment of Education and Training Act (Act No. 76 of 1998)
- Government Employees Pension Law (1996)
- Unemployment Insurance Act (Act No. 30 of 1966)
- Income Tax Act, 1962 – 4th standard
- Higher Education and Training Act (Act No. 101 of 1997)
- Further Education and Training Act (Act No. 98 of 1998)

7 Strategic Goals

Our Strategic Goals 2005 – 2008 are as follows:

Goal 1: Improvement of primary production and advancement of agro-processing

Goal 2: Economically sustainable agricultural development

Goal 3: Optimisation of plant and livestock health, production and product safety

Goal 4: Improved stakeholder relations

Goal 5: Natural resource and infrastructure utilisation and management

Goal 6: Household food security

Goal 7: Farmer settlement support

Goal 8: Knowledge and information management

Goal 9: Formal and Non-formal training

Goal 10: Intra-departmental excellence

Goal 11: Effective and efficient financial management

8 Monitoring and Evaluation

During the period 2000 – 2003 a Monitoring and Evaluation system was developed for the Department. This system was implemented in the Department during the 2004/05 financial year. The system focuses on tracking Departmental progress against the strategic goals, objectives and activities planned for a specific period.

All financial monitoring takes place via Logistical Information System (LOGIS) and Basic Accounting System (BAS), (still under implementation). Human resource reporting takes place via Personnel and Salary System (PERSAL) and Vulindlela.

Veterinary Services reports all relevant information as required by the National Department of Agriculture, via the Laboratory Information Management System (LIMS) and Animal Disease Information System of South Africa (ADISA) systems.

9 The Strategic Planning Process

This Strategic Plan follows the guidelines and generic formats provided by the National Department of Agriculture and the National Treasury.

The document was developed using a participatory process with stakeholders and staff in the Department. Workshops were held to obtain input from all sections of the agricultural community and this input was used to formulate the plan.

An Operations Plan will be developed, based on this plan, for implementation purposes and to monitor the achievement of its objectives.

PART B

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10. Programme 1: Administration

10.1 Situation Analysis

The structure of the Office of the HOD has only recently been finalized. In future this office will provide the following services:

- Legal Services
- Internal Audit
- Special Programmes
- Communications
- Strategic Planning and Monitoring and Evaluation

The finalization of the restructuring process has been a major achievement by the Department. With regard to Human Resources, critical posts of Deputy Director: Employee Wellness as well as Deputy Director: Organizational and Human Resource Development was filled. The Performance and Development Management System as well as the Internship and Learnerships Programme has been implemented in the Department and rolled out for the first time. A major challenge has been that the Department for the last 5 years not been in a position to fund the entire approved organizational structure. This resulted in use of skeleton staff for some key functions. The immediate availability of comprehensive Human Resource (HR) information has been a challenge for the Department.

The Employee Assistance Programme has been launched; however the main challenge remains the lack of funding and support for the Programme.

The cleaning services for which the component is responsible, currently services 199 offices at head office. Other offices at district level are under the direct control of the district managers and the institute. The resources that have been allocated for the service are currently adequate. However, with regard to the maintenance of physical structures, the department is lacking funds to fulfill this obligation. The other confusion in this regard is created by the lack of clear mandate and guidelines in relation to the roles that must be played by the department and the department of Public Works, Roads and Transport as the legal custodians of state owned buildings.

The departmental transport section manages 179 Government Owned Vehicles (GOV) which is administered by various institutions and districts of the department. From the mentioned number, 86 are fairly new, that is, less than 1 year, and the rest are over 1 year of age and are in a fair to bad conditions. The next fleet replacement is expected in the current financial year.

The department lacks a master plan that will guide it in Information and Communication Technology (ICT) development. Currently the provision of information technology is done on ad hoc basis and whenever a request is made. A proper plan that will encompass the ICT requirements to fit strategic plan over a minimum of three to maximum of five years, will have to be developed in collaboration with State Information Technology Agency (SITA).

The majority of the security personnel still need to be trained in the execution of their daily duties. It could also be added that the security administration and management is not well known to majority of officers. Even though there is relatively adequate communication equipment for utilization by security guards, there is a need still for the training of personnel

in its effective utilization, a constraint caused by lack of knowledge. The section has also of recent been inundated with requests from personnel for transfers and other placements.

The functional areas of the Financial Management Sub programme is the coordination of the budget process for the department of Agriculture, all financial, supply chain and salary related matters. The Financial Management Sub Programme has to ensure that all monies due to the department are collected and deposited into the provincial revenue fund. A supply chain management unit has been established. All provincial and national treasury regulations are being complied with, including all BEE initiatives from national government.

Key challenges the sub programme are faced with are:

- To render an accurate, effective and efficient financial service to the clients
- To compile a credible departmental budget according to the new economic reporting format.
- To ensure payment of suppliers within the 30 day period
- The implementation of accrual accounting
- To set credible own revenue targets for the department
- The turnaround time for processing of orders
- To enter into period contracts to ensure efficient service delivery
- Development and maintenance of the asset management system
- Recruitment of appropriate qualified skills
- Development and maintenance of an accreditable supplier data base.

The overall objective of the Community Projects Fund Support Programme (CPF-SP) is to enhance the living conditions of low households in rural and peri-urban communities. The main challenge faced by the programme is to accelerate project progress and expenditure and to ensure sustainability of projects.

Improving quality reporting has been one of the focus areas in an effort to address the integrity and credibility of information on the Monitoring and Evaluation (M&E) system. Substantial work has also been done on amending and upgrading the M&E system.

Project Management Unit (PMU) introduced Equity projects as a way and means of enhancing beneficiary empowerment of sustainable and viable CPF-SP projects and simultaneously increasing expenditure and supporting national strategic objectives.

The Department of Agriculture (DOA) has adopted a multi-funding approach to projects utilizing the various existing grants, such as the Comprehensive Agriculture Support Programme (CASP); Redirected Funds; Land Care; Infrastructure and CPF-SP to create a wider spectrum of funding thereby ensuring sustainability of projects in the long term.

Establishing partnerships with provincial departments, local government, intermediary organizations and financial institutions will be sought to support national strategic objectives in general and contribute towards poverty alleviation in the Free State in particular.

10.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 10: Intradepartmental excellence

- Goal 11: Effective and efficient financial management

10.3 Analysis of constraints and measures planned to overcome them

The Communications Unit experienced the following constraints:

- Resources not available e.g. not enough equipment and short staffed
- The lack of representation of the Sectional Head in the decision making management meeting, results in the unit to rely on the informal information.
- Working conditions; office space and air-conditions not working

A shortage of experienced staff in certain areas of specialization within the Internal Audit Unit (e.g. IT auditors, forensic auditors), was experienced. The unit's structure is being revised to address such problems.

Shortage of staff in the Strategic Planning and M&E Unit, as well as a lack of structured procedures through which the Department can access the services of this Unit, has been experienced.

The main constraints relate to the capacity issues resulting from skilled workforce and the lack of a personnel skills database. The matter is being addressed through skills development and affording the employees the opportunity to improve their qualifications by awarding them bursaries, whilst a skills audit will be conducted where after the information will be utilized to develop a departmental database.

The second issue is dealing with the employees that are still in excess resulting from Resolution 7 of 2002. In partnership with the Department of Education the Department will attempt to transfer the remaining employees to the Department of Education.

With regard to the Employee Wellness Programme the main challenge remains the lack of funding and support to the Programme. This will be addressed through the gradual increase in the departmental budget for the Programme.

The focus with regard to government owned vehicle in the previous year was on the decentralization of the management of Government Owned Vehicles (GOV) at district and institutions. The challenge that now faces the department is to improve the institutional organizations that will ensure proper and adequate control, monitoring and reporting of GOV usage.

It is envisaged that this challenge will be addressed by, amongst others, the development of clear departmental transport policy and implementation of fleet management system.

The biggest constraint facing this department is still lack of clear mandate and guidelines regarding the maintenance and upkeep of state owned properties occupied and utilized by the department. The department of Public Works, Roads & Transport is vested with the competency over state owned infrastructure and has the capabilities/capacity for maintenance. This problem is compounded by insufficient funding and trained personnel.

The challenge is therefore to establish a service level agreement between the department and the department of Public Works, Roads & Transport that will be aimed at overcoming matters related to the relationship and responsibilities, and to further develop the human resource training plan that will ensure that within four years the department is competent and capable to manage own maintenance needs.

The immediate constraint relate to the lack of available office accommodation, especially at head office. It is not envisaged that this problem will be resolved in the current financial year; hence the department will continue improvising in this regard.

The challenge facing the Information and Communication Technology in the department is lack of a master systems plan that is aimed at analyzing the ICT situation and aligning it to the strategy and operations of the department. In view of this challenge, the department will procure necessary skills that will assist the development of this systems plan.

The challenge facing the security situation in the department is the lack of physical security facilities. There are no devices to control access and to secure the peripheries/boundaries of some premises occupied by the department. The constraint to resolving the problem is the lack of available funds. In the interim, physical patrols will continue being done.

10.4 Description of planned quality improvement measures

The Communications Unit is planning the following measures:

- The budget should be re-looked and only budgeted items should be implemented
- The appointments of the Communication Officers at district levels will improve communication and enhance the image of the department.

The internal Audit Unit is planning the following measures:

- Recruitment of experienced and qualified internal auditors; and the repositioning of the Internal Audit Function.

The planned quality of services will be according to sound Human Resource Practices focusing on good governance and the Batho Pele principles. This will result in meeting the key imperatives of the Constitution and legislative framework that governs the Public Service.

The quality of services provided with regard to the development of personnel skills will be addressed through the development of a database and the awarding of bursaries for relevant studies.

The gradual increment in funding the Employee Assistance Programme (EAP) will be pursued.

With regard to GOV, the department intends to procure a fleet management system that will enhance planning, control and record keeping. A closer cooperation with Finance Section in improving the processes relating to cost allocation and payments to Government Garage will be enhanced.

The maintenance of buildings will be enhanced through the recruitment of suitable and qualified personnel.

Issues relating to the ICT will be addressed in the envisaged master plan which will be developed in collaboration with SITA that will outline the improvement needs.

Security services will be enhanced through further training of personnel, augmentation of the service through private contractors and installation of other physical security structures.

10.5 Sub-programme: Office of the HOD

10.5.1 Situation Analysis

The structure of the Office of the HOD has only recently been finalized. In future this office will provide the following services:

- Legal Services
- Internal Audit
- Special Programmes
- Communications
- Strategic Planning and Monitoring and Evaluation

10.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 10: Intradepartmental excellence

10.5.3 Analysis of constraints and measures planned to overcome them

The Communications Unit experienced the following constraints:

- Resources not available e.g. not enough equipment and short staffed
- The lack of representation of the Sectional Head in the decision making management meeting, results in the unit to rely on the informal information.
- Working conditions; office space and air-conditions not working

A shortage of experienced staff in certain areas of specialization within the Internal Audit Unit (e.g. IT auditors, forensic auditors), was experienced. The unit's structure is being revised to address such problems.

Shortage of staff in the Strategic Planning and M&E Unit, as well as a lack of structured procedures through which the Department can access the services of this Unit, has been experienced.

Implementation of the recently approved structure of the Office of the HOD is, in general, faced with budget challenges, as well as staffing issues.

10.5.4 Description of planned quality improvement measures

The Communications Unit is planning the following measures:

- The budget should be re-looked and only budgeted items should be implemented
- The appointments of the Communication Officers at district levels will improve communication and enhance the image of the department.

The internal Audit Unit is planning the following measures:

- Recruitment of experienced and qualified internal auditors; and the repositioning of the Internal Audit Function.

10.6 Sub-programme: Corporate Services

10.6.1 Situation Analysis

The finalization of the restructuring process has been a major achievement by the Department. With regard to Human Resources, critical posts of Deputy Director: Employee Wellness as well as Deputy Director: Organizational and Human Resource Development was filled. The Performance and Development Management System as well as the Internship and Learnerships Programme has been implemented in the Department and rolled out for the first time. A major challenge has been that the Department has for the last 5 years not been in a position to fund the entire approved organizational structure. This resulted in use of skeleton staff for some key functions. The immediate availability of comprehensive HR information has been a challenge for the Department.

The Employee Assistance Programme (EAP) has been launched; however the main challenge remains the lack of funding and support for the Programme.

The cleaning services for which the component is responsible, currently services 199 offices at head office. Other offices at district level are under the direct control of the district managers and the institute. The resources that have been allocated for the service are currently adequate. However, with regard to the maintenance of physical structures, the department is lacking funds to fulfill this obligation. The other confusion in this regard is created by the lack of clear mandate and guidelines in relation to the roles that must be played by the department and the department of Public Works, Roads and Transport as the legal custodians of state owned buildings.

The departmental transport section manages 179 Government Owned Vehicles (GOV) which are administered by various institutions and districts of the department. From the mentioned number, 86 are fairly new, that is, less than 1 year, and the rest are over 1 year of age and are in a fair to bad conditions. The next fleet replacement is expected in the current financial year.

