



ANNUAL REPORT

FINANCIAL YEAR 2024/2025



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

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PART A

GENERAL INFORMATION



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Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

I. DEPARTMENT'S GENERAL INFORMATION

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2. LIST OF ABBREVIATIONS

AGSA	Auditor General of South Africa
AHT	Animal Health Technicians
APP	Annual Performance Plan
ARP	Annual Recruitment Plan
BAC	Budget Advisory Committee
CASP	Comprehensive Agricultural Support Programme
CFO	Chief Financial Officer
CoE	Compensation of Employees
COGTA	Cooperative Governance and Traditional Affairs
COO	Chief Operations Officer
DAAC	District Agri-park Advisory Councils
DAFF	Department of Agriculture, Forestry and Fisheries
DAPOT	District Agri Park Organising Task Team
DoA	Department of Agriculture
ECAETS	Eastern Cape Agricultural Economic Transformation Strategy
ECATU	Eastern Cape Appropriate Technology Unit
ECDC	Eastern Cape Development Corporation
ECGP	Eastern Cape Provincial Government
ECPT	Eastern Cape Provincial Treasury
ECRDA	Eastern Cape Rural Development Agency
EE	Employment Equity
EEP	Employment Equity Policy
EIA	Environmental Impact Assessment
EPWP	Extended Public Works Programme
ERM	Enterprise Risk Management
EXCO	Executive Council
FAS	Financial Accounting Services
FET	Further Education and Training
FMD	Food and Mouth Diseases
FSCMCC	Finance and Supply Chain Management Compliance Committee
FTE's	Full Time Equivalents
GARDAG	Government Agricultural Research and Development Action Group
GIS	Geographic Information System
GITO	Government Information Technology Office
HET	Higher Education and Training
HIV	Human Immune deficiency Virus
HOD	Head of Department
HR	Human Resources
HROPT	Human Resource Operations Project Task Team

IAF	Internal Audit Function
ICP--OES	Inductive Coupled Plasma-Optical Emission Spectroscopy
ICT	Information Communication and Technology
ICU	Internal Control Unit
IOD	Injury on Duty
ISPPIA	International Standards for the Professional Practice of internal Auditing
IT	Information Technology
LMF	Labour Management Forum
MEC	Member of the Executive Council
MOU	Memorandum of Understanding
MTSF	Medium Term Strategic Framework
NAMC	National Agricultural Marketing Council
NCDT	Nguni Cattle Development Trust
NCR	Non-Conformance Registers
NDP	National Development Plan
NQF	National Qualifications Framework
OHS	Occupational Health Safety
OHSA	Occupational Health Safety Act
OIE	Office Internationale Etizooties
OP	Operational Plan
OSD	Occupational Specific Dispensation
OTP	Office of the Premier
PAETV	Provincial Agriculture and Training Forum
PAHC	Public Animal Health Care
PCMT	Provincial Coordinating Monitoring Team
PDI	Previously Disadvantage Individual
PERSAL	Payroll and Salaries
PFMA	Public Finance Management Act
PI	Output Indicator
PLAS	Proactive Land Acquisition Strategy
PoA	Program of Action
PPE	Personal Protective Equipment
PPPFA	Preferential Procurement Policy Framework
PWC	PriceWaterhouse Coopers
QAR	Quality Assurance Review
RFIs	Request for Information
RMC	Risk Management Committee
SABS	South African Bureau of Standards
SACNASP	South African Council for National Science Profession
SAMDI	South African Multidimensional Poverty Index
SANAS	South African National Accreditation System
SANSAE	South African Society for Agricultural Extension

SASAE	South African Society for Agricultural Extension
SASAT	South African Society of Agricultural Technologists
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDGs	Sustainable Development Goals
SDIP	Service Delivery Improvement Plan
SDM	Service Delivery Model
SETA	Sector Education Training Agency
SHE	Safety Health Environment
SHERQ	Safety, Health, Environment , Risk and Quality
SLA	Service Level Agreement
SMME	Small Medium Micro Enterprise
SMS	Senior Management Service
SOMPED	Society for Medicinal Plants and Economic Development
SPLUMA	Spatial Planning and Land Use Management Act of 2013
TARDI	Tsolo Agricultural and Rural Development Institute
TB	Tuberculosis

3. FOREWORD OF THE MEC

During the 6th administration, the department focused on ensuring food security for all Eastern Cape citizens, in line with the constitutional right to food. Section 27(1)(b) of the Constitution guarantees the right to sufficient food and water. The department supported a sustainable agriculture sector to promote food security, agro-processing, industrialization, rural development, and wealth creation. This aligned with our contribution to Strategic Goal 3 of the revised Provincial Development Plan 2030, which focuses on "rural development and an innovative and high-value agricultural sector."



To achieve this goal, we have identified food security, land rehabilitation, and the development of agricultural value chains as key drivers for building a resilient agriculture sector. This has led to job creation, improved rural livelihoods, and a strong export base through the targeted development of high-value commodities.

In the past three decades, the government has made significant progress in improving the living conditions of Eastern Cape residents. As we commemorate 30 years of freedom and democracy in our country, we must recognize the complex global and domestic challenges. While celebrating our freedom, we must also address the crises and opportunities that await us.

The department has recently presented its 5-year Strategic Plan (2025-2030), which is in line with the key government priorities outlined in the National Development Plan (NDP) and the Provincial Development Plan (PDP). The plan aims to support the strategic priority of fostering innovation and economic growth through an effective infrastructure network. Our strategy aligns with the PDP's emphasis on developing high-value agriculture as a foundation for rural sector growth and livelihood enhancement. To position our department as a driver of radical socio-economic transformation, we will prioritize delivering efficient and effective services to our constituents in the 7th administration. In the final phase of the NDP, we are committed to accelerating the implementation of PDP initiatives and revising our delivery approach and operational framework.

The urgency of our work is underscored by the findings of the Human Sciences Research Council (HSRC), which have highlighted significant food access challenges in the Eastern Cape Province. According to the Household Food Insecurity Access Scale (HFIAS), a concerning 73% of households in the province experience food insecurity, with 20% facing severe food insecurity. This acute vulnerability is particularly prevalent among younger-headed households in the Alfred Nzo (20%) and Sarah Baartman (23%) districts. Recognising these unacceptable levels, the Department has prioritised deliberate and bold programs to urgently address this critical challenge. In direct response to the 2022 recommendations of the South African Human Rights Commission (SAHRC), the Department has supported a total of 30 000 vulnerable households, with a specific focus on Anti-Poverty sites, to cultivate their food using available land and gardens.

This targeted initiative prioritizes the empowerment of women, youth, persons with disabilities, and military veterans. The Department acknowledges the complexity of food security and welcomes the

Provincial Food and Nutrition Security Plan (PFNSP) led by the Office of the Premier (OTP). This province-wide strategy emphasizes the need for a coordinated approach across government departments and agencies to address food security challenges effectively. The Department of Agriculture (DoA) recognizes that collaboration is essential, as it cannot tackle these issues in isolation. Our efforts are guided by the Agriculture and Agro-processing Master Plan (AAMP), which provides the overarching framework for the agricultural sector.

The AAMP envisions a globally competitive and inclusive agricultural and agro-processing sector that promotes market-oriented production, fosters rural economic development, ensures food security, and boosts employment and entrepreneurship. Our strategic direction is guided by key pillars focused on developing essential infrastructure to support agricultural activities and enhance market access.

These interconnected pillars aim to collectively contribute to food security, increased agricultural production and employment, market expansion, improved market access and trade facilitation, localized food production to reduce import dependence, and the expansion of agro-processing capabilities in the province. Through extensive stakeholder consultations, we have identified significant opportunities for alignment and collaboration among the Department, its agencies, and other entities responsible for agriculture and rural development in the province.

The department appreciates the commitment of communities, farmers, and farmer organizations such as Agri-Eastern Cape, the Milk Producers Organisation, the National Wool Growers Association, the African Farmers Association of South Africa, as well as district and local municipalities, particularly the Kouga Municipality, for their assistance during the Foot and Mouth Disease (FMD) outbreak in Kouga in April 2024. This outbreak had a significant impact on the livestock industry, resulting in the suspension of exports and a revenue loss of R2.5 billion for the dairy and red meat sectors in the Eastern Cape. To control the disease, strict biosecurity measures were implemented, including the establishment of a Disease Management Area, restrictions on livestock movement, and the vaccination of 96 000 cattle.

We are steadfast in our commitment to meeting the expectations of our stakeholders and achieving our shared goals for the agricultural sector and the communities it serves. The Department of Agriculture is determined to advance the government's mandate to stimulate economic growth, combat poverty, unemployment, and inequality, and promote economic transformation that benefits all sectors of society. Our dedication to inclusive growth and sustainable development is unwavering as we strive to realize our vision of a prosperous and equitable agricultural sector in the Eastern Cape.

HON N KONTSIWE, (MPL)

MEMBER OF THE EXECUTIVE

DATE: 29 AUGUST 2025

4. REPORT OF THE ACCOUNTING OFFICER

Overview of the departmental performance

The 2024/25 financial year marked a period of resilience, innovation, and measured progress for the Eastern Cape Department of Agriculture. Despite persistent challenges such as load shedding, rising input costs, limited access to finance, and climate-related shocks, the Department remained steadfast in its mission to transform the agricultural landscape. Through integrated planning and implementation, agriculture has been positioned as both a driver of food security and an engine of rural economic development.

The Eastern Cape has the 5th largest number of commercial farms at 4 214, which is almost half of the Western Cape farms, which has 7 941 farms. It is the most important province when it comes to wool and mohair production at 25 % and 73 % of the national output respectively (Cape Wools, 2025). The province has 18,5% of the country's milk producers, and with the largest average dairy herd accounting for 29,5% of the country's milk, the top contributor from the provinces (MPO, 2025).



According to Stats SA Agriculture Industry Financial and Production Statistics (2023), the sector has grown by more than 11 % since 2017 generating R38 billion, which positions the province at 7.2 % of the national share while sustaining 9.2 % of the employment created by the sector. The sector is driven by livestock, which contribute 66.8 % to the income while horticulture was 24.9 %. The area under cropland increased from 106 238 ha in 2017 to 132 660 ha in 2023, with dryland production increasing from 74 315 ha to 109 291 ha. At the same time the area under irrigation decreased from 31 923 ha to 23 369 ha. Grain production increased significantly from 254 000 tons to 437 000 tons. The province also experienced considerable growth in the areas under horticultural crops with citrus growing from 29 398 ha to 41 949 while deciduous grew from 5 120 ha to 52 075 ha. This upward trajectory illustrates the sector's resilience and its growing role in reducing unemployment and poverty.

During the reporting year, the Department delivered a portfolio of impactful interventions aimed at strengthening food security, enhancing productivity, and creating sustainable livelihoods: Over 42 000 vulnerable households supported through ILIMA/LETSEMA and PES programmes, directly improving food access and production capacity. Establishment of 27 smart agriculture tunnels equipped with modern technologies, empowering youth and women farmers with pathways into commercial farming. Completion of ten spring water projects benefiting nearly 2 000 households, while generating close to 500 jobs and improving rural water security.

Strengthened poultry, grain, and livestock value chains, including distribution of 60 000 broiler chicks, planting of 22 712 hectares of maize, and genetic improvement support for beef farmers. Comprehensive animal health measures, including the vaccination of 1.3 million animals, dipping of 1.7 million, and protection of 96 000 dairy animals against Foot and Mouth Disease, preserving incomes and market access.

The Department further advanced diversification through strategic partnerships, including collaborations with the World Bank in fisheries value chains, Medigrow and the ARC in hemp and cannabis cultivation, and blended finance that unlocked R7.5 million for pineapple farms, creating 368 jobs. Mechanisation and infrastructure investments further supported 93 projects across key commodities, enhancing competitiveness and sustainability.

The achievements of 2024/25 reaffirm that agriculture remains the cornerstone of rural transformation in the Eastern Cape. Through focused interventions, inclusive support, and innovative partnerships, the Department has demonstrated the ability to deliver not only outputs but outcomes—improved food security, job creation, and economic inclusion. While challenges such as climate risks, biosecurity threats, and resource constraints persist, the Department is committed to scaling up its efforts through the Agriculture and Agro-processing Master Plan (AAMP) and the Provincial Medium-Term Development Plan (PMTDP). With continued dedication, the province is well-positioned to unlock its full potential and transform its reputation as the 'sleeping giant' into a leading engine of agricultural growth and rural development in South Africa.

The Department has **2 620** positions, with **2 561** filled and **fifty-nine** vacant, resulting in a 2% vacancy rate, well below the 10% DPSA threshold. The staff turnover rate, which articulates employee attrition, emanating from retirements, resignations, demise, dismissals, contract expiry and transfer out was at **8%** as at the end of the 2024/25 fiscal year. During this period, **Two hundreds and three (203)** employees exited the public service, and the attrition breakdown is as follows: **95 (47%)** retirements, **59 (29%)** resignations, **5 (2%)** dismissals, **15 (7%)** demise, **16 (8%)** contract expiry and **11 (5%)** transfer out of the department.

The table below provides a summary of the department's performance by programme. The department's total performance is currently at **99%** indicating a noticeable performance improvement when compared to the previous financial year's performance of **90%**.

Programme Description	No of the target outputs	No of the actual outputs	% Achieved
Administration	24	24	100
Sustainable Resource Management	18	17	94
Agricultural Producer Support and Development	13	13	100
Veterinary Services	15	15	100
Research and Technology Development services	11	11	100
Agricultural Economic Services	7	7	100
Agricultural Education and Training	9	9	100
Rural Development	6	6	100
TOTALS	103	102	99

Overview of the financial results of the department

Departmental receipts

Departmental receipts	2024/-2025			2023/2024		
	Estimated	Actual Amount Collected	(Over) Under Collection	Estimated	Actual Amount Collected	(Over) Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sales of goods and services other than capital assets	5 980	5 415	565	5 650	5 758	-108
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	3	-3
Interest, dividends and rent on land	74	184	-110	70	194	-124
Sale of capital assets	1 750	1 053	697	1 800	980	820
Financial transactions in assets and liabilities	890	1 923	-1 033	800	1 094	-294
TOTAL	8 694	8 575	119	8 320	8 029	291

These revenue sources are influenced by economic conditions.

Departmental expenditure by programme:

Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	509 657	506 568	3 089	475 624	475 058	566
Sustainable Resource Management	136 665	136 665	-	132 966	132 878	88
Agricultural Producer Support and Development	842 451	840 813	1 638	805 070	804 884	186
Veterinary Services	357 650	357 650	-	343 988	343 989	-1
Research and Technology Development services	144 673	144 673	-	138 587	138 586	1

Programme Name	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Agricultural Economic Services	38 673	38 673	-	38 737	38 739	-2
Agricultural Education and Training	203 794	203 794	-	189 152	188 834	318
Rural Development	218 211	218 211	-	212 117	212 116	1
TOTALS	2 451 774	2 447 047	4 727	2 336 241	2 335 084	1 157

Explanation of variances

The under-expenditure recorded under Compensation of Employees (COE) is attributed to savings resulting from the majority of appointments being internal promotions, which had a minimal impact on the COE budget while simultaneously creating vacancies. A total of 59 posts were scheduled to be filled in April 2025.

Under-expenditure in Goods and Services was due to delays in the submission of invoices by the service provider responsible for advertising for the Department of Agriculture's services. As a result, payments could not be processed within the financial year.

Additionally, the under-expenditure in Food Security Programmes was mainly due to a market shortage of chicks and eggs, with suppliers unable to meet the required quantities. This mismatch between supply and project demand led to implementation delays and lower-than-expected expenditure during the reporting period.

Virements

I. Programme 1: Administration R6.573 million

Compensation of employees (R7.564 million)

An amount of R7.564 million was reduced from savings realised from the high staff turnover and these funds were moved to address unanticipated staff exit costs and contractual obligations.

Goods and services R6.675 million

An amount of R6.675 million was moved to Goods and services, to cover underfunded contractual obligations.

Households R5.821 million

An amount of R5.821 million was moved to this item, of which R4.480 million to address unanticipated staff exit costs and R1.341 million external bursaries.

Payment for capital assets R1.641 million

An amount of R1.641 million was redirected to this item to cater for transport leases pressures that was underfunded.

2. Programme 2: Sustainable Resource use and Management R469 thousand
Compensation of employees (R2.369 million)

Compensation of employees was reduced by R2.369 million from savings realised from the high staff turnover and these funds were moved to address unanticipated staff exit costs.

Goods and services R3.148 million

Goods and services was increased to cater for contractual obligations fleet services and travelling costs.

Payment for capital assets (R283 thousand)

This item was reduced by R283 thousand and was redirected to Programme 1 cater for transport leases pressures that was underfunded.

3. Programme 3: Agricultural Producer Support and Development (R2.214 million)
Compensation of employees (R3.127 million)

Compensation of employees was under-spent by R3.127 million due to savings realised from the high staff turnover.

Goods and services (R3.345 million)

Goods and services was reduced by R3.345 million and these funds were redirected to cater for contractual obligations for fleet services and reclassification of biological assets which was initially budgeted for under minor assets against Goods and services.

Payments for capital assets R4.258 million

An amount of R4.258 million was moved to be correct classification of items which was initial under Goods and services.

4. Programme 4: Veterinary Services (R1.519 million)
Compensation of employees (R3.216 million)

Compensation of employees was reduced by R3.216 million savings realised from the high staff turnover and these funds were moved to address unanticipated staff exit costs.

Goods and services R408 000

Goods and services were increased to cover over-expenditure resulting from travel and subsistence cost pressures, driven by the need to implement measures to contain the FMD outbreak.

Payments for capital assets R1.289 million

Payments for capital assets received R1.289 million to cater for transport lease pressures that was underfunded.

5. Programme 5: Research and Technology Development Services (R675 000)
Compensation of employees (R621 000)

Compensation of employees was under-spent by R621 000 due to savings realised from the high staff turnover these funds were moved to cover shortfall under contractual obligations.

Goods and services (R3.296 million)

Goods and services was reduced by R3.296 million to defray over-expenditure attributed to Payment for capital assets to defray underfunded transport lease.

Payment for capital assets R3.242 million

An amount of R3.242 million was redirected to this item to cater for transport lease pressures that was underfunded.

6. Programme 6: Agricultural Economics Services (R2.746 million)
Compensation of employees (R999 000)

Compensation of employees was reduced by R999 000 attributable to savings realised from the high staff turnover and these funds were moved to payment for capital assets within the programme.

Goods and services (R1.680 million)

Goods and services was reduced by R1.680 million and these funds were moved to offset spending pressure brought about by contractual obligations.

Payment for capital assets (R67 000)

An amount of R67 000 was under-spent due to late delivery of laptops and redirected to Programme I within Payment for capital assets to defray underfunded transport lease.

7. Programme 7: Agricultural Education and Training R294 000

Compensation of employees (R606 000)

Compensation of employees was under-spent by R606 000 due to savings realised from the high staff turnover and these funds were moved to payment for capital assets within the programme.

Goods and services (R1.241 million)

Goods and services was reduced by R1.241 million and these funds were moved to Payments for capital assets to correctly classified items that were initially budgeted under minor assets instead of capital assets.

Payment for capital assets R2.141 million

Payment for capital assets received R2.141million to defray over-expenditure and to correct classification.

8. Programme 8: Rural Development (R209 000)

Compensation of employees (R94 000)

Compensation of employees was reduced by R94 000 attributable to savings realised from the high staff turnover and these funds were moved to address unanticipated staff exit costs under Programme I and contractual obligations in Programme 2.

Goods and services (R104 000)

An amount of R104 000 was under-expenditure is as a result of savings from implementation of projections and these funds were redirected to Programme 2 for contractual obligations and travelling costs.

Machinery and equipment (R11 000)

Under-expenditure of R11 000 mainly due to the late delivery of laptops was redirected to other programmes within Payment for capital assets to defray underfunded transport lease in Programme 1.

Roll overs: Nil

Nil.

Unauthorised, Fruitless and Wasteful Expenditure

- The nature of these transgressions primarily includes charges related to cancellation fees, no-show charges on accommodation, damages by officials on hired vehicles, and after-hours fees charged by travel agencies as well as changes after bookings have been processed by travel management service providers. Included in these charges was interest charged on overdue invoices by service providers and these were specifically referred to labour for further actions against implicated officials. Recognising the extent of these transgressions and their pervasiveness to the entire control environment, the Head of Department has taken decisive actions and implemented measures to subject implicated officials to consequence management either through recover and/or disciplinary processes to prevent their recurrence.
- One of the key steps taken is the recovery of the costs incurred from officials' salaries, unless a recommendation for condonement is provided by the Finance & Supply Chain Management Compliance Committee (FSCMCC) and approved by the Head of Department. Additionally, consequences are imposed in cases where none of the actions are taken, ensuring accountability and deterrence.

Steps taken to address and prevent a re-occurrence of such expenditures:

The department has implemented a series of steps to address and manage fruitless and wasteful expenditure:

Step 1: Cost recovery letters were sent to officials who have transgressed, requesting them to arrange payment through the Financial Accounting Services Directorate.

Step 2: In cases where the expenditures are not agreed upon in Step 1, the affected officials are required to respond to the condonement request made by the Finance & SCM Compliance Committee, seeking condonation for such expenditures.

Step 3: Acknowledgement of debt forms are also sent to the officials, ensuring that they acknowledge the debt and its takeover by the FAS Directorate.

Step 4: If all previous steps fail, the department has no option but to recover the debt directly from the officials' salaries through the PERSAL system.

Step 5: The fruitless and wasteful expenditure register is updated to reflect the actions taken in accordance with the above steps.

The Internal Control Directorate, responsible for ensuring compliance with departmental processes, is actively engaged in mitigating and eliminating irregular, fruitless, and wasteful expenditures. This is achieved through robust pre-audit processes and awareness programs that address internal control weaknesses in procurement and payments.

It is worth noting that the department has maintained a NIL balance in terms of irregular expenditure since 2018 to the present date. Additionally, no unauthorised expenditure was incurred during the financial year, indicating a strong commitment to financial discipline and adherence to regulations.

Strategic focus over the short to medium term period

The strategic focus for agriculture in the short to medium term includes promoting sustainable practices, adopting technology and innovation, developing the agricultural value chain, ensuring access to finance and inputs, building capacity and transferring knowledge, investing in rural infrastructure, and implementing policy and regulatory reforms. These areas aim to enhance productivity, sustainability, and rural development, ultimately contributing to food security, poverty reduction, and economic growth in the agricultural sector.

Public-Private Partnerships

Partnership name	Purpose	Outputs	Current Value Agreement	End Date of Agreement
Old Mutual	Collaboration on financial management training.	Farmer beneficiaries trained in financial management skills.	There is no charge made on the trainings.	The SLA has been signed between the OTP and Old Mutual as the partnership was achieved through the Provincial Strategic Public Private Partnerships Committee steered by the OTP. The Agreement period is renewed annually.
HWSETA	Youth Development. Lecturer Development. Vocational Bursary. Internship. Work Integrated Learning.	Diploma graduates Skilled lecturers with regards to Assessor, Moderator and Facilitator Competencies. Exposure of graduates to work environment and improved training. Exposure of final year students to	Combined funding from HWSETA to TARDI R19 903 600.00	31 December 2024

Partnership name	Purpose	Outputs	Current Value Agreement	End Date of Agreement
		real field and work situations.		
AGRI-SETA	College Capacity Development Bursary Funding. Learnership and Skills Development. Recognition of Prior Learning.	Lecturer improving their qualifications. More than six personnel have been funded under lecturer development and have acquired new qualifications ranging from Diploma, BTech, Undergraduate degree to post graduate. Skilled youth and empowerment. RPL: opportunity and provision of alternatives to obtain qualification.	Combined funding from Agri SETA to TARDI R6 000 000.00 Learnership Program to DRDAR R4 300 000.00	31 December 2024 31 December 2024
Food and Agriculture Organisation (FAO)	Entrepreneur Development Program for unemployed Animal Health Diploma graduates.	Technical Skills. Business Skills.	R1 300 000.00	31 December 2024
Standard bank	Collaboration for support of Rural development Enterprises.	Business entities benefit on support for their businesses.	Financial support to the rural youth enterprises.	

Discontinued key activities/activities to be discontinued

No activities were discontinued.

New or proposed key activities

There were no new or proposed activities.

Supply chain management

No unsolicited bid proposals were received during the reviewed year. The process of preventing irregular expenditure begins at Procurement Services when the procuring entity submits requisitions for generating orders. All necessary supporting documents are thoroughly checked for completeness before authorisation is granted for the order. The procurement voucher is subsequently sent to Pre-Audit for additional verification and the issuance of a compliance certificate before the order is printed.

Gifts and Donations received in kind from nonrelated parties

None.

Exemptions and deviations received from the National Treasury

None.

Events after the reporting date

None.

Other

None.

Acknowledgement/s or Appreciation

The Department acknowledges and appreciates the leadership and guidance provided by the Hon. MEC Kotsiwe. The achievements of the department would not have been possible without the support of stakeholders, farmers, communities, and our committed and dedicated staff.

Conclusion

The department has implemented strategic programs designed to reduce poverty, underdevelopment, and unemployment over time. This demonstrates the effective and efficient utilisation of resources to deliver on rural development and agriculture-related priority initiatives.

B DAYIMANI

ACCOUNTING OFFICER

DEPARTMENT OF AGRICULTURE

DATE: 29 AUGUST 2025

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2023.

Yours faithfully

B DAYIMANI

ACCOUNTING OFFICER

DATE: 29 AUGUST 2025

6. STRATEGIC OVERVIEW

6.1 Vision

A sustainable agricultural sector, integrated rural development and food security for all.

6.2 Mission

To improve agricultural production to stimulate economic development, food security and integrated rural development through:

- Integrated rural development;
- Agrarian reform;
- Sustainable livelihoods;
- Support land reform for agricultural production;
- Facilitating partnerships to commercialise and transformation of the agriculture sector;
- Innovation, research, technology development to increase productivity and competitiveness; and
- Access to opportunities for youth, women and other vulnerable groups

6.3 Values

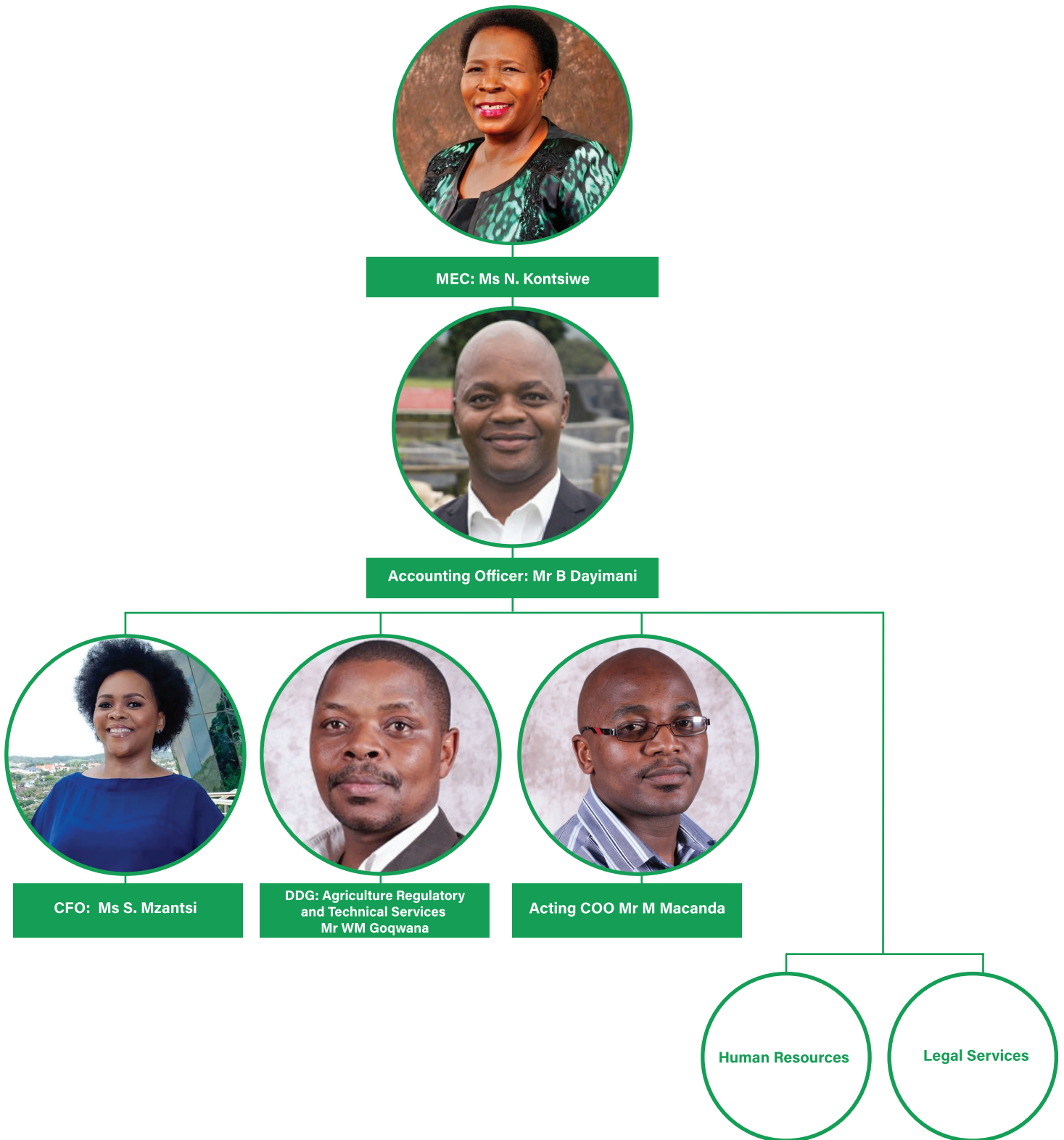
Ethical leadership:	We lead with respect for ethical beliefs and values and for the dignity and rights of others.
Honesty & Integrity:	Commitment to be transparent with all stakeholders.
Innovation:	Commitment to keep abreast of new developments in relevant fields of expertise and be innovative in carrying out the mandate of the Department.
Excellence:	We are committed to exceeding our customer's expectations for quality, responsiveness, efficiency and service excellence.
Working hand in hand "Bambisanani":	We believe that the sum of our collective efforts will be greater than the total of our individual efforts.
Mutual respect:	We value each other's contribution as we seek to realise the vision and goals of the department.
People centeredness	"Bonke abantu esisebenza nabo, siya kusebenzisana nabo ngokufanelekileyo nangokulinganayo".