The department lacks a master plan that will guide it in Information and Communication Technology (ICT) development. Currently the provision of information technology is done on ad hoc basis and whenever a request is made. A proper plan that will encompass the ICT requirements to fit strategic plan over a minimum of three to maximum of five years is needed

The majority of the security personnel still need to be trained in the execution of their daily duties. It could also be added that the security administration and management is not well known to majority of officers. Even though there is relatively adequate communication equipment for utilization by security guards, there is a need still for the training of personnel in its effective utilization, a constraint caused by lack of knowledge. The section has also of recent been inundated with requests from personnel for transfers and other placements.

10.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 8: Knowledge and information management
- Goal 10: Intradepartmental excellence

10.6.3 Analysis of constraints and measures planned to overcome them

The main constraints relate to the capacity issues resulting from skilled workforce and the lack of a personnel skills database. The matter is being addressed through skills development and affording the employees the opportunity to improve their qualifications by awarding them bursaries, whilst a skills audit will be conducted where after the information will be utilized to develop a departmental database.

The second issue is dealing with the employees that are still in excess resulting from Resolution 7 of 2002. In partnership with the Department of Education the Department will attempt to transfer the remaining employees to the Department of Education.

With regard to the Employee Wellness Programme (EWP) the main challenge remains the lack of funding and support to the Programme. This will be addressed through the gradual increase in the departmental budget for the Programme.

The challenge regarding the funding of the organizational structure will need to be addressed through further negotiations with authorities for consideration of adjusting the MTEF figures of the Department.

A comprehensive HR database will be developed to assist with management information on all HR related matters.

The focus with regard to government owned vehicle in the previous year was on the decentralization of the management of GOV at district and institutions. The challenge that now faces the department is to improve the institutional organizations that will ensure proper and adequate control, monitoring and reporting of GOV usage.

It is envisaged that this challenge will be addressed by, amongst others, the development of clear departmental transport policy and implementation of fleet management system.

The biggest constraint facing this department is still lack of clear mandate and guidelines regarding the maintenance and upkeep of state owned properties occupied and utilized by the department. The department of Public Works, Roads & Transport is vested with the competency over state owned infrastructure and has the capabilities/capacity for maintenance. This problem is compounded by insufficient funding and trained personnel.

The challenge is therefore to establish a service level agreement between the department and the department of Public Works, Roads & Transport that will be aimed at overcoming matters related to the relationship and responsibilities, and to further develop the human resource training plan that will ensure that within four years the department is competent and capable to manage own maintenance needs.

The immediate constraint relate to the lack of available office accommodation, especially at head office. It is not envisaged that this problem will be resolved in the current financial year; hence the department will continue improvising in this regard.

The challenge facing the Information and Communication Technology in the department is lack of a master systems plan that is aimed at analyzing the ICT situation and aligning it to the strategy and operations of the department. In view of this challenge the department will procure necessary skills that will assist the development of this systems plan. An

investigation shall be conducted into processes in order to try to enhance service delivery through ICT.

The challenge facing the security situation in the department is the lack of physical security facilities. There are no devices to control access and to secure the peripheries/boundaries of some premises occupied by the department. The constraint to resolving the problem is the lack of available funds. The possibility of augmenting security through contracting private security services will be explored.

10.6.4 Description of planned quality improvement measures

The planned quality of services will be according to sound Human Resource Practices focusing on good governance and the Batho Pele principles. This will result in meeting the key imperatives of the Constitution and legislative framework that governs the Public Service.

The quality of services provided with regard to the development of personnel skills will be addressed through the development of a database and the awarding of bursaries for relevant studies.

The gradual increment in funding the EAP Programme will be pursued.

A comprehensive HR database will be developed in order to assist with the availability of information relating to human resources in the Department.

With regard to GOV, the department intends to procure a fleet management system that will enhance planning, control and record keeping. A closer cooperation with Finance Section in improving the processes relating to cost allocation and payments to Government Garage will be enhanced.

The maintenance of buildings will be enhanced through the recruitment of suitable and qualified personnel.

Issues relating to the ICT will be addressed in the envisaged master plan which will be developed in collaboration with SITA that will outline the improvement needs.

Security services will be enhanced through further training of personnel and installation of other physical security structures.

10.7 Sub-Programme: Financial Management

10.7.1 Situation Analysis

The functional areas of the Financial Management Sub programme is the coordination of the budget process for the department of Agriculture, all financial, supply chain and salary related matters. The Financial Management Sub Programme has to ensure that all monies due to the department are collected and deposited into the provincial revenue fund.

Key challenges the sub programme are faced with are:

- To render an accurate, effective and efficient financial service to the clients
- To compile a credible departmental budget according to the new economic reporting format.
- To ensure payment of suppliers within the 30 day period

- The implementation of accrual accounting
- To set credible own revenue targets for the department
- The turnaround time for processing of orders
- To enter into period contracts to ensure efficient service delivery
- Development and maintenance of the asset management system
- Recruitment of appropriate qualified skills
- Development and maintenance of an accreditable supplier data base

10.7.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 11: Effective and efficient financial management

10.7.3 Analysis of constraints and measures planned to overcome them

Analysis of constraints

- Lack of the necessary skills
- Institutional and protocol arrangements to accommodate expenditure pressures of community needs within the limited financial resources
- Lack of co-operation by other programmes
- Inadequate capacity

Measures to overcome these constraints:

- Building capacity by providing training and career development
- Workshop facilitation
- Effective communication
- Learnerships programmes
- Improved recruitment processes

10.7.4 Description of planned quality improvement measures

Effective communication between Financial Management and the rest of the Department.
Effective financial monthly reporting.

10.8 Sub-Programme: Community Projects Fund Support Programme (CPF-SP)

10.8.1 Situation Analysis

The overall objective of this programme is to enhance the living conditions of low households in rural and peri-urban communities. The main challenge faced by the programme is to accelerate project progress and expenditure and to ensure sustainability of projects.

Improving quality reporting has been one of the focus areas in an effort to address the integrity and credibility of information on the M&E system. Substantial work has also been done on amending and upgrading the M&E system.

PMU introduced Equity projects as a way and means of enhancing beneficiary empowerment of sustainable and viable CPF-SP projects and simultaneously increasing expenditure and supporting national strategic objectives.

The DOA has adopted a multi-funding approach to projects utilizing the various existing grants, such as the Comprehensive Agriculture Support Programme (CASP); Redirected Funds; Land Care; Infrastructure and CPF-SP to create a wider spectrum of funding thereby ensuring sustainability of projects in the long term.

Establishing partnerships with provincial departments, local government, intermediary organizations and financial institutions will be sought to support national strategic objectives in general and contribute towards poverty alleviation in the Free State in particular.

10.8.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1: Improvement of primary production and advancement in agro-processing
- Goal 2: Economically sustainable agricultural development
- Goal 4: Improved stakeholder relations
- Goal 6: Household food security
- Goal 7: Farmer settlement support

10.8.3 Analysis of constraints and measures planned to overcome them

- Lack of staff capacity within the PMU structure has had an impact on service delivery, specifically the absence of a dedicated central team to drive implementation of policies and ensure coordination of services across the district offices. Recruitment of personnel with the requisite skills shall be addressed in order to strengthen programme implementation.
- Consistent changes with regard to the structure and reporting lines for PMU staff had an impact in project implementation.
- Data credibility has surfaced as a repetitive problem. To ensure accuracy of information on the M&E System for strategic reporting, attention shall be given to strengthening data administration, management and reporting of information on an ongoing basis.
- Inconsistent application of grant making tools has been identified as an area that needs to be addressed. This is already being addressed by improving management of application and refinement of Grant Making Cycle Tools to ensure consistency, uniformity and alignment with applicable policies and agreements.
- To date beneficiary training was not given the necessary consideration and this amongst others impacted on the sustainability of projects. Priority facilitation of effective training will be exercised in future to ensure that the beneficiaries acquire the required skills for successful project after-care.

10.8.4 Description of planned quality improvement measures

- Strengthen the overall management of the programme to enhance successful project implementation.
- Ensure effective management of projects and implement quality assurance measures to monitor and evaluate project progress and expenditure.
- Ensure consistency, uniformity in the application of Grant Making Cycle Tools and alignment with applicable policies and agreements.

- Facilitate effective training and mentoring for beneficiaries to ensure sustainability of projects.
- Conduct annual financial audits as is prescribed in Annual Work Plan 3 (AWP3).

10.9 Resource Information

Community Project Fund Support Programme:

- Staffing: Currently there are 30 PMU employees (this number includes district staff). The budgeted amount (including operational costs) from the Department is ± R6 471 000 for 2005/6. The Department shall claim back the salary expenses of Project Coordinators from the EC in terms of the Financial Agreement.
- Funding: R80 528 697 – (9 678 930 euro x R8.32) balance by end of the Annual Work Plan 3 (AWP 3). This amount constitutes $\frac{2}{3}$ EC contribution. The Department contributes $\frac{1}{3}$ of the budget which amounts to R40 264 348. Total funding is ± R120 793 045 based on the Rand/Euro exchange rate. This total amount excludes the VAT portion which can not be estimated at this time.
- Management Capacity: From March to October 2004 the PMU was without a dedicated Directorship. This impacted negatively on co-ordination and implementation of activities as outlined in the Annual Work plan 3. Appointment of the PMU Head took place with effect from 25 October 2004. The PMU is still understaffed with the critical posts of Financial & Management Advisor and Quality Assurance still remaining vacant. A central team is required to ensure effective implementation of policies and coordinating services.

11. Programme 2: Sustainable Resource Management

11.1 Situational analysis

The demand for services is determined through stakeholder input, our own needs analysis and the needs captured in the Integrated Development Plan (IDP) of the five Districts. The services identified are facilitated by the District Offices, who request the Sub-Directorate Engineering to provide technical support. The programmes encompassing these services are: LRAD; commonage development and individual farmer support.

Our main thrust is the support of emerging and commercial farmers through technology transfer, supply of standard information packages, plans and leaflets, and statutory services.

The identification of Integrated Development Plan (IDP) projects is done jointly between Local Municipalities and the District Offices, and the services provided focus on: water and irrigation; farm infrastructure; mechanisation; soil conservation and agro-processing. Of these, the supply of water and farm structures is our greatest priority.

11.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

- Goal 1: Improvement of primary production and advancement of agro-processing
- Goal 2: Economically sustainable agricultural development
- Goal 5: Natural resource and infrastructure utilisation and management
- Goal 6: Household food security
- Goal 7: Farmer settlement support

11.3 Analysis of constraints and measures planned to overcome them

The revision of the career-progress system of technicians and engineers needs to be investigated. The utilization of consulting engineering services is a further option but procedures need to be streamlined for practical implementation.

11.4 Planned quality improvement measures

The plans and services provided will be according to sound engineering principles in terms of the Engineering Profession Act; sustainable conservation practices and delivered to Batho Pele approach.

11.5 Sub-Programme: Engineering Services

11.5.1 Situation Analysis

The services provided are planning, design, and specification and construction supervision of development of infrastructure for the disciplinary areas of water and irrigation, farm infrastructure, mechanization soil conservation and agro-processing projects. Evaluation, appraisal and technology transfer are also provided to existing projects.

The needs are identified by the District offices and also satisfy the IDP's of the District Municipalities. The services are provided to projects of District offices for LRAD, commonage development and individual farmer support and financed by CASP, Infra Structure Development, Redirected, land reform and CPF-SP. The main support is to emerging farmers while existing commercial farmers is through standard information packages and plans as well as statutory services.

The services focused strongly on water provisioning which is the corner stone of any development. Borehole testing techniques and equipment were upgraded to a suitable standard and a large number of water sources were secured. Two emerging water supply schemes were also managed during severe drought conditions.

Key challenges:

- Projects have to be adapted to appropriate technology for clients' circumstances, skills and the available services in the localities where projects are implemented.
- The implementation of decentralisation of engineering services poses a challenge. The five decentralised offices have only one engineer per office to handle four different specialized disciplines.
- Experiential development of inexperienced personnel appointed in DC's.

11.5.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

Goal 5 – Natural resource and infrastructure utilisation and management

11.5.3 Analysis of constraints and measures planned to overcome them

The capacity of the unit is extremely limited while the programme to implement is huge. There is a lack of equity in the appointment of Previously Disadvantaged Individuals (PDI) candidates in the engineering field. There are very few black engineers and not so many black technicians. Engineers and engineering technicians are scarce resources and difficult to recruit. BEE companies in certain specialized fields such as supply of scientific equipment and capital-intensive construction equipment are very limited.

The revision of the career-progress system of technicians and engineers needs to be investigated. The utilisation of consulting engineering services is a further option but procedures need to be streamlined for practical implementation. The provision of bursaries to PDI engineering and technician candidates is being implemented.

11.5.4 Description of planned quality improvement measures

The plans and services provided will be according to sound engineering principles in terms of the Engineering Profession Act; sustainable conservation practices and the delivery to Batho Pele approach.

11.6 Sub-Programme: Soil Conservation and Land Care

11.6.1 Situation Analysis

The demand for services is determined through stakeholder input, our own needs analyses, the needs captured in the IDP's of the five Districts. Further more the LandCare programme is implemented and coordinated. LandCare programme in the Free State Province receives a grant through the National Department of Agriculture (NDA) and Departmental funding to implement projects identified throughout the five Districts. The sub programme is responsible for technical support and quality control in terms of infrastructure development and conservation works on LRAD, commonages, individual commercial farmers and emerging farmer groups. The responsibility of the co-ordination of the LandCare and Soil Conservation programmes are on provincial level.