7. LEGISLATIVE AND OTHER MANDATES

The Department's mandates are informed by the following Acts:

- | | |
|---|---|
| • Constitution of the Republic of South Africa, Act 108 of 1996 | Act No 108 of 1996 |
| • The Agriculture Development Act, 1999 | Act No. 67 of 1999 |
| • Conservation of Agricultural Resources Act, 1983 | Act No. 43 of 1983 |
| • Eastern Cape Rural Finance Corporation, Act 1 of 2012 | Act No. 9 of 1999 as Amended by Act 1 of 2012 |
| • Veterinary and Para-Veterinary Professions Act, 1982 | Act No. 19 of 1982 |
| • The Animal Health Act, 2002 | Act No. 7 of 2002 |
| • The Animal Identification Act, 2002 | Act No. 6 of 2002 |
| • The Meat Safety Act, 2000 | Act No. 40 of 2000 |
| • Animal Diseases Act, 1984 | Act No. 35 of 1984 |
| • Animal Improvement Act, 1998 | Act No. 62 of 1998 |
| • Animal Protection Act, 1962 | Act No. 71 of 1962 |
| • Livestock Improvement Act, 1997 | Act No. 25 of 1997 |
| • Agricultural Pests Act, 1983 | Act No. 36 of 1983 |
| • Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act, 1947 | Act No. 36 of 1947 |
| • Agricultural Research Amendment Act, 2001 | Act No. 27 of 2001 |
| • Marketing of Agricultural Products Act, 1996 | Act No. 47 of 1996 |
| • Fencing Act, 1963 | Act No. 31 of 1963 |
| • Land Tenure Rights Act, 1991 | Act No. 112 of 1991 |
| • Intergovernmental Relations Framework Act, 2005 | Act No. 13 of 2005 |
| • Public Finance Management Act, 1999 | Act No. 1 of 1999 |
| • Basic Conditions of Employment Act, 1997 | Act No. 75 of 1997 |
| • Division of Revenue Act, 2009 | Act No. 12 of 2009 |
| • Preferential Procurement Policy Framework Act, 2000 | Act No. 5 of 2000 |
| • Public Service Act and Regulations, 1994 | Act No. 103 of 1994 |
| • Skills Development Act, 1998 | Act No. 97 of 1998 |
| • Occupational Health and Safety Act, 1993 | Act No. 85 of 1993 |
| • Employment Equity Act, 1998 | Act No. 55 of 1998 |
| • Promotion of Access to Information Act, 2000 | Act No. 2 of 2000 |
| • Treasury Regulations issued in terms of PFMA Act, 1999 | Act No. 29 of 2000 |
| • Promotion of Administrative Justice Act, 2000 | Act No. 2 of 2000 |
| • Spatial Planning and Land Use Management Act, 2013 | Act No. 16 of 2013 |
| • Protection of Personal Information Act, 2013 | Act No. 4 of 2013 |

8. ORGANIZATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

The Eastern Cape Rural Development Agency (ECRDA) is the sole public entity of the Eastern Cape Department of Agriculture (DoA). It is mandated to implement rural development initiatives on behalf of the Department. The relationship between DoA and ECRDA is regulated by a Shareholder's Compact, which includes the appointment of the Board and the chairperson.

Accountability includes reporting on key performance indicators/ projects and financial reporting on transferred funds. The agency's Accounting Authority reviews its performance levels concerning the department's requirements. Progress is monitored quarterly by submitting Quarterly Performance Reports and Financial Reports to the Department as part of the accountability system.

Table 1: Entities, functions, and relations with the MEC.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Eastern Cape Rural Development Agency (ECRDA).	ECRDA was established in 2012 through a merger of two public entities, Eastern Cape Rural Finance Corporation and ASGISA Pty Ltd, to sustainably promote, support, and facilitate rural development in the Eastern Cape Province.	The ECRDA is a Schedule 3C entity in terms of the Public Finance Management Act (PFMA). In the 2024/25 Financial Year, the Budget allocation was R227,1 million.	• Administrative. • Project Management. • Rural Financial Services (Rural Finance).



PART B

PERFORMANCE INFORMATION



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

I. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General of South Africa (AGSA) currently performs audit procedures on performance information to provide reasonable assurance in the form of an audit conclusion. This conclusion on performance against predetermined objectives is included in the management report, with material findings reported under the "Predetermined Objectives" heading in the "Report on Other Legal and Regulatory Requirements" section of the auditor's report.

Refer to pages 173-174 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service Delivery Environment

Food security remains a dominant concern and a fundamental right for every citizen of the Eastern Cape, as enshrined in the SA Constitution. As the Department of Agriculture, we are deeply committed to realising this right and advancing resilient rural communities. During the 2024/25 reporting period, our efforts have focused significantly on addressing the challenges faced by our rural farmers, particularly limited access to affordable mechanisation, which impedes their ability to produce at scale and exacerbates food insecurity.

The urgency of this issue is underscored by national statistics. In 2023, approximately 3.7 million households across South Africa experienced moderate to severe food insecurity, with 1.5 million enduring severe hunger. Within the Eastern Cape, a concerning 27.8% of households engaged in agriculture still faced moderate to severe food insecurity.

Regional Disparities in Food Insecurity

Analysis of food insecurity across the province's districts reveals significant disparities:

OR Tambo District:

Approximately 42% of households experienced moderate to severe food insecurity.

Alfred Nzo District

Approximately 40% of households faced similar challenges.

Chris Hani District

Around 38% of households were affected by moderate to severe food insecurity.

Amathole District

About 35% of households struggled with food insecurity.

Joe Gqabi District

Approximately 33% of households experienced moderate to severe food insecurity.

Sarah Baartman District:

Approximately 32% of households experienced moderate to severe food insecurity.

These figures highlight the critical need for targeted interventions to address the specific challenges faced by households in these regions. In response to these pressing needs, the Department launched the transformative Rural Community-Based Mechanisation and Food Production Scheme during the reporting period. This initiative is strategically designed to empower our rural farmers, enhance agricultural productivity, and ensure food security for all.

A total of 30 000 subsistence producers were supported in the implementation of this scheme. An allocation of R60 million was dedicated to this vital community-based production intervention.

We actively promoted cooperative farming through aggregated community production schemes. Strong partnerships were forged with local leaders, municipalities, private sector stakeholders, and NGOs, with a clear framework developed to define the roles and responsibilities of all involved.

Initiatives included the establishment of diversified home gardens using space-efficient techniques to maximise productivity and the creation of community seed banks to preserve traditional and climate-resilient crop varieties for long-term sustainability. Support was also provided for small-scale livestock and poultry farming to enhance household food availability.

Efforts focused on optimising resource use through rainwater harvesting and efficient irrigation techniques. Collaboration with traditional leaders and municipalities was undertaken to facilitate land access for vulnerable groups. Our strategic focus on key commodities such as beef, citrus, and grain aimed to drive industrial development. Significant progress was made in activating irrigation schemes in Qamata, Ncora, Bilatye, and PSJ to contribute to industrial output. The establishment of commercial feedlots and abattoirs to create integrated beef value chains was initiated, alongside the identification and aggregation of farms into commodity-specific groups for focused production and agro-processing, ensuring optimal production based on agricultural assessments.

The department actively worked to align rural production with industrial pathways through the development of commodity corridors. Leveraging the potential of Special Economic Zones, efforts were directed towards driving bulk processing and enhancing market access. Strengthening irrigation schemes to bolster crop production and developing beef production complexes to ensure full value-chain integration, including skills development and market access, were key priorities. These initiatives directly align with the priorities of the administration, focusing on empowering rural communities, stimulating economic growth, and ensuring food security for the citizens of the Eastern Cape.

The Department remains committed to working collaboratively with all stakeholders to build upon the progress made during this reporting period. By continuing to invest in strategic interventions, promotion partnerships, and empowering our rural farmers, we are confident in our ability to transform the agricultural landscape of the Eastern Cape and build a prosperous and food-secure future for all.

2.2 Service Delivery Improvement Plan

The department continued to utilise the previously approved Service Delivery Improvement Plan (SDIP). A new SDIP will be developed in line with the approved 2025-2030 Strategic Plan, which puts emphasis on the Agriculture Agro-Processing Master Plan (AAPMP). The plan will be to guide and enhance service delivery in the coming years, ensuring continuous improvement and addressing the evolving needs and priorities of the department.

Main services provided and standards

Main services	Beneficiaries	Current/actual standard of service	Desired standard of service	Actual achievement
The department provides expert support to farmers in the development and establishment of comprehensive agricultural infrastructure, ensuring sustainable and efficient farming operations.	Subsistence Farmers, Smallholder Producers, Producers conducting large-scale commercial farming operations.	Comprehensive provision of agricultural infrastructure projects, in each financial year as targeted.	All engaged contractors consistently adhere to the established standards, resulting in a record of zero contract terminations and 100% project completions.	During the current financial year, the department has successfully finalised the construction of 125 agricultural infrastructure projects. This milestone was accomplished by forming strategic alliances with specialised external contractors, ensuring the delivery of high-quality and efficient infrastructure solutions to support the agricultural sector.

Batho Pele arrangements with beneficiaries (Consultation access, etc.)

Current/actual arrangements	Desired arrangements	Actual achievement
All stakeholders are consulted on the nature, quantity, and quality of services to be provided to determine the needs and expectations of the end users	Compliance with the Public Service Regulations 2016, as amended, Chapter 3, Part 3(36), quoted “An executive authority shall establish and maintain an Operations Management Framework, which shall include- An approved Service Delivery Model;	A Service Delivery Model, is designed to support new growth avenues, new value chains, new modes of service delivery, and new customer segments, as well as new operating environments, was approved. The SDM was to demonstrate the modelling or visual depiction of how programmes, sub-programmes, or units shall translate strategy to day-to-day service delivery.
	Compliance with Public Service Regulations 2016, as amended, Chapter 3, Part 3 (36), being: “An executive authority shall establish and maintain an Operations Management Framework, which shall include- a) Mapped Business Processes for all services. Standard Operating Procedures for all services;	Business Maps and Standard Operating Procedures for Records Management were developed and concluded. A review of Programme 4 & Programme 8 Business Maps and SOPs has commenced. The above was to ensure administrative consistency and uniformity. It also served as a reference point for knowledge dissemination.

Service delivery information tool

Current/actual information tools	Desired information tools	Actual achievement
Compliance with the Animal Disease Act 35 of 1984, Animal Disease Regulations, Animal Identification Act, Act 6 of 2002, and Vet Strategy.	Citizens should be given full, accurate information about the public services they are entitled to receive	Foot and Mouth Diseases (FMD) educational awareness campaigns have been conducted in local communities by a team of veterinary officials together with the Food Import and Export Standards at DALRRD. Surveillance was conducted due to the Foot and Mouth Disease outbreak in the Sarah Baartman District (Kouga & Koukamma Municipalities).

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievement
Our Department's Customer Care section serves as a primary point of contact, receiving a daily influx of inquiries and concerns from the public via our dedicated toll-free number, social media channels and direct referrals from the Office of the MEC. To ensure a consistent and responsive approach to customer concerns, a complaints mechanism guideline has been disseminated to all district offices. A significant portion of these inquiries, including those escalated through the Presidential Hotline, are promptly directed to relevant programme managers and district offices for efficient resolution. To expedite the resolution of these customer complaints and queries, our team proactively engages with programme managers and district directors. This involves sending regular reminders, requesting progress updates and subsequently assessing customer satisfaction upon resolution. Our commitment to resolving every citizen's concern means that instances of non-response from managers are escalated to their	Arrange and conduct customer roadshows of awareness programmes in the districts on complaints handling mechanism. All complaints received to be consolidated, analysed and results to inform the strategic documents. Management of the complaints received from the Presidential Hotline. Management of the Complaints Management Framework to ensure the provision of feedback mechanism whereby the citizens can communicate to government when services are not being delivered in line with the expectations within the eight Batho Pele principles.	Distribution of Departmental printed material in the districts. Received complaints and acknowledge them, referred them to relevant officials in the Department and registered on Case Register. Followed-up on complaints or requests received and gave feedback to the clients within the stipulated period. Handled complaints and request received from the Presidential Hotline and give feedback both the clients and Planning and Monitoring Department. Provided weekly and monthly reports to the Department. The Customer Care Unit is an integral part of awareness campaigns through establishing a helpdesk whenever there are Departmental functions which interface with the farmers and industry stakeholders.

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievement
direct superiors. Should further assistance be required within the management hierarchy, the matter is then escalated to the Head of Department to ensure the customer's issue is addressed. Furthermore, ongoing customer care awareness campaigns are conducted to empower our employees, emphasizing the critical importance of timely and effective responses to citizen inquiries. These initiatives are vital in addressing the current backlog and fostering a culture of responsive service.		

2.3 Organisational Development

DOA has demonstrated its commitment to creating job opportunities in the province and simultaneously strengthening organisational capacity. The 2024-25 Annual Recruitment Plan (ARP) led to 149 appointments in the department. Recruiting qualified Agricultural Engineers and Veterinarians is challenging due to salary differences with the private sector, necessitating exceptional recruitment strategies.

The Department has 2 620 positions, with 2 561 filled and fifty-nine vacant, resulting in a 2% vacancy rate, well below the 10% DPSA threshold. The staff turnover rate, which articulates employee attrition, emanating from retirements, resignations, demise, dismissals, contract expiry and transfer out was at 8% as at the end of the 2024/25 fiscal year. During this period, two hundreds and three (203) employees exited the public service, and the attrition breakdown is as follows: 95 (47%) retirements, 59 (29%) resignations, 5 (2%) dismissals, 15 (7%) demise, 16 (8%) contract expiry and 11 (5%) transfer out of the department.

Diversity Management and Inclusion: The Senior Management gender ratio is 52% female and 48% male. The representation of females at the Middle Management Level has decreased from 44% to 41%, while the overall departmental female representation remains at 52%. The department has implemented interventions designed to attract and retain female representation at the middle management level to achieve the 50% target. Additionally, these measures aim to ensure that female representation at the senior management level is sustained in the future.

Furthermore, to support the diversity agenda, Employment Equity Officers were appointed and trained to inform recruitment selection panel members about the significance of employment equity during the recruitment process. Training sessions were held for the newly appointed Employment Equity Officers, covering the reforms in the Employment Equity Act, the Code of Good Practice on the Employment of Persons with Disabilities, and the departmental Employment Equity Plan. The department's current workforce is made up of forty-eight people living with disabilities and this translates to 2% of the

workforce representation. There are 603 employees under the age of thirty-five, representing 24% of the workforce and this demonstrates our commitment to integrating youth inclusivity in the workplace.

Human Capital Capacitation: DOA employees were urged to use the free Open eLearning courses from the National School of Government to overcome training budget constraints and address skill gaps. In the fiscal year of 2024-2025 under review, a total of one thousand one hundred and fourteen (1 114) employees attended training interventions. Six hundred and fifty-seven (657) employees attended various transversal courses.

Fifty five (55) employees at salary level 1-12 were trained in the Compulsory Induction Programme, twenty (20) employees attended Civil Designer, hundred (100) employees attended Occupational Health and Safety and First Aid, forty (40) employees attended Safe use of Chemicals and Calibration course, seventy one (71) Agricultural Interns attended Personal Mastery, Business Management and Entrepreneurial Development Programme (New Venture creation), twenty nine (29) employees attended Red Meat Production Training, sixty two (62) employees attended Animal Nutrition Training, thirty eight (38) employees attended Advanced Excel Skills Training and forty two (42) employees attended OHS Awareness, Evacuation Fire Drill & Fire Fighting Training.

The Department continues to provide financial assistance to previously designated youth in the form of bursaries to address scarce skills in the sector. In 2024/25 fiscal year, seven (7) students benefited from the department's bursary scheme, and of the seven (7), five (5) are males and two (2) females. Out of the seven (7) students who were pursuing a Bachelor of Veterinary Science at the University of Pretoria one (1) student completed his final year (6th year) in December 2024 and started Compulsory Community Service in January 2025, two (2) failed, one (1) took a gap year because of an illness. The department is currently providing financial support to four (4) continuing students.

The department created space for unemployed graduates to contribute towards youth employment in the province. The CASP Graduate Entrepreneurship Internship program continued to be implemented with one hundred and twenty (120) graduates were placed in commercial farms across the province, twenty-six (26) who are funded by SETAs were placed under various directorates. Sixty-eight (68) TVET learners were assigned to the department for Work Integrated Learning (WIL) across various fields of study. This will assist them in completing their National Nated Diplomas as prescribed by the South African Qualifications Authority (SAQA) and out of the sixty-eight (68), ten (10) completed their 18 months within this fiscal year and fifty-eight (58) are still with the Department.

Performance Management: The department has in place a robust framework that ensures performance planning, monitoring, and review for all employees. The Department introduced an automated system, ePMDS, designed to streamline employee performance and to maximise efficiency.

Employee Health and Wellness

The Department is committed in creating a conducive environment that is safe and healthy for the maximum productivity of its employees through the implementation of the Employee Health and Wellness program. In promoting a healthy environment for employees, the department continued to conduct education sessions, and 1 018 employees were reached on financial wellness, two-pot system, mental health, substance abuse, stress management, healthy lifestyle, management of workplace violence and TB awareness. The promotion of physical fitness among employees was successfully implemented,

with a total of 874 employees participating across various districts and institutions. 184 employees participated in health screenings for tuberculosis, HIV, and non-communicable diseases, while 41 employees received psychotherapy services. The challenges faced by employees include trauma, financial issues, work-related problems, absenteeism, and substance abuse.

Labour Relations and Grievance Management

Constructive Dialogue: The department maintains effective employment relations. During this budget year, nineteen (19) grievances were registered concerning unfair labour practices. Out of these, thirteen have been resolved, while six are currently undergoing facilitation.

Discipline and Dispute Resolution: Labour Relations handled twenty-seven (27) misconduct cases this fiscal year, with seventeen (17) disciplinary proceedings being finalised. All ten (10) outstanding cases are pending dates of disciplinary proceedings. Facilitation of fifteen (15) dispute cases is in progress at various levels of dispute resolution processes with five (5) finalised.

Information Technology and Systems

This report outlines the advancements made by the Department of Agriculture in various IT systems and business continuity measures throughout the 2024/25 fiscal year. The department has finalised a migration architecture to transition the e-Leave and e Memo systems to the cloud, enhancing technology performance and user accessibility. Completed the development and rollout of Survey123 GIS tool for Extension and Veterinary Services to enable advanced agricultural data collection and analysis for improved data-driven decision-making process. Additionally, the department successfully launched and implemented the e-PMDS. Comprehensive training sessions were conducted to ensure all staff could effectively adopt and utilise the new system.

To strengthen Business Continuity and IT preparedness in case of a disaster, we have implemented an advanced backup and Data Protection system. This system actively monitors data backup and replication performance, ensuring operational resilience.

The department upgraded endpoint device backup solution to the latest version, improving protection of departmental data in terms of the POPI Act. The department-initiated deployment of a renewed telephone system using latest technology for improved efficiencies in communication services. Nine (9) pilot sites have been activated, with 20 additional sites completing infrastructure upgrades for deployment readiness. The department completed the name change project across all internal and public-facing systems, including email and its critical systems, aligning with new departmental mandates.

2.4 Key Policy development and legislative changes

There have been no changes in the year under review.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

IMPACT STATEMENT

Table 05: Impact Statement

Impact Statement	A sustainable agriculture sector that drives food security, agro-processing and contributes to industrialisation, rural development, and wealth creation.	The achievement of the Impact statement will be tested after the end of the current electoral cycle. The end of end-of-term report will contain tangible progress on achieving the Impact.
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MEASURING OUR OUTCOMES

Table 06: Contribution to MTSF Priority One: Capable, Ethical and Developmental State

MTSF PRIORITY	Priority 01: A Capable, Ethical and Developmental State			Report 2024-25 FY
Outcome	Outcome Indicators	Baseline	5 Year targets	
Improved corporate governance	Level of improvement in the audit outcome.	Clean Audit Outcomes	Clean Audit Outcomes.	Clean Audit Outcomes

Table 07: Contribution to MTSF Priority 02: Economic Transformation and Job Creation

MTSF PRIORITY	Priority 02: The Economic Transformation and Job Creation			Report 2024-25 FY
Outcome	Outcome Indicators	Baseline	MTSF Targets	
Improved food security	Increased number of households that are food secure.	22 935	250 000	30 163

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose: To manage and formulate policy directives and priorities and, to ensure there is appropriate support service to all other programmes with regard to finance, personnel information, communication and procurement.

- Sub-Programme 1.1: Office of the MEC.
- Sub-Programme 1.2: Senior Management.
- Sub-Programme 1.3: Corporate Services.
- Sub-Programme 1.4: Financial Management.
- Sub-Programme 1.5: Communication Services.

Sub-program 1.1: Office of the MEC

Priority 01: A Capable, Ethical and Developmental State									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement	Reasons for deviations	
Improved corporate governance.	Political oversight provided.	I.1.1 Number of performance review sessions held with senior management.	10	12	10	13	3	Over performance	
		I.1.2 Number of performance review sessions held with departmental entity and colleges.	New OI	New OI	12	12	-	No deviation	
		I.1.3 Number of MEC's engagements held with Stakeholders to ensure optimum alignment of the Department.	30	35	30	67	37	Over performance	
		I.1.4 Number of MEC's special programmes' interventions implemented to cater for designated groups.	8	8	12	13	1	Over performance	

Reasons for all deviations

I.1.1 The department's overperformance in senior management performance review sessions was driven by the MEC's strategic alignment and prioritisation. Her leadership ensured a focused approach to key deliverables, reinforcing accountability and efficiency across all.

I.1.3 Overperformance was due to the appointment of the new MEC, resulting in remarkable overperformance, driven by her strategic prioritisation of key objectives. She swiftly adapted to her new environment while cultivating strong stakeholder relationships, with a particular emphasis on youth development. Her dedication was prominently displayed during the Back-to-School opening events, where she championed youth empowerment initiatives, promoting a positive transition towards active participation in the agricultural sector.

I.1.4 The newly appointed MEC efficiently implemented special programs' interventions for designated groups while adapting to her new environment and stakeholders. Her proactive approach reinforced inclusivity and strengthened community support.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme.

Sub-Programme 1.2: Senior Management

Purpose: To translate policies and priorities into strategies and programmes for effective service delivery and to manage, monitor and control performance.

Priority 01: A Capable, Ethical and Developmental State									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations	
Improved corporate governance.	Governance committees held to enhance effective oversight in the department (Ethics, Risk & Audit).	I.2.1	12	10	4	9	5	Over performance	
		I.2.2	4	5	4	6	2	Over performance	
		I.2.3	12	13	12	14	2	Over performance	
		I.2.4	4	4	4	4	-	No deviation	

Reasons for all deviations

- I.2.1** Additional Strategic Leadership sessions and Organisational Performance Review sessions were held to closely monitor compliance with the APP and expenditure.
- I.2.2** Additional Strategic Leadership sessions and Organisational Performance Review sessions were held to closely monitor compliance with the APP and expenditure.
- I.2.3** Overperformance due to special Audit committee meetings for planning & AFS reviews.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme.

Sub-Programme 1.3: Corporate Services

Purpose: To provide support service to the other programmes with regard to human resources management and development, Information Technology and Communication service.

Priority 01: A Capable, Ethical and Developmental State									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations	
Improved corporate governance.	Management of human capital.	1.3.1 Number of Human Resource Management and Development practices implemented to improve overall performance of the Department as per compliance accountability framework.	4	4	4	4	-	No deviation	
	Interventions implemented on auxiliary services as per legislative framework to ensure conducive working environment.	1.3.2 Number of interventions implemented on auxiliary services as per legislative framework to ensure conducive working environment.	4	4	4	4	-	No deviation	
	ICT interventions implemented in accordance with the ICT Governance Framework to enhance	1.3.3 Number of ICT interventions implemented in accordance with the ICT Governance Framework to enhance technological efficiencies.	3	3	3	3	-	No deviation	

Priority 01: A Capable, Ethical and Developmental State									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations	
	technological efficiencies.								
	Service delivery improvement. Intervention implemented as per the Public Service Regulations, 2016.	I.3.4 Number of service delivery improvement intervention implemented as per the Public Service Regulations, 2016.	5	5	5	5	-	No deviation	
	Policy and regulatory environment enabled.	I.3.5 Number of evidence-based Policies developed.	5	5	5	5	-	No deviation	
		I.3.6 Number of strategic documents developed in accordance with the Framework for Strategic and Annual Performance Plans.	2	6	6	6	-	No deviation	
		I.3.7 Number of validated reports submitted to measure departmental performance against pre-determined objectives.	6	6	6	6	-	No deviation	

Reasons for all deviations

Not applicable, as there were no deviations within this sub-programme.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme

Sub-Programme 1.4: Financial Management

Objective: To provide effective support service (including monitoring and control) with regard to Budgeting, Provisioning and Procurement.

Priority 01: A Capable, Ethical and Developmental State									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Improved Corporate Governance.	Effective financial management systems implemented.	I.4.1	Number of days taken to pay suppliers in terms of the PFMA.	12	10	30 days	11	-	No deviation
		I.4.2	Number of credible Interim and Annual Financial Statements submitted on due date in accordance with the modified cash accounting guidelines.	4	4	4	4	-	No deviation
		I.4.3	Number of budget documents submitted to Provincial Treasury in terms of the PFMA to monitor monthly expenditure performance.	14	14	14	14	-	No deviation
		I.4.4	Number of reports compiled on contracts management to manage contracts and monitor supplier performance to ensure that goods and services are procured through valid contracts	4	4	4	4	-	No deviation

Reasons for all deviations

Not applicable, as there were no deviations within this sub-programme.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme.

Sub-Programme 1.5: Communication Services

Purpose: To facilitate communication about the policies, programmes and services of the Department through written, verbal, visual, electronic, digital communication, unmediated communication, customer care, media, marketing, advertising, stakeholder relations and intergovernmental communication.

Sub-program								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Improved Corporate Governance.	Integrated Communication Plan.	1.5.1 Number of employees reached through employee engagements.	New OI	New OI	2 655	2 655	-	No deviation
	Customer Care Plan	1.5.2 Number of stakeholder engagement sessions undertaken.	New OI	New OI	68	83	15	Over performance
		1.5.3 Number of people reached through media plan.	New OI	New OI	44 735 419	59 094 000	14 358 581	Over performance
	Integrated Communication Plan.	1.5.4 Number of client queries resolved.	New OI	New OI	1 400	2 695	1 295	Over performance
		1.5.5 Number of people reached through the marketing plan.	New OI	New OI	7 834 376	8 000 000	165 624	Over performance

Reasons for all deviations

1.5.2 The increase was caused by concerted efforts to connect with the stakeholders of the department and the implementation of the service delivery events of the Department.

1.5.3 A strategic communication approach, encompassing proactive media liaison for newspaper placements and a targeted advertising campaign across community radio, newspapers, and national media, played a key role in the overperformance.

I.5.4 The reason for overperformance was informed by community and customer care roadshows, and there were notable engagements from social media platforms.

I.5.5 Overperformance was occasioned by an increase in the number of communication activities and media placements on radio, TV, and social media platforms in the year under review.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

LINKING PERFORMANCE WITH BUDGETS

The programme achieved 100% of its planned targets. The under-expenditure recorded under COE is attributed to savings resulting from the majority of appointments being internal promotions, which had a minimal impact on the COE budget while simultaneously creating vacancies. Additionally, some posts were only filled in April 2025 following the finalisation of appointment processes. The under-expenditure recorded under Goods and Services is due to the late submission of invoices for the payment of communication services by the service provider and could not be processed in the financial year.

ADMINISTRATION		2024/25			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
I.1	Office of the MEC	12 519	11 738	781	12 363	12 317	46
I.2	Senior Management	53 155	53 155	-	54 073	54 075	-2
I.3	Corporate services	238 151	239 514	-1 363	226 844	226 382	462
I.4	Financial Management	189 531	189 529	2	173 239	173 179	60
I.5	Communication services	16 301	12 632	3 669	9 105	9 105	0
TOTAL		509 657	506 568	3 089	475 624	475 058	566

4.2 Programme 2: Sustainable Resource Use and Management

Purpose: To provide agricultural support services to land users in order to ensure sustainable development and management of natural agricultural resources.

List of Sub programmes

- Sub-Programme 2.1: Agricultural Engineering Services.
- Sub-Programme 2.2: Land Care.
- Sub-Programme 2.3: Land Use Management.
- Sub-Programme 2.4: Disaster Risk Reduction.

Sub-Programme 2.1: Agricultural Engineering Services

Purpose: To provide engineering support (planning, development, operation, monitoring and evaluation) with regard to irrigation and drainage infrastructure, on-farm mechanisation, value adding infrastructure, farm structures and resource conservation management. Agricultural Infrastructure projects should be administered according to the Framework for Infrastructure Delivery and Procurement Management (FIDPM).

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Agricultural infrastructure established.	2.1.1	Number of agricultural infrastructure established.	92	92	81	79	(2)	Under performance
	Effective use and extended service period of agricultural infrastructure and machinery.	2.1.2	Number of engineering services rendered to clients to enable them to plan, operate and maintain infrastructure, machinery or equipment.	785	893	478	807	329	Over performance

Reasons for all deviations

2.1.1 Underperformance due to poor performance by contractors leading to cancellation of contracts in Joe Gqabi and Amathole Districts.

2.1.2 Overperformance as a result of increased requests from farmers for support in services and maintenance of tractors and mechanical equipment.

Strategy to overcome areas of underperformance

2.1.1. Improved screening of contractor during the evaluation of tender submissions, specifically looking at their balance sheet (cash flow and financial ratios), is recommended. Defaulting contractors must be blacklisted through National Treasury.