11.6.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

- Goal 5 – Natural resource and infrastructure utilisation and management

11.6.3 Analysis of constraints and measures planned to overcome them

An increasing constraint is the lack of human resources and vacant posts not budgeted for. The vacant posts not being filled are problematic for Districts.

11.6.4 Description of planned quality improvement measures

The plans and services provided are according to sound engineering principles in terms of the Engineering Profession Act; Sustainable conservation practices are promoted through the Batho Pele approach.

11.7 Sub-Programme: Resource and Communal Land Management

11.7.1 Situation Analysis

The level and status of infrastructure on communal and commonage land is not conducive to ensuring that the natural resources are optimally utilized. There is not an adopted commonage management and development policy available to be used by local municipalities to guide them in managing agricultural land optimally.

11.7.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 – Improvement of primary production and advancement in agro-processing
- Goal 2 – Economically sustainable agricultural development
- Goal 5 – Natural resource and infrastructure utilisation and management
- Goal 6 – Household food security
- Goal 7 – Farmer settlement support

11.7.3 Analysis of constraints and measures planned to overcome them

A pilot study is planned to develop a commonage management policy in the Letsemeng area that will be taken to Agri-Loc level for acceptance by all local municipalities as a guiding document to develop their management plans.

11.7.4 Description of planned quality improvement measures

All stakeholders need to buy into initiatives to better the communal and commonage management levels. This to be done in a coordinated manner to ensure all municipalities take ownership of developed policy guidelines.

11.8. Resource Information

LandCare programme is funded by conditional grants and Departmental funds. Assisting the Dep. Director, Soil Conservation/LandCare (Provincial LandCare Coordinator) are two programme managers responsible for Soil Conservation and LandCare respectively. Control Industrial Technicians acting as regional LandCare coordinators are situated in the Districts. The Industrial Technicians are responsible for technical support to all the Departmental projects and the implementation of LandCare and conservation projects.

Engineering Services

- Funding: Total budget for 2005/2006 is R 2,169 mil, with R 1.341 mil for personnel. This represents a shortage of ± R 90 000 for the current employed staff in the sub-directorate.
- The following staff on the new structure are not budgeted for:
 - Senior Engineer / Engineer (5 posts)
 - Industrial Technician (9 posts)

- Admin Clerk (6 posts)

- Staff:

The current staff:

Only Centralised: Chief Engineer, Control Industrial Technician, Senior Engineer, Engineer, two Chief Industrial Technicians, Admin Clerk, Tradesman Aid.

Additional Staff required to fill new structure:

Centralised: Senior Engineer X2, Industrial Technicians X4, Admin Clerk,
Decentralised; Required **per** District office: Senior Engineer/ Engineer, Industrial Technician, Admin Clerk.

Total required for 5 district offices:

Senior Engineer/ Engineer x5

Industrial Technician x5

Admin Clerk x 5

- Management capacity:

Was determined by job evaluation – the lack of administrative support to chief engineer is severely hampering this capacity.

- Systems:

M&E system for reporting, BAS for budget control, GPS survey equipment, Model Maker survey processing systems that has to be upgraded annually.

12. Programme 3: Farmer Support and Development:

12.1 Situational analysis

The level of agricultural support that the Department provides must match the demand of those who were previously disadvantaged, and are now seeking assistance to develop farms. A key tool for this is the CPF-SP Fund, which exists to support land reform beneficiaries as well as to support rural agricultural business enterprises.

Our key challenges at present are:

- Implementation of our LRAD-programme to match the Government's goal of transfer of 30% of agricultural land to the previously disadvantaged by 2015;
- To support rural agricultural projects, especially on commonage land;
- The delivery of our services in a multi - disciplinary manner;
- Addressing poverty and job creation through implementation of agricultural projects;
- Enhancing marketing opportunities through agro-beneficiation; and
- Improving economic viability through increasing the quality and quantity of produce per unit area.

12.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 – Improvement of primary production and advancement in agro-processing
- Goal 2 – Economically sustainable agricultural development
- Goal 4 – Improved stakeholders relations
- Goal 6 – Household food security
- Goal 7 – Farmer settlement support

12.3 Analysis of constraints and measures planned to overcome them

Our constraints at present are fourfold, namely:

- Capacity of extension officers – there is a need for training, support and guidance by supervisors and colleagues for extension officers especially with regards to specialist fields of activity. Many posts are vacant and these need to be filled to ensure effective service delivery to all communities of the Free State;
- Process for disbursement of funding – implementation of improvements to remove bottle necks in the process are urgently required;
- Lack of adequate funding –requires a review of the process of motivating for funding from government, donors and the private sector; and
- Inclusion of agricultural initiatives in IDP's – engagement of municipalities to develop appropriate agricultural sector plans is overdue.

12.4 Description of planned quality improvement measures

It is imperative that we further involve stakeholders at all levels in supporting our development projects, especially where our extension services are experiencing a lack of capacity.

Furthermore we need to review the policies we use such that they enhance the implementation of extension programmes, improve our needs - assessments and guarantee aftercare services.

12.5 Sub-programme: Farmer Settlement and Support Services

12.5.1 Situation Analysis

The total amount of clientele that are land users is plus/minus 500 000 according to a World Bank survey (1997). This include 162 000 peri-urban households with access to commonage grazing.

New entrants to farming lack financial capacity and farming skills to turn farms into viable businesses.

Most of these clients whom are now acquiring farms, farms on commonages land and also on state land, are from previously disadvantaged backgrounds and thus lack skills and resources to maintain productive and sustainable businesses.

12.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 – Improvement of primary production and advancement in agro-processing
- Goal 2 – Economically sustainable agricultural development
- Goal 4 – Improved stakeholder relations
- Goal 6 – Household food security
- Goal 7 – Farmer settlement support

12.5.3 Analysis of constraints and measures planned to overcome them

Our constraints at present are fourfold, namely:

- Capacity of Field staff especially extension officers – there is a need for training, support and guidance by supervisors and colleagues for Field staff especially with regard to specialist fields of activity;
- Process for disbursement of funding – implementation of improvements to remove bottlenecks in the process are urgently required; procurement process and capacity to be beefed up.
- Lack of adequate funding –requires a review of the process of motivating for funding from government, donors and the private sector; and

Inclusion of agricultural initiatives in IDP's – engagement of municipalities to develop appropriate agricultural sector plans needs to be continually refined

12.5.4 Description of planned quality improvement measures

It is imperative that we further involve stakeholders at all levels in supporting our development projects, especially where our field services are experiencing a lack of capacity.

Furthermore we need to review the policies we use such that they enhance the implementation of extension programmes, improve our needs - assessments and guarantee aftercare services.

12.6 Sub-Programme: Extension Services

12.6.1 Situation Analysis

The total amount of clientele whom are land users is plus/minus 500000 according to a World Bank survey (1997). Most of these clients are from previously disadvantaged backgrounds who are now acquiring land.

A large number of new farmers do not have the required knowledge and resources to have their businesses function on an economically sustainable basis.

There is thus a high need for technical, financial and managerial training, mentoring and extension support.

Most of the new entrants into farming do not have the necessary knowledge, capital and production inputs to put these businesses on an economically sound and sustainable basis.

12.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 – Improvement of primary production and advancement in agro-processing
- Goal 2 – Economically sustainable agricultural development
- Goal 4 – Improved stakeholder relations
- Goal 6 – Household food security
- Goal 7 – Farmer settlement support

12.6.3 Analysis of constraints and measures planned to overcome them

Our constraints at present are fourfold, namely:

- Capacity of Field staff especially extension officers – there is a need for training, support and guidance by supervisors and colleagues for Field staff especially with regard to specialist fields of activity;
- Process for disbursement of funding – implementation of improvements to remove bottlenecks in the process are urgently required; procurement process and capacity to be beefed up.
- Lack of adequate funding –requires a review of the process of motivating for funding from government, donors and the private sector; and align our budget to needs required at the level of Ward Agricultural committees (WAC).

Inclusion of agricultural initiatives in IDP's – engagement of municipalities to develop appropriate agricultural sector plans needs to be continually refined.

12.6.4 Description of planned quality improvement measures

It is imperative that we further involve stakeholders at all levels in supporting our development projects, especially where our field services are experiencing a lack of capacity.

Furthermore we need to review the policies we use such that they enhance the implementation of extension programmes, improve our needs - assessments and guarantee aftercare services.

To introduce a farmer driven development approach, that ensures joint efforts by all stakeholders at the ward level. Working with farmers and involving them in assessing their needs and funding.

12.7 Sub-programme: Food Security

12.7.1 Situation Analysis

The level of agricultural support that the department provides must match the demand of those who were previously disadvantaged, and are now seeking assistance to develop farms. A key tool for this is the food security budget to support rural and peri-urban communities through poverty alleviation.

Our key challenges at present are:

- Funding is insufficient to meet the current demand
- The need to meet the criteria set by Social Development Department
- Sustainability of the projects is questionable

12.7.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 – Improvement of primary production and advancement in agro-processing
- Goal 2 – Economically sustainable agricultural development
- Goal 4 – Improved stakeholder relations

- Goal 6 – Household food security
- Goal 7 – Farmer settlement support

12.7.3 Analysis of constraints and measures planned to overcome them

Our constraints at presents are namely:

- Capacity of field staff- there is a need for training, support and guidance by supervisors and co-ordination of services with all stakeholders.
- Process for disbursement of funds for implementation to be improved.
- Lack of adequate funding- requires a review of the process of motivating for funding from government, donors and the private sector.

12.7.4 Description of planned quality improvement measures

It is imperative that we further involve stakeholders at all levels in supporting our development projects, especially where our field services are experiencing a lack of capacity.

Furthermore we need to review the policies we use such that they enhance the implementation of food security programmes, improve our needs assessment and guarantee aftercare services.

12.8 Resource information

For this programme the total budget received in 2004/2005 is R31 253 000 and for 2005/2006 it is R64 645 000.

The number of field staff especially with reference to soil conservation technicians needs to be beefed up considerably. At least an additional 15 soil conservation officers are needed. The five vacant extension officer posts also need to be filled as a matter of urgency.

Management capacity only needs to be bettered in line with training needs and delegations. Team leaders for local municipal areas still need to be appointed.

Systems and procedures are developed continuously in order to speed up delivery.

Systems to disburse funds quicker need to be refined as a matter of urgency to speed up delivery.

13. Programme 4: Veterinary Services

13.1 Situation analysis

The Free State Veterinary Services is regulated by the Animal Disease Act (Act 35 of 1984) and the Meat Safety Act (Act 40 of 2000). Although the core functions are regulatory in nature, the sub-directorate is always in line with the goals and priorities of the entire Department of Agriculture in the province. Export control is a major part of this core function.

The second priority of veterinary services in the province is to provide animal health assistance to emerging farmers in respect of the treatment of sick animals, and the prevention of diseases during outbreaks. Food Safety is the third priority and Veterinary

Public Health renders this function. Despite several constraints facing this sub-directorate there has been above average performance in our three sub-sections.

Demand for services:

The specific need to be addressed by this programme is to control Controlled Diseases in terms of (Act No. 35 of 1984):

- **Brucellosis** (in the Northern, Eastern and Western Free State);
- **Rabies** (especially along the Lesotho Border where positive Canid Rabies is rife);
- **Sheep Scab** (especially Southern Free State, Thaba’Nchu and QwaQwa in order to better wool quality); and
- **Tuberculosis** (in respect of the movement of Buffalo).

Another priority is the provision of Veterinary Assistance for emerging farmers in respect of the treatment of sick animals, prevention of disease through early diagnosis, vaccination, and the control of diseases during outbreaks.

In support of this Veterinary Extension, in the form of training with a specific focus on emerging farmers. We need to settle stockowners that will be self-sufficient in the future.

Export Control through a process of inspection, registration and certification of animals and animal products, also requires priority attention to stimulate economic growth.

In terms of statutory functions, there is growing demand from the increase in exports of meat, game and dairy products, as well as the associated programs of Bovine Spongiform Encephalopathy (BSE) sampling and residue monitoring to survey diseases to be able to export.

Medicines and equipment resources are still scarce and we will review our usage strategy in light of this.

There has been an above average performance by our laboratory diagnostics facility with an increase in the number of samples received. This positive growth indicates an increase in confidence in our services by our clients.

The quality of hygiene in abattoirs has improved (as illustrated by Hygiene Assessment Scores), and over 4000 game carcasses were harvested for export purposes. This generates income for the province and creates job opportunities.

Appraisals of Existing Services:

Despite the lack of State Veterinarians in the field and a shortage of Meat Inspectors to help with game harvesting, we are still delivering services to the best of our abilities.

Progress Analysis

Our targets were met up to date.

13.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

- Goal 3 – Optimisation of plant and livestock health, production and product safety

13.3 Analysis of constraints and measures planned to overcome them

The major risk in Veterinary Services is as follows:

- 1) Due to lack of staff in Animal Health, diseases can be left undiagnosed and thus spread causing an economical risk for our farmers and risk to lose export opportunities to other countries.
- 2) If the 2 laboratories do not become National Department approved for diagnostic services according to the Quality Management Systems, our services and results will be of no use any more.