Sub-Programme 2.2: Land Care

Purpose: To promote the sustainable use and management of natural agricultural resources by engaging in community-based initiatives that support sustainability (social, economic, and environmental), leading to improved productivity, food security, job creation, and agro-ecosystems.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual 2024/25	Reasons for deviations	
Sustainable agricultural value chains.	Informed land users on sustainable land use practices and regulations.	2.2.1 Number of awareness campaigns conducted on Land Care to promote conservation of natural resources.	31	37	16	20	4	Over performance	
	Increased capacity of communities/land users on Land care sustainable land use practices.	2.2.2 Number of capacity building exercises conducted within approved Land Care projects.	17	17	26	39	13	Over performance	
	Hectares of agricultural land rehabilitated.	2.2.3 Number of hectares of agricultural land rehabilitated.	7 283	5380	6 595	9 440	2 845	Over performance	
	Hectares of cultivated fields under Conservation Agriculture practices	2.2.4 Number of hectares of cultivated land under Conservation Agriculture practises.	323	802	404	425	21.36	Over performance	

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
	Land users practicing sustainable land use practices.	2.2.5		787	471	337	337	-	Over performance
	Green jobs created.	2.2.6		531	547	469	471	2	Over performance

Reasons for all deviations

- 2.2.1 Special requests and collaborations with other Departments have resulted in overperformance.
- 2.2.2 Procurement of new machines necessitated that more training be done to avoid injuries.
- 2.2.3 Due to the task-based payment of workers, rather than a daily rate, more work was performed by workers in anticipation of a better wage.
- 2.2.4 Due to favourable climatic conditions and inputs that remained from the last financial year, more hectares were planted and thus resulting in overperformance.
- 2.2.6 Some of the green jobs planned for the previous financial year continued into the current financial year.

Strategy to overcome areas of underperformance

None, as there were no underperformances.

Sub-Programme 2.3: Land Use Management

Purpose: To promote the preservation, sustainable use and management of agricultural land through the administration of Conservation of Agricultural Resources Act (CARA), Subdivision of Agricultural Land Act (SALA), and Fencing Act.).

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Agro-ecosystem management plans developed.	2.3.1	Number of agro-ecosystem management plans developed.	6	6	6	6	-	No deviation
	Informed retention of Agricultural land and production feasibility.	2.3.2	Number of advices guiding subdivision/ rezoning/ change of agricultural land use to protect agricultural land.	1 038	11	13	18	5	Over performance
	Farm management plans developed.	2.3.3	Number of farm management plans developed.	53	51	55	60	5	Over performance
	Informed decision making by land users for sustainable agricultural production.	2.3.4	Number of natural /agricultural resources maps produced for planning and decision making purposes.	604	622	418	679	261	Over performance
	Advices on guiding sustainable use of agricultural natural resources.	2.3.5	Number of advices guiding sustainable use of agricultural natural resources.	147	132	100	139	39	Over performance

Reasons for all deviations

- 2.3.2** Demand driven: More requests were recorded in the Sara Baartman district.
- 2.3.3** Due to awareness campaigns conducted, many land users became aware of the services offered by the Department and many requests were received.
- 2.3.4** Demand-driven, more requests were received.
- 2.3.5** Demand-driven, more requests were received.

Strategy to overcome areas of underperformance

None, as there were no underperformances.

Sub-Programme 2.4: Disaster Risk Reduction

Purpose: To provide agricultural disaster risk reduction (prevention, mitigation, preparedness, response and relief) support services to producers and other clients.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains. Improved Food Security.	Awareness of disaster risk reduction conducted.	2.4.1	Number of awareness campaigns on disaster risk reduction conducted.	5	2	2	2	-	No deviation
	Surveys on uptake for early warning information conducted.	2.4.2	Number of surveys on uptake for early warning information conducted.	-	1	1	1	-	No deviation
	Reports submitted on the operationalization of the Early Warning and Disaster Management Centre.	2.4.3	Number of Reports submitted on the operationalisation of the Early Warning and Disaster Management Centre.	1	1	1	1	-	No deviation
	Spatial data disseminated to end users for planning purposes.	2.4.4	Number of spatial data disseminated to end users for planning purposes.	211	124	120	179	59	Over performance
		2.4.5	Number of advisories issued regarding Early warning.	172	212	150	151	1	Over performance

Reasons for all deviations

- 2.4.4** Overperformance was due to an increased demand for analogue material increased.
- 2.4.5** Overperformance is attributed to the effects of climate change.

Strategy to overcome areas of underperformance

None, as there were no underperformances.

LINKING PERFORMANCE WITH BUDGETS

The programme spent 100% of its budget and achieved 100% of its planned targets.

Sustainable Resource Management		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
2.1	Engineering Services	59 053	59 053	-	55 004	55 005	-1
2.2	Land Care	17 012	17 006	6	17 205	17 117	88
2.3	Land Use management	56 936	56 942	-6	57 496	57 495	1
2.4	Disaster Risk Management	3 664	3 664	-	3 261	3 261	-
TOTAL		136 665	136 665	-	132 966	132 878	88

4.3 Programme 3: Agricultural Producer Support and Development

Purpose: To provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work. Increase food production through producer support and development initiatives.

List of sub programmes

- Sub-Programme 3.1: Producer Support Services.
- Sub-Programme 3.2: Extension and Advisory Services.
- Sub-Programme 3.3: Food Security.

Sub-Programme 3.1: Producer Support Services

Purpose: To provide producer support services for sustainable agricultural development in line with the National Policy on Comprehensive Producer development Support.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Production across the agriculture value chain.	3.1.1	Number of producers supported in the Red Meat Commodity.	3 521	2 569	1 383	1 525	142	Over performance
		3.1.2	Number of Producers supported in the Grain Commodity.	1 340	734	443	495	52	Over performance
		3.1.3	Number of producers supported in the Citrus Commodity.	52	44	38	75	37	Over performance
	Increased agricultural production efficiency.	3.1.4	Number of producers supported in other provincial priority commodities.	1 149	238	111	152	41	Over performance
		3.1.5	Number of agricultural infrastructure completed.	155	123	123	125	2	Over performance
		3.1.6	Number of jobs created through infrastructure projects in support of sustainable agricultural development.	755	954	553	573	20	Over performance

Reasons for all deviations

- 3.1.1** Overperformance is due to additional beneficiaries who joined the projects during and after completion and were not part of the projects during initiation at Mireless Shearing shed, Gubevu diptank KSD Boreholes and Zweledinga Shearing shed.
- 3.1.2** Overperformance is due to additional beneficiaries who joined the projects during and after completion, were not part of the projects during initiation at the Mt Zion, Nyaka, Bodweni, Koppies and Slatsha arable land fencing projects.
- 3.1.3** Overperformance is due to the producers supported through the citrus intervention programme, wherein the department received more applications for support than anticipated.
- 3.1.4.** Overperformance is due to projects that were implemented through savings in Chris Hani, Amathole and OR Tambo districts.
- 3.1.5.** Overperformance is due to the Grahamstown Vet lab, wherein upgrades were necessitated during the year, as well as Dohne hydroponics upgrades that were planned to be completed in the last quarter of 2023/24 but were carried through to the 2024/25 financial year due to contractor delays.
- 3.1.6.** Overperformance is due to the reinforcement of community casual workers at Nowalala Fence, in Alfred Nzo district, employing more casual labourers than the targeted number to expedite the completion of the project within the scheduled time.

Strategy to overcome areas of underperformance

None as there are no underperformances.

Sub-Programme 3.2: Extension and Advisory Services

Purpose: To promote knowledge transfer and skills development as the foundation for equitable, productive, competitive, profitable and sustainable agricultural value chain enterprises.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations	
Sustainable agricultural value chains.	Enterprise development linked to value chain.	3.2.1 Number of information days held to promote knowledge transfer and skills to producers towards commodity development.	6 066	11 119	11 188	12 577	1 389	Over performance	
		3.2.2 Number of agricultural demonstrations conducted to practically educate producers on production methods.	15 233	21 998	17 267	20 569	3 302	Over performance	
		3.2.3 Number of training attended by extension practitioners on priority commodities.	391	413	220	294	74	Over performance	

Reasons for all deviations

3.2.1 & 3.2.2. Over-performance on both indicators was enhanced by the PES 3 deliveries to the beneficiaries throughout the province, who were supported with production inputs for broiler management as well as the projects that have received poultry inputs under the department's import substitution.

3.2.3. Over-performance also emanates from the technical trainings attended by Extension Practitioners to upskill them on various commodities such as Wool Sorting and Veld management, Animal nutrition and feed formulation, and an adhoc course on Agro-chemicals offered by UPL company, Cannabis training and Climate smart training by Agricultural Research Council (ARC) as well as the Marketing of Agricultural products conducted by the national department of Agriculture, formerly known as DALRRD.

Strategy to overcome areas of underperformance: None, as there are no underperformances

Sub-Programme 3.3: Food Security

Purpose: To support, advise and coordinate the implementation of National policy on Food and Nutrition Security

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
Improved food security.	Smallholder producers supported.	3.3.1	Number of smallholder producers supported.	12 539	11 901	8 700	10 099	1 399	Over performance
	Subsistence producers supported.	3.3.2	Number of subsistence producers supported.	22 645	22 935	30 000	30 163	163	Over performance
	Smallholder producers participating in Agricultural Value Chains.	3.3.3	Number of hectares planted for production of field crops.	31 139	29 117	22 584	22 711.89	127.89	Over performance
		3.3.4	Number of Livestock enterprises supported in support of sustainable Agriculture Value Chains	308	380	390	457	67	Over performance

Reasons for all deviations

- 3.3.1** The overperformance of the number of smallholder producers supported in the year under review is attributed to the fact that the cropping programme officials were busy conducting crop yield estimates as the maize is in dough stage at the fields.
- 3.3.2** The overperformance this year was significantly driven by the increase in deliveries to subsistence producers. This strategic prioritisation directly addresses the Human Rights Commission's recommendation to support vulnerable households. Concurrently, it has advanced a core departmental strategy of strengthening household-level food security through targeted assistance.
- 3.3.3** The over-performance of is attributed to the additional hectares that were planted by partners who were implementing the Import Substitute Project.

3.3.4 The over-performance on the number of livestock enterprises supported is attributed to the distribution of biological assets (sheep and cattle) across the province. The department supported livestock producers with different breeds of sheep and cattle under the Livestock Production Improvement Scheme. In addition to this, the support to poultry under the Import Substitute Project with feed and broiler chicks assisted the department in improving the performance on this indicator.

Strategy to overcome areas of underperformance

None, as there are no underperformances.

LINKING PERFORMANCE WITH BUDGETS

The programme achieved 100% of its planned targets with the allocated budget. The under-expenditure recorded under the Import Substitution Project was primarily due to a shortage in the market supply of chicks and eggs. Suppliers were unable to meet the required quantities. This mismatch between market availability and project needs resulted in delays in implementation and consequently, lower-than-anticipated expenditure for the reporting period.

AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
3.1	Producer Support Services	131 405	130 693	712	115 929	115 972	-43
3.2	Extension and Advisory services	474 223	474 223	-	457 586	457 573	13
3.3	Food Security	236 823	235 896	927	231 555	231 339	216
TOTAL		842 451	840 813	1 638	805 070	804 884	186

4.4 Programme 4: Veterinary Services

Purpose: To provide veterinary services to clients in order to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public.

List of Sub-Programme

- Sub-Programme 4.1: Animal Health.
- Sub-Programme 4.2: Veterinary International Trade Facilitation
- Sub-Programme 4.3: Veterinary Public Health.
 - Sub-Programme 4.4: Veterinary Diagnostics Services.
 - Sub-Programme 4.5: Veterinary Technical Support Services.

Sub-Programme 4.1: Animal Health

Purpose: To facilitate and provide animal health services in order to protect the animals and public against identified zoonotic and diseases of economic importance, promote primary animal health and welfare programs / projects, resulting in a favourable zoo-sanitary status that maintains consumer confidence in products of animal origin and enables the export of animals and products of animal origin.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Improved food security.	Biosecurity policies and strategies strengthened.	4.1.1	Number of samples collected for targeted animal disease surveillance.	94 164	126 380	91 972	118 373	26 401	Over performance
		4.1.2	Number of visits to epidemiological units for veterinary interventions.	16 543	15 465	9 266	12 490	3 224	Over performance
	Commercialization of livestock production.	4.1.3	Number of animals vaccinated against controlled animal diseases according to Animal Disease Act (Act 35 of 1984).	1 329 903	1 315 202	1 292 318	1 346 173	53 855	Over performance
		4.1.4	Number of treatments applied to sheep for the control of sheep scab to improve the quality and quantity of the wool clip.	9 205 024	8 950 616	8 194 678	8 738 473	543 795	Over performance
		4.1.5	Number of treatments applied to animals for external parasites control.	3 549 866	3 049 027	3 383 664	3 419 309	35 645	Over performance

Reasons for all deviations

- 4.1.1.1** The overperformance was due to the surveillance conducted as a result of the Foot and Mouth Disease outbreak in the Sarah Baartman District, where samples were collected that were not planned for.
- 4.1.1.2** Overperformance was due to visits to farms that were placed under quarantine as a result of the Foot and Mouth Disease outbreak.
- 4.1.1.3** The overperformance was due to vaccinations conducted on Foot and Mouth Disease affected farms as well as vaccinations conducted as a result of rabies outbreaks experienced in Elundini, Port St Johns, Ngqushwa and Mnquma local municipalities.
- 4.1.1.4** Overperformance was due to increased lambs born as a result of good veld conditions during the reporting period.
- 4.1.1.5** Slight overperformance was due to dipping requisites that were procured and delivered using the Presidential Employment Stimulus 3 funding that assisted in intensifying dipping in Alfred Nzo and Chris Hani districts.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 4.2: Veterinary International Trade Facilitation

Purposes: To facilitate the import and export of animals, products of animal origin animal and related products through certification of health

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains. Improved food security.	Biosecurity policies and strategies strengthened. Veterinary services awareness campaigns.	4.2.1	Number of veterinary certificates issued for export facilitation.	4 805	5 039	4 800	4 825	25	Over performance
		4.2.2	Number of outreach events supported to capacitate the communities, public and staff on veterinary services.	29	38	34	34	-	No deviation

Reasons for all deviations

4.2.1 Due to an increase in demand from the importing country.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 4.3: Veterinary Public Health

Purpose: To promote the safety of meat and meat products.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Reduce level of risks of associated with food. Safe meat produce.	4.3.1	Number of inspections conducted on facilities producing meat.	1 105	1 140	1 113	1 378	265	Over performance
		4.3.2	Number of compliant abattoirs registered to support livestock value chain).	99	89	89	89	-	No deviation
		4.3.3	Number of interactions to respond to the Provisions of the Meat Safety Act (Act 40 of 2000).	1 376	1 209	991	1 327	336	Over performance
		4.3.4	Number of samples collected to monitor the safety of meat produced at abattoirs as per Meat Safety Act (Act 40 of 2000).	2 073	2 205	1 888	2 627	739	Over performance

Reasons for all deviations

- 4.3.1 Due to demand from the clients on the ground, we had to deliver.
- 4.3.3 Due to more cases of illegal slaughter reported this year.
- 4.3.4 Due to more samples collected for national residue control program.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 4.4: Veterinary Diagnostics Services

Purpose: To provide veterinary diagnostics and investigative services that support and promote animal health and production towards the provision of safe food.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations	
Improved food security.	Confirmation of disease occurrence to support and promote animal health and production towards provision of safe food.	4.4.1 Number of specimen tested for diagnostic purposes.	113 738	159 591	101 850	111 904	10 054	Over performance	
	Reduce level of risks associated with food.	4.4.2 Number of laboratory tests performed according to prescribed standards.	50 360	120 091	73 715	120 091	46 376	Over performance	
	A healthy productive provincial livestock.	4.4.3 Number of primary animal health care (PAHC) interactions held to minimize the impact of disease occurrence.	11 420	12 743	11 909	24 778	12 869	Over performance	

Reasons for all deviations

4.4.1 Due to an increase in Brucellosis positive herds, especially in Sarah Baartman, thus an increase in Sero-surveillance.

4.4.2 Due to an increase in Brucellosis positive herds, especially in Sarah Baartman, thus an increase in Sero-surveillance.

4.4.3 Overperformance, as all clinics were allocated one or more Compulsory Community Veterinarians thus ensuring demand for service is met.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 4.5: Veterinary Technical Support Services

Purpose: To provide a veterinary ancillary support service that addresses and promotes the welfare of animals, animal identification and advisory service.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Improved food security.	Address and promotes the welfare of animals, animal identification and advisory services.	4.5.1	Number of Performing Animals Protection Act (PAPA) registration licenses issued.	17	21	21	21	-	No deviation

Reasons for all deviations

None, as there are no deviations.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

LINK PERFORMANCE WITH THE BUDGETS

The programme spent 100% of its budget and achieved 100% of its planned targets.

VETERINARY SERVICES		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
4.1	Animal Health	306 573	306 573	-	296 917	296 918	-1
4.2	Export Control	11 445	11 445	-	9 581	9 580	1
4.3	Veterinary Public Health	19 359	19 359	-	17 365	17 366	-1
4.4	Veterinary Laboratories	20 273	20 273	-	20 125	20 125	-
TOTAL		357 650	357 650	-	343 988	343 989	-1

4.5 Programme 5: Research and Technology Development Services

Purpose: To provide expert, problem focused and client centric agricultural research, technology development and transfer impacting on development.

List sub programmes

- Sub- Programme 5.1: Agricultural Research.
- Sub-Programme 5.2: Technology Transfer Services.
- Sub-Programme 5.3: Research Infrastructure Support Services

Sub Programme 5.1: AGRICULTURAL RESEARCH

Purpose: To improve agricultural production through conducting, facilitating and coordinating research and technology development.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains. Improved food security.	Research projects implemented.	5.1.1	Number of research projects implemented to improve agricultural production.	60	38	38	42	4	Over performance
	Reliable resource data for planning and decision making.	5.1.2	Number of samples (Soils, Plants, Feed and Water) analysed to support decision making of clients.	1 904	2 564	2 600	3 506	906	Over performance
	Aquaculture enterprises supported.	5.1.3	Number of aquaculture projects supported.	New OI	12	8	8	-	No deviation
	Fishing cooperatives supported.	5.1.4	Number of fishing co-operatives supported	New OI	5	10	10	-	No deviation

Reasons for all deviations

5.1.1 Overperformance is due to the appointment of research personnel which helped increase research projects implemented to improve agricultural production.

5.1.2 Overperformance is due to students attached to the Analytical services doing in-service training.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 5.2: Technology Transfer Services

Purpose: To disseminate information on research and technology developed to clients, peers and scientific community and relevant stakeholders.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Scientific paper published.	5.2.1	Number of scientific papers published.	16	9	6	13	7	Over performance
	Research presented at peer review events.	5.2.2	Number of research presentations made at peer reviewed events.	35	37	29	44	15	Over performance
	Research presented at technology transfer events.	5.2.3	Number of research presentations made at technology transfer events.	30	30	20	34	14	Over performance
	Technologies developed for smallholder producers.	5.2.4	Number of new technologies developed for the smallholder producers.	4	4	4	4	-	No deviation
	Booklets developed for smallholder producers.	5.2.5	Number of booklets developed for the smallholder producers.	8	9	6	6	-	No deviation
	Trial demonstrated.	5.2.6	Number of demonstration trials conducted with farmers in order to impart knowledge and skills on farming practices.	12	12	9	9	-	No deviation

Reasons for all deviations

- 5.2.1** Overperformance is ascribed to the earlier-than-anticipated completion of reviewing systems applied by journal editorial staff.
- 5.2.2** Overperformance is caused by maturity and experience in the professional staff, which has opened opportunities for researchers and technicians to utilise diverse platforms to present their research work.
- 5.2.3** Invitation to the department to present during Landcare Awareness in Ngqeleni resulted in more presentations being made

Strategy to overcome areas of underperformance

None, as there were no underperformances.

Sub-Programme 5.3: Research Infrastructure Support Services

Purpose: To manage and maintain research infrastructure facilities (research farms, laboratories) and provide support services to perform its research and technology transfer functions.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains Improved food security.	Research infrastructure managed.	5.3.1	Number of research infrastructure managed.	7	7	7	7	-	No deviation

Reasons for all deviations

Not applicable as there were no deviations within this sub-programme.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme

LINKING PERFORMANCE WITH BUDGETS

The programme spent 100% of its budget and achieved 100% of its planned targets.

		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
RESEARCH AND TECHNOLOGY DEVELOPMENT SERVICES							
5.1	Research	137 723	137 723	-	133 196	133 197	-1
5.2	Technology Transfer Services	5 089	5 089	-	4 213	4 213	-
5.3	Infrastructure Support Services	1 861	1 861	-	1 178	1 176	2
TOTAL		144 673	144 673	-	138 587	138 586	1

4.6 Programme 6: Agricultural Economic Services

Purpose: To provide timely and relevant agricultural economic services to ensure equitable participation in the economy.

List of sub programmes

- Sub-Programme 6.1: Production Economics and Marketing Support.
- Sub-Programme 6.2: Agro-Processing Support.
- Sub-Programme 6.3: Macroeconomics Support.

Sub-Programme 6.1: Agri-Business Support and Development

Purpose: To provide timely and relevant agricultural economic services to ensure equitable participation in the economy.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Agri-business supported with market access.	6.1.1	Number of Agri Businesses supported with marketing services.	2 445	305	94	227	133	Over performance
		6.1.2	Number of clients supported with production economic services.	1 062	563	376	511	135	Over performance
		6.1.3	Number of producers with SA Gap certification.	9	9	9	9	-	No deviation
	Agribusiness supported with BEE.	6.1.4	Number of commercially viable partnerships to drive productivity and competitiveness.	-	6	6	6	-	No deviation
		6.1.5	Number of agribusinesses supported with Black Economic Empowerment advisory services.	27	92	42	57	15	Over performance

Reasons for all deviations

- 6.1.1** The market exposure workshops attracted more farmers than planned. Four workshops were organised in the Amathole, Chris Hani, Joe Gqabi and Sarah Baartman.
- 6.1.2** More agribusinesses requested assistance, due to the blended finance by SEDA and Land Bank. There were also requests for assistance in business plan development by Land Reform farms.
- 6.1.5** More farmers attended the Agri-BEE Advisory services than the planned number. The interest on Agri-BEE is associated with Agri-BEE fund.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub-Programme 6.2: Agro-Processing Support

Purpose: To facilitate agro-processing initiatives to ensure participation in the value chain.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Agri-business supported.	6.2.1	Number of supported with agri-business initiatives.	13	20	3	3	-	No deviation

Reasons for all deviations

Not applicable, as there were no deviations within this sub-programme.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme.

Programme 6.3: Macroeconomics Support

Purpose: To provide economic and statistical information on the performance of the agricultural sector in order to inform planning and decision making.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Economic Reports.	6.3.1	Number of economic reports compiled.	19	38	20	28	8	Over performance

Reasons for all deviations

The overachievement relates to additional requests by internal clients in preparation for the strategic planning session and generating data for responding to questions from the legislature.

Strategy to overcome areas of underperformance

Not applicable, as there were no areas of underperformance within this sub-programme.

LINKING PERFORMANCE WITH BUDGETS

Sub-programme name		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
6.1	Agri-Business Support and Development	35 414	35 414	-	31 422	31 424	-2
6.2	Agro-Processing Support	-	-	-	-	-	-
6.3	Macroeconomics Support	3 259	3 259	-	7 315	7 315	-
TOTAL		38 673	38 673	-	38 737	38 739	-2

4.7 Programme 7: Agricultural Education and Training

Purpose: To provide and facilitate structured and vocational agricultural education and training to establish a knowledgeable, prosperous and competitive sector.

List Sub-Programmes

- Sub-Programme 7.1: Higher Education and Training.
- Sub-Programme 7.2: Agricultural Skills Development.

Sub-Programme 7.1: Higher Education and Training.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Skilled participants and employable graduates in the sector.	7.1.1	Number of students enrolled to complete accredited Higher Education and Training (HET) qualifications.	600	636	600	674	74	Over performance
		7.1.2	Number of students graduated with agricultural qualification.	153	136	155	187	32	Over performance
		7.1.3	Number of youth supported towards agri-business services.	26	162	145	166	21	Over performance

Reasons for all deviations

- 7.1.1** Recruitment strategies that include the Career Awareness Program rolled out throughout the years to Grades 10 to 12 and the requirements of the subject combination by the institutions have yielded positive results in attracting learners to the departments and the love for agriculture.
- 7.1.2** Due to the delayed students progressing to finalise their studies in the previous academic year(s), more graduated than what was planned.
- 7.1.3** Additional funding received from the AgriSETA and HWSETA for TARD for the appointment of interns to be placed at their institution with the SETAs funding that led to an increased number over and above the 120 CASP funded graduate intern program.

Strategy to overcome areas of underperformance

Not applicable as there were no deviations within this sub-programme.

Sub-Programme 7.2: Agricultural Skills Development

Purpose: To provide formal and non-formal training on agricultural skills development through structured vocational education and training programmes.

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
Sustainable agricultural value chains.	Skilled Producers.	7.2.1	Number of participants trained in skills development programmes in the sector.	2 608	2012	2 400	3319	919	Over performance
	Efficiently capacitated farmers/sector beneficiaries.	7.2.2	Number of Educators capacitated in agricultural science related fields to improve their understanding of the sector needs.	29	53	60	67	7	Over performance
		7.2.3	Number of school going learners exposed to various fields in the agriculture and rural development sector in order to attract new entrants to the sectors.	732	1908	2 400	2640	240	Over performance
	Enhanced Farming Business acumen.	7.2.4	Number of farms/projects mentored according to different commodities in order to make them profitable.	31	18	20	20	-	No deviation
	Efficiently capacitated farmers / sector beneficiaries.	7.2.5	Number of Farm-Workers completing accredited and/ or non-accredited training to develop skilled Farm-Workers.	12	318	250	261	11	Over performance
	Efficiently trained graduates.	7.2.6	Number of infrastructure programmes implemented in Agricultural Colleges	2	2	2	2	-	No deviation

Priority 02: The Economic Transformation and Job Creation									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from Planned targets to Actual Achievement 2024/25	Reasons for deviations
			developed to improve the farmer training capacity.						

Reasons for all deviations

7.2.1 The efforts exerted by Mpofu Training Centre in response to training requests received from surrounding local municipalities and the department of Social Development to assist in the capacitation of their food garden project to be trained value add and food processing has led to the overachievement of the planned targets.

7.2.2 The collaboration with the Department of Education with special focus on Educators in the 17 Agriculture High Schools using their assessment report to target educator needs and coming up with programs that were focused on the needs-based assessment led to an increased interest in the educator capacitation program.

7.2.3 Collaborations with institutions such as the University of Pretoria; Tshwane University of Technology; Nelson Mandela University; Department of Education; Agriculture Enterprises and TVET Colleges to show case their programs and offerings that will lead to diverse careers in the agricultural sector to encourage learners to pursue instead of studying to be appointed as Extension Officers in government has seen an increase in the interest of learners to follow careers in agriculture that are not offered in the public sector.

7.2.5 Mpofu Training Centre ensured a successful roll-out of Farm Workers training and exceeded the planned target by eleven as no trainees could be turned away when a turn up would be by one or two individuals over to the planned class.

Strategy to overcome areas of underperformance

Not applicable as there were no deviations within this sub-programme.

LINKING PERFORMANCE WITH BUDGETS

The programme has achieved 100% from its allocated budget in the year under review.

		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
7.1	Higher Education and Training.	64 479	64 480	-1	61 708	61 708	-
7.2	Agricultural Skills Development.	139 315	139 314	1	127 444	127 126	318
TOTAL		203 794	203 794	-	189 152	188 834	318

4.8 Programme 8: Rural Development

Purpose: To coordinate the development programmes by stakeholders in rural areas.

List of sub-programs

- Sub-programme 8.1: Rural Development Coordination.
- Sub-programme 8.2: Social Facilitation.

Sub-Programme 8.1: Rural Development Coordination

Purpose: To initiate, plan and monitor development in specific rural areas (CRDP sites) across the three spheres of government in order to address needs that have been identified.

Priority 5: Spatial Integration, Human Settlements and Local Government									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual 2024/25	Reasons for deviations
Integrated rural development.	Integrated development plans.	8.1.1	Number of District Planning Model supported.	6	6	8	8	-	No deviation
	Oversight Reports.	8.1.2	Number of oversight reports consolidated on rural development projects implemented through ECRDA.	4	4	4	4	-	No deviation
	Reliable resource data for planning and decision making.	8.1.3	Number of profiling reports conducted for promotion of sustainable rural livelihoods in identified areas.	7	7	7	7	-	No deviation

Reasons for all deviations

Not applicable as there were no deviations within this sub-programme.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

Sub- Programme 8.2 Social Facilitation

Purpose: To engage communities on priorities and to institutionalize and support community organizational structures (NGOs etc.).

Priority 5: Spatial Integration, Human Settlements and Local Government									
Outcome	Output	Output Indicator		Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Actual Achievements 2024/25	Deviation from planned targets to Actual Achievement 2024/25	Reasons for deviations
Integrated rural development.	Spatial integrated rural development.	8.2.1	Number of basic infrastructure projects implemented using innovations and appropriate technologies.	8	11	10	10	-	No deviation
		8.2.2	Number of rural development enterprises supported.	141	126	105	124	19	Over performance
		8.2.3	Number of IGR sessions conducted	4	4	4	4	-	No deviation

Reasons for all deviations

8.2.2 Overperformance is due to additional sewing machines procured from savings from projects that could not be implemented as planned.

Strategy to overcome areas of underperformance

Not applicable as there were no areas of underperformance within this sub-programme.

LINKING PERFORMANCE WITH BUDGETS

The programme spent 100% of its budget and achieved 100% of its planned targets.

		2024/2025			2023/2024		
		Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
8.1	Rural Development Coordination.	196 769	196 769	-	192 484	192 483	1
8.2	Social Facilitation.	21 442	21 442	-	19 633	19 633	-
TOTAL		218 211	218 211	-	212 117	212 116	1

5. TRANSFER PAYMENTS

5.1 Transfer payments to public entities

Achievements of the public entity				
Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	The agency had thirty-two (32) indicators. Of these nineteen (19) were achieved at 100%, six (6) were partially achieved at above 70% and seven (7) was not achieved. ECRDA is focusing on the stabilisation of the agency with the appointment of the new CEO and the development of a new 5 year strategy aligned with the mandate by DoA for the ECRDA to become the APEX agency for the commercialisation of agriculture in the EC. Overview of Public Entity's Performance
ECRDA	ECRDA Operations & Programmes Magwa Tea Estate	R 145 275	R202 967	
		R30 699	R30 699	

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				Service Delivery Environment: There were many challenges within the service delivery environment, which relate to, but was not limited to, community conflict, feedstock availability quality and quantity, storage and processing infrastructure as well as equipment that require updating and maintenance. In some areas, such as Hemp and Cannabis, there are also legislative restrictions that is hindering performance in this project. Furthermore, identified projects may require more funding that is available, and this makes it difficult to utilise the available funding with any real impact. Organisational Environment: During the reporting period the ECRDA undertook deliberate and structured efforts to strengthen institutional capacity, governance efficiency and leadership stability. These interventions were essential in restoring operational continuity following a period marked by executive leadership vacancies and audit related challenges. The Board initiated the development of a compliance register aimed to gather information regarding efforts towards achieving full compliance in the various operational areas within the agency. The agency is committed to address any outstanding issues identified to ensure not only improved performance but also improved compliance. Key Policy developments and legislative changes: There were no legislative changes or policy developments that impacted on the agency's performance during the period under review.
	Cannabis Industry Development	R10 919	R6 798	The Cannabis project had four (4) indicators in the Annual Performance Plan that had to be implemented. Of these the agency managed to achieve two (2), which is a performance of 50% on this project. The agency had to support hundred (100) cannabis and/or hemp farmers (achieved), facilitate the planting of 250ha of hemp (not achieved), establish one (1) cannabis incubator (not achieved) and initiate one (1) research program for cannabis (achieved). Legal cannabis and hemp sectors are sunrise industries in South Africa. This means that there are many complexities to the industry that challenges the implementation of this project. These include, but is not limited to:

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				• Delays in completing the cannabis sector enabling regulatory framework. • No local and unlisted hemp seed cultivar registered for commercial purposes in South Africa. • Over-emphasis on supply side interventions, such as issuing hemp permits, without clear demonstratable market demand pathway secured. • Lack of sector technical skill expertise across the value chain. The ECRDA has embarked on activities that the agency believes will mitigate some of the challenges listed under bullet 2.2. The mitigation the technical skills gap the ECRDA is facilitating training workshops and during the period under review the Agency had facilitated training for hundred (100) farmers. The training is aimed at assisting hemp permit holder farmers with appropriate technical training on all aspects of hemp primary cultivation practices aligned with market quality demands. To address the challenge of no registered hemp seed, the ECRDA facilitated the procurement of hemp seeds, imported from overseas, to embark on experimental hemp evaluation trials, of which the data shall be submitted to SANSOR for consideration in the national hemp seed registration initiative. The agency targeted 250ha, however only 75.5ha were ultimately planted. In November 2024 ECRDA distributed 5650kg hemp seeds and 5350kg fertilizer to 48 hemp producers whose farm status was assessed by ECDoA, ECRDA and ECHPA and found to be ready to cultivate evaluation trials. In an effort to mitigate the over-emphasis on the primary production side of the industry, before a market is secured, the ECRDA successfully secured a commercial offtake opportunity for twenty-six (26) hemp producers to cultivate on contract hemp flowers and supply to Medigrow. In January 2025 ECRDA distributed 1,140,000 hemp seeds to the twenty-six (26) hemp producers. Initially Medigrow wanted to subcontract 1000ha to local producers, however the funding support for farmers to participate in this initiative would have been R135 million, which to date has not been available.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				A private sector entity, TextTran, incubated at EL IDZ, is also pursuing a commercial interest in establishing hemp processing and manufacturing operations at the zone. The ECRDA is collaborating with them for the establishment of a controlled commercial trial of about 5ha. The entity engaged farmers upfront that the planting was trials and thus there was no any expectation created that the harvested product would have a market automatically.
	Eastern Cape Agriculture and Agro-processing Blended Finance Scheme	R25 000	R25 000	The ECRDA has two strategic partnerships with regards to blended finance. The first is a partnership with ECDC, who is assisted by LIMA and the second is a partnership with SEFA. These partnerships have had mixed results with regards to the funds being administered mainly due to the different qualification criteria of the two institutions administering the funds on behalf of the ECRDA. ECRDA / SEFA partnership experienced some challenges regarding the eligibility of the clients that have applied during the call for applications. This project has been slow and significantly delayed in various areas, including commercial due diligence for viability and risk assessments as well as disbursement. During October the Board approved the increase of grant portion from 50% to 70% to the qualifying applicants and the addendum to factor in this change was signed. To date the approved funding amount is R17 759 322.31, which relate to nineteen (19) applications with 72% designated as grant funding (R12 813 753.48). A total amount of R6 551 081.34 has been disbursed to eight (8) of the applications. The ECRDA / ECDC partnership has successfully approved twenty-nine (29) applications totalling R58 545 633. Of these twenty-eight (28) approved applications has been disbursed reaching a cumulative disbursement value of R54 883 636. There is only one disbursement outstanding to the value of R3 662 027. On average, the split between the grant and loan portions are 61% and 39% respectively.
	Citrus Intervention	R6 551	R6 632	The citrus project aimed to provide assistance to identified citrus farmers in two principal areas, namely payment of farm workers salaries and provision of production inputs for farmers. During the 2024/25 financial year, the total budget allocated for this project was R6,551,000 and of this the ECRDA supported the citrus farmers through administering the payroll for farm workers to the value of R1,514,762 and production input invoices that were processed was to the value of R5,117,564. There was an over expenditure of 1%, which was covered by the interest received from the initial investment. A total of 32 farmers were supported in various farm operations ranging from procurement of inputs, chemicals and payment of wages for their workers.

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
	Commodity Revolving Credit	R4 000	R4 000	The Revolving Credit facility was a tool provided by DoA with the aim to provide agricultural producers with a flexible financing tool, to access finance as and when it is needed to cover operating expenses. A public call for applications was made, which closed on the 22nd of November 2024 and through that process eighteen (18) applications were received. The value of the applications were R19.7 million, however, after evaluation of these applications it was established that extending credit to these applicants would amount to reckless lending and the changes of recovering the debt would be minimal.
	RED Hubs	R4 700	R4 288	The ECRDA committed to supporting five (5) RED Hubs during the 2024/25 financial year with specific development interventions. These development interventions were different for each hub. At all the hubs there were continuous social facilitation and all assets were secured. At Mbizana the storage facilities were refurbished, addressing a leaking roof, ceiling repairs as well as epoxy painting of the floors. An open field vegetable production and irrigation system was established at the Tshabo RED Hub, and the agency is supporting the hub through assisting with salary payments and securing markets for their produce, depending on the final harvest quality. At Emalahleni RED Hub the ECRDA procured yellow maize feedstock for processing of animal feed and the products are sold at the local shops and informal markets at Cacadu. The hub is continuing to operate, but not at capacity and furthermore it is challenged with frequent mechanical breakdowns due to old and outdated milling equipment. The Mqanduli RED Hub was supported by servicing tractors and employing tractor operators to provide the hub mechanisation centre the ability to support local crop production. All interventions were implemented, except for at the Mbizana RED Hub, where the Food Safety Certification for the potato sorting facility could not be obtained. The reason for this was that the facility has to be operating to enable the testing before the certification can be issued. Due to late planting as a result of rains the potatoes were not ready and therefore the plant could not undergo the testing required for certification:

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				Specific support to all the RED Hubs was as follows: Mbizana RED Hub <i>Infrastructure development and Maintenance:</i> Refurbishment works (roof water leaks, ceiling repairs and epoxy painting of floors) were done at the Mbizana RED Hubs. The refurbishment works were done to position the facility as Food, Feed Aggregation and Distribution Centre, which is an initiative aligned to the entity's 2025-2030 Strategic objectives. Additionally, the facility is being prepared for food safety certification in preparations for the other pending government programmes such as the Government Procurement of Agricultural products (GPAP). <i>Mechanization Support:</i> During the 2024/25 cropping season, the ECRDA provided support by procuring service kits and fuel for the mechanization unit. Additionally, the agency facilitated employment of three mechanization personnel (2x Tractor operators and 1xMechanization Supervisor) to provide mechanization services in support of local crop production. Tshabo RED Hub <i>Infrastructure development and Maintenance:</i> The agency facilitated installation of a sprinkler irrigation system and procured production inputs and agric-implements. First batch of seedlings (cabbage) was planted in February 2025 with a target of planting 10 000 seedlings batch (Cabbage and Spinach) monthly. The project currently employs thirteen (13) people who are assisting with the establishment and maintenance of field vegetable production. <i>Capacity development and Trainings provided:</i> The project personnel were exposed to onsite technical crop production trainings namely land preparation, seedling transplanting, fertilizer and agrochemical administration supported by DoA. SEDA supported by the ECRDA conducted three-day workshop (30 cooperative members) on

Name of Public Entity	Key Outputs of the public entity	Amount transferred to the public entity R'000	Amount spent by the public entity R'000	Achievements of the public entity
				Cooperative Governance. The agency facilitated a training (100 cooperative members) on Principles of Cooperative Governance & Leadership. Emalahleni RED Hub <i>Processing:</i> For Emalahleni RED Hub, the agency has procured 30 tons of yellow maize feedstock for processing to animal feed (crushed maize and germ meal). The products are sold to local shops and informal markets (walk-ins) at Cacadu. The Hub continues to operate sourcing maize feed stock from OVK maize traders situated at Elliot. This has created a total of eight (08) jobs opportunities. However, they have been experiencing frequent mechanical breakdowns due to old and outdated milling facility. The mechanization is also partially operational servicing local farmers. The agency procured service kits and spares for tractors. Mqanduli RED Hub <i>Mechanization Support:</i> During the 2024/25 cropping season, the ECRDA provided support by servicing tractors and fuel procurement for the mechanization unit. Additionally, the agency facilitated employment of three mechanization personnel (2x Tractor operators and 1xMechanization Supervisor) to provide mechanization services in support of local crop production. Securing of assets: All RED Hubs The agency has appointed security service providers for four RED Hubs (Emalahleni, Mbizana, Mqanduli and Ncora) and are currently at the sites. In the case of the Mqanduli RED Hub, the King Sabata Dalindyebo Municipality has appointed a security service provider, and their contract will remain in effect for a period of 36 months. Additionally, for Tshabo, their assets have been insured for a twelve-month period.
	EPWVP – payments of casual labourers	R12 876	R12 641	The agency has implemented the payment of EPWVP, casual labourers in line with the documents received from the DOA as well as transfers. A total amount of R12 640 878.13 was paid during the year under review.

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025.

Name of transferee	Type of organisation	Purpose for which the funds were used	Compliance with 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
-	-	-	-	-	-	-

The table below reflects the transfer payments which were budgeted for in the period 1 April 2024 to 31 March 2025 but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
-	-	-	-	-	-

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

None.

6.2 Conditional grants and earmarked funds received

The table/s below details the conditional grants and ear marked funds received during for the period 1 April 2024 to 31 March 2025.

COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME GRANT:

Department to whom the grant has been transferred to	Eastern Cape Department of Agriculture
Strategic goal	To create a favourable and supportive agricultural services environment for the farming community, in particular, subsistence and smallholder farmers and distressed commercial farmers within strategically identified grain, livestock and horticulture production areas
Purpose of the grant	- To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means, and are engaged in value-adding enterprises domestically, or involved in export. - To revitalise agricultural colleges into centres of excellence.
Outcome statements	- Broadened access to agricultural support for black subsistence, smallholder, and distressed commercial farmers - Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre, and aquaculture value chains - Increased capacity to support and oversee the productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP) - Improved systems required for the maintenance of a foot and mouth disease-free status as prescribed by the World Organisation for Animal Health - Increased wealth creation and sustainable employment in rural areas - Increased access to formal and institutional markets by beneficiaries of CASP

Department to whom the grant has been transferred to	Eastern Cape Department of Agriculture
Strategic goal	To create a favourable and supportive agricultural services environment for the farming community, in particular, subsistence and smallholder farmers and distressed commercial farmers within strategically identified grain, livestock and horticulture production areas
	- Improved household and national food security - Reliable and accurate agricultural information is available for management decision-making
Expected outputs of the grant	199 Subsistence, 1501 smallholder farmers supported through CASP. 167 Youth, 996 women, and 0 farmers with disabilities supported through CASP. 123 On-off farm infrastructure provided. 19 Beneficiaries of CASP supported with SA GAP certification. 519 Jobs created. - Beneficiaries of CASP are supported with market access. 2 Agricultural colleges upgrading infrastructure.
Actual outputs achieved	200 subsistence, 1 816 smallholder farmers supported through CASP. 167 Youth, 996 women, and 0 farmers with disabilities supported through CASP. 124 On-off farm infrastructure provided. 536 Jobs created. 19 Beneficiaries of CASP supported with SA GAP certification. 2 Agricultural colleges upgrading infrastructure.
Amount per amended DORA R	261 158.
Amount transferred R	261 158.
Reasons if budget Allocation not received	None, as the allocated budget was received.
Amount spent by the District	261 160.
Reasons for the funds unspent	None, as funds were spent.
Reasons for deviation on performance	Overperformance is due to the Grahamstown Vet lab, wherein upgrades were necessitated during the year, as well as Dohne hydroponics upgrades that were planned to be completed in the last quarter of 2023/24 but were carried through to the 2024/25 financial year due to contractor delays.
Measures taken to improve performance	None, as there are no underperformances.
Monitoring mechanism by the receiving department	- The program conducts weekly meetings to evaluate the performance of conditional grants, among others in line with the Business Plan. - Every monthly a budget advisory committee exist to assess financial progress of all programs against projections, where there are gaps, corrective measures are taken.

EXPANDED PUBLIC WORKS PROGRAMME GRANT:

The table below details the conditional grants and earmarked funds received during the period 1 April 2024 to 31 March 2025.

Department who transferred the grant	Department of Roads and Public Works
Purpose of the grant	Is to encourage provincial departments to enhance job creation initiatives by utilizing labor-intensive delivery methods, the following focus areas have been identified in alignment with the guidelines of the Expanded Public Works Programme (EPWP): Road maintenance and the upkeep of buildings: This includes the maintenance of low-traffic volume roads and rural roads, as well as other economic and social infrastructure projects. Sustainable land-based livelihoods: Focus will be placed on initiatives such as waste management, promoting environmentally friendly practices, and supporting projects related to sustainable land use. Tourism and cultural industries: Efforts will be made to promote job creation within the tourism and cultural sectors, encouraging economic growth and the preservation of cultural heritage. By emphasizing these specific areas, provincial departments will be incentivized to prioritize labour-intensive methods within their projects, ultimately leading to increased job opportunities and socio-economic development. These efforts are in line with the EPWP guidelines and aim to foster sustainable and inclusive growth in the targeted sectors.
Expected outputs of the grant	Number of jobs planned: 469.
Actual outputs achieved	Number of Jobs Created: 547.
Amount per amended DORA (R'000)	2 080.
Amount transferred (R'000)	2 080.
Reasons if amount as per DORA was not transferred	None, as funds were transferred.
Amount spent by the Department (R'000)	2 080.
Reasons for the funds unspent	None, as funds were spent.
Monitoring mechanism by the receiving department	The program conducts weekly meetings to evaluate the performance of conditional grants, among others in line with the Business Plan. Every month, a budget advisory committee sits to assess the financial progress of all programs against projections, and where there are gaps, corrective measures are taken.

ILIMA / LETSEMA CONDITIONAL GRANT:

Department to whom the grant has been transferred to	Eastern Cape Department of Agriculture
Strategic goal	To create a favourable and supportive agricultural services environment for the farming community, in particular, subsistence and smallholder farmers and distressed commercial farmers within strategically identified grain, livestock and horticulture production areas.
Purpose of the grant	- To provide effective agricultural support services, promote and facilitate agricultural development by targeting beneficiaries of land restitution and redistribution, and other previously disadvantaged producers who have acquired land through private means, and are engaged in value-adding enterprises domestically, or involved in export. - To revitalise agricultural colleges into centres of excellence.
Outcome statements	- Broadened access to agricultural support for black subsistence, smallholder and distressed commercial farmers. - Increased number of sustainable and profitable black producers in horticulture, grains, livestock, fibre and aquaculture value chains. - Increased capacity to support and oversee productivity and farming efficiency of beneficiaries of the Comprehensive Agricultural Support Programme (CASP). - Improved systems required for the maintenance of a foot and mouth disease-free status as prescribed by the World Organisation for Animal Health. - Increased wealth creation and sustainable employment in rural areas. - Increased access to formal and institutional markets by beneficiaries of CASP. - Improved household and national food security. - Reliable and accurate agricultural information available for management decision-making.
Amount per amended DORA (R'000)	R 55 965.
Amount transferred (R'000)	R 55 965.
Reasons if budget Allocation not received	N/A.
Amount spent by the Department (R'000)	55 965.
Reasons for the funds unspent	N/A.
Reasons for deviation on performance	N/A.
Measures taken to improve performance	N/A.
Monitoring mechanism by the receiving department	- The program conducts weekly meetings to evaluate the performance of conditional grants, among others in line with the Business Plan. - Every monthly a budget advisory committee exist to assess financial progress of all programs against projections, where there are gaps, corrective measures are taken.

LAND CARE GRANT:

Department who transferred the grant	Department of Agriculture, Land Reform and Rural Development
Purpose of the grant	To promote the sustainable use and management of natural resources, our department is actively engaged in community-based initiatives that align with the pillars of sustainability, namely social, economic, and environmental aspects. These initiatives aim to achieve multiple outcomes, including: Greater Productivity: We strive to enhance productivity in various sectors, such as agriculture, forestry, and fisheries, by adopting sustainable practices. This involves promoting efficient and responsible resource utilisation, implementing innovative techniques, and providing training and support to communities. Food Security: Our focus is on ensuring food security by supporting initiatives that enhance agricultural production, promote sustainable farming methods, and empower local communities to become self-sufficient in food production. This includes promoting sustainable farming practices, supporting small-scale farmers, and improving access to markets and resources. Job Creation: Through our community-based initiatives, we seek to generate employment opportunities, particularly in rural areas. By fostering sustainable economic activities such as agro-processing, eco-tourism, and green enterprises, we aim to create jobs and stimulate local economies. Well-being: We recognise the importance of improving the well-being of communities. Our initiatives aim to address social challenges, promote social inclusion, and enhance the overall quality of life. This includes supporting community development projects, providing access to basic services, and promoting social cohesion. By actively engaging in these community-based initiatives, we aim to achieve a balance between social, economic, and environmental aspects of sustainability. Through collaboration with stakeholders, we strive to create a sustainable future that benefits both present and future generations, fostering greater productivity, food security, job creation, and overall well-being for all.
Expected outputs of the grant	Awareness = 16; Capacity building = 26; Rehabilitation = 6 595 ha and Conservation Agriculture = 404 ha.
Actual outputs achieved	Awareness = 20; Capacity building = 39; Rehabilitation = 8 399.58 ha and Conservation Agriculture = 462.1 ha.
Amount per amended DORA (R'000)	13 470.
Amount transferred (R'000)	13 470.
Reasons if amount as per DORA was not transferred	None, as funds were transferred.
Amount spent by the Department (R'000)	13 466.
Reasons for the funds unspent	None, as funds were spent.
Monitoring mechanism by the receiving department	The program conducts weekly meetings to evaluate the performance of conditional grants, among others, in line with the Business Plan. Every month, a budget advisory committee sits to assess the financial progress of all programs against projections, and where there are gaps, corrective measures are taken.

CONDITIONAL GRANT DISASTER RISK MANAGEMENT

Department who transferred the grant	N/A.
Purpose of the grant	N/A.
Expected outputs of the grant	N/A.
Actual outputs achieved	N/A.
Amount per amended DORA (R'000)	N/A.
Amount transferred (R'000)	N/A.
Reasons if amount as per DORA was not transferred	N/A.
Amount spent by the Department (R'000)	N/A.
Reasons for the funds unspent	N/A.
Monitoring mechanism by the receiving department	N/A.

7. DONOR FUNDS

7.1 Donor Funds Received

No Donor funds received.

Name of donor	-
Full amount of the funding	-
Period of the commitment	-
Purpose of the funding	-
Expected outputs	-
Actual outputs achieved	-
Amount received (R'000)	-
Amount spent by the department (R'000)	-
Reasons for the funds unspent	-
Monitoring mechanism by the donor	-

8. CAPITAL INVESTMENT

- During the period under review, a total of 125 projects were completed out of the 123 planned infrastructure projects.
- 97 Kilometers of fence were erected to support livestock and crop production across the province.
- 14 Shearing sheds were constructed to improve wool income for smallholders and subsistence farmers.
- 19 Boreholes drilled and equipped for the provision of water for stock water and irrigation.
- 9 Dipping facilities were constructed and revitalised to support livestock production.
- 5 Animal handling facilities constructed to support livestock production.
- 3 SA Gap projects completed and 2 pack sheds to support vegetable producers.
- 9 Earth dams were scooped for the provision of livestock water.
- The department provided support to 39 citrus farmers who requested assistance from the department for funding for a bailout to the affected projects through an intervention program through ECRDA. Farmers who have benefited are from the Amathole and Sara Baartman Districts.
- To ensure proper asset management, all acquired assets are barcoded upon receipt in the LOGIS system. They are then physically barcoded and recorded in the asset register. Monthly asset reconciliations are performed to ensure accurate recording and tracking. An exam hall was completed at the Tsolo Agriculture and Rural Development Institute (TARDI). Maintenance and repairs were also carried out at Fort Cox College.
- It is important to note that the department does not own any immovable assets. The Department of Public Works and Infrastructure (DPW&I) serves as the custodian of these assets. The department submits a User Asset Management Plan (U-AMP) annually to DPW&I, outlining the maintenance needs and seeking their assistance in reducing the maintenance backlog.
- By effectively managing our assets and infrastructure, the aim is to ensure optimal service delivery and to support the agricultural development goals of the department.

No.	Project Name	Nature of investment	Infrastructure type	No. Of units	Commodity	Municipality	District	Funding source	Amount running over to 2025/26 R'000	Completion date
1	Amajabangqa	Construction of SA Gap compliance infrastructure.	SA GAP: Ablution	1	Horticulture	Ingquza Hill	OR Tambo	CASP	R650 000	31 March 2026
3	Lelethu Shearing Shed	Construction of a shearing shed with equipment and small stock diptank.	Shearing Shed	1	Wool	Ingquza Hill	OR Tambo	CASP	R583 000	31 May 2026
4	Quench Juice	Completion of a juice bottling and labelling house.	Juice-Making Machine	1	Horticulture	Mhlontlo	OR Tambo	CASP	R600 000	31 March 2026
5	Weltevrede Fencing	Fencing: Livestock.	Fencing	2,7km	Mohair	Blue Crane	Sarah Bartman	CASP	R230 500	31 March 2026
6	Westondale Fence	Fencing: Livestock.	Fencing	4km	Red Meat	Blue Crane	Sarah Bartman	CASP	R46 000	31 March 2026
7	Kapvilla Fencing	Fencing: Livestock.	Fencing	1,6km	Red Meat	Blue Crane	Sarah Bartman	CASP	R20 000	31 March 2026
8	Karkotskraal Ptn C Fencing	Fencing Livestock.	Fencing	4km	Red Meat	Blue Crane	Sarah Bartman	CASP	R333 000	31 March 2026
9	Tsolobeng Shearing Shed	Shearing shed.	Shearing Shed	1	Wool	Elundini	Joe Gqabi	CASP	R1 077 000	31 March 2026
10	Upper Tokoana Shed	Shearing shed.	Shearing Shed	1	Wool	Elundini	Joe Gqabi	CASP	R1 017 000	31 March 2026
11	Twinbird	Bid for professional services for the design and specifications of a solar electrical solution for the twin-bird poultry project.	PSP	1	Poultry	Emalahleni Local Municipality	Chris Hani	CASP	R106 655.45	31 March 2026
12	Fort Cox College Internal Roads Repair and Upgrade	The planning, design, construction supervision and monitoring of repair and upgrade of internal roads.	Colleges: Internal Roads	1	N/A	Raymond Mhlaba	Amathole	CASP	R919 776.16	31 March 2026
13	Alfred Nzo OHS	The provisioning of professional construction health and safety Services to develop specifications;	PSP: Occupational Health and Safety	1	N/A	Alfred Nzo	Alfred Nzo	CASP	R67 470.05	31 March 2026

No.	Project Name	Nature of investment	Infrastructure type	No. Of units	Commodity	Municipality	District	Funding source	Amount running over to 2025/26 R'000	Completion date
		monitor and manage construction site according to standard operating procedures for OH&S for all infrastructure projects in the Alfred Nzo District.								
14	Alfred Nzo OHS	The provisioning of professional construction health and safety services to develop specifications, monitor, and manage the construction site according to standard operating procedures for OH&S for all infrastructure projects in the Alfred Nzo District.	PSP: Occupational Health and Safety	1	N/A	Alfred Nzo	Alfred Nzo	CASP	R257 231.70	31 March 2026
15	OR Tambo Grain Storage	Professional services for the Planning, Design, Tender Documentation, Tender Evaluation, Construction Supervision, Contract Administration and Close-Out OR Tambo Grain Silo in KSD LM.	Grain Storage	1	Grain	King Sabata Dalindyebo	OR Tambo		R922 240.64	31 March 2026
16	Senqu Multipurpose Sheds: Spambo	Supply, delivery, and construction of a multipurpose shed at Spambo in the Senqu Local Municipality of the Joe Gqabi District.	Multipurpose Sheds	1	Wool	Senqu	Joe Gqabi	CASP	R400 403.35	31 March 2026
17	Senqu Multipurpose Sheds: Rockliff	Supply, delivery, and construction of a multipurpose shed at Rockville in the Senqu Local Municipality of the Joe Gqabi District.	Multipurpose Sheds	1	Wool	Senqu	Joe Gqabi	CASP	R363 064.59	31 March 2026

No.	Project Name	Nature of investment	Infrastructure type	No. Of units	Commodity	Municipality	District	Funding source	Amount running over to 2025/26 R'000	Completion date
18	Joe Gqabi MPS: Fletchererville	Supply, delivery, and construction of a multipurpose shed at Fletchererville in the Elundini Local Municipality of the Joe Gqabi District.	Multipurpose Shed	1	Wool	Elundini	Joe Gqabi	CASP	R209 229.01	
19	TARDI Access Gate	Professional services for the planning, design, tender documentation, construction supervision and closeout of an access gate, incinerator building, and poultry house at TARDI.	Access gate	1	Poultry	Mhlontlo	OR Tambo	CASP	R389 846.76	31 March 2026
20	TARDI Bulk Water Reservoir	Bid for the Supply, Delivery, and Installation of rectangular steel panels bulk water reservoir at Tsolo Agriculture and Rural Development Institute of the OR Tambo District.	Bulk Water Reservoir	1	N/A	Mhlontlo	OR Tambo	CASP	R615 012.86	31 March 2026
21	Fort Cox College Sprinkler irrigation system	Bid for design, delivery, and installation of micro sprinkler irrigation system in the Fort Cox College of Agriculture and Forestry at Raymond Mhlaba Local Municipality of the Amathole District.	Micro Sprinkler Irrigation system	30ha	Horticulture	Raymond Mhlaba	Amathole	CASP	R2 819 435.20	31 March 2026
22	Fort Cox College Nursery	Bid for professional services for the planning, design, construction supervision, and monitoring of a high-tech nursery structure, complete with an	Nursery	1	Horticulture	Raymond Mhlaba	Amathole	CASP	R558 228.42	31 March 2026

No.	Project Name	Nature of investment	Infrastructure type	No. Of units	Commodity	Municipality	District	Funding source	Amount running over to 2025/26 R'000	Completion date
		irrigation system and germination room, including all civil and electrical works related to the structure.								
23	Dohne Agricultural Development Institute Multi-Functional Aquaculture Demonstration Facility	Design, Delivery, and Construction of a Multi-Functional Aquaculture Demonstration Facility	Multi-Functional Aquaculture Demonstration Facility	1	Aquaculture	Amahlathi	Amathole	CASP	R9 465 455.52	31 March 2026
24	Dohne Agricultural Development Institute, Dohne, Concrete Floor for Horticultural Tunnel	Construction of Concrete Floor for Horticultural Tunnel.	Concrete Floor for Horticultural Tunnel	1	Horticulture	Amahlathi	Amathole	CASP	R210 549.89	31 March 2026
25	Dohne Renovation and Upgrading of Block C Laboratory	Renovation and Upgrading of Block C Laboratory at Dohne ADI.	Building and other fixed structures	1	Horticulture	Amahlathi	Amathole	CASP	R53 898.38	31 March 2026
26	EIA Twinbird	Bid for professional consulting service for a basic environmental impact assessment.	EIA	1	Poultry	Emalahleni	Chris Hani	CASP	R234 795.58	31 March 2026
27	Bathwali Bentuthuko Feasibility Study	Professional services for the feasibility, design development, tender documentation.	PSP	1	Horticulture	Winnie Madikizela	Alfred Nzo	CASP	R398 475.00	31 March 2026
28	AKFT EIA	Provision of professional services to conduct EIA for	EIA	1	Poultry	Ndlambe	Sarah Bartman	CASP	R50 000.00	31 March 2026

No.	Project Name	Nature of investment	Infrastructure type	No. Of units	Commodity	Municipality	District	Funding source	Amount running over to 2025/26 R'000	Completion date
		the construction of layer structure.								
29	Bankop EIA, First Born & Madalane	Provision of professional services to conduct EIA for the construction of piggery & poultry structures.	EIA	1	Poultry and Piggery	Kouga	Sarah Bartman	CASP	R60 000.00	31 March 2026
30	Two Rivers EIA	Provision of professional services to conduct an EIA for the construction of a piggery structure.	EIA	1	Piggery	Koukama	Sarah Bartman	CASP	R50 000.00	31 March 2026
31	Nkelekehe Driptank	Renovations Of Large Stock Driptank.	Dip Tank Renovation	1	Red Meat	Mnquma	Amatole	CASP	R43 254	31 March 2026
32	Star Vegetable (Malgas) Production Sa Gap	Sa Gap: Cool room and Ablution Facilities.	SA GAP: Cool Room	1	Horticulture	Mnquma	Amatole	CASP	R41 636	31 March 2026
33	Gcinibuzwe Stock Water Project	Construction Stock Water Project (Retentions).	Stockwater Systems	1	Red Meat	Amahlati	Amatole	CASP	R120 000	31 March 2026
34	Nkelekehe Driptank	Installation Of Fence.	Fencing: Livestock	1	Red Meat	BCMM	Amatole	CASP	R25 442	31 March 2026
35	Mhlanga	Completion of payment for 7,5 km casual labour.	Fencing: cropping-casual labourers	7.5 km	Grain	Mbizana	Alfred Nzo	CASP	R94 300	31 March 2026
36	Prashanti Eia, Sam & Nxele EIA	Provision of professional service to conduct EIA for broiler & piggery production.	EIA	1	Piggery and Poultry	Nelson Mandela Bay Metro	Sarah Bartman	CASP	R50 000.00	31 March 2026

8.1 Capital investment, maintenance and asset management plan

	2024/25			2023/24		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/ Under Expenditure R'000
Infrastructure Projects						
New and replacement assets	90 541	84 564	5 977	88 761	87 441	1 320
Existing infrastructure assets	17 643	16 983	660	12 059	10 325	1 734
- Upgrades and additions	8 560	10 149	-1 589	1 286	1829	-543
- Rehabilitation, renovations and refurbishments	6 386	5 936	450	9 273	8 496	777
- Maintenance and repairs	2 697	898	1 799	1 500	-	1 500
Infrastructure transfer		2 800	-2 800	-	-	-
- Current		2 800	-2 800	-	-	-
- Capital				-	-	-
Non Infrastructure	23 861	34 993	-11 132	17 808	15 759	2 049
Total	132 045	139 340	7 295	118 628	113 525	5 103



PART C

GOVERNANCE



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

I INTRODUCTION

Ensuring the highest standards of governance is a core principle for the department in managing public finances and resources. Users seek reassurance that the department has robust governance structures in place to ensure the effective, efficient, and economical utilisation of state resources, which are funded by taxpayers

2 RISK MANAGEMENT

The department consistently evaluates the Risk Management Policy, which represents the position of the Accounting Officer regarding enterprise risk management (ERM) matters in the department, as mandated by Section 38 of the PFMA. The ERM Strategy serves not only as a complement to the Risk Management Policy and Strategy but also as a significant governance document that assists management and employees in effectively carrying out their planned operational activities. It encompasses the Risk Management Methodology, delineates the responsibilities of management and employees, and addresses various other relevant aspects of effective and efficient risk management which includes promotes identification of opportunities while identifying and mitigating risks identified, in line with the Public Sector Risk Management Framework.