HOD and MEC shall have to attend to vacant and planned posts in Animal Health and Public Animal Health to deliver acceptable high standard services to combat disease and to stay economically competitive. Structure, management and budget shall also have to be in place to control diseases and support to PDI's.

13.4 Description of planned quality improvement measures

Quality Services can only be further improved if our constraints like staff; management structures, overtime policy and scarce skills allowances and or rural allowances payable. This depends on our senior management to get our plans from the ground.

Continuous training of all staff is also necessary to keep quality services and information in place.

13.5 Sub-programme: Animal Health

13.5.1 Situation Analysis

To facilitate and provide Animal Disease control services in order to protect the animal population against highly infectious and economic diseases, through the implementation of the Animal Disease Act (Act 35 of 1984) or Animal Health Act (Act 7 of 2002) and Primary Animal health programme/projects

Demand for services:

1. Need for the control of Controlled Diseases according to Act 35/1984 especially:
 - **Brucellosis** (Northern, Eastern and Western Free State).
 - **Rabies** (especially along the Lesotho Border where positive Canid Rabies rives and creates a risk for people to be bitten by positive rabid dogs).
 - **Sheep Scab** (especially Southern Free State, Thaba 'Nchu and QwaQwa for bettering wool quality).
 - **Tuberculosis** (the movement of Buffalo creates an income for the Province).
2. Need for **Veterinary Assistance** to emerging farmers with treatment of sick animals, prevention of disease by early diagnosis of disease outbreaks and vaccination where possible, control of diseases during outbreaks.
3. **Veterinary Extension** in the form of training sessions to all clients with special attention to PDI where we have to uplift stockowners to be self-sufficient in the future and to be productive farmers.

Medicines and equipment are very expensive and at this stage only very few and basic things can be offered.

13.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 3 – Optimisation of plant and livestock health, production and product safety

13.5.3 Analysis of constraints and measures planned to overcome them

The lack of State Veterinarians who can manage their Animal Health Technicians to control and Prevent Disease Outbreaks may lead to undiagnosed diseases and spread thereof. This will cause major risk for export, which can be stopped, and uncontrolled diseases spread to commercial and PDI farmers causing Economic losses for all.

The HOD and MEC shall have to appoint State Veterinarians and shall have to look at “scars skills allowances” and allowances perhaps for Rural Veterinarians.

A satisfactory structure and working environment without administrative red tape handicapping our services, is a must. Officials shall have to be allowed to be trained and attend courses (PDMS).

13.5.4 Description of planned quality improvement measures

The quality of our services can be improved by:

- a) Continuous Training (new information) through courses/workshops etc.
- b) Sufficient budget to supply medicines
- c) Minimum administrative red tape
- d) Efficient senior managers and fill all our vacant State Veterinarian and Animal Health Technician (AHT) posts

13.6 Sub-programme: Export Control

13.6.1 Situation Analysis

To provide control measures including Health Certification, in order to facilitate the importation and exportation of animals and animal products, which lead to economic growth.

To implement Risk Assessment measures in order to assess the impact of various Animal Disease outbreaks and the risk of importing or exporting animals or animal products from/to other countries.

- **Demand for Services:**

A great demand for export services exists to enable exporters to export animals and animal products from RSA and Free State Province. This includes a request for inspections and registration of export farms/facilities and establishments such as Dairies, Dairy Factories, Abattoirs, Taxidermies, etc. and the certification of animals and animal products to fulfill the Importing Country Health Requirements for Export and OIE directives.

Export makes us economically competitive with the rest of the world especially with our indigenous breeds like the Boer goat, Nguni and other excellent bred cattle and Horses.

- **Appraisal of Existing Services:**

We do not have a separate unit to take care for Export Services. It is running by the existing Animal Health and Public Health Personnel. Despite the fact that all our State Veterinarian posts are not filled, State Veterinarians register and certify for export and our Animal Health Personnel can not visit all farms for Disease survey and Animal Inspections yearly, we still manage to certify exports to the Estimated Value of R 47 466 586.00

Our Meat Inspectors and Trained Animal Health Technicians are not sufficient for game harvesting inspection for exports; furthermore, they do not get the overtime they are qualifying for since 2002.

13.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 3 – Optimisation of plant and livestock health, production and product safety

13.6.3 Analysis of constraints and measures planned to overcome them

- Lack of State Veterinarians handicap Export certification.
- Lack of Meat Inspectors or lack of Trained Animal Health Inspectors handicap export of game.
- Lack of Administrative support.
- Non payment of overtime will stop export to the EU which is our greater Importer of Game meat.
- HOD has to approve submission for overtime allowances.
- MEC and HOD have to appoint State Veterinarians in the 5 vacant planned/structured posts.
- Animal health shall be structured and managed as such that all farms can be visited every year to make certifying possible as well as to survey relevant risk Disease (BSE etc).
- If not, the Free State Province and South Africa stand the risk to loose export status and hence job creation, more poverty, no income for the country (Wealth).
- The risk also exists now that with our knowledge of the diseases in the areas/districts, we cannot certify without any risk (so disease might spread).

13.6.4 Description of planned quality improvement measures

If allowed, Animal Health will conduct a census, do surveys, visit more farms to get as much informed to certify without risk because we will be more informed of the Health Status of an area.

13.7 Sub-programme: Veterinary Public Health

13.7.1 Situation Analysis

To co-ordinate and implement various Food Safety projects include the implementation of Meat Safety Act (Act 40 of 200) and prevention of Zoonotic or food borne diseases.

Demand for Service:

To provide measures to promote meat safety of animal products, to establish and maintain essential national standards in respects of Abattoirs, to regulate the importation and exportation of meat, to establish meat safety schemes, and to provide for measures connected thereto.

Appraisal of existing services: The existing services addressed the above-mentioned demands.

13.7.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 3 – Optimisation of plant and livestock health, production and product safety

13.7.3 Analysis of constraints and measures planned to overcome them

Legislation and policy formulation, certification and meat inspection services and risk management with regards to food safety of Meat, Poultry and dairy products.

A shortage of experienced suitably trained personnel: To be addressed by HOD in Veterinary Services' establishment.

13.7.4 Description of planned quality improvement measures

Quality can only improve by the appointment of experienced suitably trained personnel: To be addressed by HOD in Veterinary Services' establishment.

13.8 Sub-programme: Veterinary Laboratory Services**13.8.1 Situation Analysis**

To provide support service to the Veterinary personnel, medical practitioners and farmers with regard to Diagnostic service and Epidemiological investigations of Animal Disease outbreaks.

The demands for the services being produced by the specific program are:

- To reach a state of optimal and competitive functionary at the highest recognized standards to support global trade in livestock and livestock products as well as to promote animal and human health and welfare.
- To promote and ensure the establishing of acceptable and internationally recognized standards and practices in veterinary laboratories.
- And to ensure a comprehensive, internationally recognized diagnostic service, which is ISOMEK 17025, accredited to be an essential support service for animal disease control.

Appraisal and Performance of this existing service during the past year:

For the past four years there was a sustained, above average, performance in all activities regarding laboratory diagnostics in the Free State Province.

The positive growth is an indication of the trust of our clients in our service which consists of private Veterinarians, farmers etc.

All indications are that the laboratories are meeting the targets set out in the Strategic plan.

Key Challenges over the Strategic plan period.

- Good Laboratory Practices (GLP)

- To promote the implementation and maintenance of Quality Management Systems (QMS) as a fundamental strategy in improving the standard of service delivery by the veterinary laboratory.

- To become accredited at an accreditation body or NDA approval.

- To meet client requirements which include the provision of timorously and accurate results.

- To ensure that all our Standard Operating Procedures (SOP's) for Inspection and Certification are according to Best Acceptable Practices (BAP's) and to accredit these activities with SANAS wherever possible.

- Good management practice.

13.8.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 3 – Optimisation of plant and livestock health, production and product safety

13.8.3 Analysis of constraints and measures planned to overcome them

Constraints and shortfalls:

- LIMS not implemented yet
- Insufficient trained people
- Equipment and facilities
- Organizational structure

Planned measures to overcome constraints and shortfalls:

- LIMS administrator courses and users courses
- Training programmes
- Sufficient budgeting
- Re-organization and activity plan

13.8.4 Description of planned quality improvement measures

The growth in use of Quality Systems generally has increased the need to ensure that laboratories which form part of a larger organization, or offer other services, can operate to a quality system that is seen as compliant with ISO 9001 or ISO 9002 as well as with the International Standard.

The Free State laboratories are busy to establish, implement and maintain a quality system appropriate to the scope of its activities. The laboratories are busy to document its policies

systems, programs, procedures and instructions to the extent necessary to assure the quality of the test results.

The systems documentation shall be communicated to, understood by, and implemented by the appropriate personnel.

Personnel of the two laboratories in the Free State attended the Laboratory System course for quality Management as well as the international audit course presented by SANAS according to ISO/IEC 17025 requirements the past three years.

These Free State laboratories are members for the new established LQWG (Laboratory Quality Work Group) as well as the Scientific Forum (SAVLSCF) at the National Department and cooperate with them to improve on quality.

13.9 Resource information

- **Funding:**

Our budget for 2004/2005 year was in place to fulfill the basic needs.

A problem does exist with some District Council (DC) Managers who have to approve the Veterinarians expenditure/orders despite the fact that a budget was allocate to the Veterinarians.

- **Staff:**

3 Problematic areas exist in our Staff/structure which handicaps our service to a great extent:

5 Vacant State Veterinarian posts (Management, control of Diseases and services to PDI).

“Vacant” Meat Inspectors Posts (it must still be created/job evaluations).

Vacant Administrative posts for the majority of State Veterinarians and Laboratories. (Handicap payments, orders, reporting, filing, typing etc).

- **Management Capacity:**

We do lack a Deputy Director in managing our Export unit because of the value of exports, the sensitivity of certifying for export according to requirements of importing countries. At present we have a Director and 2 Deputy's to manage Veterinary Services with a personnel number of ± 120 staff.

- **Systems:**

Computer systems –

LIMS for the Laboratory

Adisa for Animal Health

HAS and HACCP Quality control System for Veterinary Public Health.

***Quality Systems/Control and SOP's Manuals for Veterinary Laboratory Procedures:**

- Animal Health Act 35/1984 and regulations
- Act 40/2000 and regulations for Veterinary Public Health.
- Veterinary and Para-veterinary professions act.
- Livestock Improvement Act.
- OIE (International) codes
- WTO agreements
- Act on Medicines and feedstuffs.

14. Programme 5: Technology, Research and Development

14.1 Situational analysis

There is an increasing awareness amongst farmers about the role Research can play in agricultural development. This statement is supported by the consequent rise in the number of farmers who are contacting the Research sub-directorate for technical support, to between 60 and 70 per month. Our capacity to provide the requisite support to our clients, however, continues to be severely limited by among other things, too narrow a research focus and adequate staffing.

The main services rendered by the Farming Information Section are distribution of monthly climate data and risk outlooks, and the distribution of programmed geographical information in the form of maps. Summaries of the climate outlooks are distributed in Afrikaans, South Sotho and English. The demand for maps exceeds our capacity to deliver at this stage. This together with a need to broaden our client services calls for an increased capacity.

The key challenges are: to enhance the GIS data sets; the training of personnel private sector.

The Glen Farm should provide an optimum environment of good Agricultural practice in which research and development as well as training can be effectively conducted.

The key challenges for Glen Farm are:

- 1) To attract and retain skilled, motivated staff;
- 2) To maintain and expand the infrastructure of the Glen Farm to provide optimal facilities in support of training and research;
- 3) To review the overall business approach to the running of the Farm; and
- 4) To address stock losses due to vermin.

14.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 - Improvement of primary production and advancement of agro-processing
- Goal 3 - Optimisation of plant and livestock health, production and product safety
- Goal 4 - Improved stakeholder relations
- Goal 5 - Natural resource and infrastructure utilisation and management
- Goal 6 - Household food security
- Goal 8 - Knowledge and information management

14.3 Analysis of constraints and measures planned to overcome them

Constraints facing the Research sub-directorate are mostly related to Human Resource capacity. Due to Human Resource capacity constraints the range of Research is relatively narrow with the focus primarily on agricultural production. To enable a more complete service from Research these constraints will have to be addressed.

The demand for technical expertise from the Research unit has also increased to such an extent, due to, amongst others, a lack of expertise within the ranks of extension services,

poor role definition and a lack of integration between Research and Extension, which impacts negatively on the time available to do research.

A new structure for the Research unit was compiled to address certain of the constraints with regards to human resource. The structure must however be implemented and resourced to make an impact.

Linkages with clients and other role players are developed to provide additional capacity for research.

Some of the functions of research have been transferred to the Farm unit. This will ensure that less time is spent on the management of production enterprises on the Glen farm and make more time available to concentrate on Research *per se*.

Constraints experienced by the Farming Information section include-

- Old equipment used to produce maps from GI data is causing us problems; and
- Datasets are not correct.

The improvement measures include-

- Collaboration with field staff needs to be improved;
- Numbers of rainfall co-workers need to be increased;
- The contract with Enviro Vision (which is due to expire), needs to be evaluated;
- Copyright protection of packages needs to be arranged; and
- Information used for the Free State needs to be verified.
- Setting up of a free phone-in information centre needs to be investigated and seriously considered.