2.1 RISK ASSESSMENT AND RISK PROFILE

The department conducts risk assessments at least once annually in line with Treasury Regulations and during the year emerging risks are identified and assessed with mitigation plans put in place and added onto the existing risk registers for further monitoring. The department follows an approved methodology as per the Public Sector Risk Management Framework approved by National Treasury. The department has conducted risk assessments to identify the key risks both at a strategic and operational level for the 2024/25 financial year and risk profiles have been developed for the department.

The risks were assessed and rated according to their likelihood of occurrence and impact should they occur or materialise. They were then prioritised and consolidated into risk registers, which were signed off by the Risk Owners. This was utilised to develop the overall departmental risk profile for the financial year. The Strategic risk register was signed by the Branch Heads and approved by the Accounting Officer. The approved risk registers were submitted to Internal Audit to develop their risk-based Internal Audit Plan for 2024/2025 and were also submitted to Provincial Treasury as required. The departmental risks are also inclusive of provincial risks, as per the province's key priorities, and these are also monitored by the department and reported quarterly to the Provincial Treasury.

The risk mitigation plans agreed upon to manage the identified risks were monitored on a monthly and quarterly basis with portfolio of evidence submitted by programmes and these were reported and discussed at the Risk Management Committee meetings held during the period. The Risk Registers were also reviewed by the Risk Management Committee before signing off and submission to Provincial Treasury. Once approved they were shared with the Programme Managers to communicate to their team members, so that everyone is aware of the identified risks and action plans to mitigate the risks.

2.2 THE RISK MANAGEMENT COMMITTEE (RMC)

The department has a functional Risk Management Committee (RMC) that meets quarterly, chaired by an independent specialist appointed for a period of three years. The cross-functional nature of the RMC is central to its effectiveness and reflects the various matters that relate to risk management and deliberates on the department's operational activities, including potential improvements to the ERM Strategy and mitigating plans. The fact that the department has reached a level of maturity where risk reports are deliberated on, is evident, based on the value added by the RMC.

The department has an approved Enterprise Risk Management Framework and Policy, Enterprise Risk Management Methodology and Strategy in place. For the year under review the Committee held four meetings and approved the following Risk Management Strategic documents: Enterprise Risk Management Implementation Plan, Strategic and Operational Risk Registers. The documents were taken through a rigorous process of review within various functional components of the Department. The Department has timeously submitted quarterly Risk Management Activity Reports to the Provincial Treasury.

2.3 PROGRESS ON ENTERPRISE-WIDE RISK MANAGEMENT

Enterprise-wide Risk management looks at the whole organisation, in terms of coordinated risk management activities with emphasis collaboration. The department has reviewed and approved the Risk Management Policy, Strategy and Implementation Plan for the financial year. Monitoring of implementation is done quarterly and reported to the relevant governance structures (Top management, Risk Management Committee, Audit committee, Provincial Treasury, etc.). ERM offers a framework to effectively manage uncertainty, respond in a proactive manner to identify risks and exploit opportunities as they arise in order to turn every risk into an opportunity for the benefit of the department.

The province has developed and approved a Risk Appetite and Tolerance Framework for provincial departments to adopt and implement in their respective departments. This is a project that the department will be starting in the new financial year, along with its training, as well as looking into developing the Business Continuity Management (BCM) Framework and training, in order to strengthen resilience and quick response.

Training: One Risk Practitioner was trained on the Certification of Risk Management (CRM-Prac) by the Institute of Risk Management of South Africa (IRMSA), which was sponsored by Provincial Treasury, as part of training and development interventions for Provincial Departments, along with other Risk Management trainings.

2.4 INSTITUTIONALISATION OF ENTERPRISE RISK MANAGEMENT

The Department has put systems and structures in place and capacitated officials to ensure they understand the value proposition of risk management and further create a risk aware culture. This had a direct impact on the department in achieving level 3 (out of 5 levels) in the risk maturity assessment done by the Institute of Risk Management South Africa that was conducted 2021. The department has improved its risk culture since then, however, another assessment has not been conducted.

2.6 CHALLENGES

Due to the decline of public funds, Risk Management has limited resources, and manual processes remain obstacles in the automation of Risk Management, which would enhance its operations. Work is underway to automate risk management processes through the inhouse developed under GITO.

3 FRAUD AND CORRUPTION

The department has an approved Fraud prevention and Anti-corruption policy, as a guiding document on anti-corruption, fraud prevention, detection and investigation (including the investigation process). Annually an implementation plan is developed combining Anti-corruption and Ethics management, which is monitored quarterly through the departmental merged Ethics Committee and the Provincial Ethics Officer's Forum.

Allegations of fraud and corrupt activities can be reported through various reporting mechanisms, which are also listed in the policy:

- lii.i. National Anti-corruption Hotline (NACH) on tollfree number - 0800 701 701,
- lii.ii. Departmental Ethics Office in Bhisho,
- liv.iii. Offices of the MEC & HOD,
- lv.iv. Office of the Premier and Provincial Treasury ,
- lvi.v. Office of the Auditor General (AGSA),
- lvii.vi. Various Law Enforcement Agencies:
 - o South African Police Service (SAPS),
 - o Department of Priority Crimes unit (HAWKS),
 - o State Security Agency (SSA),
 - o Special Investigation Unit (SIU),
 - o Public Service Commission (PSC),
 - o Public Protector (PP), etc.

Once an allegation is reported, the department by law has a duty to initiate an investigation (internally or externally) and a report is issued with findings and recommendations, approved by the Accounting Officer on internal investigations, it is then handed over to Labour Relations unit to implement the recommendations of consequence management (if the investigation report warrants that) and those are reported on quarterly.

For external investigations, reports are also submitted to the department for noting and implementation, they also go their own route depending on the external investigators' process, e.g. court proceedings in the case of SAPS.

TYPES OF ANTI-CORRUPTION CASES INVESTIGATED

Nature of offences as per the total number of cases reported – Current FY

Nature of Cases	Number
Fraud & Corruption	4
Forged Signature	-
Tender Irregularities	1
Nepotism	-
Payroll Fraud	-

Nature of Cases	Number
Procurement Fraud	-
Travel Claims	-
Financial Misconduct	-
Maladministration	1
Other	4
TOTAL	10

Status of cases (including open cases in prior years)

Type	Status	Number
SAPS / DCPI (Hawks)	Cases are still under investigation by SAPS, one case a warrant of arrest has been issued against a former employee.	2
Special Investigation Unit (SIU)	Case is still investigation by SIU on a proclamation by the President of RSA on CASP.	1
Departmental Anti-corruption unit	The investigations have been finalised and forwarded for consequence management.	5
Closed files	Files closed; consequence management finalized.	1
Pending cases still need to be finalised and closed	Cases are still under investigation, as at end of financial year.	7
Recommended cases for finalisation to the Accounting Officer (AO).	No cases are awaiting approval by the AO.	0
Total*		25*

**NB: The above total number of cases is inclusive of older cases from prior financial years; hence the amount differs from the current financial year.*

CHALLENGES FACED REGARDING THE CASES REPORTED (HOTLINE / DEPARTMENT)

The Department has experienced a limited frequency of reported cases through the National Anti-Corruption Hotline (NACH). Following thorough inquiries, it has been confirmed that no cases have been reported to date. The NACH is currently being enhanced by National to ensure that the public confidence is instilled again and is encouraged to report cases of fraud and corrupt activities.

4 MINIMISING CONFLICT OF INTEREST

The department as part of a rigorous process of managing the conflict of interest, is implementing both the Provincial Treasury Circular 1 of 202 and the DPSA Guide on managing Conflict of interest, which fosters collaboration between Anti-corruption unit, Supply Chain Management (SCM) and Human Resources (HR) unit, as well as Provincial Treasury on the monitoring of the Central Database (CSD). Upon reporting of an allegation of conflict of interest (actual or potential) an investigation is instituted. Furthermore, on identification of companies registered on CSD where Directors are employees of government, a request to remove / de-register the company is submitted to PT, whilst the investigation is underway.

Period	No. of cases / employees on CSD	Status
Q1	0	All have been removed from the CSD.
Q2	1	All have been removed from the CSD.
Q3	2	All have been removed from the CSD.
Q4	0	All have been removed from the CSD.

5 CODE OF CONDUCT

The departmental Code of Conduct and Code of Ethics are presented to employees on a quarterly basis. This regular engagement has led to a noticeable improvement in employee performance and behaviour.

6 HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES

In compliance with the Occupational Health and Safety Act, the department managed to hold 4 mandatory provincial Health and Safety Committee meetings and 12 district committee meetings. The functionality of the district Committees improves the better management of health and safety issues at local level. The OHS Act requires that the statutory functionaries be in place and 174 SHE Reps and 50 First Aiders were trained in the period under review. The department also monitored the implementation of 712 risk mitigation recommendations as specified in the Risk Assessment Report. Out of the total risks monitored, 182 were classified as extreme high risks, 237 as high risks, 193 as medium risks, and 100 as low risks. The monitored priority risks encompass Safety, Health, and Environment (SHE) Representatives, First Aiders, emergency equipment, electrical hazards, structural integrity of buildings, personal protective equipment (PPE), hygiene, and housekeeping.

The department also established collaborations with local municipalities to conduct awareness sessions on fire management, reaching a total of 235 employees at the Head Office, Amatole District, and Dohne. Conducted internal fire drills for Head office and Amatole district office employees and a Certificate of Compliance was issued by Buffalo City Municipality for the Amatole district building.

Conducted a Hazard Identification Risk Assessment (HIRA) at Mpofu Training Centre. The department continued to promote health and safety through awareness raising sessions reaching a total of 374 employees.

7 PORTFOLIO COMMITTEE

The Department met with the Portfolio Committee on 04, 07, 12 and 20 November 2024 to discuss the Annual Report and the Financial Oversight report.

RESOLUTIONS / RECOMMENDATIONS OF THE PORTFOLIO COMMITTEE ON DRDAR'S HALF YEAR FINANCIAL AND REFORMANCE OVERSIGHT REPORT

The department consistently evaluates the Risk Management Policy, which represents the position of the Accounting Officer regarding enterprise risk management (ERM) matters in the department, as mandated by Section 38 of the PFMA. The ERM Strategy serves not only as a complement to the Risk Management Policy and Strategy but also as a significant governance document that assists management and employees in effectively carrying out their planned operational activities. It encompasses the Risk Management Methodology, delineates the responsibilities of management and employees, and addresses various other relevant aspects of effective and efficient risk management which includes

promotes identification of opportunities while identifying and mitigating risks identified, in line with the Public Sector Risk Management Framework.

7.1 RISK ASSESSMENT AND RISK PROFILE

The department conducts risk assessments at least once annually in line with Treasury Regulations and during the year emerging risks are identified and assessed with mitigation plans put in place and added onto the existing risk registers for further monitoring. The department follows an approved methodology as per the Public Sector Risk Management Framework approved by National Treasury. The department has conducted risk assessments to identify the key risks both at a strategic and operational level for the 2024/25 financial year and risk profiles have been developed for the department.

The risks were assessed and rated according to their likelihood of occurrence and impact should they occur or materialise. They were then prioritised and consolidated into risk registers, which were signed off by the Risk Owners. This was utilised to develop the overall departmental risk profile for the financial year. The Strategic risk register was signed by the Branch Heads and approved by the Accounting Officer. The approved risk registers were submitted to Internal Audit to develop their risk-based Internal Audit Plan for 2024/2025 and were also submitted to Provincial Treasury as required. The departmental risks are also inclusive of provincial risks, as per the province's key priorities, and these are also monitored by the department and reported quarterly to the Provincial Treasury.

The risk mitigation plans agreed upon to manage the identified risks were monitored on a monthly and quarterly basis with portfolio of evidence submitted by programmes and these were reported and discussed at the Risk Management Committee meetings held during the period. The Risk Registers were also reviewed by the Risk Management Committee before signing off and submission to Provincial Treasury. Once approved they were shared with the Programme Managers to communicate to their team members, so that everyone is aware of the identified risks and action plans to mitigate the risks.

7.2 THE RISK MANAGEMENT COMMITTEE (RMC)

The department has a functional Risk Management Committee (RMC) that meets quarterly, chaired by an independent specialist appointed for a period of three years. The cross-functional nature of the RMC is central to its effectiveness and reflects the various matters that relate to risk management and deliberates on the department's operational activities, including potential improvements to the ERM Strategy and mitigating plans. The fact that the department has reached a level of maturity where risk reports are deliberated on, is evident, based on the value added by the RMC.

The department has an approved Enterprise Risk Management Framework and Policy, Enterprise Risk Management Methodology and Strategy in place. For the year under review the Committee held four meetings and approved the following Risk Management Strategic documents: Enterprise Risk Management Implementation Plan, Strategic and Operational Risk Registers. The documents were taken through a rigorous process of review within various functional components of the Department. The Department has timeously submitted quarterly Risk Management Activity Reports to the Provincial Treasury.

7.3 PROGRESS ON ENTERPRISE-WIDE RISK MANAGEMENT

Enterprise-wide Risk management looks at the whole organisation, in terms of coordinated risk management activities with emphasis collaboration.

The department has reviewed and approved the Risk Management Policy, Strategy and Implementation Plan for the financial year. Monitoring of implementation is done quarterly and reported to the relevant governance structures (Top management, Risk Management Committee, Audit committee, Provincial Treasury, etc.). ERM offers a framework to effectively manage uncertainty, respond in a proactive manner to identify risks and exploit opportunities as they arise in order to turn every risk into an opportunity for the benefit of the department.

The province has developed and approved a Risk Appetite and Tolerance Framework for provincial departments to adopt and implement in their respective departments. This is a project that the department will be starting in the new financial year, along with its training, as well as looking into developing the Business Continuity Management (BCM) Framework and training, in order to strengthen resilience and quick response.

Training: One Risk Practitioner was trained on the Certification of Risk Management (CRM-Prac) by the Institute of Risk Management of South Africa (IRMSA), which was sponsored by Provincial Treasury, as part of training and development interventions for Provincial Departments, along with other Risk Management trainings.

7.4 INSTITUTIONALISATION OF ENTERPRISE RISK MANAGEMENT

The Department has put systems and structures in place and capacitated officials to ensure they understand the value proposition of risk management and further create a risk aware culture. This had a direct impact on the department in achieving level 3 (out of 5 levels) in the risk maturity assessment done by the Institute of Risk Management South Africa that was conducted 2021. The department has improved its risk culture since then, however, another assessment has not been conducted.

7.5 CHALLENGES

Due to the decline of public funds, Risk Management has limited resources, and manual processes remain obstacles in the automation of Risk Management, which would enhance its operations. Work is underway to automate risk management processes through the inhouse developed under GITO.

8 FRAUD AND CORRUPTION

The department has an approved Fraud prevention and Anti-corruption policy, as a guiding document on anti-corruption, fraud prevention, detection and investigation (including the investigation process). Annually an implementation plan is developed combining Anti-corruption and Ethics management, which is monitored quarterly through the departmental merged Ethics Committee and the Provincial Ethics Officer's Forum.

Allegations of fraud and corrupt activities can be reported through various reporting mechanisms, which are also listed in the policy:

- lii.i. National Anti-corruption Hotline (NACH) on tollfree number - 0800 701 701,
- liii.ii. Departmental Ethics Office in Bhisho,
- liv.iii. Offices of the MEC & HOD,

- lv.iv. Office of the Premier and Provincial Treasury,
- lvi.v. Office of the Auditor General (AGSA),
- lvii.vi. Various Law Enforcement Agencies:
 - o South African Police Service (SAPS),
 - o Department of Priority Crimes unit (HAWKS),
 - o State Security Agency (SSA),
 - o Special Investigation Unit (SIU),
 - o Public Service Commission (PSC),
 - o Public Protector (PP), etc.

Once an allegation is reported, the department by law has a duty to initiate an investigation (internally or externally) and a report is issued with findings and recommendations, approved by the Accounting Officer on internal investigations, it is then handed over to Labour Relations unit to implement the recommendations of consequence management (if the investigation report warrants that) and those are reported on quarterly.

For external investigations, reports are also submitted to the department for noting and implementation, they also go their own route depending on the external investigators' process, e.g. court proceedings in the case of SAPS.

TYPES OF ANTI-CORRUPTION CASES INVESTIGATED

Nature of offences as per the total number of cases reported – Current FY

Nature of Cases	Number
Fraud & Corruption	4
Forged Signature	0
Tender Irregularities	1
Nepotism	0
Payroll Fraud	0
Procurement Fraud	0
Travel Claims	0
Financial Misconduct	0
Maladministration	1
Other	4
TOTAL	10

Status of cases (including open cases in prior years)

Type	Status	Number
SAPS / DCPI (Hawks)	Cases are still under investigation by SAPS, one case a warrant of arrest has been issued against a former employee.	2
Special Investigation Unit (SIU)	Case is still investigation by SIU on a proclamation by the President of RSA on CASP.	1
Departmental Anti-corruption unit	The investigations have been finalised and forwarded for consequence management.	5
Closed files	Files closed; consequence management finalised.	1
Pending cases still need to be finalised and closed	Cases are still under investigation, as at end of financial year.	7
Recommended cases for finalisation to the Accounting Officer (AO).	No cases are awaiting approval by the AO.	0
Total*		25*

**NB: The above total number of cases is inclusive of older cases from prior financial years; hence the amount differs from the current financial year.*

CHALLENGES FACED REGARDING THE CASES REPORTED (HOTLINE / DEPARTMENT)

The Department has experienced a limited frequency of reported cases through the National Anti-Corruption Hotline (NACH). Following thorough inquiries, it has been confirmed that no cases have been reported to date. The NACH is currently being enhanced by National to ensure that the public confidence is instilled again and is encouraged to report cases of fraud and corrupt activities.

9 PRIOR MODIFICATION TO AUDIT REPORTS

Include a discussion on mechanisms put in place by the Accounting Officer to resolve the matters reported by the AGSA in the previous financial year. This should include all matters in the audit report and those noted as important in the management report. The discussion should be limited to all matters that gave rise to a qualification, disclaimer, adverse opinion and matters of non-compliance only. The department may include the information in a table as follows:

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
None.	None.	None.

10 INTERNAL CONTROL UNIT (ICU)

During the year under review (2024-25 financial year), Internal Control Unit reviewed and monitored the implementation of Audit Intervention Plan through successful action plans to address internal control deficiencies that were identified by the Office of Auditor-General. Successful implementation of the Audit Intervention Plans are submitted and reviewed monthly by Provincial Treasury resulted full implementation of audit findings as at 31 March 2025. Audit Intervention Plans were also submitted to the Audit committee, Risk Management Committee and other oversight bodies quarterly. The Audit Intervention Plan is also a standing item in the agenda on the monthly Top Management meetings held

by the department. Enforcement of compliance with relevant prescripts, laws & treasury regulations and the periodical review of internal controls and maintenance of Financial BAS systems are always on-going and safeguarding the department on all its payment processes and budget allocations by all programmes.

The department's Internal Control Directorate is managing the pre-audit of all commitments and payments and users are guided and render awarenesses in all laws, regulations and new updates on circulars and policies of the department.

The departmental Information Systems are audited effectively to acknowledge unqualified audit status for the past few years with the Office of Auditor-General. Due to the stringent controls introduced and bi-monthly awareness programmes provided by this unit to all head office and regional offices, there are NO irregular expenditures identified since 2018 financial year to date and fruitless and wasteful expenditures of the department are found minimal.

The departmental Finance & Supply Chain Management Compliance Committee (FSCMCC) is functioning effectively at all times as its recommendations and decisions are fully implemented timeously and successfully.

Monthly irregular, fruitless & wasteful expenditure registers are presented in the Budget Advisory Committees (BAC). The Unit is assisting The Chief Financial Officer by co-ordinating the external audit processes of the department by submitting all requested information on RFIs, COaFs and reviewed Annual Financial Statements timely by the given deadlines.

A Governance Committee is implemented and the purpose and responsibility of the Governance Committee is to oversee and maintain the department's overall governance framework and assist the Executive Management in fulfilling its oversight responsibilities relating to governance in the department. The objective of the Governance committee is to ensure that the principles of corporate governance are adhered to and monitored by the department.

II INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit Function (IAF)

- **Purpose and Mandate:** The IAF strengthens the DOA's ability to create, protect and sustain value by providing management and ultimately the Audit Committee with independent, risk-based, and objective assurance, advice, insight and foresight. Its mandate is derived from the PFMA, section 38, read in conjunction with NTR 3.2.
- **Vision and Strategy:** The IAF's strategy is aligned with the Strategic Outcome of the Administration Branch, which is to improve corporate governance. The IAF's strategy, aligned with the Strategic Outcome of the Administration Branch for the 5-year term, is to serve as a catalyst for matured governance within the department.
- **Charter, methodology and internal audit plans:** The IAF operates in line with the IA charter, aligned to the legislative prescripts and the International Professional Practices Framework (IPPF). The charter is reviewed on an annual basis, and the most recent review was approved by the DOA Audit Committee, in terms of their mandate relating to their responsibilities, in March 2025. The IAF has an approved methodology that aligns to the charter and sets out the detail relating to the responsibilities of the IAF as per the IAF Charter and other relevant guidance.

The rolling 3-year strategic internal audit plan and annual plan for the first year of the rolling 3-year strategic plan for the DOA were reviewed and approved by the Audit Committee.

- **Independence and objectivity:** To provide for the independence of the IAF, its personnel reports to the Chief Audit Executive (CAE), who reports functionally to the Audit Committee of DOA, and administratively to the Accounting Officer on internal audit activities for the Department. The CAE has confirmed the independence of the IAF for the reporting period to the Audit Committee on a quarterly basis. All staff members of the IAF annually confirmed their objectivity through a declaration of compliance to the Institute of Internal Auditors' Code of Ethics as well as on an assignment level.
- **Modality:** The DOA IAF is a fully in-sourced function.
- **Staffing:** The approved establishment of the total IAF is 8 (eight) staff members and all of these posts are currently funded. The IAF has a dedicated team, and there are no vacancies. The current skills and competencies of the IAF staff are appropriate and a well-informed training and development programme is in place.
- **Quality Assurance and Improvement Program (QAIP):** A QAIP is in place and reporting on the implementation of this takes place at the Audit Committee meetings, on a quarterly basis. The last external assessment was concluded in November 2022 and a "Generally Conform" rating was obtained. The issues arising from this are tracked and forms part of the QAIP reporting to the Audit Committee.

- **Stakeholder Relationships:** Good relationships are maintained with the senior and executive management team of the Department, and if there are any challenges, they are discussed and interventions devised with the responsible departmental representative. In driving Combined Assurance within the DOA, ongoing relationships are maintained with the Risk Management Unit in the Department and the relevant AGSA Audit team.
- **Summary of work done by the IAF during the reporting period:**
 - **Planned and completed audits:** The approved Internal Audit plan for the Department had a total of 13 engagements, all of which were assurance engagements (refer to the Audit Committee report for the detail). All the engagements planned were completed.
 - **Roll Overs:** There were no roll overs for this reporting period
 - **Ad-hoc projects:** There was one (1) ad-hoc project for this reporting period
 - **Internal audit recommendations:**
 - The Audit Committee noted with concern the ineffective and/or delayed implementation of certain internal audit recommendations by management. As of year-end, 64% of internal audit recommendations had been implemented by management, with several critical findings remaining unresolved beyond agreed timelines. The implementation rate of the previous year's follow ups was 96% for 2022/2023 reporting period and 96% for 2023/2024 reporting period.
 - **Value add:** During the engagement on Livestock Improvement Scheme, it was identified that the 2005 Provincial Notice/Government Gazette on the Eastern Cape Livestock Production Improvement Scheme has not been updated or replaced with an overriding notice or gazette since its issuance. This therefore resulted in the current practices and trends within the Department not aligned with the gazette, rendering it outdated and irrelevant. To address this, the department is developing a Comprehensive Agriculture Farmer Producer Support Policy in line with the National Policy on Comprehensive Producer Development Support, the Agriculture and Agro-processing Master Plan. The Livestock Genetic Improvement Program would be implemented, regulated by this Policy. The Standard Operating Procedure, revised application form, screening committees for application forms, and monitoring and evaluation forms would be updated as such.
 - **Limitations:** No limitations that impeded the work of the IAF were noted during the year under review.

12 AUDIT COMMITTEE

Part I: Audit Committee Reflections

- **Purpose and Mandate:** The Audit Committee is established as a statutory committee in terms of section 38(1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The committee has adopted an audit committee charter and has fulfilled its responsibilities in line with its charter.
- **Independence:** The Audit Committee is totally independent from the Department and operated freely in exercising its independence. Any conflict or perceived conflict of interest is declared and dealt with accordingly in every meeting.
- **Protecting the independence of the IAF:** The Audit Committee, whilst discharging its responsibilities during the quarterly meetings, reviewed the organisational positioning of the IAF and the independence declaration of the CAE. It was not necessary for the Audit Committee to intervene in any situation impacting the independence of the IAF during this reporting period.
- **Performance against statutory duties:** The Audit Committee reports that it has complied with the responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1 and has regulated its affairs in compliance with the charter and has discharged all its responsibilities as contained therein.
- **Composition of the Audit Committee:** For this reporting period the Audit Committee had six (6) members and had an appropriate mix of skill required to execute its responsibilities. All members were external members. Refer to table for the detail on membership.
- **Meeting Attendance:** The Audit Committee convened seven times during the period under review. Four (4) meetings were ordinary meetings, and three (3) special meetings were required to recommend the annual financial statements as well as the annual report and to approve the AFS's internal audit plan. Refer to table for the detail on meeting attendance.
- **Resolution of Audit Committee recommendations:** The Audit Committee is satisfied that its recommendations to the Department of Agriculture received the necessary attention.
- **Audit Committee performance evaluation:** Annual 360-degree assessments on audit committee performance are conducted. The Audit Committee received a report containing the results of the annual assessment process from Provincial Treasury and an approach was agreed on how to deal with the issues identified.

Audit Committee Composition and Attendance

The table below discloses relevant information on the audit committee members:

Name and Surname	Qualifications	Professional Affiliation	Term of Office		No of meetings attended	Declared private and business interests in every meeting	Employed by an organ of state	No of other ACs the member served on during reporting period	No of other governance structures member served on during reporting period
			Start Date	End Date					
Ms. L. Smith (Chairperson)	CA (SA), RA	SAICA and IRBA	02 February 2024	31 March 2027	7	Yes	No	9	None
Mr. L. Mabombo	B. Comm (Accounting)	Cert Dir ® and a fellow at IoDSA	01 August 2022	01 August 2025	7	Yes	No	3	OBP Soc Ltd
Mr. S. Mketsu	Certificate in Arbitration Admission as an Attorney Bachelor of Laws (LLB) Diploma in Public Relations	-	01 August 2022	01 August 2025	7	Yes	No	None	None
Ms. N. Parker	ND: Business Management B. Tech: Business Administration Master's Degree: Business Administration	-	01 August 2022	01 August 2025	6	Yes	Yes	None	None
Adv. Simthandile Peter	Bachelor of Laws degree (LLB), Compliance SA and Ethics SA	Ethics SA, Compliance SA and IRMSA	01 May 2024	01 May 2027	4	Yes	No	2	None
Ms. T. Cumming	CA (SA)	SAICA, IRBA and IoDSA	01 May 2024	01 May 2027	4	Yes	No	7	1

Audit Committee remuneration:

- The DOA Audit Committee is remunerated according to the Eastern Cape Provincial Treasury rates as stated in the Framework for Appointment and Remuneration of Audit Committee Members, and only for attendance of meetings. The Chairperson received R2 202-00 per hour and members R1 943-00 per hour. The total expenditure relating to the DOA Audit Committee was R543 192.50 for the reporting period. The one (1) Audit Committee member working at an organ of state did not receive any remuneration when serving on the DOA Audit Committee.