14.4 Description of planned quality improvement measures

The quality of maps distributed within the Department and other outside organisations is high, but efforts must be made to shorten the production period of all outputs. Training for staff, enhanced data, structured datasets and adequate equipment will enable us to achieve this.

14.5 Sub-programme: Research

14.5.1 Situation Analysis

The range of Research is relatively narrow and our capacity limited, thus the need for other services (i.e. technical services and contact with farming communities) impacts on the time available for research.

There is an increasing awareness amongst farmers of the role research can play in Agriculture, and we are currently receiving 60 – 70 requests by farmers per month for technical support.

The key challenges for the Research Unit are:

- 1) To Broaden the scope of our research to meet farmers' needs;

- 2) Development of a system of categorisation for all those involved in the agricultural economy;
- 3) To develop new technical knowledge & research skills to meet the needs of the emerging farmer;
- 4) To develop linkages with clients and other role players who can provide additional capacity for research, specifically relevant public and tertiary institutions in the Free State;
- 5) To access funding from internal and external sources for research; and
- 6) To attract, recruit and retain suitably qualified research personnel.

14.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 1 - Improvement of primary production and advancement of agro-processing
- Goal 3 - Optimisation of plant and livestock health, production and product safety
- Goal 4 - Improved stakeholder relations
- Goal 5 - Natural resource and infrastructure utilisation and management
- Goal 6 - Household food security
- Goal 8 - Knowledge and information management

14.5.3 Analysis of constraints and measures planned to overcome them

Constraints facing the Research sub-directorate are mostly related to Human Resource capacity. Due to Human Resource capacity constraints the range of Research is relatively narrow with the focus primarily on agricultural production. To enable a more complete service from Research these constraints will have to be addressed.

The demand for technical expertise from the Research unit has also increased to such an extent, due to, amongst others, a lack of expertise within the ranks of extension services, poor role definition and a lack of integration between Research and Extension, which impacts negatively on the time available to do research.

A new structure for the Research unit was compiled to address certain of the constraints with regards to human resource. The structure must however be implemented and resourced to make an impact.

Linkages with clients and other role players are developed to provide additional capacity for research.

Some of the functions of research have been transferred to the Farm unit. This will ensure that less time is spent on the management of production enterprises on the Glen farm and make more time available to concentrate on Research *per se*.

14.5.4 Description of planned quality improvement measures

To improve the quality of our research work, information will have to be more accessible to clients. This calls for better communication between Research and our clients, including extension services and other stakeholders. Research work will have to include the perceptions and needs of our clients and will have to involve them more in the identification, conceptualisation, planning and implementation of research.

To improve on the quality of our research work we have initiated formal needs analyses contacts with our clients, also involving extension services. Our linkage with extension services will have to be strengthened and information generated through research will have to be made accessible to clients through reports, articles, seminars, farmer days, demonstrations, etc.

14.6 Sub-programme: Information Services (Farming Information)

14.6.1 Situation Analysis

Demand for services rendered by Farming Information comes from management, field staff, farmers, DA Directorate of Agricultural Risk and disaster management, AGIS and other provincial departments.

The main services rendered by the Farming Information Section are distribution of monthly climate data and risk outlooks, and the distribution of programmed geographical information in the form of maps and a WARD GIS computer program. Summaries of the climate outlooks are distributed in Afrikaans, South Sotho and English. The demand for maps exceeds our capacity to deliver at this stage. Other Agricultural Information is distributed electronically using an Info Pack Server. Currently a major task is the monitoring of all land reform farms.

Key challenges are to get the land reform database up to date and draw up reports from it, to implement soil classification functionality, and to manage the implementation of an agricultural information management system. A new format for the climate outlooks must also be developed. Posts within Farming Information must be filled urgently.

14.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 5 – Natural resource and infrastructure utilisation and management.
- Goal 8 – Knowledge and information management

14.6.3 Analysis of constraints and measures planned to overcome them

Two posts of the farming Information Section became vacant at the beginning of the year and has not yet been filled. Other posts that are on the structure need to be filled to enable Farming Information to implement certain objectives.

Information needed to compile many different reports, presently has to be obtained from Extension Officers. However the slow pace at which this information is provided hampers compilation of reports. There is a need for a better system of information collection.

14.6.4 Description of planned quality improvement measures

Currently the quality of products from Farming Information is of a high standard. The climate outlook in its current format must be replaced with a report that will be compiled within the section. This will see to the addition of information from new sources. A visualized reporting system for Land Reform monitoring must be developed.

14.7 Sub-programme: Infrastructure Support Services (Glen Farm)

14.6.1 Situation Analysis

The Glen Farm should provide an optimum environment of good Agricultural practice in which research and development as well as training can be effectively conducted.

The key challenges for Glen Farm are:

- 5) To attract and retain skilled, motivated staff;
- 6) To maintain and expand the infrastructure of the Glen Farm to provide optimal facilities in support of training and research;
- 7) To review the overall business approach to the running of the Farm; and
- 8) To address stock losses due to vermin.

14.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 3 – Optimisation of plant and livestock health, production and product safety
- Goal 8 – Knowledge and information management

14.6.3 Analysis of constraints and measures planned to overcome them

A lot of progress has been made in the following areas:

- Motivation of Farm staff about the role that they have to play in achieving the Glen Farm Mission, which is in line with the Department's Strategic Plan.
- Good agricultural practice introduced wherever possible.
- Improved utilization of resources such as old fallow fields planted to maize (120 ha) for milling on site in an effort to move towards sustainability with regard to feed requirements in the animal husbandry units.
- Systematic repairs to all mechanical equipment; however progress is limited by budget.
- Improved fodder flow program introduced for the dairy herd.
- Glen electricity supply and sub-stations currently being refurbished and upgraded under contract. Lack of maintenance in the past led to unacceptable situations where the power cuts were occurring on a daily basis and for long periods).
- The main rive pumps currently being refurbished under contract after a long period of no maintenance.
- The Glen Sewage plant currently being refurbished under contract and brought up to industrial standards.
- A reservoir is currently being constructed on one of the farm's central hilltops. This extra water source has become necessary owing to regular seasonal droughts with subsequent boreholes temporarily drying up.

Analysis of constraints and measures planned to overcome them

The main constraints are human resources related and can be summarized as not having sufficient staff to carry out all the tasks. It can be summarized as follows:

- A constantly depleting staff component owing to retirement, incapacity leave and deaths that are not being replaced. – Motivation will be made to enable the farm to replace staff members as soon as posts become vacant.
- Moratorium on overtime payment resulted in essential animal husbandry unit staff taking days off in lieu of overtime. This exacerbates the problem of having insufficient staff. – Motivation will be made to re-introduce overtime for these sections.
- 50% of the Glen Farm staff attend ABET classes during working hours from Monday to Thursday. – Guidance will be sought from the HR department on how best to accommodate this.
- Lack of management capacity. One management post has been vacant for a few years. Lack of supervisors and team leaders.

Budgetary constraints are impeding progress in the following ways:

- The farm cannot afford to systematically replace old tractors and spends a lot of money repairing old equipment. – This depends entirely of the possibility of receiving extra budget.
- We cannot effectively deal with the huge backlog of maintenance with our current budget. - This depends entirely on the possibility of receiving extra budget.

14.6.4 Description of planned quality improvement measures

- A comprehensive staff development plan, which focuses on training, both external and internal.
- Continually upgrading agricultural practices and introducing Standard Operating Procedures (SOP's) as part of the Quality Management (QM) system.
- Careful utilization of the budget to achieve objectives.
- Re-designing the farm so as to be fully accessible to learners of agriculture.

14.7 Resource information

Management capacity:

The farm would ideally move to adopt the newly proposed structure, on which current vacant posts of managers and farm foremen or supervisors are filled. As new production enterprises are introduced, or existing enterprises upgraded, they too would need to be staffed with competent managers if the intended “training learners of agriculture in good agricultural practice”, is to be achieved”.

General staff component:

The farm has many specific duties to perform in maintaining essential services. Consequently there are many small “teams” that carry out tasks within their sections on a daily basis. Following are the teams with their current and ideal staffing levels that would be required to effectively carry out all the objectives.

Teams	Current	Ideal
Management	3	4
Farm administration	0	2
Mechanical workshop	4	6
Gardens and grounds	8	20

Sewage plant	2	6
Veld water maintenance	1	2
Farm Building and structure	6	6
Fencing maintenance	5	6
Tractor drivers	6	10
Irrigation	8	20
General work	9	20
Total	52	102

Farm and Institute funding:

Glen Agricultural Institute as a whole suffers from a backlog of general maintenance. A ten-year period of a zero, or inadequate maintenance or budget, has taken its toll on infrastructure. The 2004 / 2005 financial year has fortunately seen an injection of capital to conduct certain essential infrastructure maintenance, for example: Refurbishing the Glen electricity supply and sub-stations, the Glen sewage plant, the main irrigation pumps in the river, at a combined total of approximately R1, 75mil. This however is just the tip of the iceberg. It is estimated that Glen would require approximately R20mil. to conduct essential maintenance to buildings and infrastructure in order to bring it up to standard.

Glen farm is permanently on a tight budget if one considers the size of the farm (4 600 ha) with its enormous corresponding infrastructure. It is difficult to run the farm on a 1,5M after salaries budget.

As mentioned earlier, one of the critical constraints for the Research unit is the lack of capacity in terms of number of staff available. This lack of capacity is from the Scientist levels and lower. Scientists and Technicians, as well as management, are also not well equipped with regards to Research tools applicable to the emerging sector.

Although there is sufficient capacity at a management level, the lack of capacity at the lower levels impact negatively on the time available to managers for the management of the unit. Managers are forced to remain involved, to a large extent, in activities that should be done by Scientists.

Funding of the Research unit is sufficient for current staff and operations. If we however want to deliver on an expanded mandate, funding will have to be increased to cater for the appointment of more staff and operational cost. Funding will also have to be increased to cater for upgrading and expansion of the facilities and equipment available to the Unit.

15. Programme 6: Agricultural Economics

15.1 Situational analysis

There is a wide ranging demand for the services offered by this programme. Services are rendered to clients inside as well as outside the Province. Clients from inside the province include the political head of the Department, top and senior management, sections within the Department, private sector, commercial and emerging farmers, and other provincial government departments. Outside the Province services are rendered to the National and other Provincial Departments of Agriculture.

Services offered are: production economics; farm management; agricultural marketing; risk management; and disaster management.

Demand currently exceeds supply and preference is given to high priority areas such as agricultural development.

An increase in manpower over the past year resulted in higher outputs from this programme. These outputs will further increase as the level of experience of new appointees grows.

The key challenges are:

- To ensure that sound agricultural economic principles are applied throughout the entire programme;
- To develop agricultural economic norms and standards to be utilised across the entire programme;
- To provide timely and accurate agricultural economic and marketing information for decision making purposes; and
- To build capacity within the Provincial Department of Agriculture with regard to this specific programme.

15.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

Goal 2 – Economically sustainable agricultural development

15.3 Analysis of constraints and measures planned to overcome them

The main constraint currently relates to capacity issues resulting from the number of vacant posts and the inexperience of new appointees.

15.4 Description of planned quality improvement measures

The following measures are envisaged:

- The quality of services offered can be improved by ensuring the continued application of sound agricultural economic principles. This will result in the development of agricultural economic norms and standards to be utilised across the entire agricultural economic field;
- The quality of services rendered will be measured by the provision of timely and accurate agricultural economic and marketing information; and
- Continuous skills development of officials responsible for this programme will also contribute to the quality of services rendered.

15.5 Sub-programme: Marketing Services

15.5.1 Situation Analysis

The volatile economic environment, in which the agricultural sector has to operate, plays an important role in the sustainability of the sector. Adverse climatic conditions further complicate matters. Due to these factors, proper management of resources is needed to cope with decreasing margins of agricultural enterprises.

In order to address the abovementioned situation, services rendered include production economics; farm management; agricultural marketing; and risk and disaster management.

The key challenges are:

- To ensure that sound agricultural economic principles are applied throughout the entire programme;
- To develop agricultural economic norms and standards to be utilised across the entire programme;
- To provide timely and accurate agricultural economic and marketing information for decision making purposes; and
- To build capacity within the Provincial Department of Agriculture with regard to this specific programme.

15.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 2 – Economically sustainable agricultural development

15.5.3 Analysis of constraints and measures planned to overcome them

The high demand for services rendered by this sub-programme and the current lack of sufficient human resources to comply with this demand, priorities have to be given to certain areas such as agricultural development.

Although the abovementioned problem is being addressed by the new proposed organisational structure, none of the additional posts have been filled or budgeted for.

15.5.4 Description of planned quality improvement measures

The following measures are envisaged:

- The quality of services offered can be improved by ensuring the continued application of sound agricultural economic principles. This will result in the development of agricultural economic norms and standards to be utilised across the entire agricultural economic field;
- The quality of services rendered will be measured by the provision of timely and accurate agricultural economic and marketing information; and

Continued skills development of officials responsible for this programme will also contribute to the quality of services rendered.

15.6 Sub-programme: Macroeconomics and Statistics

15.6.1 Situation Analysis

The volatile economic environment, in which the agricultural sector has to operate, plays an important role in the sustainability of the sector. Adverse climatic conditions further complicate matters. This warrants the need for accurate and reliable information that is customised and timorously disseminated to clients for informed decision-making.

In order to do this a database of historical and current information is updated frequently and data is being analyzed to provide the best possible information to contribute to successful decision-making.

The key challenges are:

- To ensure that sound agricultural economic principles are applied throughout the entire programme;
- To develop agricultural economic norms and standards to be utilised across the entire programme;
- To provide timely and accurate agricultural economic and marketing information for decision making purposes; and
- To build capacity within the Provincial Department of Agriculture with regard to this specific programme.

15.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 2 – Economically sustainable agricultural development

15.6.3 Analysis of constraints and measures planned to overcome them

Due to priorities set for the Sub-programme: Marketing Services, this sub-programme was neglected in the past. This sub-programme warrants continuous attention to ensure relevancy and timorously availability of information.

Although the abovementioned problem is being addressed by the new proposed organisational structure, none of the additional posts have being filled or budgeted for yet.

15.6.4 Description of planned quality improvement measures

The following measures are envisaged:

- The quality of services offered can be improved by ensuring the continued application of sound agricultural economic principles. This will result in the development of agricultural economic norms and standards to be utilised across the entire agricultural economic field;
- The quality of services rendered will be measured by the provision of timely and accurate agricultural economic and marketing information; and

Continued skills development of officials responsible for this programme will also contribute to the quality of services rendered.

15.7 Resource information

- Funding: The budget for 2004/05 for this programme was R2 431 000. This amount was increased by approximately 4% to R2 530 000 for 2005/06, which does not include funds for additional posts as indicated earlier.
- Staff: Currently only 8 posts are filled with 10 still outstanding according to the new proposed organisational structure.
- Management capacity: The new proposed organisational structure allows for 3 management posts. This is a substantial improvement on the previous structure that

allowed for only one manager and implied that the other managerial functions had to be performed by principal economists.

Systems: Computer hardware and software (word processing, spreadsheets, presentations, data capturing and processing, analysis programmes, etc.

16. Programme 7: Structured Agricultural Training

16.1 Situational analysis

The Glen College and the Non-formal unit are the training components of Glen Agricultural Institute. Within our land based industry there is a need for suitably trained manpower. The main services the college provides therefore are Formal Training & Informal Training in the form of a 2 or 3-year course in Agriculture, and 2 to 3 day short courses respectively.

Many Previously Disadvantaged Individuals (PDI's) are now entering the agricultural profession. Farmers can be categorized as Commercial, Emerging Commercial, and Subsistence Farmers, each with different needs in terms of Support and Training. The importance of providing customized farmer training is therefore essential.

- College performance during the past year is as follows:
- 15 Diploma students graduated compared to 8 in the previous year;
- 28 Higher certificate students graduated compared to 20; and
- 250 people attended 15 short courses.
- HEQC accreditation for our programmes confirms the high quality of services we offered.
- Non-Formal Training recent performance:

Courses (1 to 5 days) are presented to LRAD farmers, other emerging farmers (commercial and semi commercial) as well as subsistence farmers and farm workers ranging from crop/ vegetable/ livestock production, farm management/ value adding/ / productivity improvement etc.

For the year 2002/3 approximately 700 Farmers and 300 Farm workers received Training and Support in various farming aspects and business related training. For the year (2003/4) already 2000 Farmers and 230 Farm workers have received Training and Support.

Key challenges for Glen College are:

- To improve the image of the College as a provider of quality training and other support services to it's clients;
- To increase student numbers in order to attain an economically meaningful learner to learner ratio;
- To reflect National demographics in student enrolment;
- To establish a culture of payment at Glen College, while providing an effective student financial support service and subsidy where appropriate;
- To attract and retain suitably qualified staff;
- To develop and maintain facilities and services that will enable a more holistic approach to the development of learners;
- To attract and increase the number of learners to short course programmes

Key challenges for Non-Formal Training are:

- To put in place a systematic approach to the design and management of non-formal Training;
- To sustain quality training outcomes and satisfy the need to train an ever increasing number of emerging farmers;
- To unlock resources to support Training and Development in order to reach the target farmers;
- To find a method whereby people start to pay for the training they receive;
- To measure the impact of training clients;
- To ensure that the training provided matches training needs identified by stakeholders; and
- To adopt a holistic approach to farmer training.

16.2 Policies, priorities and strategic objectives

The strategic goal addressed by this programme is:

- Goal 9 – Formal and non-formal training

16.3 Analysis of constraints and measures planned to overcome them

The main constraints of this Programme relate to budget and staff capacity.

16.4 Description of planned quality improvement measures

- To maintain HEQC accreditation.
- To review curriculum for applicability. Notes will be reviewed and rewritten if necessary.
- To appoint appropriate qualified lecturers in all vacant posts.
- To maintain high standards in the delivery of the curriculum

16.5 Sub-programme: Tertiary Education

16.5.1 Situation Analysis

The Glen College is one of the training components of Glen Agricultural Institute. Within our land based industry there is a need for suitably trained manpower. The main services the college provides therefore are Formal Training & Informal Training in the form of a 2 or 3 year course in Agriculture, and 2 to 3 day short courses respectively.

Many PDI's are now entering the agricultural profession. Farmers can be categorized as Commercial, Emerging Commercial, and Subsistence Farmers, each with different needs in terms of Support and Training. The importance of providing customized farmer training is therefore essential.

- College performance during the past year is as follows:
- 15 Diploma students graduated compared to 8 in the previous year;
- 28 Higher certificate students graduated compared to 20; and
- 250 people attended 15 short courses.
- HEQC accreditation for our programmes confirms the high quality of services we offered.
- Non-Formal Training recent performance

Key challenges for Glen College are:

- To improve the image of the College as a provider of quality training and other support services to its clients;
- To increase student numbers in order to attain an economically meaningful learner to learner ratio;
- To reflect National demographics in student enrolment;
- To establish a culture of payment at Glen College, while providing an effective student financial support service and subsidy where appropriate;
- To attract and retain suitably qualified staff;
- To develop and maintain facilities and services that will enable a more holistic approach for the development of learners;
- To attract and increase the number of learners to short course programmes

16.5.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 9 – Formal and non-formal training

16.5.3 Analysis of constraints and measures planned to overcome them

The College budget has not kept pace with the growth and development which we have achieved during the past two to three years, as well as the need to satisfy new and increasing demands for the services we provide. In this event, we had to cut down on activities such as marketing, student catering and aspects of curriculum delivery for both formal and short courses. The staffing position is also about 20% below our actual need.

16.5.4 Description of planned quality improvement measures

- To maintain HEQC accreditation.
- To review curriculum for applicability.
- To maintain high standards in the delivery of the curriculum.
- To appoint appropriate qualified, lecturers in all vacant posts.

16.6 Sub-programme: Further Education and Training (FET)

16.6.1 Situation Analysis

Courses (1 to 5 days) are presented to LRAD farmers, other emerging farmers (commercial and semi commercial) as well as subsistence farmers and farm workers ranging from crop/ vegetable/ livestock production, farm management/ value adding/ / productivity improvement etc.

For the year 2002/3 approximately 700 Farmers and 300 Farm workers received Training and Support in various farming aspects and business related training. For the year (2003/4) already 2000 Farmers and 230 Farm workers have received Training and Support.

Although these figures may appear to be impressive, a lot still needs to be done, if training is to play a vital role in skilling our farmers to higher levels of effectiveness and efficiency. We also need a re-look at how Non Formal Training Unit (NOFTU) has been operating in order to re-align its strategies:

- 1) There is a need for a more systematic approach to the design and management of training
- 2) There is a dire need to maintain balance between the quality of training outcomes and the number (quantity) of farmers trained.
- 3) The mandate of NOFTU was too narrowly confined to straightforward technical training of farmers to the neglect of other supporting roles and functions that ensures the sustainable development of a farming business.
- 4) The extra funding received by NOFTU for training allowed for outsourcing of training for which we did not have the skills and manpower to manage. We are equally responsible to ensure quality management of outsourced training as we do with our own training.

16.6.2 Policies, priorities and strategic objectives

The strategic goals addressed by this programme are:

- Goal 9 – Formal and non-formal training

16.6.3 Analysis of constraints and measures planned to overcome them

One of the most limiting resources in the unit's efforts to fulfil its role effectively and efficiently is the human resource base and funding for such a resource.

16.6.4 Description of planned quality improvement measures

A quality management system is required in order to ensure that we deliver a good product in terms of the Skills Development Act requirements. Such a system goes hand in hand with the conducting of training needs analysis (TNA), which would be our bases of intervening in a systematic manner within projects.

In addition there is no way that we can address the question of quality effectively unless a comprehensive database of all our learners is developed and updated regularly. We are also in the process of training our staff in assessment skills and to register them as ETDP practitioners. In order to affect the above improvement measures resources are required in terms of increased working capital and recruitment of personnel.

16.7 Resource information

Funding for the College has been extremely tight and thus resulting in the College not meeting many of its demands. Prospects for the new financial year look better.

Human resources are any tertiary institution's most valuable resources.

The College was under staffed by 20% with four of the 17 lecturer's posts not being filled. This is really unfortunate and no proper tertiary institution can function properly with such shortcomings. Also in terms of admin personnel the College is under staffed.

Management posts that exist at the College are sufficient but must be filled. Two of the College's management posts are not filled. This puts a lot of strain on the management capacity of the principal. He must have proper support to run the College effectively.

At present, NOFTU has 9 field staff including, 3 Scientists, 3 Technicians and 3 Auxiliary

staff. There is only 1 Assistant Director with an administration clerk providing administrative support.

An analysis of the minimum basic needs of the unit in terms of human resources so that we can deliver on our mandate is as follows:

Post	Level	Speciality	How Many	Requirements/Comments
Agric. Scientist	7	Small Stock	1	
Agric Scientist	7	Large Stock	1	
Agric. Scientist	8	Pasture	1	Difficult to get thus higher level appointment recommended
Agric. Scientist	7	Agronomy	1	
Agric. Scientist	7	Agro-processing and value adding	1	Agro processing is now a priority in our Department
Admin. Officer	7	Training and Development	1	High level of co-ordination and support
Ass. Director	10	Management of internships and Learnerships/Skills Programmes	1	Excellent organizational and analytical abilities and a grasp of bigger skills development picture

The above staffing requirements will address staff and management capacity problems, which are hampering progress at the moment. In addition it would help us to have enough skilled people to drive the process of quality management and the development of a training information system.

17. Capital investment, maintenance and asset management plan

Medium term revenues

Summary of revenue

The following table indicates a summary of revenue:

Summary of receipts: Agriculture

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2001/02	2002/03	2003/04						
Equitable share	176,395	206,772	215,667	171,067	215,562	194,781	179,278	188,421	197,842
Own Revenue				6,460	6,460	6,460	6,630	6,715	7,051
Conditional grants		1,400	1,800	33,816	35,261	1,013	39,657	46,006	59,941
Departmental receipts	3,115	1,717	4,280	1,816	1,816	2,869	1,942	2,136	2,350
Total receipts	179,510	209,889	221,747	213,159	259,099	205,123	227,507	243,278	267,184

Departmental revenue collection

The following table indicates Departmental revenue collection:

Departmental receipts: Agriculture

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2001/02	2002/03	2003/04						
Tax receipts									
Non-tax receipts	2,846	1,717	4,280	1,596	1,596	1,876	1,196	1,861	2,050
Sale of goods and services other than capital assets	2,846	1,717	4,280	1,596	1,596	1,833	796	1,461	1,650
Fines, penalties and forfeits									
Interest, dividends and rent on land						43	400	400	400
Transfers received									
Sale of capital assets	269			220	220	32	746	275	300
Financial transactions						961			
Total departmental receipts	3,115	1,717	4,280	1,816	1,816	2,869	1,942	2,136	2,350

Conditional grants

The following table indicates conditional grants:

Summary of receipts: Agriculture

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2001/02	2002/03	2003/04						
Equitable share	176,395	206,772	215,667	171,067	215,562	194,781	179,278	188,421	197,842
Own Revenue				6,460	6,460	6,460	6,630	6,715	7,051
Conditional grants		1,400	1,800	33,816	35,261	1,013	39,657	46,006	59,941
Departmental receipts	3,115	1,717	4,280	1,816	1,816	2,869	1,942	2,136	2,350
Total receipts	179,510	209,889	221,747	213,159	259,099	205,123	227,507	243,278	267,184

The following table indicates **Donor Funding** received by the Department:

R'000	2005/06	2006/07	2007/08
TOTAL ALLOCATION	225 565	241 142	255 657
Equitable Share	179 278	188 421	197 842
Own Revenue	6 630	6 715	7 051
Infrastructure Grant	16 569	18 200	19 110
Land Care	2 000	2 500	2 747
CASP	21 088	25 306	38084

18. Co-ordination, co-operation and outsourcing plans

18.1 Interdepartmental linkages

The DOA shares its responsibilities with several National Departments: the Department of Land Affairs; National Public Works; the National Department of Social Development; and the National Department of Agriculture.

Intergovernmental relations will be placed in the office of the MEC where understandings already exist between key stakeholders.

The LRAD programme is supported by a Power of Attorney, which guides state land administration, issued by the National Minister of Agriculture and Land Affairs to all provincial Agricultural Departments.