Part 3: Audit Committee Focus Areas

Effectiveness of internal control system

The Department is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The Audit Committee reviewed the effectiveness of the department's system of internal control during the financial year. This review was informed by internal audit reports, management assurances, and the findings of the Auditor-General. Based on these inputs, the Committee is satisfied that the internal control system is generally effective, although areas requiring improvement were identified and are being addressed through management action plans.

Effectiveness of the internal audit function

The audit committee monitored and reviewed the effectiveness of the internal audit function, including its compliance with the International Professional Practices Framework (IPPF). Such monitoring and review were conducted through the Annual Performance Reviews of the CAE and the Internal Audit Activity and results were presented to the audit committee.

Activities of the internal audit function

The Audit Committee fulfilled its oversight responsibilities by approving the annual Internal Audit Plan and reviewing quarterly reports submitted by the Internal Audit Function, which provided updates on audit findings, progress against the audit plan, and follow-up on prior recommendations. The Internal Audit Function (IAF) executed 100% of its approved annual audit plan during the financial year. The following internal audit engagements were approved by the audit committee and completed by the IAF during the year end.

The table below depicts the total completed audit projects as defined in the approved internal audit plan

Finance Annual Financial Statements Transfer Payments Revenue Management	Core Business Comprehensive Agricultural Support Programme (CASP) Blended Finance Land Use Management Management Request Climate Smart Tunnel Project
Administration Performance Information Annual Report Information Technology audit Governance Review	Follow ups Subsistence and Travel Allowance Tractors and Implements Tracking Tool

The IAF provided independent assurance on the effectiveness of internal controls and made recommendations for improvement, which management has committed to implementing. The Audit Committee monitors the implementation of the agreed actions on a quarterly. The IAF maintained regular engagement with the Audit Committee and contributed to governance enhancement through targeted assurance services. Resources were adequate, and the team continued to uphold professional auditing standards throughout the year."

- **Effectiveness of risk management**

Risk management in the department continues to mature and is guided by a Risk Management Framework aligned with public sector governance standards. The Risk Management Committee and the Audit Committee have provided oversight during the financial year through quarterly reviews. Annual risk assessments were conducted, and departmental risk registers were updated for monitoring quarterly. Internal audit reviewed the effectiveness of risk management operations. The department will focus on identifying risk tolerance level framework that will guide the risk responses or control measures deployed by Management. This is part of improving risk response planning and strengthening risk ownership at the line-function level so that efforts of combined assurance are realised by all assurance providers.

- **Adequacy, reliability and accuracy of the financial and performance information**

The Audit Committee, having reviewed the Annual Financial Statements and the Annual Performance Report, concurs with the Auditor-General's unqualified audit opinion and confirms that the financial and performance information presented is adequate, reliable, and accurate in all material respects.

- **Accounting and auditing concerns identified as a result of internal and external audits**

The Audit Committee reviewed the findings arising from both internal and external audit processes during the year under review. While no material accounting or auditing concerns were raised that would compromise the integrity of the financial statements, the Committee monitored issues of control weaknesses, compliance deviations, and general IT controls challenges identified through internal audit reviews and Auditor-General management reports.

Corrective measures and management action plans have been developed and are being implemented, with progress tracked through regular reporting to the Audit Committee to ensure resolution within agreed timelines.

- **Combined assurance**

The DOA adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of

assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Department, facilitated by Internal Audit, who is also an independent assurance provider. The department's combined assurance process is currently at a 'Developing' maturity level.

While roles and responsibilities have been defined and some coordination exists among assurance providers, further integration is required to ensure full alignment with the department's risk universe

• **Evaluation of annual financial statements**

The Audit Committee has reviewed the Annual Financial Statements for the year ended 31 March 2025. In the course of this review, the Committee considered:

- The appropriateness of accounting policies applied;
- Significant estimates and judgments made by management;
- Compliance with the Public Finance Management Act (PFMA), Treasury Regulations, and applicable accounting standards;
- The clarity, accuracy, and completeness of disclosures; and
- Reports from Internal Audit and the Auditor-General.

The Committee is satisfied that the Annual Financial Statements fairly present, in all material respects, the financial position, financial performance, and cash flows of the DOA in accordance with the prescribed financial reporting framework.

The Audit Committee concurs with the conclusions of the Auditor-General and supports the recommendation for the approval of the Annual Financial Statements by the Accounting Officer.

• **External audit and Auditor-General's report**

The Committee considered the Audit Report, including the audit opinion, management report, and findings raised.

The Committee is satisfied with the independence and objectivity of the Auditor-General and confirms that no issues were identified that could impair audit quality.

The Auditor-General issued an **unqualified** opinion. The Audit Committee concurs with this opinion and has emphasised to management the importance of addressing the root causes of audit findings, particularly those that are repeat in nature.

The Committee will continue to monitor the implementation of action plans to resolve findings and to strengthen financial and performance management controls, with specific attention to **(supply chain management, ICT, and contract management)**.

- **Any other issues**

In addition to its review of the Annual Financial Statements and the Auditor-General's Report, the Audit Committee considered other matters relevant to its oversight role. These included:

- Monitoring of management's progress in implementing Internal Audit and Auditor-General recommendations;
- Oversight of risk management processes, including emerging risks;
- Review of compliance with laws, regulations, and policies, with emphasis on areas of repeat non-compliance;
- Consideration of governance matters, including ethics, conflict of interest management, and consequence management practices; and

The Committee emphasises the need for sustained improvement in these areas to strengthen governance, accountability, and service delivery outcomes.

- **Conclusion**

Based on the information and assurances received from management, Internal Audit, and the Auditor-General, the Audit Committee is of the view that the system of internal control provides reasonable, but not absolute, assurance that the objectives of the [Department/Entity] will be achieved.

The Committee notes areas requiring improvement, particularly in relation to **(supply chain management, contract management, or ICT controls)**, and has recommended that management strengthen monitoring and consequence management processes to address these.

The Committee is satisfied that the Annual Financial Statements, together with the Auditor-General's Report, present a fair and accurate reflection of the financial affairs of the DOA for the year ended 31 March 2025.

Accordingly, the Audit Committee recommends the adoption of the Annual Financial Statements and the Auditor-General's Audit Report by the Accounting Officer.

.....
Ms L. Smith

Audit Committee Chairperson

Eastern Cape Department of Agriculture

31 July 2025

13 B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The department's focus is primarily on supporting farming communities to achieve economic viability rather than engaging in direct economic activities.
Developing and implementing a preferential procurement policy?	Yes	The Supply Chain Management Policy aligns with the Preferential Procurement Policy Framework Act of 2000 and its regulations.
Determining qualification criteria for the sale of state-owned enterprises?	No	The department utilizes state-owned enterprises as service providers and does not engage in sales activities.
Developing criteria for entering into partnerships with the private sector?	No	Furthermore, there are no Public-Private Partnerships established by the department.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	The evaluation of procurement bids considers B-BBEE levels as part of the process.



PART D

HUMAN RESOURCE MANAGEMENT



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

1. INTRODUCTION

The fundamental role of the departmental Human Resource Chief Directorate is to develop and deliver People Management strategies that support the overall strategic aims and objectives of DOA, promoting a positive work culture. The HR function is carried out at a strategic and operational level, recommending appropriate human resources management solutions and providing customer-centric HR services to the department's most valuable assets, the workforce. The unit plays a key role in ensuring compliance with employment laws and regulations. Officials entrusted with this function mirror differentiation internally as trusted advisors, leading and exposing the department to the HR trends, and best practices, ensuring that day-to-day HR operations are executed with excellence.

2. OVERVIEW OF HUMAN RESOURCES

The Departments Human Resource Planning undertakes to leverage the current strengths of the workforce while further cultivating a highly professional workforce. The Department recognises the critical role of managing the workforce, ensuring proper linkages between the Departmental goals and HR business processes such as talent acquisition and retention, training and development, and ensuring the application of the performance management and development system thereby enhancing high-performance culture, providing expert guidance, coaching and support in all employee relations and legal compliance matters including conditions of employment, and absence management.

The HR section supports employees by providing continuing education, training, and support for health and wellbeing. Adequate human resources are key to maintaining employee satisfaction and morale.

Set HR priorities for the year under review and the impact of these priorities

To ensure that department's future human resource needs are met, the following HR priorities were identified and implemented to address the recognised gaps in current and future human resource requirements:

No	HR Priority	Impact
1.	To design an organisational structure aligned with the service delivery model that provides a framework, which determines the nature, scope, extent and level of work that, constitutes how the agriculture services must be proved.	To improve productivity and improve collective participation in delivering services, an organisational structure provides a framework within which people can work together most effectively. It also affects organisational action and provides the foundation on which standard operating procedures and routines rest. Furthermore, it can also be considered as the viewing glass or perspective through which individuals see their organisation and its environment.
2.	To build an appropriately sized, adequately competent, and sufficiently skilled human capital that will enhance service delivery.	Departmental performance is strengthened by a skilled workforce that possesses advanced theoretical and practical knowledge. The value derived is shown by maximised productivity, problem-solving abilities, cost savings, and positive work relations. This includes the ability to overcome issues and identify inconsistencies within the departmental business practices. Investing in a skilled workforce through training, professional development, and continuous learning opportunities does pay off. The focus is on tasks and harmonious collaborations.
3.	Institutionalization of Batho Pele and a culture of high performance.	The department prioritises creating a culture of high performance that empowers employees to be effective in their roles. This is built on norms and behaviours that serve to assist employees in setting, working toward, and achieving

No	HR Priority	Impact
		challenging goals. In addition, this is assisted by the implementation of the PMDS which is inclusive of mechanisms for linking departmental plans to provincial strategic goals and individual performance plans to departmental plans.
4.	Implement a planned approach to reduce the level of skills gaps and shortages that are being experienced in the following occupational classifications i.e. Specialist Agricultural Scientists, Veterinarians, Agricultural Engineers, Vet Technologists, Rural Applied Technology, GIS, and Sustainable Development	Developing internal talent to close skills gaps brings long-term benefits. The development of critical skills empowers departmental employees to obtain aspired roles, leading to a more engaged and productive culture and levels of attrition. The department is committed to availing developmental opportunities through the provision of financial assistance to previously designated students in the form of bursaries for identified scarce skills.
5.	Implement knowledge management methodologies that will mitigate the loss of institutional memory.	Preserving institutional memory is crucial for the department in maintaining its knowledge, practices, and expertise over time. The department implements employee development practices such as job shadowing and mentioning younger employees among others to encounter loss of institutional memory due to staff turnover. In addition, tactics such as the creation of a conducive environment for information sharing through research lectures and making organizational knowledge a standard.
6.	To design and implement Diversity Management strategies to address gaps identified in the following areas: - gender - racial demographics; and - people with disabilities.	Effective diversity management fosters an environment where employees feel included and have the resources to advocate for themselves. This, in turn, improves overall job satisfaction and well-being. The Department incorporates Diversity Management in its HR Strategic Plan wherein accommodation of people living with disabilities, gender equality, and youth inclusion are catered for. This complies with Section 6 of the Employment Equity Act, 1998.
7.	Develop a wellness culture in the Department that will ensure employees achieve optimum levels of performance whilst feeling cared for and supported in their respective workplace.	The impact of a cultivated wellness culture is shown in decreased healthcare costs well managed leave patterns especially sick leave. Well-cared-for employees meet with fewer road accidents as they don't suffer from being stressed, sleep-deprived, or burnt out. Talent acquisition and retention remain strong when employees are happy to work at an institution. The Department invests in the right healthcare policies that encompass wider aspects of physical and mental health. On occasion, professionals are sourced to opine on wellness programs that require one-on-one sessions with employees.
8.	Implementation of Health and Safety policies and processes to promote the safety of employees in the department.	The Occupational Safety and Health (OSH) programs play an essential role in ensuring the well-being of employees in the workplace. The benefits are immense when safety and health are prioritized, hence the department implements appropriate measures, provides necessary training and resources, and regularly monitors and assesses risks. All of this is aimed at safeguarding the well-being of the departmental workforce.
9.	Implementation of processes to ensure efficient and effective management of Labour Relations matters to reduce litigations and foster healthy employee/employer relations.	The Labour Relations legislation establishes a framework that endorses fair treatment and protects workers' rights, promoting economic development and social justice through the regulation of employee relations. What is also vital is the nurturing of an equilibrium between the rights of employees and employers. The department continuously trains staff on

No	HR Priority	Impact
		applicable policies and procedures, which translates to industrial harmony.
10.	To automate business processes through leveraging ICT innovation.	Business Process Automation makes it easy for the HR department to participate in the departmental goals and assign tasks to staff. The department has partly automated recruitment and leave management, implementing the provincially developed e-recruitment and e-leave. These systems have reduced manual errors, and increased efficiency and control, leading to increased productivity and compliance. Another benefit is better customer experience and performance through shortened time frames in the processes.
11.	To implement HR Analytics for effective decision-making processes.	HR analytics tools play a fundamental role in enhancing workforce outcomes by providing data-driven insights and enabling better decision-making. These tools are utilised in optimising hiring practices, employee experience and performance, and attrition rate reduction. The latter assists the department in budgeting for the compensation of employees throughout the recruitment and selection process.

Challenges faced by the Department.

- There is a significant shortage of critical skills in disciplines such as Veterinary Science, Agricultural Engineering, and Specialized Agricultural Sciences. As a result, the department is competing with the Private Sector in attracting critical skills, especially in the most rural part of the province.
- The department is also challenged to adhere to the set recruitment standard of filling the post/s within eight (08) months after becoming vacant.
- The Department has made strides to meet the set national threshold for people living with disabilities. Human resources management interventions have been identified to advance equity targets from 0.4% of people living with disabilities to 2%.
- Some of the State-owned buildings occupied by the department are not compliant with the Occupational Health and Safety Act (OHSA) standards and not suitable for individuals with physical disabilities.

Future HR plans / goals

The primary responsibility of the Department's Human Resource Chief Directorate is to ensure the effective management and development of its human capital, which is considered as the most valuable asset. This involves creating and implementing programs, policies, and procedures that foster a positive work environment and promote strong employee-employer relations.

Specific areas of focus for the Human Resource Chief Directorate include:

- Designing an organisational structure that aligns with the department's service delivery model, providing a clear framework for the nature, scope, and level of work involved in providing agriculture and rural development services.
- Building a workforce that is appropriately sized, highly competent, and adequately skilled to enhance service delivery. This includes implementing strategies to address skills gaps and shortages, particularly

in occupational classifications such as Specialist Agricultural Scientists, Veterinarians, and Agricultural Engineers.

c) Emphasizing the integration of Fourth Industrial Revolution (4IR) technology within HR practices and the overall work environment. This includes leveraging technology for improved recruitment processes and performance management.

d) Developing and implementing Diversity Management strategies to address identified gaps and ensure compliance with the legislative framework related to Employment Equity. A particular focus is placed on attracting individuals with disabilities to promote inclusivity and diversity within the department.

e) Implementing Health and Safety policies and processes to prioritise the safety and well-being of employees in the department. This involves creating a culture of safety and adhering to established protocols and regulations.

By addressing these key areas, the Human Resource Chief Directorate contributes to the overall effectiveness and success of the department in achieving its goals and objectives.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1 Personnel-related expenditure

The following tables summarise the final audited personnel-related expenditure by programme and by salary bands. In particular, it indicates the following:

- amount spent on personnel; and
- Amount spent on salaries, overtime, homeowners' allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2024 and 31 March 2025

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	506 568	336 376	1 938	713	66%	540 80
Sustainable resource management	136 665	97 875	783	-	72%	689 26
Agricultural Producer Support and Development	840 813	423 625	2 395	5 257	50%	658 83
Veterinary services	357 650	295 707	-	-	83%	524 30
Research & techno development services	144 673	115 815	187,00	-	80%	450 64
Agricultural economics services	38 673	35 034	-	-	91%	898 31

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services Expenditure (R'000)	Personnel Expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Structured agriculture education & train	203 794	88 850	4 692	63	44%	327 86
Rural development coordination	218 211	18 545	-	-	9%	806 30
TOTAL	2 447 047	1 411 827	9 995	6 033	58%	551 28

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 and 31 March 2025

Salary band	Personnel Expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	42 295	3	172	245,90
Skilled (level 3-5)	165 806	12	557	297,68
Highly skilled production (levels 6-8)	582 872	41	1039	560,99
Highly skilled supervision (levels 9-12)	542 280	38	637	851,30
Senior and Top management (levels 13-16)	67 957	5	46	1 477,33
Abnormal Appointments	10 617	1	110	96,52
TOTAL	1 411 827	100%	2561	551,28

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2024 and 31 March 2025

Programme	Basic Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	283 746	89%	676	0.2%	13 266	4%	21 160	7%
Sustainable resource management	84 460	93%	22	-	2 663	3%	3 744	4%
Farmer support & development	362 624	92%	67	-	11 813	3%	20 625	5%
Veterinary services	247 102	89%	355	0.1%	11 061	4%	17 837	6%
Technology research & development services	97 634	84%	3 623	3.1%	6 562	6%	7 887	7%
Agricultural economics	30 050	93%	6	-	926	3%	1 322	4%
Structured agricultural training	76 618	88%	1 532	1.8%	3 291	4%	5 173	6%

Programme	Basic Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Rural development coordination	16 044	92%	-	-	514	3%	843	5%
TOTAL	1 198 78	90%	6 281	0.5%	50 096	4%	78 591	6%

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2024 and 31 March 2025

Salary Bands	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	28 981	73%	1 077	2.7%	3 932	10%	5 971	15%
Skilled (level 3-5)	121 703	78%	3 947	2.5%	11 560	7%	18 024	12%
Highly skilled production (levels 6-8)	505 875	89%	523	0.1%	21 137	4%	38 036	7%
Highly skilled supervision (levels 9-12)	470 541	94%	734	0.1%	11 484	2%	16 220	3%
Senior management (level 13-16)	60 561	96%	-	-	1 983	3%	340	1%
Abnormal Appointment	10 617	100%	-	-	-	-	-	-
Total	1 198 278	90%	6 281	0.5%	50 096	4%	78 591	6%

3.2 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

Table 3.2.1 Employment and vacancies by programme as on 31 March 2025

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1	637	621	2%	-
Programme 2	145	138	4%	4
Programme 3	587	571	3%	72

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 4	580	564	3%	-
Programme 5	262	257	2%	-
Programme 6	39	39	0%	-
Programme 7	163	162	1%	-
Programme 8	23	23	0%	-
Interns	-	-	-	110
TOTAL	2436	2375	2%	186

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2025

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Interns	-	-	-	110
Lower skilled (1-2)	179	172	3.9%	-
Skilled (3-5)	564	557	1%	-
Highly skilled production (6-8)	1 008	984	2%	55
Highly skilled supervision (9-12)	635	616	3%	21
Senior management (13-16)	50	46	4%	-
TOTAL	2 436	2 375	2%	186

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2025

Critical Occupations	Number of Post as of 1 April 2024	Number of Posts as of 31 March 2025	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Artisans	26	24	20	17%	-
Agriculture advisors	472	420	417	1%	72
Animal Health Technicians	312	303	299	1%	-
Engineering Technicians	33	35	35	-	-
Engineers	9	9	7	22%	4
Community Animal Health Workers	155	163	160	2%	-
Vet Public Health Officers	22	27	27	-	-
Scientist	71	77	77	-	-
Scientific Technicians	29	32	29	9%	-
State Veterinarian Technologist	9	6	5	17%	-
State Veterinarians	24	31	31	-	-
TOTAL	1162	1127	1107	2%	76

3.3 Filling of SMS Posts

Table 3.3.1 SMS post information as on 31 March 2025

SMS Level	Total number of funded SMS Posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Executing Authority	1	1	100%	-	-
Head of Department	1	0	-	1	100%
Salary Level I5	2	1	50%	-	-
Salary Level I4	10	9	90%	1	10
Salary Level I3	38	35	92%	3	8%
TOTAL	52	46	88%	5	10%

Table 3.3.2 SMS post information as on 30 September 2024

SMS Level	Total number of funded SMS Posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Executive Authority	1	1	100%	-	-
Salary Level I6	1	1	100%	-	-
Salary Level I5	2	1	50%	1	50%
Salary Level I4	10	9	90%	1	10%
Salary Level I3	38	34	89%	4	11%
TOTAL	52	46	88%	6	12%

Table 3.3.3: Advertising and filling of SMS posts for the period 1 April 2024 and 31 March 2025

SMS Level	Advertising	Filling of posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Executive Authority	-	-	-
Salary Level I6 (Head of Department)	1	1	-
Salary Level I5	1	-	-
Salary Level I4	1	-	-
Salary Level I3	2	1	-
TOTAL	5	2	-

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS - Advertised posts within six months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months

The Department is in the process of reviewing its organogram.

Reasons for vacancies not filled within twelve months

None.

Table 3.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
The Department is in the process of reviewing its organogram.

Reasons for vacancies not filled within six months
None.

3.4 Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in their organisation. In terms of the Regulations, all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1: Job Evaluations by Salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Number of Posts on approved establishment	Number of Jobs Evaluated	% of Posts Evaluated by Salary Bands	Posts upgraded		Posts downgraded	
				Number	% of posts Evaluated	Number	% of posts Evaluated
Interns	-	-	-	-	-	-	-
Lower skilled (1-2)	179	-	-	-	-	-	-
Skilled (3-5)	564	-	-	-	-	-	-
Highly skilled production (6-8)	1008	-	-	-	-	-	-
Highly skilled supervision (9-12)	635	-	-	-	-	-	-
Senior management (13-16)	50	-	-	-	-	-	-
TOTAL	2 436	-	-	-	-	-	-

The following table provides a summary of the number of employees whose positions were upgraded due to their posts being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could be vacant.

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 and 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
TOTAL	-	-	-	-	-

Employees with a disability	-
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The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviations are provided in each case.

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 and 31 March 2025

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
-	-	-	-	-
-	-	-	-	-
Total number of employees whose salaries exceeded the level determined by job evaluation				-
Percentage of total employed				-

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2024 and 31 March 2025

Gender	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-

Employees with a disability	-	-	-	-	-
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Total number of Employees whose salaries exceeded the grades determined by job evaluation	-
	-

3.5 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the department's employment profile. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2023 and 31 March 2024

Salary Band	Number of employees at the beginning of the period (1 April 2024)	Appointments and transfers into the Department	Terminations and transfers out of the Department	Turnover rate
Lower skilled (Levels 1-2)	198	2	3	2%
Skilled (Levels 3-5)	556	18	36	6%
Highly skilled production (Levels 6-8)	1094	44	84	8%
Highly skilled supervision (Levels 9-12)	622	81	65	10%
Senior Management Service Band (Levels 13-16)	49	4	6	12%
Abnormal appointments	119	-	9	8%
TOTAL	2638	149	203	8%

Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2024 and 31 March 2025

Critical Occupation	Number of employees at beginning of period (1 April 2024)	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Artisans	26	1	6	23%
Agriculture advisors	558	31	35	6%
Animal Health Technicians	308	12	15	5%
Engineering Technicians	32	5	1	3%
Engineers	10	3	2	20%
Vet Public Health Officers	22	2	-	-
Community Animal Health Workers	154	13	3	2%
Scientist	70	7	1	1%
Scientific Technicians	29	2	1	3%
State Veterinarian Technologist	9	0	1	11%
State Veterinarians	24	9	-	-
TOTAL	1242	85	65	5%

The table below identifies the major reasons why staff left the Department.

Table 3.5.3: Reasons why staff left the Department for the period 1 April 2024 and 31 March 2025

Termination Type	Number	% of Total Terminations
Death	15	7%
Resignation	59	29%
Expiry of contract	16	8%
Dismissal – operational changes	-	-
Dismissal – misconduct	5	2%
Dismissal – inefficiency	-	-
Discharged due to ill health	2	1%
Retirement	95	47%
Transfers to other Public Service Departments	11	5%
TOTAL	203	100%
Total number of employees who left as a % of total employment	8%	

The following tables provide a summary of promotions by critical occupation and salary band.

Table 3.5.4: Promotions by critical occupation for the period 1 April 2024 and 31 March 2025

Occupation	Employees (1 April 2024)	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Artisans	26	1	4%	15	58%
Agriculture advisors	558	30	5%	129	23%
Animal Health Technicians	308	11	4%	118	38%
Engineering Technicians	32	3	9%	20	63%
Engineers	10	3	30%	3	30%
Vet Public Health Officers	22	1	5%	12	-
Community Animal Health Workers	154	13	8%	122	79%
Scientists	70	9	13%	50	71%
Scientific Technicians	29	2	7%	2	7%
State Veterinarian Technologist	9	-	-	3	33%
State Veterinarians	24	9	38%	14	58%
TOTAL	1242	82	7%	488	39%

3.5.5: Table Promotions by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	Employees (1 April 2024)	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary band
Lower skilled (Levels 1-2)	198	1	1%	135	68%
Skilled (Levels 3-5)	556	31	6%	410	74%
Highly skilled production (Levels 6-8)	1094	57	5%	414	38%
Highly skilled supervision (Levels 9-12)	622	77	12%	254	41%
Senior management (Levels 13-16)	49	4	8%	8	16%
Abnormal appointments	119	-	-	-	-
TOTAL	2638	170	6%	1221	46%

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2025

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearers	-	-	-	-	1	-	-	-	1
Professionals	335	2	-	6	353	2	1	10	709
Technicians & Associate Professionals	471	1	-	10	450	5	1	9	947
Labourers & Related Workers	206	8	-	3	215	2	1	-	435
Plant & Machine Operators & Assemblers	29	-	-	-	2	-	-	-	31
Service & Sales Workers	15	2	-	-	7	-	-	-	24
Clerks	100	2	-	1	219	7	2	11	342
Senior Managers	21	1	-	-	21	-	1	1	45
Craft, Related Trade Workers	12	1	-	-	12	2	-	-	27
TOTAL	1 189	17	-	20	1 280	18	6	31	2 561
Employees with disabilities	15	1	-	1	31	-	-	-	48

Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2025

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearers	-	-	-	-	1	-	-	-	1
Top Management	4	-	-	-	6	-	-	-	10
Senior Management	17	1	-	-	15	-	1	1	35
Professionally qualified and experienced specialists and mid-management	299	2	-	15	246	3	4	14	583
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	509	6	-	5	660	7	-	15	1202
Semi-skilled and discretionary decision making	287	8	-	-	254	7	1	1	558
Unskilled and defined decision making	73	-	-	-	98	1	-	-	172
TOTAL	1 189	17	-	20	1 280	18	6	31	2 561

Table 3.6.3: Recruitment for the period 1 April 2024 to 31 March 2025

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Political Office Bearer	-	-	-	-	-	-	-	-	-
Senior Management	1	-	-	-	3	-	-	-	4
Professionally qualified, experienced specialists & mid-management	46	-	-	-	32	-	2	1	81
Skilled technical, academically qualified workers, junior management, supervisors, foremen	16	-	-	-	27	1	-	-	44
Semi-skilled and discretionary decision making	11	-	-	-	7	-	-	-	18
Unskilled and defined decision making	2	-	-	-	-	-	-	-	2
Abnormal appointments	-	-	-	-	-	-	-	-	-
TOTAL	76	-	-	-	69	1	2	1	149
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4: Promotions for the period 1 April 2024 and 31 March 2025

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	1	-	-	-	1
Senior Management	-	-	-	-	-	-	-	-	-
Professionally qualified, experienced specialists & mid-management	16	-	-	-	8	-	-	-	24
Skilled technical & academically qualified workers, junior management, supervisors, foremen	8	-	-	-	22	-	-	-	30
Semi-skilled and discretionary decision making	6	1	-	-	7	1	-	-	15
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-
TOTAL	30	1	-	-	38	1	-	-	70
Employees with disabilities	-	-	-	-	1	-	-	-	1

Table 3.6.5: Terminations for the period 1 April 2024 and 31 March 2025

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Senior Management	2	-	-	-	4	-	-	-	6
Professionally qualified and experienced specialists and mid-management	37	1	-	-	25	-	-	-	63
Skilled technical, academically qualified workers, junior management, supervisors, foremen	36	-	-	-	40	1	-	1	78
Semi-skilled & discretionary decision making	21	-	-	-	12	-	-	-	33
Unskilled & defined decision making	2	-	-	-	1	-	-	-	3
Interns	4	-	-	-	5	-	-	-	9
TOTAL	102	1	-	-	87	1	-	1	192
Employees with disabilities	1	-	-	-	1	-	-	-	2

Table 3.6.6: Disciplinary action for the period 1 April 2024 and 31 March 2025

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	1	-	-	-	1	-	-	-	2
Professionally qualified and experienced specialists and mid-management	1	-	-	-	1	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen	12	-	-	-	3	-	-	-	15
Semi-skilled and discretionary decision making, Permanent	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	6	-	-	-	2	-	-	-	8
TOTAL	20	-	-	-	7	-	-	-	27
Employees with disabilities	1	-	-	-	1	-	-	-	2

Table 3.6.7: Skills development for the period 1 April 2024 and 31 March 2025

Occupational Categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	121	11	-	4	105	3	1	5	250
Professionals	192	4	-	2	203	6	-	4	411
Technicians and associate professionals	126	8	-	-	39	2	-	-	175
Clerks	49	7	-	-	85	9	1	7	158
Service and sales workers	8	-	-	-	6	-	-	-	14
Craft and related trades workers	7	-	-	-	3	-	-	-	10
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	15	3	-	-	69	9	-	-	96
TOTAL	518	33	-	6	510	29	2	16	1114
Employees with disabilities	9	2	-	-	10	-	0	0	21

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1: Signing of Performance Agreements by SMS members as on 31 May 2024

SMS Level	Total number of funded SMS posts	Total number of SMS members	Signed agreements	Signed performance agreements as a %
Political Office Bearer	1	1	1	100%
Head of Department	1	1	1	100%
Salary level 15	2	1	1	100
Salary level 14	10	9	9	100%
Salary level 13	36	34	33	97%
Total	50	46	45	98%

Table 3.7.2: Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2025

Reasons
One (1) SMS member was on long incapacity leave.

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2025

Reasons
None.

3.8 Performance Rewards

Table 3.8.1: Performance Rewards by race, gender, and disability for the period 1 April 2024 and 31 March 2025

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of the total within groups	Cost (R'000)	Average Cost per employee
African. Female	624	1 249	50%	R3 515 443,51	5633,72
African. Male	524	1 174	45%	R3 096 869,67	5910,06
Asian. Female	3	6	50%	R 33 913,73	11304,58
Asian. Male	0	0	0%	-	0,00
Coloured. Female	13	18	72%	R71 986,05	5537,39
Coloured. Male	11	16	69%	R77 060,59	7005,51
White. Female	15	31	48%	R119 639,03	7975,94
White. Male	11	19	58%	R150 389,64	13671,79
Employees with disability	22	48	46%	R131 513,98	5977,91

Race and Gender	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of the total within groups	Cost (R'000)	Average Cost per employee
TOTAL	1223	2561	48%	R7 196 816.20	R5 884.56

Table 3.8.2: Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 and 31 March 2025

Salary Band	Beneficiary Profile			Costs		Total cost as a % of the total personnel expenditure
	Number of Beneficiaries	Number of employees	% of Total within salary bands	Cost (R'000)	Average Cost per employees (R)	
Lower Skilled (Levels 1-2)	135	172	78%	R280 566	R2 078.27	4%
Skilled (Levels 3-5)	410	557	74%	R1240 485	R3 025.57	18%
Highly Skilled Production (Levels 6-8)	414	1039	40%	R2 447 067	R5 910.79	35%
Highly Skilled Supervision (Levels 9-12)	256	637	40%	R3 076 964.20	R12 019.39	44%
Abnormal Appointments	-	110	-	-	-	-
TOTAL	1215	2515	48%	R7 045 082.20	R5 798.42	100%

Table 3.8.3: Performance Rewards by critical occupation for the period 1 April 2024 and 31 March 2025.

Critical Occupations	Beneficiary Profile			Cost	
	Number of Beneficiaries	Number of employees	% of Total within occupation	Cost (R'000)	Average Cost per employee
Artisans	15	20	75%	R71 277	R4 751.80
Agriculture advisors	130	489	27%	R800 517	R6 157.82
Animal Health Technicians	110	299	37%	R650 628	R5 914.80
Engineering Technicians	20	35	57%	R177 012	R8 850.60
Engineers	3	11	27%	R53 661	R17 887.00
Community Animal Health Workers	123	160	77%	R299 010	R2 430.98
Vet Public Health Workers	12	27	44%	R83 055	R6 921.25
Scientist	50	77	65%	R808 659	R16 173.18
Scientific Technicians	2	29	7%	R21 054	R10 527.00
State Veterinarian Technologist	3	5	60%	R17 718	R5 906.00
State Veterinarians	15	31	48%	R200 994	R13 399.60
TOTAL	483	1183	41%	R3 183 585	R6 591.27

Table 3.8.4: Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2024 and 31 March 2025

Salary Band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of Beneficiaries	Number of employees	% of total within salary bands	Total cost (R'000)	Average Cost per employee	
Band A	-	-	-	-	-	-
Band B	-	-	-	-	-	-
Band C	-	-	-	-	-	-
Band D	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

3.9 Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 3.9.1: Foreign workers by salary band for the period 1 April 2024 and 31 March 2025

Salary Band	1 April 2024		31 March 25		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	10	91%	10	91	-	-
Senior management (Levels 13-16)	1	9%	1	9	-	-
TOTAL	11	100%	11	100%	-	-

Table 3.9.2: Foreign workers by major occupation for the period 1 April 2024 and 31 March 2025

Major Occupation	01 April 2024		31 March 2025		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and managers	1	9%	1	9%	-	-
Technicians and associated professionals	10	91%	10	91%	-	-
TOTAL	11	100%	11	100%	-	-

3.10 Leave utilisation

The Public Service Commission has identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024

Salary Band	Total days	% Days with Medical certification	Number of employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	256	100%	14	10%	18	146 149
Skilled (Levels 3-5)	873	100%	32	22%	27	788 056
Highly skilled production (Levels 6-8)	1743	100%	60	42%	29	3 249 802
Highly skilled supervision (Levels 9-12)	1217	100%	34	24%	36	4 237 313
Senior management (Levels 13-16)	272	100%	3	2%	91	1 297 546
TOTAL	4 361	100%	143	100%	30	9 718 865

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 3.10.3: Annual Leave for the period 1 January 2024 to 31 December 2025

Salary Band	Total days taken	No of Employees using annual leave	Average per employee
Lower Skilled (Levels 1-2)	3 464	177	19.57
Skilled (levels 3- 5)	12 666	578	21.91
Highly skilled production (levels 6-8)	24 782	1095	22.63
Highly skilled (Levels 9-12)	14 567	645	22.58
Senior management (Levels 13-16)	1 083	47	23.04
Interns (Abnormal)	979	117	8.37
Total	57 541,00	2659	21.64

Table 3.10.4: Capped leave for the period 1 January 2024 to 31 December 2024

Salary band	Total days of capped leave taken	No of employees using capped leave	Av no of days taken per employee	Av capped leave per employee as on (31 December 2024)
Lower Skilled (Levels 1-2)	-	-	-	-
Skilled (Levels 3-5)	5 616,86	92	61	63
Highly skilled production (Levels 6-8)	9 641,76	114	85	90
Highly skilled supervision (Levels 9-12)	14 475,57	153	95	96
Senior Management (Level 13-16)	1 114,79	11	101	107
TOTAL	30 848,98	370	83	86

Table 3.10.5: Leave pay-outs for the period 1 April 2024 and 31 March 2025

Reason	Total Amount (R'000)	Number of Employees	Average per Employee (R'000)
Annual Discounting with resignation (workdays)	842	23	37
Annual - Discounting: unused vacation credits (workdays)	204	3	68
Gratuity: Death/Retirements/Medical Retirements (Workdays)	5 339	97	55
Capped - Gratuity: Death/Retirement/Medical Retirement (Workdays)	22 095	84	263
TOTAL	28 480	207	138

3.11 HIV/AIDS & Health Promotion Programmes

Table 3.11.1: Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV-related diseases (if any)	Key steps taken to reduce the risk
All employees are regarded to be at risk.	The education of employees is implemented through campaigns, awareness sessions and distribution of information and education material. Significant calendar events are also observed like the Human Rights Day, TB month and World AIDS Day. Provision of condoms and masks as a preventative measure is in place. Health screenings are also conducted for employees quarterly.

Table 3.11.2: Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter I of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		Mr. Sicelo Tshabalala. Director: Corporate Advisory Services.
2. Does the Department have a dedicated unit, or have you designated specific staff members to promote health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		1 x Deputy Director. 2x Assistant Director. 7 x Wellness Practitioners. 1 x Admin Clerk. Budget: R167 300.00
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	✓		HIV Awareness and Screenings Awareness campaigns on Gender Based Violence. Awareness on Multiple and Concurrent.
4. Has the Department established (a) committee(s) as contemplated in Part VI E5 (e) of chapter I of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		a. Chief Director: SCM. b. Chief Director: Research. c. Chief Director: Institution Capacitation. d. Chief Director: Corporate Services. e. Chief Director: Vet Services. f. Chief Director: Extension Services. g. Director: Budget Planning & Reporting.

Question	Yes	No	Details. if yes
			h. Director: Corporate Advisory Services. i. Director: Human Resource Administration. j. District Directors x (6). k. Principal: TARDI. l. Deputy Director: Internal Audit. m. Deputy Director: Risk Management. n. Deputy Director: Labour Relations. o. Deputy Director: Mpofu Training. p. Deputy Director: EHW. q. SHE REPS presented by 6 x EHW District Coordinators. r. Employee Representative: PSA. s. Employee Representative: NEHAWU. t. Employee Representative: SASAWU. u. Advisor: Health and Safety Officer of the Department.
5. Has the Department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees based on their HIV status? If so. list the employment policies/practices so reviewed.	✓		HIV.TB & STIs Policy. Wellness Management Policy.
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so. list the key elements of these measures.	✓		HIV. TB and STI Policy promotes respect for human rights and protects employees from discrimination in the workplace. The department conducts workshops on human rights quarterly and encourages employees to report discrimination.
7. Does the Department encourage its employees to undergo Voluntary Counselling and Testing? If so. list the results that you have achieved.	✓		Employees are encouraged to undergo VCT and supported by the Department of Health. NGOs and Pharmaceutical Companies. 177 employees participated in screenings.
8. Has the Department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so. List these measures/indicators	✓		GEMS report reflects progress of employees registered in disease management program.

3.12 Labour Relations

Table 3.12.1: Collective agreements for the period 1 April 2024 and 31 March 2025

Subject matter	Date
-	-

Notes: If there were no agreements, keep the heading and replace the table with the following

Total number of collective agreements	None.
---------------------------------------	-------

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2: Misconduct and disciplinary hearings finalised for the period 1 April 2024 and 31 March 2025

Outcomes of disciplinary hearings	Number	Percentage % of Total
Correctional counselling	-	-
Verbal warning	-	-
Written warning	-	-
Final written warning	3	18%
Suspended without pay	8	47%
Fine	-	-
Demotion	-	-
Dismissal	2	12%
Not guilty	-	-
Case withdrawn	4	23%
Total	17	100%

If there were no agreements, keep the heading and replace the table with the following:

Total number of disciplinary hearing finalised	17
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Table 3.12.3: Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 and 31 March 2025

Type of misconduct	Number	Percentage % of Total
Alleged Fraud	2	7%
Absence Without Authority	9	33%
Alleged poor work performance	-	-
Misuse of Govt. vehicles	3	11%
Wilful damage or negligence of government property	3	11%
Alleged Financial Mismanagement	-	-
Alleged Assault	2	7%
Theft	2	7%
Alleged Insubordination	2	7%
Alleged under influence of alcohol	2	7%
Irregular Appointment	2	7%
TOTAL	27	100%

Table 3.12.4: Grievances logged for the period 1 April 2024 and 31 March 2025

Grievances	Number	% of Total
Number of grievances resolved	13	68%
Number of grievances not resolved	6	32%
Total number of grievances lodged	19	100%

Table 3.12.5: Disputes logged with Councils for the period 1 April 2024 and 31 March 2025

Disputes	Number	% of total
Number of disputes upheld	4	27%
Number of disputes dismissed	1	7%
Number of disputes in progress	10	67%
Total number of disputes lodged	15	100%

Table 3.12.6: Strike actions for the period 1 April 2024 and 31 March 2025

Total number of persons working days lost	-
Total costs working days lost	-
Amount recovered as a result of no work no pay (R'000)	-

Table 3.12.7: Precautionary suspensions for the period 1 April 2024 and 31 March 2025

Number of people suspended	1
Number of people whose suspension exceeded 30 days	-
Average number of days suspended	30
Cost (R'000) of suspensions	11 785.00

3.13 Skills development

This section highlights the efforts of the Department with regard to skills development.

Table 3.13.1: Training needs identified for the period 1 April 2024 and 31 March 2025

Occupational Categories	Gender	Number of employees as of 1 April 2024	Training needs identified at the start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	27	-	52	-	52
	Male	22	-	54	-	54
Professionals	Female	355	-	241	-	241
	Male	340	-	192	-	192
Technicians and associate professionals	Female	442	-	85	-	85
	Male	523	-	70	-	70
Clerks	Female	313	-	111	-	111
	Male	85	-	92	-	92
	Female	6	-	-	-	-

Occupational Categories	Gender	Number of employees as of 1 April 2024	Training needs identified at the start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Service and sales workers	Male	16	-	-	-	-
Craft and related trades workers	Female	1	-	-	-	-
	Male	23	-	-	-	-
Plant and machine operators and assemblers	Female	2	-	-	-	-
	Male	29	-	-	-	-
Elementary occupations	Female	225	-	42	-	42
	Male	229	-	40	-	40
Sub totals	Female	1 371	-	531	-	531
	Male	1 267	-	448	-	448
Total		2 638	-	979	-	979

Table 3.13.2: Training provided for the period 1 April 2024 and 31 March 2025

Occupational Categories	Gender	Number of employees as of 1 April 2024	Training provided within the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	27	-	114	0	114
	Male	22	-	136	0	136
Professionals	Female	355	-	213	0	213
	Male	340	-	198	0	198
Technicians and associate professionals	Female	442	-	41	0	41
	Male	523	-	134	0	134
Clerks	Female	313	-	102	0	102
	Male	85	-	56	0	56
Service and sales workers	Female	6	-	6	0	6
	Male	16	-	8	0	8
Craft and related trades workers	Female	1	-	7	0	7
	Male	23	-	3	0	3
Plant and machine operators and assemblers	Female	2	-	0	0	0
	Male	29	-	0	0	0
Elementary occupations	Female	225	-	78	0	78
	Male	229	-	18	0	18
Sub Gender Totals	Female	1 371	-	561	0	561
	Male	1 267	-	553	0	553
Total		2 638	-	1 114	0	1 114

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1: Injury on duty for the period 1 April 2024 and 31 March 2025

Nature of injury on duty	Number	% of total
Required basic medical attention only	2	67%
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	1	33%
Total	3	100%

3.15 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the Department.

In terms of the Public Service Regulations “consultant” means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

- (a) The rendering of expert advice.
- (b) The drafting of proposals for the execution of specific tasks; and
- (c) The execution of a specific task, which is of a technical or intellectual nature, but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 and 31 March 2024

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand
-	-	-	-

Total number of projects	Total individual consultants	Total duration workdays	Total contract value in Rand
-	-	-	-

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2023 and 31 March 2024

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
-	-	-	-

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand
None	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 and 31 March 2024

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

3.16 Severance Packages

Table 3.16.1: Granting of employee-initiated severance packages for the period 1 April 2023 and 31 March 2024

Salary Band	No of applications received	No of applications referred to the MPSA	No of applications supported by MPSA	No of Packages approved by department
Lower Skilled (Salary Level 1-2)	-	-	-	-
Skilled (Salary Level 3-5)	-	-	-	-
Highly Skilled Production (Salary Level 6-8)	-	-	-	-
Highly Skilled Production (Salary Level 9-12)	-	-	-	-
Senior Management (Salary Level 13 and higher)	-	-	-	-
Total	-	-	-	-



PART E

PFMA COMPLIANCE REPORT



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

I IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

I.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/25 R'000	2023/24 R'000
Opening balance	-	-
Add: Irregular expenditure confirmed	-	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	-	-

By implementing efficient pre-audit processes and conducting awareness programs, the department is actively strengthening its internal controls to address procurement and payment weaknesses. Notably, the department has successfully maintained a zero balance in irregular expenditure since 2018 up until the present. Additionally, there were no instances of unauthorised expenditure during the past financial year. These achievements highlight the department's commitment to sound financial management and adherence to established protocols.

Reconciling notes

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure that was under assessment in 2021/22	-	-
Irregular expenditure that relates to 2021/22 and identified in 2022/23	-	-
Irregular expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation).

Description	2024/25 R'000	2023/24 R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total	-	-

The effective implementation of stringent controls and regular bi-monthly awareness programs conducted by the Internal Control Unit for both head office and regional offices has resulted in the absence of any irregular expenditures identified since the 2018 financial year up to the present. These measures demonstrate the department's commitment to maintaining a high level of financial integrity and compliance, ensuring that all expenditures are conducted within the established guidelines and regulations.

c) Details of current and previous year irregular expenditure condoned.

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

The effective implementation of stringent controls and regular bi-monthly awareness programs conducted by the Internal Control Unit for both head office and regional offices has resulted in the absence of any irregular expenditures identified since the 2018 financial year up to the present. These measures demonstrate the department's commitment to maintaining a high level of financial integrity and compliance, ensuring that all expenditures are conducted within the established guidelines and regulations.

d) Details of current and previous year irregular expenditure removed - (not condoned).

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

Since the 2018 financial year up to the present, the department has diligently avoided any instances of irregular expenditures being identified. This signifies a commendable commitment to adhering to proper financial practices and ensuring that all expenditures are carried out in accordance with established regulations and protocols. The department's efforts in this regard are praiseworthy, as they contribute to maintaining transparency, accountability, and responsible financial management.

e) Details of current and previous year irregular expenditure recovered.

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure recovered	-	-
Total	-	-

Since the 2018 financial year up to the present, the department has diligently avoided any instances of irregular expenditures being identified. This signifies a commendable commitment to adhering to proper financial practices and ensuring that all expenditures are carried out in accordance with established regulations and protocols. The department's efforts in this regard are praiseworthy, as they contribute to maintaining transparency, accountability, and responsible financial management.

f) Details of current and previous year irregular expenditure written off (irrecoverable).

Description	2024/25	2023/24
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Since the 2018 financial year up to the present, the department has diligently avoided any instances of irregular expenditures being identified. This signifies a commendable commitment to adhering to proper financial practices and ensuring that all expenditures are carried out in accordance with established regulations and protocols. The department's efforts in this regard are praiseworthy, as they contribute to maintaining transparency, accountability, and responsible financial management.

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance).

Description
Not applicable.

Not applicable.

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance).

Description	2024/25	2023/24
	R'000	R'000
Not applicable	-	-
Total	-	-

Not applicable.

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure.

Disciplinary steps taken
Not applicable.

By implementing efficient pre-audit processes and conducting awareness programs, the department is actively strengthening its internal controls to address procurement and payment weaknesses. Notably, the department has successfully maintained a zero balance in irregular expenditure since 2018 up until the present. Additionally, there were no instances of unauthorized expenditure during the past financial year. These achievements highlight the department's commitment to sound financial management and adherence to established protocols.

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure.

Description	2024/25	2023/24
	R'000	R'000
Opening balance	18	21
Add: Fruitless and wasteful expenditure confirmed	32	244
Less: Fruitless and wasteful expenditure written off	(9)	(247)
Less: Fruitless and wasteful expenditure recoverable	(22)	-
Closing balance	19	18

As of March 31, 2025, the department has incurred fruitless and wasteful expenditures totalling R 31 654.. In the current year, transactions totalling R22 528 were deducted from officials' salaries as part of cost recoveries, and R9 125 was written off.

The nature of these transactions primarily relates to charges for no-shows on accommodation, cancellation fees, accidental damages on rental vehicles, and after-hours fees imposed by travel agencies.

To address and prevent the recurrence of such transgressions, the Head of Department has taken decisive actions and implemented measures. One such measure is the cost recovery of these expenses from officials' salaries unless recommended for confinement by the Finance & Supply Chain Management Compliance Committee (FSCMCC) and subsequently approved by the Head of the Department. In cases where neither cost recovery nor confinement is pursued, appropriate consequence management is applied.

These steps demonstrate the department's commitment to ensuring accountability, responsible financial management, and discouraging future instances of fruitless and wasteful expenditure. By implementing strong measures and applying consequence management, the department aims to rectify past transgressions and maintain a culture of compliance and fiscal responsibility.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2021/22	-	-
Fruitless and wasteful expenditure that relates to 2021/22 and identified in 2022/23	-	-
Fruitless and wasteful expenditure for the current year	32	244
Total	32	244

b) Details of current and previous year fruitless and wasteful expenditures (under assessment, determination, and investigation).

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	1	26
Total	1	26

These steps demonstrate the department's commitment to ensuring accountability, responsible financial management, and discouraging future instances of fruitless and wasteful expenditure. By implementing strong measures and applying consequence management, the department aims to rectify past transgressions and maintain a culture of compliance and financial responsibility.

c) Details of current and previous year fruitless and wasteful expenditure recovered

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure recovered	2	-
Total	2	-

The nature of these transactions primarily relates to charges for no-shows on accommodation, cancellation fees, accidental damages on rental vehicles, and after-hours fees imposed by travel agencies.

To address and prevent the recurrence of such transgressions, the Head of Department has taken decisive actions and implemented measures. One such measure is the cost recovery of these expenses from officials' salaries, unless recommended for condonement by the Finance & Supply Chain Management Compliance Committee (FSCMCC) and subsequently approved by the Head of Department. In cases where neither cost recovery nor condonement is pursued, appropriate consequence management is applied.

These steps demonstrate the department's commitment to ensuring accountability, responsible financial management, and discouraging future instances of fruitless and wasteful expenditure. By implementing strong measures and applying consequence management, the department aims to rectify past transgressions and maintain a culture of compliance and fiscal responsibility.

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2024/25	2023/24
	R'000	R'000
Fruitless and wasteful expenditure written off	9	247
Total	9	247

To address and prevent the recurrence of such transgressions, the Head of Department has taken decisive actions and implemented measures. One such measure is the cost recovery of these expenses from officials' salaries, unless recommended for condonement by the Finance & Supply Chain Management Compliance Committee (FSCMCC) and subsequently approved by the Head of Department. In cases where neither cost recovery nor condonement is pursued, appropriate consequence management is applied.

a) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
None.

1.3 Unauthorised expenditure

a) Reconciliation of unauthorised expenditure

Description	2024/25	2023/24
	R'000	R'000
Opening balance	-	-
Add: unauthorised expenditure confirmed	-	-
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recovered and written off ¹	-	-
Closing balance	-	-

The department has successfully maintained a zero balance in irregular expenditure since 2018 up until the present. Additionally, there were no instances of unauthorised expenditure during the past financial year.

Reconciling notes

Description	2024/25	2023/24
	R'000	R'000
Unauthorised expenditure that was under assessment in 2021/22	-	-
Unauthorised expenditure that relates to 2021/22 and identified in 2022/23	-	-
Unauthorised expenditure for the current year	-	-
Total	-	-

b) Details of current and previous year unauthorised expenditure (under assessment, determination, and investigation)

Description ²	2024/25	2023/24
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
Total³	-	-

The department has successfully maintained a zero balance in irregular expenditure since 2018 up until the present. Additionally, there were no instances of unauthorised expenditure during the past financial year

¹ This amount may only be written off against available savings

² Group similar items

³ Total unconfirmed unauthorised expenditure (assessment), losses (determination), and criminal conduct (investigation)

I.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2024/25	2023/24
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

None.

b) Details of other material losses

Nature of other material losses	2024/25	2023/24
	R'000	R'000
None	-	-

None.

c) Other material losses recovered.

Nature of losses	2024/25	2023/24
	R'000	R'000
None	-	-

None.

d) Other material losses written off

Nature of losses	2024/25	2023/24
	R'000	R'000
None	-	-

2 LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	6 749	984 896
Invoices paid within 30 days or agreed period	6 490	933 216
Invoices paid after 30 days or agreed period	234	50 194
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	25	1 486
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	-	-

All valid supplier invoices have been duly settled and paid by the department. This reflects the department's commitment to fulfilling its financial obligations in a timely manner and maintaining positive relationships with its suppliers. By ensuring that all valid invoices are promptly processed and paid, the department upholds its reputation for conducting business transactions with integrity and reliability.

3 SUPPLY CHAIN MANAGEMENT

3.1 Procurement by other means

Project number	Project description	Type of procurement by other means	Approval date	Name of supplier	Value of contract R
SCMU8-24/25-0072	Request for approval of Single Source Selection Procurement of Airtime on Umhlobo Wenene FM, True FM to communicate Programmes and Services of the Department to the People of the Province for the period of 12 months	Limited Bidding	29/05/2024	SABC	2,080,178.00
HO-24/25-0013	Single Source approach to appoint Algoa FM for Airtime	Limited Bidding	29/05/2024	ALGOA FM	1,315,209.00
HO-24/25-0014	Single Source approach to appoint Impuma Kapa TV for Airtime	Limited Bidding	29/05/2024	Impuma Kapa TV	552,000.00
SCMU8-24/25-0096	Single Source approach to Pay Casual Labourers 2024/25 and 20325/26	Limited Bidding	29/05/2024	ECRDA	10,000,000.00
SCMU8-24/25-0072	Request for approval of Single Source Selection Procurement of Airtime on Umhlobo Wenene FM, True FM to communicate Programmes and Services of the Department to the People of the Province for the period of 12 months	Limited Bidding	29/05/2024	SABC	2,080,178.00

Annual Report Financial Year 2024/2025
Vote 8: Department of Agriculture
Province of the Eastern Cape

Project number	Project description	Type of procurement by other means	Approval date	Name of supplier	Value of contract R
SCMU8-24/25-0076	Single Source approach to Nelson Mandela University to render services on Business Management and Entrepreneurial Development Programme	Limited Bidding	15/5/2024	Nelson Mandela University	1,676,610.00
SCMU8-24/25-0045	Single Source approach to Fort Cox Agriculture and Forestry Training Institute (FCAFTI) to render services on accredited Farmer Training	Limited Bidding	27/03/2024	Fort Cox Agriculture and Forestry Training Institute	4,573,268.00
DO-24/25-009	Single Source approach to appoint Agrilasa	Limited Bidding		Agrilasa	22,500.00
HO-24/25-0012	Single Source Selection to appoint Ms. N. Grootboom to Copy, Edit and Read DRDAR monthly news bulletins for 12 months	Limited Bidding	08/05/2024	Zikhalinjamz Productions	273,600.00
	Sole Source Selection approach to approach Sabinet Online for a Five-Year period (2024-2028)	Limited Bidding	15/5/2024	Mindex	292,285.00
HO-24/25-0061	Sole Source Selection approach to approach EASA	Limited Bidding	15/5/2024	EASA	266,500.00
	Sole Source Selection approach to approach KOUGA	Limited Bidding	28/08/2024	Kouga FM	70,000.00
HO-24/25-0113	Sole Source Selection approach to approach EAPA-SA	Limited Bidding	11/09/2024	EAPA-SA	83,694.00
AD-24/25-0118	Sole Source Selection approach to approach TO appoint Model Maker	Limited Bidding	11/09/2024	Model Maker	49,000.00
HO-24/25-0078	Single Source Selection to appoint NSG	Limited Bidding	16/10/2024	National School of Government	268,788.00
SCMU8-24/25-0128	Single Source Selection to appoint SAGRA	Limited Bidding	28/11/2024	SAGRA	3,319,360.00
SCMU8-24/25-0089	Single Source Selection to appoint Fort Cox College to provide skills transfer and mentorship	Limited Bidding	13/11/2024	Fort Cox College of Agriculture	6,357,412.50
SCMU8-24/25-0107	Single Source Selection to appoint ARC	Limited Bidding	11/09/2024	Agricultural Research Council	11,168,000.00
					44,448,582.50

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Supply, delivery and installation of a 9 ha Solidset Sprinkler Irrigation at Amabomvu Farm in the KSD Local Municipality of the OR Tambo District.	Beevanda Civil (Pty)Ltd	Contract Variation	SCMU8-24/25-0018	R2,024,827.77	N/A	R92,000.00
Design, delivery, and Installation of a 25ha Solidset Irrigation System in the Amagingqi farm on a Turkey basis in the PSJ Local Municipality in the OR Tambo District.	Delta Irrigation	Contract Variation	SCMU8-24/25-0033	R2,990,101.35	R32 775.00	R109578.79
Supply, delivery and construction of Lelethu Shearing-Shed at kwaGcuda Village at Lusikisiki in Ingquza Hill local municipality of the OR Tambo District.	Clavier Trading	Contract Variation	SCMU8-24/25-0095	R1,286,244.22	N/A	R51,410.82
Completion of Equipping of boreholes at Lalini, Gwegwe, Gengqe, and Sakhela in KSD Local Municipality the OR Tambo District.	IZwimank Agrieng Rural Solutions	Contract Variation	SCMU8-24/25-0099	R2,125,477.73	N/A	R90,280.75
Supply, delivery and construction of a multi purpose she at Elunyaweni	Delayde Enterprise	Contract Variation	SCMU8-24/25-0002	R1,439,709.50	N/A	R58,889.53
Office Accomodation for Burgesdorp offices	Ukhanyo Travel	Contract Variation	SCMU8-20/21-0033	R964,620.00	N/A	R133,975.00
Renovation , Supply and Installation of Abattoir equipment at Sterkstroom abattoir at enoch Gijima LM	Esotho Trading	Contract Variation	SCMU8-23/24-0032	R5,581,586.44	N/A	R88,810.94
Supply, delivery and Construction of a shearing Shed with Small Stock Dipping Tank at Mbanga Village in Mbashe	MC Bavu Construction	Contract Variation	SCMU8-23/24-0010	R649,816.13	N/A	R51,539.55

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Supply, delivery and erecting of Vermin Proof fencing material at Amagingqi Farm in Port St Johns LM	Twaz group	Contract Variation	OR-24/25-007	R553,558.25	N/A	R20,976.00
Supply, delivery and Construction of SA Gap storage office and ablution facilities at Amagingqi Farm in Port St Johns LM-OR Tambo District	XS Dollarz	Contract Variation	OR-24/25-032	R970,899.00	N/A	R39,547.12
Lease agreement between Sakhisizwe Local Municipality and Department of Rural Development and Agrarian reform for the Elliot office in the Chris Hani District	Sakhisizwe Municipality	Contract Variation	No Bid number	R2,064,166.68	N/A	R252,557.28
Lease agreement between Enoch Mgijima Local Municipality for the Premises of Queenstown Veterinary Laboratory	Enoch Mgijima Local Municipality	Contract Variation	No Bid number	R1,348,282.44	N/A	R137.331
Building Lease Contract in Grahamstown for Extension Office	PB Sulter	Contract Variation	WR-23/24-0139	R624,000.00	R52,000.00	R41,600.00



PART F

FINANCIAL INFORMATION



doa

Department:
Agriculture
PROVINCE OF THE EASTERN CAPE

I REPORT OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR-GENERAL TO THE EASTERN CAPE PROVINCIAL LEGISLATURE ON VOTE NO. 8: DEPARTMENT OF AGRICULTURE

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Eastern Cape Department of Agriculture set out on pages 182 to 240, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Eastern Cape Department of Agriculture as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standards (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

7. The supplementary information set out on pages 241 to 255 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 177 to 180, forms part of my auditor's report.