To promote coordination and co-operation, the DOA, Land Affairs and Land Bank jointly serve on a Provincial Grants Approval Committee, chaired by the DOA.

The FSDA, in collaboration with the NDA, administers Land Care programmes as part of the National Poverty Relief programme.

The Provincial Cluster Committees serve as a linkage between the Department and all other Provincial Departments.

18.2 Local government linkages

Linkages with Local Government have been established via PROVLOC and the Provincial IDP Coordination Committee, and will be enhanced through the formation of AGRILOC, a forum with local government dedicated to agricultural issues.

18.3 Public entities

The Department is in the process of investigating partnerships with public entities in respect of management of selected projects.

18.4 Public – private partnerships, outsourcing etc.

The CPF-SP engages various Intermediary Organisations and suppliers in the implementation of approved development projects.

Other examples of outsourcing are an agreement with the National Wool Growers Association for quality improvement with emerging farmers, and SITA and the Italian company Movimondo, for value-adding initiatives in Xhariep and Motheo.

PART C

CONTENTS

- 23 Service Delivery Environment;**
- 24 Environmental Factors and Emerging Challenges;**
- 25 Institutional Arrangements; and**
- 26 Financial Management**

Part C: Background Information

23. Service Delivery Environment

23.1 Policy changes and trends

The macro organisational structure of the Department is reviewed annually to align it with the political and social ambit within which it operates, to address the development needs of its clients.

The Department emphasis's the following aspects of its functional responsibility:

- Provision of extension services;
- Provision of agricultural infrastructure;
- Veterinary services;
- Land reform support; and
- Training.

Special emphasis is placed on the following areas:

- Agro-processing;
- Food security;
- Commonage development; and
- Land Reform.

The Land Care Programme is implemented by Soil Conservation Services on behalf of the National Department of Agriculture. This programme will continue over the MTEF period, probably formalized in the form of conditional grants from 2003/2004 onwards.

The Department has successfully renegotiated its Community Projects Fund Support Programme with the EU for the next four years. The programme is to receive increased expenditure from which the rural community of the Free State will benefit considerably.

A Manager of Agricultural Development and Technical Services has been appointed and the entire programme will be further strengthened in 2005/2006 through the appointment of Provincial District Managers for extension and veterinary services.

Implementation of the Public Finance Management Act is a priority project in the Department. The Finance Directorate will, over and above giving substance to a number of new and unique functions, consolidate financial activities formerly undertaken by Management and Corporate Services directorates.

23.2 Environmental factors and emerging challenges

Demographic profile

The population of the Free State by population group, gender and age group, is indicated in the following table:

Group	Gender	Age	Xhariep	Motheo	Lejweleputswa	Thabo Mofutsanyane	Northern FS	Total
Black	Male	0 - 15	16595	92544	89942	118172	60651	377904
		16 - 64	31246	186938	189802	190648	127607	726241
		65 - 85+	1856	9516	7721	10940	6151	36184
	Female	0 - 15	16748	91476	90506	117903	61224	377857
		16 - 64	31298	210262	196337	231549	127968	797414
		65 - 85+	3196	17380	12336	21627	10927	65466
Coloured	Male	0 - 15	3760	5323	2123	525	1367	13098
		16 - 64	6647	11373	4198	1177	3053	26448
		65 - 85+	347	529	180	67	182	1305
	Female	0 - 15	3848	5245	1987	557	1344	12981
		16 - 64	6795	12066	4466	1192	2982	27501
		65 - 85+	493	795	232	86	250	1856
Indian/Asian	Male	0 - 15	8	169	90	233	56	556
		16 - 64	15	548	215	467	227	1472
		65 - 85+	0	15	3	8	3	29
	Female	0 - 15	8	154	65	196	60	483
		16 - 64	15	437	153	373	152	1130
		65 - 85+	0	17	12	9	9	47
White	Male	0 - 15	1251	8063	6040	3222	5472	24048
		16 - 64	3969	27752	18788	9569	18199	78277
		65 - 85+	822	3562	2548	1695	3402	12029
	Female	0 - 15	1246	7615	5970	3134	5331	23296
		16 - 64	3933	30778	19710	10203	19016	83640
		65 - 85+	1141	5702	3588	2381	4691	17503
TOTAL			135237	728259	657012	725933	460324	2706765

Source: StatsSA, Census 2001

The population density of the Free State is 20,9 persons per km². Approximately 75,8% of the total population lives in urban areas and 24,2% resides in the rural areas.

According to CENSUS 2001, living conditions in households in the Free State has improved substantially since 1996. The main indicators are summarised in the following tables:

HOUSEHOLDS WITH ACCESS TO	% growth
Formal housing	29.2
Electricity for cooking	31.3
Electricity for heating	21.6
Electricity for lighting	52.7
Piped water	60.1
Telephone facilities ¹⁾	80.9

Toilet facilities ²⁾	22.5
Refuse removal ³⁾	12.3

Source: StatsSA, Census 2001

- 1) Telephone in dwelling and/or cellphones
- 2) Flush or chemical toilet
- 3) By local authority

HOUSEHOLDS WITH ACCESS TO	% of total households
Radio	75.5
Television	53.8
Computer	4.9
Refrigerator	48.6

Source: StatsSA, Census 2001

23.2.1 Agricultural profile of people in the Province

The following table indicates contribution per sector, industry in the Free State GGP(R'000):

Industry	Xhariep	Motheo	Lejweleputswa	Thabo Mofutsanyane	Northern FS	Total
Agriculture	449818	532916	2183563	1606534	1236170	6009000
Mining	73458	428	7311279	438	691398	8077000
Manufacturing	5490	918881	952424	748862	4886344	7512000
Electricity/ Water	11994	183462	113673	60856	1349015	1719000
Construction	1244	326012	335062	204550	87131	954000
Trade	155465	1967800	1912378	903891	1024466	5964000
Transport	116216	2825827	584191	568557	824210	4919000
Finance	289911	3964538	1938002	1408000	1632548	9233000
Community	141596	2741092	1729183	703210	893919	6209000
General Government	227188	3779453	1226059	1782472	976827	7992000
All industries at basic prices	1472380	17240408	18285815	7987371	13602027	58588000
Taxes less subsidies on products	143800	1683785	1785885	780087	1328443	5722000
GGP at market prices	1616180	18924193	20071700	8767458	14930469	64310000

Source: StatsSA, Census 2001

A comparison of the economies of district municipalities:

- Lejweleputswa has the highest GGP contribution in the province, the mining industry contributing 36% of the total GGP of this region. Fluctuations in the gold price leave the economy of Lejweleputswa vulnerable.
- Xhariep has the lowest GGP contribution in the province and relies heavily on the volatile agricultural sector for its economic base. This region is prone to drought and is highly vulnerable to both international and domestic forces in the agricultural sector. The competitive advantage of this district will be exploited and sectors such as tourism will receive attention. Agro-processing and diversification of the agricultural sector through expansion of irrigation schemes, are currently being investigated and implemented;

- Motheo is the second highest contributor to the GGP of the province. Motheo's economic base is fairly diverse, but relies heavily on two sectors, the Financial Sector and the General Government Sector;
- The Northern Free State is the only district in the Free State where manufacturing is performing well, comprising 33% of the total economy. The negative environmental impact associated with some of these industries makes further expansion problematic. Other sectors such as electricity, water, trade and finance are potential areas of expansion; and
- Thabo Mofutsanyane is one of the most fertile agricultural regions in the Free State. This region is also the poorest area of the Free State (Maluti-a-Phofung). Maluti-a-Phofung makes a contribution to the total GGP, but in terms of per capita GGP that contribution is only R10 061 per annum, well below the per capita GGP contribution of the Free State as a whole (R23 759).

As indicated in the table, agriculture contributes 9,3% to the GGP of the Province. The Free State Province is known as the "Bread Basket/Granary of the Country" and produces 33,0% of the wheat, 34,8% of the maize, 58,5% of the sorghum and 52,6% of the sunflower seed in the RSA.

There are an estimated 90 339 black and 8 981 white stakeholders actively involved in the agricultural industry in the Free State. Farmers are engaged in enterprises such as grain farming, maize farming, sunflower farming, large and small stock farming and horticulture. Approximately 28 711 skilled agricultural workers are employed in this sector.

According to the 1996 Agricultural Survey (StatsSA), these farmers earn a total gross income of approximately R4 302 million.

23.2.2 Employment Income

According to Census 2001, 43% of the total work workforce in the Province is unemployed. Employment figures per district are as follows:

District Municipality	Employed	Unemployed	Total labour force	% rate
Xhariep	31474	17143	48617	35.3
Motheo	175555	115484	291039	39.7
Lejweleputswa	148442	120546	268988	44.8
Thabo Mofutsanyane	129944	119055	248999	47.8
Northern Free State	105589	74046	179635	41.2
Free State	591004	446274	1037278	43.0

Source: Census 2001 by district council, employment status (official definition)

The Labour Force Survey conducted in March 2003 does show more positive figures.

District Municipality	Employed	Unemployed	Total labour force	% rate
Xhariep	40474	13598	54072	25.1
Motheo	225754	91606	317360	28.9
Lejweleputswa	190889	95621	286510	33.4
Thabo Mofutsanyane	167101	94439	261540	36.1
Northern Free State	135782	58736	194518	30.2
Free State	760000	354000	1114000	31.8

Source: Labour Force Survey (March 2003) Total for the Free State - divided into districts based on Census 2001-figures

The unemployment rate in Thabo Mofutsanyane is the highest in the Province, followed by Lejweleputswa, Northern Free State, Motheo and Xhariep. The male: female unemployment ratio is 42,8% : 57,2% (StatsSA, Census 2001).

The personal annual disposable income in the Province is R12 334 per capita, 9% lower than the national average (BMR, 2000). The GGP contribution per capita is R23 759 per annum and the contribution per worker is R108 815 per annum. This represents a dependency rate of 4.58 people per worker.

A breakdown of the income levels in the various districts is shown in the following table:

District Municipality	R0 - R800	R0 - R1 600	Total number of people earning an income
Xhariep	21627	24467	31466
Motheo	73916	105886	175552
Lejweleputswa	70337	101592	148441
Thabo Mofutsanyane	81775	98571	129937
Northern Free State	51688	69304	105583
Free State	299343	399820	590979

Source: StatsSA, Census 2001

This indicates that 78% of the work force in Xhariep, 76% in Thaba Mofutsanyane, 68% in Lejweleputswa, 66% in the Northern Free State and 60% in Motheo earn between zero and R800 per month.

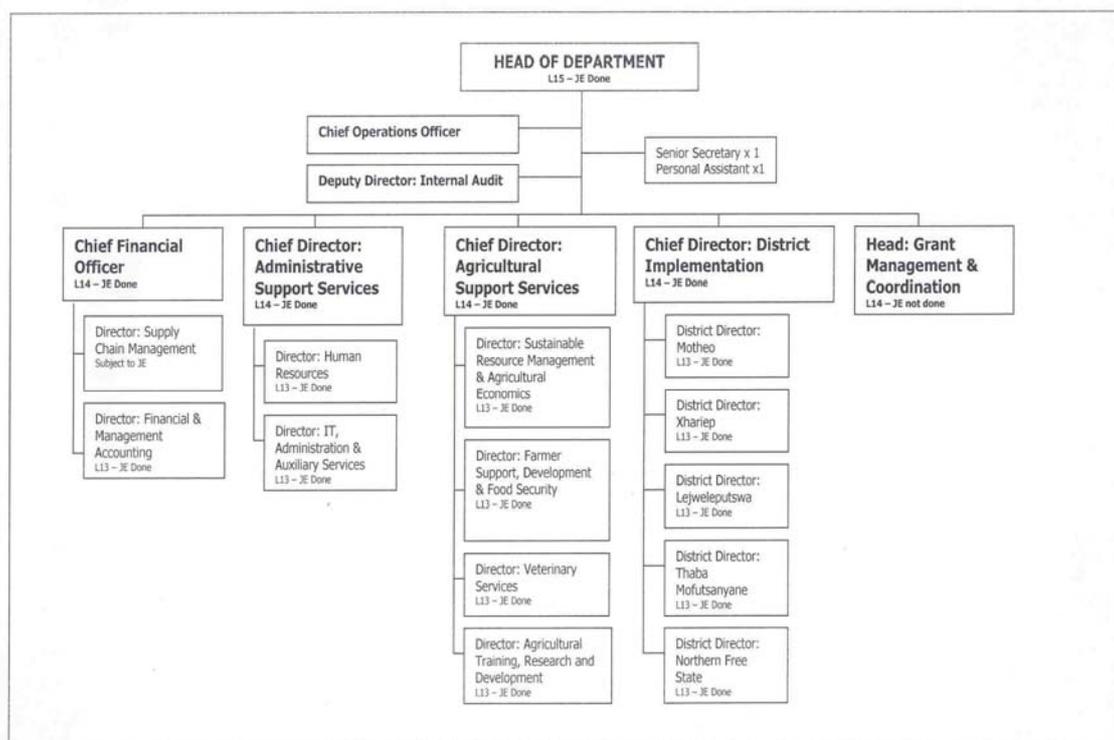
23.3 Evaluation of current implementation performance

The performance of the Department in the 2004/05 financial years is monitored by means of a computerized system. The system allows the Department to track performance on a monthly basis, and according to the latest reports, the Department has achieved (and in some cases exceeded) most of its set targets. These reports can be made available at the discretion of the HOD.

24. Organisational Information and Institutional Environment

24.1 Organisational design

Figure 1: Top Management Structure of the Department



APPROVED

MEC: Department of Agriculture
Date: _____

1

24.2 Delegations

Delegations in terms of personnel administration, PERSAL, procurement administration and financial administration have been issued.

24.3 Capital investment, maintenance and asset management plan

24.3.1 Long-term capital investment and asset management plans

- The construction of buildings falls outside the functional responsibility of the FS Department of Agriculture;
- The transfer of institutional responsibility for the Roodewal facility to another provincial department;
- The rehabilitation and upgrading of physical infrastructure at Glen College of Agriculture and the farms comprising Glen; (It is foreseen that an amount of R500 000 will be made available in 2004/05 to deal with the most urgent maintenance and rehabilitation).
- The Department has since 2003/04 been responsible for the maintenance of physical infrastructure under its control. A thorough assessment of the scope/ backlog of maintenance and refurbishment needs to be done.

- The working capital available to the Department in 2004/05 is eroded by an increase in the wage bill as a result of imposed levies in respect of skills development, wage progression, internships etc. A comprehensive maintenance programme will further erode the department's budget its core functions.

----- Medium Term Maintenance Plans -----

- The FS Department of Agriculture currently has the following fixed assets under its exclusive control:
- The Glen College of Agriculture and all the buildings and structures and farming property associated with the Glen-complex;
- The Weltevrede Office Park in Qwaqwa, formerly the property of Agri-Eco; and
- Thaba Nchu Office complex, also taken over from Agri-Eco.

The Department is in the process of compiling a computerised asset register for the implementation of an asset management system. During the implementation of the asset management system the status of the Departmental stock will be determined.

24.3.2 Capital investment plan

The Department manages three capital investment programmes: the LandCare Programme; the Integrated Livestock Management (aka Community Kraal Programme); and the Community Projects Fund Support Programme.

- LandCare projects were carried forward from 2002/03, and the cost of completion was R573 000, all spent in the current financial year;
- New LandCare projects at an estimated cost of R1 800 000 were started in 2003/04; and
- A further amount of R2 000 000 was made available for the 2004/05 financial year.

The following table indicates capital made available for CASP, infrastructure development and LandCare:

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Equitable share	142,087	176,395	206,772	168,341	215,094	180,728	171,067	179,278	188,421
Own revenue							6,460	6,630	6,715
Infrastructure grant							14,946	16,569	18,200
LandCare grant	551		1,400	1,800	2,373	2,298	2,000	2,000	2,500
CASP							16,870	21,088	25,306
Total receipts	142,638	176,395	208,172	170,141	217,467	183,026	211,343	225,565	241,142

An amount of R1 500 000 out of a total of R36 963 000 has been utilised by the Community Projects Fund Support Programme to date. The programme is to continue into 2005/06 in terms of the Third Work Plan and it is anticipated that spending from this programme will increase greatly in the foreseeable future.

24.4 Personnel

The following table indicates personnel number, as well as an estimate for the next year:

Programme 1 - 7	At 31 March 2003	At 31 March 2004	At 31 March 2005
Administration	0	480	500
Sustainable Resource Management	0	46	48
Farmer Support and Development	0	333	315
Veterinary Services	0	121	135
Technology Research and Development Services	0	196	183
Agricultural Economics	0	10	10
Structured Agricultural Training	0	82	78
Total	0	1268	1269

24.5 IT Systems

Over and above the normal administrative systems in the Department, such as PERSAL, LOGIS, FMS (to be replaced with BAS), GIS etc, there are also two other systems utilised by specialised sections in the Department.

These systems are the M&E System and the National Veterinary Systems. The Department itself supplies the necessary training to relevant staff.

The computerized Monitoring and Evaluation System was developed for the Department during the period in question. The development was done by IN-FORM Systems and funded by the EC.

The system has five main components and they are as follows:

- Commitment Register
- CPF-SP Projects
- Town Profiles
- Budget Manager
- Strategic Work Plan Reports

The system is utilised extensively throughout the Department. It also allows for client access via an Internet website.

24.6 Performance Management System

A Performance and Development Management System has been developed for the Free State Province. The system was approved by the Executive Council and implemented in the Department with effect from 1 October 2003.

The PDM System is used to inform decisions on probation, rewards (pay progression and cash bonuses) and skills development of post holders. The Performance and Development Management cycle is one year and is linked to the financial year for pay progression and cash bonuses. A performance cycle starts on 1 April each year insofar as linkages to rewards are concerned. A bi-annual Performance and Development Plan must be developed for

every official as a minimum, with the first period of 6 months commencing on 1 April. The expected results/outputs that the post holder has to deliver with regard to the specific 6 months are defined and specific objectives and standards of performance are also indicated. Performance reviews take place on a quarterly basis (informally) and a bi-annual basis (formally). The Performance review is a formal overview of the progress made in reaching objectives and targets and provides an opportunity for corrective measures.

24.7 Financial Management

The following table indicates financial management trends in the Department:

Summary of expenditure and estimates: Agriculture

Summary of payments and estimates: Agriculture

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited 2001/02	Audited 2002/03	Audited 2003/04				2004/05	2005/06	2006/07
Administration	55,146	65,342	81,504	75,518	87,456	65,367	74,174	76,559	80,219
Sustainable Resource Management	5,215	8,073	11,502	26,084	44,529	33,333	28,239	30,823	32,748
Farmer Support & Development	35,537	31,122	39,219	52,044	67,887	50,598	64,645	72,478	87,127
Veterinary Services	6,333	18,810	20,296	23,457	23,419	22,278	24,065	25,500	26,780
Technology, Research & Development Services	10,769	13,207	16,743	20,235	20,010	18,398	20,490	21,287	22,583
Agricultural Economics	854	1,609	2,010	2,431	2,431	2,166	2,530	2,629	2,789
Structured Agricultural Training	5,745	8,153	11,752	11,574	11,551	10,114	11,422	11,866	12,588
Total payments and estimates:	119,599	146,316	183,026	211,343	257,283	202,254	225,565	241,142	264,834

Financial Administration has strengthened the Financial Control Section, which verifies all financial transactions. Monthly reconciliations are completed to ensure that transactions are correctly captured.

Training is provided for officials and senior management to familiarize themselves with the financial administrative processes (e.g. formal training at institutions to improve the skills of the financial administration officials, training regarding the financial administration processes to officials and senior management, training to financial officials provided by SAIGA, IPFA and the Provincial Treasury).

24.8 Audit queries

The department has established a committee to deal with all audit related queries. We respond to all audit related queries within 30 days. Refer to attached annexures.



ANNEXURES TO THE STRATEGIC PLAN

ANNEXURE A: Disease Profile 2001 - 2004

The following table indicates the outbreaks of animal disease over the course of the previous two financial years:

Disease Profile-Animals			
Year	Diseases	No. of Animals affected	Areas
2001	Rabies	88	Throughout the Province
	Lumpy Skin	200	Throughout the Province
	Bovine Babesiosis	400	Northern and Eastern Borders, Qwa-Qwa, Vaal Dam
	Wire Worm	Sheep 2000	Entire Province
	Trichomoniasis	Bulls 69	Entire Province
	Sheep Scab	Sheep 38	Xhariep, Motheo and Thabo Mofutsanyane
	Brucellosis	697	Eastern Free State
Year	Diseases	No. of Animals	Areas
2002	Anthrax	1	Motheo
	African Horse Sickness	1	Thabo Mofutsanyane
	Rabies	124	Xhariep, Motheo and Thabo Mofutsanyane
	Brucellosis	1589	Lejweleputswa and Thabo Mofutsanyane
	Sheep Scab	127	Entire Province
	New Castle Disease	1000	Lejweleputswa
	Clostridial Infection	3	Xhariep
	Anaplasmosis	Widespread	Entire Province
	Lumpy Skin	100	Entire Province
	Blue tongue	15	Xhariep and Motheo
	Pulmonary adeno matosis	3	Motheo and Lejweleputswa
Year	Diseases	No. of Animals	Areas
2003	Rabies	114	Xhariep, Motheo and Thabo Mofutsanyane
	Brucellosis	1457	Lejweleputswa and Thabo Mofutsanyane
	Sheep Scab	116	Entire Province
	New Castle Disease	917	Lejweleputswa
	Lumpy Skin	92	Entire Province
	Blue Tongue	14	Xhariep and Motheo
Year	Diseases	No. of Animals	Areas
2004	Rabies	249	Throughout the Province
	Brucellosis	257	Throughout the Province
	Sheep Scab	2360	Throughout the Province
	Poisoning	238	Throughout the Province

	Internal/External Parasites	1042	Throughout the Province
	Anaplasmosis	9	Throughout the Province
	Clostridial/Trichomoniasis/	49	Throughout the Province
	Brucella Ovis	50	Throughout the Province
	Lumpy skin	3	Throughout the Province
	Blue Tongue	7	Throughout the Province
	African Horse Sickness	2	Throughout the Province
	IBR	8	Throughout the Province
	Abscesses	5	Throughout the Province
	Babesiosis	2	Throughout the Province
	Gastro Enteritis	3	Throughout the Province
	Coccidiosis	8	Throughout the Province
	Theileriosis	1	Throughout the Province
	Chlamidia	1	Throughout the Province
	Bolo Disease	50	Throughout the Province
	Nectrotic Balano Posthitis	11	Throughout the Province
	Retained Placenta	3	Throughout the Province
	Malignant Catarrhal	7	Throughout the Province
	BVD	39	Throughout the Province
	Mastitis	5	Throughout the Province
	Pulmonary Adeno Motosis	26	Throughout the Province

The following table indicates the outbreak of crop/plant diseases, which were experienced over the course of the past year:

Disease Profile-Crops						
Crop	Maize	Wheat	Sunflower	Sorghum	Beans	Fruit
Disease	Cob Smut	Brome Mosaic	Sclerotinia Rot	Covered Smut	Antrachnose	Bacterial Canker
	Grey Leaf Spot	Bacterial Blight	White Rust	Loose Smut	Bacterial Blight	Bacterial Spot
	Northern Leaf Blight	Crater Disease	Charcoal Rust	Damping off	Rust	Blossom Blight
	Damping off	Crown Rot		Downy Mildew	Stem Rot	Brown Rot
	Tassel Smut	Head Blight		Leaf Rust		Crown Gall
	Maize Streak Disease	Yellow Dwarf		Bacterial Streak		Freckle
	Diplodia Cob Rot	Melanin		Root Rot		Gum Spot
		Leaf Rust		Stem Rot		Leaf Curl
		Loose Smut		Ergot		Post Harvest Decay
		Powdery Mildew				Powdery Mildew
		Pythium Root Rot				Rust
		Stem Rust				Scab
		Stinking Smut				
		Take-all				

ANNEXURE B: Audit Queries 2000 – 2004

FINANCIAL YEAR	FINDING IN THE AUDIT REPORT
<p align="center">2001/2002</p>	<p>Weakness in internal controls regarding:</p> <p>Personnel; Debtors; GG-transport; Subsistence and travel advances; Professional and special services; Supporting documentation; Stores and equipment; and Livestock.</p> <p>Inadequate control measures regarding the administration of community based development projects.</p> <p>Personnel supernumerary to the establishment.</p> <p>Non-existence of financial delegations for the Accounting Officer in respect of the 2001/2002 financial year.</p> <p>No Audit Committee or Internal Audit Unit.</p>
<p align="center">2002/2003</p>	<p>Weakness in internal control regarding:</p> <p>Delegations by the Accounting Officer; Collection of money due to the Department; Debtors; Cellphone payments; Reconciliation between FMS and Persal; Administration of the Project Management Unit; Application and capturing of leave forms; Subsistence and transport advances; GG-transport; Losses; and Assets.</p> <p>Personnel supernumerary to the establishment:</p> <p>No Audit committee and Internal Audit Unit.</p>
<p align="center">2003/04</p>	<p>Weaknesses in internal control regarding:</p> <ul style="list-style-type: none"> ➤ Subsistence and travel advances and claims ➤ Collection of receivables <p>Non-compliance with laws and regulations:</p> <ul style="list-style-type: none"> ➤ Safeguarding of assets ➤ Reliance of external auditors on internal audit functions of the Department ➤ Certification of pay point certificates ➤ Timeous payment of creditors <p>Other mandates:</p>

	<ul style="list-style-type: none"> ➤ Personnel supernumerary to the establishment of the Department ➤ Disclosure of Community Project Fund Support Programme into the Department of Agriculture Annual Financial Statement
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Internal audit

In strict compliance with good corporate governance and the provisions of Public Finance Management Act of 1999, the Department has established an Internal Audit Unit. The Internal Audit Unit has developed the following documents;

- Internal Audit Charter
- Audit Committee Charter
- Three year rolling strategic plan

All of these documents were approved by the departmental Audit Committee. To further strengthen Internal Audit's capacity, the current financial control inspectors were transferred to the unit to serve as assistant internal auditors.

A departmental Audit Committee is also in place. It constitutes of three members who are all from outside the public service.