Report on the audit of the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
13. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Agricultural producer support and development	56-62	To provide support to producers through agricultural development programmes. Enable and support transformation of the agriculture sector to actively contribute to economic growth, inclusion, equality and the creation of decent work. Increase food production through producer support and development initiatives
Veterinary services	63-70	To provide veterinary services to clients in order to ensure healthy animals, sustainable and profitable animal production enterprises, safe trade in animals and products of animal origin and the wellbeing of animals and the public

14. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

16. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

17. I did not identify any material findings on the reported performance information for agricultural producer support and development, and veterinary services.

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
21. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

22. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
23. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
24. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact.

Internal control deficiencies

26. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

27. I did not identify any significant deficiencies in internal control.

East London
29 July 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the department's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the department to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act I of 1999	Section 1; 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4);
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1; 6.3.1(a); 6.3.1(b); 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Health Act 61 of 2003	Section 13)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2

Legislation	Sections or regulations
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

2 ANNUAL FINANCIAL STATEMENTS

DEPARTMENT OF AGRICULTURE

VOTE 8

APPROPRIATION STATEMENT for the year ended 31 March 2025

Appropriation per programme									
	2024/25					2023/24			
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Programme									
1. Administration	500 869	-	6 573	507 442	504 265	3 177	99,4%	473 419	472 899
2. Sustainable Resource Management	136 169	-	496	136 665	136 665	-	100,0%	132 966	132 878
3. Agricultural Producer Support and Development	844 665	-	(2 214)	842 451	840 812	1 639	99,8%	805 070	804 884
4. Veterinary services	359 169	-	(1 519)	357 650	357 650	-	100,0%	343 988	343 989
5. Research and Technology Development Services	145 348	-	(675)	144 673	144 673	-	100,0%	138 587	138 586
6. Agricultural Economics Services	41 419	-	(2 746)	38 673	38 673	-	100,0%	38 737	38 739
7. Structured Agriculture Education and Training	203 500	-	294	203 794	203 794	-	100,0%	189 152	188 834
8. Rural Development Coordination	218 420	-	(209)	218 211	218 211	-	100,0%	212 117	212 116
Subtotal	2 449 559	-	-	2 449 559	2 444 743	4 816	99,8%	2 334 036	2 332 925
Statutory Appropriation	2 215	-	-	2 215	2 303	(88)	104,0%	2 205	2 159
Members' remuneration	2 215	-	-	2 215	2 303	(88)	104,0%	2 205	2 159
TOTAL	2 451 774	-	-	2 451 774	2 447 046	4 728	99,8%	2 336 241	2 335 084

DEPARTMENT OF AGRICULTURE

VOTE 8

APPROPRIATION STATEMENT for the year ended 31 March 2025

	2024/25		2023/24
	Final Budget	Actual Expenditure	Final Budget
	R'000	R'000	R'000
TOTAL (brought forward)			2 336 241
Reconciliation with statement of financial performance			
Actual amounts per statement of financial performance (Total revenue)	2 451 774		2 336 241
Actual amounts per statement of financial performance (Total expenditure)		2 447 046	2 335 084

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Figure 1

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Statutory appropriation per economic classification									
2024/25							2023/24		
	Approved Budget R'000	Shifting of Funds R'000	Virement R'000	Final Budget R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final budget %	Final Budget R'000	Actual expenditure R'000
Economic classification									
Current payments	2 215	-	-	2 215	2 303	(88)	104,0%	2 205	2 159
Compensation of employees	2 215	-	-	2 215	2 303	(88)	104,0%	2 205	2 159
Total	2 215	-	-	2 215	2 303	(88)	104,0%	2 205	2 159

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 2: SUSTAINABLE RESOURCE USE AND MANAGEMENT										2023/24	
2024/25											
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final budget	Final Budget	Actual expenditure		
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Sub programme											
1. AGRICULTURAL ENGINEERING SERVICES	61 227	-	(2 174)	59 053	59 053	-	100,0%	55 004	55 005		
2. LAND CARE	17 342	-	(330)	17 012	17 006	6	100,0%	17 205	17 117		
3. LAND USE MANAGEMENT	53 728	-	3 208	56 936	56 942	(6)	100,0%	57 496	57 495		
4. DISASTER RISK MANAGEMENT	3 872	-	(208)	3 664	3 664	-	100,0%	3 261	3 261		
Total for sub programmes	136 169	-	496	136 665	136 665	-	100,0%	132 966	132 878		
Economic classification											
Current payments	130 628	-	779	131 407	131 542	(135)	100,1%	127 003	126 915		
Compensation of employees	100 244	-	(2 369)	97 875	97 875	-	100,0%	97 111	97 111		
Goods and services	30 384	-	3 148	33 532	33 667	(135)	100,4%	29 892	29 804		
Transfers and subsidies	-	-	-	-	-	-	-	120	120		
Households	-	-	-	-	-	-	-	120	120		
Payments for capital assets	5 541	-	(283)	5 258	5 123	135	97,4%	5 843	5 843		
Buildings and other fixed structures	1 428	-	-	1 428	1 428	-	100,0%	-	-		
Machinery and equipment	4 113	-	(283)	3 830	3 695	135	96,5%	5 843	5 843		
Total	136 169	-	496	136 665	136 665	-	100,0%	132 966	132 878		

DEPARTMENT OF AGRICULTURE

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 3: AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT									
2024/25					2023/24				
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.PRODUCER SUPPORT SERVICE	135 366	-	(3 961)	131 405	130 693	712	99,5%	115 929	115 972
2. EXTENSION AND ADVISORY SERVICES	469 678	-	4 545	474 223	474 223	-	100,0%	457 586	457 573
3. FOOD SECURITY	239 621	-	(2 798)	236 823	235 896	927	99,6%	231 555	231 339
Total for sub programmes	844 665	-	(2 214)	842 451	840 812	1 639	99,8%	805 070	804 884
Economic classification									
Current payments	674 161	-	(6 472)	667 689	665 679	2 010	99,7%	639 619	640 225
Compensation of employees	426 752	-	(3 127)	423 625	423 625	-	100,0%	417 654	417 654
Goods and services	247 409	-	(3 345)	244 064	242 052	2 012	99,2%	221 965	222 571
Interest and rent on land	-	-	-	-	2	(2)	-	-	-
Transfers and subsidies	40 251	-	-	40 251	40 251	-	100,0%	53 905	53 905
Departmental agencies and accounts	40 251	-	-	40 251	40 251	-	100,0%	53 905	53 905
Payment for capital assets	130 253	-	4 258	134 511	134 882	(371)	100,3%	111 546	110 754
Buildings and other fixed structures	89 757	-	(5 714)	84 043	82 895	1 148	98,6%	77 863	77 657
Machinery and equipment	32 798	-	8 938	41 736	43 255	(1 519)	103,6%	21 938	21 937
Biological assets	7 698	-	1 034	8 732	8 732	-	100,0%	11 745	11 160
Total	844 665	-	(2 214)	842 451	840 812	1 639	99,8%	805 070	804 884

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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 4: VETERINARY SERVICES									
2024/25								2023/24	
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. ANIMAL HEALTH	306 802	-	(229)	306 573	306 573	-	100,0%	296 917	296 918
2. VETERINARY INTERNATIONAL TRADE FACILITATION	11 416	-	29	11 445	11 445	-	100,0%	9 581	9 580
3. VETERINARY PUBLIC HEALTH	19 982	-	(623)	19 359	19 359	-	100,0%	17 365	17 366
4. VETERINARY DIAGNOSTIC SERVICES	20 969	-	(696)	20 273	20 273	-	100,0%	20 125	20 125
Total for sub programmes	359 169	-	(1 519)	357 650	357 650	-	100,0%	343 988	343 989
Economic classification									
Current payments	353 677	-	(2 808)	350 869	350 869	-	100,0%	336 305	336 306
Compensation of employees	298 924	-	(3 216)	295 708	295 707	1	100,0%	284 765	284 766
Goods and services	54 753	-	408	55 161	55 162	(1)	100,0%	51 540	51 540
Payments for capital assets	5 492	-	1 289	6 781	6 781	-	100,0%	7 683	7 683
Buildings and other fixed structures	-	-	-	-	265	(265)	-	793	793
Machinery and equipment	5 492	-	1 289	6 781	6 516	265-	96.1%	6 890	6 890
Total	359 169	-	(1 519)	357 650	357 650	-	100,0%	343 988	343 989

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 5: RESEARCH AND TECHNOLOGY DEVELOPMENT									
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	2023/24	
								Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.AGRICULTURAL RESEARCH	137 324	-	399	137 723	137 723	-	100,0%	133 196	133 197
2. TECHNOLOGY TRANSFER SERVICES	5 495	-	(406)	5 089	5 089	-	100,0%	4 213	4 213
3. RESEARCH INFRASTRUCTURE SUPPORT SERVICES	2 529	-	(668)	1 861	1 861	-	100,0%	1 178	1 176
Total for sub programmes	145 348	-	(675)	144 673	144 673	-	100,0%	138 587	138 586
Economic classification									
Current payments	139 756	-	(3 917)	135 839	135 839	-	100,0%	132 751	132 750
Compensation of employees	116 436	-	(621)	115 815	115 815	-	100,0%	111 892	111 892
Goods and services	23 320	-	(3 296)	20 024	20 024	-	100,0%	20 859	20 858
Payments for capital assets	5 592	-	3 242	8 834	8 834	-	100,0%	5 836	5 836
Buildings and other fixed structures	876	-	(230)	646	646	-	100,0%	9	9
Machinery and equipment	4 488	-	3 472	7 960	7 960	-	100,0%	5 186	5 186
Biological assets	228	-	-	228	228	-	100,0%	641	641
Total	145 348	-	(675)	144 673	144 673	-	100,0%	138 587	138 586

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APPROPRIATION STATEMENT
for the year ended 31 March 2025

Programme 6: AGRICULTURAL ECONOMICS SERVICES									
	2024/25					2023/24			
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.PRODUCTION ECONOMICS AND MARKETING SUPPORT	29 978	-	5 436	35 414	35 414	-	100,0%	31 422	31 424
2. MACRO ECONOMICS SUPPORT	11 441	-	(8 182)	3 259	3 259	-	100,0%	7 315	7 315
Total for sub programmes	41 419	-	(2 746)	38 673	38 673	-	100,0%	38 737	38 739
Economic classification									
Current payments	40 835	-	(2 679)	38 156	38 156	-	100,0%	38 585	38 587
Compensation of employees	36 033	-	(999)	35 034	35 034	-	100,0%	35 829	35 829
Goods and services	4 802	-	(1 680)	3 122	3 122	-	100,0%	2 756	2 758
Payments for capital assets	584	-	(67)	517	517	-	100,0%	152	152
Machinery and equipment	584	-	(67)	517	517	-	100,0%	152	152
Total	41 419	-	(2 746)	38 673	38 673	-	100,0%	38 737	38 739

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 7: AGRICULTURAL EDUCATION AND TRAINING									
2024/25							2023/24		
	Approved Budget	Shifting of Funds	Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.HIGHER EDUCATION AND TRAINING	64 479	-	-	64 479	64 480	(1)	100,0%	61 708	61 708
2. AGRICULTURAL SKILLS AND DEVELOPMENT	139 021	-	294	139 315	139 314	1	100,0%	127 444	127 126
Total for sub programmes	203 500	-	294	203 794	203 794	-	100,0%	189 152	188 834
Economic classification									
Current payments	121 858	-	(1 847)	120 011	121 431	(1 420)	101,2%	105 360	105 185
Compensation of employees	89 456	-	(606)	88 850	88 850	-	100,0%	86 066	85 960
Goods and services	32 402	-	(1 241)	31 161	32 581	(1 420)	104,6%	19 294	19 225
Transfers and subsidies	67 279	-	-	67 279	67 280	(1)	100,0%	66 157	66 157
Higher education institutions	67 279	-	-	67 279	67 280	(1)	100,0%	66 035	66 035
Households	-	-	-	-	-	-	-	122	122
Payments for capital assets	14 363	-	2 141	16 504	15 083	1 421	91.4%	17 635	17 492
Buildings and other fixed structures	13 241	-	1 424	14 665	13 244	1 421	90,3%	16 861	16 718
Machinery and equipment	1 122	-	717	1 839	1 839	-	100.0%	774	774
Total	203 500	-	294	203 794	203 794	-	100,0%	189 152	188 834

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APPROPRIATION STATEMENT for the year ended 31 March 2025

Programme 8: RURAL DEVELOPMENT									
	Approved Budget	Shifting of Funds	2024/25				2023/24		
			Virement	Final Budget	Actual Expenditure	Variance	Expenditure as % of final Budget	Final Budget	Actual expenditure
	R'000	R'000						R'000	R'000
Sub programme									
1.RURAL DEVELOPMENT COORDINATION	196 588	-	181	196 769	196 769	-	100,0%	192 484	192 483
2. SOCIAL FACILITATION	21 832	-	(390)	21 442	21 442	-	100,0%	19 633	19 633
Total for sub programmes	218 420	-	(209)	218 211	218 211	-	100,0%	212 117	212 116
Economic classification									
Current payments	31 167	-	(198)	30 969	30 968	1	100,0%	28 407	28 406
Compensation of employees	18 638	-	(94)	18 544	18 545	(1)	100,0%	17 332	17 332
Goods and services	12 529	-	(104)	12 425	12 423	2	100,0%	11 075	11 074
Transfers and subsidies	186 893	-	-	186 893	186 893	-	100,0%	181 183	181 183
Departmental agencies and accounts	186 893	-	-	186 893	186 893	-	100,0%	181 183	181 183
Payments for capital assets	360	-	(11)	349	350	(1)	100,0%	2 527	2 527
Buildings and other fixed structures	185	-	-	185	185	-	100,0%	2 314	2 314
Machinery and equipment	175	-	(11)	164	165	(1)	100,0%	213	213
Total	218 420	-	(209)	218 211	218 211	-	100,0%	212 117	212 116

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025

1. Detail of transfers and subsidies as per Appropriation Act (after Virement)

Detail of these transactions can be viewed in the note on Transfers and Subsidies, and Annexure 1A-E of the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement)

Detail of these transactions can be viewed in the note on Annual Appropriation to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

An explanations will be provided for balances above the threshold of R2 million

4.1 Per programme

Programme	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
ADMINISTRATION	507,442	504,265	3,177	0.63%

The under-expenditure recorded under COE is attributed to savings resulting from the majority of appointments being internal promotions, which had a minimal impact on the COE budget while simultaneously creating vacancies. Additionally, some posts were only filled in April 2025 following the finalisation of appointment processes. The under-expenditure recorded under Goods and Services is due to the late submission of invoices for the payment of communication services by service provider and could not be processed in the financial year.

AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT	842,451	840,812	1,639	0.19%
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The under-expenditure recorded under the Import Substitution Project was primarily due to a shortage in the market supply of chicks and eggs. Suppliers were unable to meet the required quantities. This mismatch between market availability and project needs resulted in delays in implementation and consequently, lower-than-anticipated expenditure for the reporting period.

DEPARTMENT OF AGRICULTURE

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025

4.2 Per economic classification

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
Economic classification	R'000	R'000	R'000	%
Current payments	1 937 706	1 934 161	3 545	0,18%
Compensation of employees	1,413,126	1,411,827	1,299	0.09%
Goods and services	524 580	522 332	2 248	0.43%
Interest and rent on land	-	2	(2)	
Transfers and subsidies	324 244	324 245	(1)	0,00%
Departmental agencies and accounts	227,144	227,144	-	0.00%
Higher education institutions	67,279	67,280	(1)	0.00%
Households	29,821	29,821	-	0.00%
Payments for capital assets	189 824	188 640	1 184	0,62%
Buildings and other fixed structures	100,967	98 663	2 304	2.28%
Machinery and equipment	79,897	81 017	(1 120)	(1.40%)
Biological assets	8 960	8 960	-	0.00%
Total	2 451 774	2 447 046	4 728	0,19%

4.3 Per conditional grant

	Final Budget	Actual Expenditure	Variance	Variance as a percentage of Final Budget
Conditional grant	R'000	R'000	R'000	%
CASP	261,158	261,160	-2	0.00%
Land Care	13,470	13,466	4	0.00%
Ilima/Letsema	55 965	55 965	-	0.03%
EPWP	2,080	2,080	-	0.00%
Total	332,673	332,671	2	0.00%

1. CASP

An over-expenditure recorded under professional fees was incurred due to slightly higher-than-anticipated costs related to the TARDI project. This was covered by funds from the equitable share allocation.

2. LAND CARE

Savings were realized from the procurement of audiovisual services for the Land Care awareness campaign

DEPARTMENT OF AGRICULTURE

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NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2025

4.4 Per Statutory Appropriation

	Final Budget	Actual Expenditure	Variance	Variance as a % of Final Budget
	R'000	R'000	R'000	%
Statutory Appropriation	2,215	2,303	(88)	-4.0%
Total	2 215	2 303	(88)	-4,0%

The over-expenditure resulted from an arrears salary payment to the former MEC related to the 2023/24 - 2024/25 salary adjustments. The payment was processed before the MEC's appointment to another department was updated in the system, resulting in 9 days of the payment covering a period when the MEC was already serving in the new department. This portion will be recovered through the inter-departmental claim.

**DEPARTMENT OF AGRICULTURE
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**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
REVENUE			
Annual appropriation	1	2 449 559	2 334 036
Statutory appropriation	2	2 215	2 205
Departmental revenue	3	-	-
TOTAL REVENUE		2 451 774	2 336 241
EXPENDITURE			
Current expenditure			
Compensation of employees	4	1 411 827	1 384 015
Goods and services	5	522 330	448 648
Interest and rent on land	6	2	236
Total current expenditure		1 934 159	1 832 899
Transfers and subsidies			
Transfers and subsidies	8	324 245	329 106
Total transfers and subsidies		324 245	329 106
Expenditure for capital assets			
Tangible assets	9	188 642	173 063
Total expenditure for capital assets		188 642	173 063
Payments for financial assets	7	-	16
TOTAL EXPENDITURE		2 447 046	2 335 084
SURPLUS/(DEFICIT) FOR THE YEAR		4 728	1 157
Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		4 728	1 157
Annual appropriation		4 813	521
Statutory appropriation		(88)	46
Conditional grants		2	590
SURPLUS/(DEFICIT) FOR THE YEAR		4 728	1 157

**DEPARTMENT OF AGRICULTURE
VOTE8**

**STATEMENT OF FINANCIAL POSITION
as at 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
ASSETS			
Current assets		14 262	7 547
Cash and cash equivalents	10	8 998	4 023
Prepayments and advances	11	1 488	-
Receivables	12	3 688	3 524
Statutory Appropriation receivable	14	88	-
TOTAL ASSETS		14 262	7 547
LIABILITIES			
Current liabilities		11 151	6 137
Voted funds to be surrendered to the Revenue Fund	13	4 815	1 111
Statutory Appropriation to be surrendered to the Revenue Fund	14	-	46
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	560	552
Payables	16	5 776	4 428
TOTAL LIABILITIES		11 151	6 137
NET ASSETS		3 111	1 410
Represented by:			
Recoverable revenue		3 111	1 410
TOTAL		3 111	1 410

**DEPARTMENT OF AGRICULTURE
VOTE8**

**STATEMENT OF CHANGES IN NET ASSETS
as at 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
Recoverable revenue			
Opening balance		1 410	1 355
Transfers:		1 701	55
Debts raised		213	55
Debt revised		1 488	-
CLOSING BALANCE		3 111	1 410

**DEPARTMENT OF AGRICULTURE
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**CASH FLOW STATEMENT
for the year ended 31 March 2025**

	Note	2024/25 R'000	2023/24 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		2 459 384	2 343 290
Annual appropriation funds received	1.1	2 449 559	2 334 036
Statutory appropriation funds received	2	2 303	2 205
Departmental revenue received	3	7 338	6 855
Interest received	3.3	184	194
Net (increase)/decrease in net working capital		(393)	1 221
Surrendered to Revenue Fund		(9 724)	(41 485)
Current payments		(1 934 157)	(1 832 663)
Interest paid	6	(2)	(236)
Payments for financial assets	7	-	(16)
Transfers and subsidies paid		(324 245)	(329 106)
Net cash flow available from operating activities	17	190 863	141 005
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	9	(188 642)	(173 063)
Proceeds from sale of capital assets	3.4	1 053	980
Net cash flow available from investing activities		(187 589)	(172 083)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		1 701	55
Net cash flows from financing activities		1 701	55
Net increase/(decrease) in cash and cash equivalents		4 975	(31 023)
Cash and cash equivalents at beginning of period		4 023	35 046
Cash and cash equivalents at end of period	18	8 998	4 023

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1.	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2.	Going concern The financial statements have been prepared on a going concern basis.
3.	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department
4.	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5.	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6.	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7.	Revenue
7.1	Appropriated funds Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

**DEPARTMENT OF AGRICULTURE
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**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2025**

	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. Appropriated funds are measured at the amounts receivable. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	Departmental revenue Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Departmental revenue is measured at the cash amount received. In-kind donations received are recorded in the notes to the financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	Accrued departmental revenue Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: - it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and - the amount of revenue can be measured reliably.
8.	Expenditure
8.1	Compensation of employees
8.1.1	Salaries and wages Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	Social contributions Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	Other expenditure Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

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	Donations made in kind are recorded in the notes to the financial statements on the date of transfer and are measured at cost or fair value.
8.3	Accruals and payables not recognised Accruals and payables not recognised are recorded in the notes to the financial statements at cost or fair value at the reporting date.
8.4	Leases
8.4.1	Operating leases Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	Finance leases Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. At commencement of the finance lease term, finance lease assets acquired are recorded and measured at: the fair value of the leased asset; or if lower, the present value of the minimum lease payments. Finance lease assets acquired prior to 1 April 2024, are recorded and measured at the present value of the minimum lease payments.
9.	Cash and cash equivalents Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
10.	Prepayments and advances Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. Prepayments and advances expensed before 1 April 2024 are recorded until the goods, services, or capital assets are received, or the funds are utilised in accordance with the contractual agreement.

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11.	Loans and receivables Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
12.	Financial assets
12.1	Financial assets (not covered elsewhere) A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
12.2	Impairment of financial assets Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
13.	Payables Payables recognised in the statement of financial position are recognised at cost.
14.	Capital assets
14.1	Immovable capital assets Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
14.2	Movable capital assets Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

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	Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
14.3	Intangible capital assets Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
14.4	Project costs: Work-in-progress Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
15.	Provisions and contingents
15.1	Provisions Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
15.2	Contingent liabilities Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

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15.3	Contingent assets Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
15.4	Capital commitments Capital commitments are recorded at cost in the notes to the financial statements.
16.	Fruitless and wasteful expenditure Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable. Fruitless and wasteful expenditure is recorded in the notes to the financial statements when and at amounts confirmed, and comprises of: • fruitless and wasteful expenditure that was under assessment in the previous financial year; • fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and • fruitless and wasteful expenditure incurred in the current year.
17.	Changes in accounting policies, estimates and errors Changes in accounting policies are applied in accordance with MCS requirements. Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
18.	Events after the reporting date Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
19.	Principal-Agent arrangements The department is party to a principal-agent arrangement for Presidential Stimulus Scheme (PES). In terms of the arrangement the department is the agent and is responsible for implementing the project in the Eastern Cape. All related expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
20.	Recoverable revenue Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written off.

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21.	Related party transactions Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The full compensation of key management personnel is recorded in the notes to the financial statements.
22.	Inventories <i>(Effective from date determined by the Accountant-General)</i> At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value. The cost of inventories is assigned by using the weighted average cost basis.
23.	Employee benefits The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the Employee benefits note. Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date. The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

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PART B: EXPLANATORY NOTES

1. Annual Appropriation

1.1. Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2024/25			2023/24		
	Final Budget	Actual Funds Received	Funds not requested / not received	Final Budget	Appropriati on Received	Funds not requested / not received
Programmes	R'000	R'000	R'000	R'000	R'000	R'000
Administration	507 442	507 442	-	473 419	473 419	-
Sustainable Resource Management	136 665	136 665	-	132 966	132 966	-
Agricultural Producer Support and Development	842 451	842 451	-	805 070	805 070	-
Veterinary services	357 650	357 650	-	343 988	343 988	-
Research and Technology Development Services	144 673	144 673	-	138 587	138 587	-
Agricultural Economics Services	38 673	38 673	-	38 737	38 737	-
Structured Agriculture Education and Training	203 794	203 794	-	189 152	189 152	-
Rural Development Coordination	218 211	218 211	-	212 117	212 117	-
Total	2 449 559	2 449 559	-	2 334 036	2 334 036	-

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1.2. Conditional grants

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Total grants received	35	332 673	323 605

2. Statutory Appropriation

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Members' remuneration		2 215	2 205
Total		2 215	2 205
Actual Statutory Appropriation received		2 303	2 205

3. Departmental revenue

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Sales of goods and services other than capital assets	3.1	5 415	5 758
Fines, penalties and forfeits	3.2	-	3
Interest, dividends and rent on land	3.3	184	194
Sales of capital assets	3.4	1 053	980
Transactions in financial assets and liabilities	3.5	1 923	1 094
Total revenue collected		8 575	8 029
Less: Own revenue included in appropriation	15	8 575	8 029
Total		-	-

3.1. Sales of goods and services other than capital assets

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Sales of goods and services produced by the department		5 254	4 805
Sales by market establishment		115	120
Administrative fees		849	790
Other sales		4 290	3 895
Sales of scrap, waste and other used current goods		161	953
Total	3	5 415	5 758

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3.2. Fines, penalties and forfeits

	Note	2024/25 R'000	2023/24 R'000
Fines		-	3
Total	3	-	3

3.3. Interest, dividends and rent on land

	Note	2024/25 R'000	2023/24 R'000
Interest		184	194
Total	3	184	194

3.4. Sales of capital assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		1 053	980
Biological assets		1 053	980
Total	3	1 053	980

3.5. Transactions in financial assets and liabilities

	Note	2024/25 R'000	2023/24 R'000
Receivables		1 923	1 094
Total	3	1 923	1 094

3.5.1. Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

	Note	2024/25 R'000	2023/24 R'000
Donations		-	6 817
Total gifts, donations and sponsorships received in kind		-	6 817

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3.6. Cash received not recognised (not included in the main note)

Name of entity	2024/25		
	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
ECRDA	2 087	(2 087)	-
Total	2 087	(2 087)	-

Name of entity	2023/24		
	Amount received	Amount paid to the revenue fund	Balance
	R'000	R'000	R'000
ECRDA	253	(253)	-
Total	253	(253)	-

The department received funds from ECRDA that were unspent at the end of the financial year. These funds were surrendered to the Provincial Revenue Fund.

4. Compensation of employees

4.1. Analysis of balance

	Note	2024/25 R'000	2023/24 R'000
Basic salary		989 592	977 623
Performance award		45	-
Service based		1 536	2 884
Compensative/circumstantial		9 398	7 379
Other non-pensionable allowances		197 707	193 485
Total		1 198 278	1 181 371

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4.2. Social contributions

		2024/25	2023/24
Employer contributions	<i>Note</i>	R'000	R'000
Pension		123 767	122 708
Medical		78 591	72 958
Bargaining council		309	308
Insurance		10 882	6 670
Total		213 549	202 644
 Total compensation of employees		 1 411 827	 1 384 015
 Average number of employees		 2 561	 2 638

1. SALARIES AND WAGES

The increase is caused by the additional funding allocated for the wage agreement to cover Improvement in Conditions of Service - salary adjustment

2. SOCIAL CONTRIBUTION

The increase is caused by the additional fundings allocated for the wage agreement to cover employment benefits

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5. Goods and services

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Administrative fees		1 802	734
Advertising		5 625	587
Minor assets	5.1	5 686	812
Bursaries (employees)		3	183
Catering		10 576	6 182
Communication		16 891	13 271
Computer services	5.2	9 317	9 492
Consultants: Business and advisory services		6 032	1 582
Infrastructure and planning services		8 445	5 240
Laboratory services		2 705	850
Legal services		1 509	919
Contractors		23 883	15 332
Agency and support / outsourced services		46 180	65 200
Entertainment		71	54
Audit cost - external	5.3	7 201	7 128
Fleet services		36 919	19 213
Inventories	5.4	178 700	152 696
Consumables	5.5	11 416	9 824
Operating leases		18 594	15 712
Property payments	5.6	41 473	29 412
Rental and hiring		-	34
Travel and subsistence	5.7	73 506	72 742
Venues and facilities		4 462	4 636
Training and development		9 994	14 942
Other operating expenditure	5.8	1 340	1 871
Total		522 330	448 648

1. Administrative fees

The increase is due to ongoing CPD, which is a requirement, and the higher number of officials in 2024–25 compared to 2023–24

2. Advertising

The additional budget was allocated to address the funding shortfall for communication activities, which include media engagements (radio and TV), newsletters, print advertisements, and in-house broadcasts

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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3. Minor assets

The increase was driven by demand received through the application process from farmers and beneficiaries involved in genetic improvement initiatives, prompting the department to reduce the large stock budget in order to accommodate small stock

4. Catering

Reprioritized to cater for Tsolo students, and for the training of farmers

5. Communication

The increase is caused by the underfunded of communication and the department has to reprioritized and fund the contractual obligation,

6. Consultation: Business and advisory service

Expenditure increased due to the implementation of the livestock tracking and tracing programme in 2024/25, aimed at controlling disease and monitoring livestock movement

7. Infrastructure and planning services

Increased expenditure on infrastructure projects related to the siting and drilling of boreholes to address the growing water needs of farmers and community in agriculture

8. Laboratory service

The increase is for the payment to the Onderstepoort Veterinary Research for sample testing related to disease control, which required the department to reprioritise its budget

9. Contractors

The significant increase is driven by the high number of projects requiring the payment of casual labourers involved in infrastructure, producer support, Land Care projects, and spring water protection, as well as the payment of extension officers participating in summits and seminars

10. Agency and support/outsourced services

The decrease is due to a higher demand for production inputs over mechanisation, as indicated through the beneficiary application process. As a result, funds were reprioritised and redirected to cover production inputs under inventories

11. Fleet services

The increase is due to the accruals from the 2023/24 financial year for government vehicle fuel and utilization payments, which were made in the 2024/25 financial year. This resulted from insufficient funding in the contractual obligations budget

12. Inventories

The increase is caused by higher demand for production inputs over mechanisation and additional funding received for Import substitution project, that was mainly used to procure production inputs

13. Property payments

The increase is attributed to accruals from the 2023/24 financial year for security and cleaning services, along with rising costs for municipal services. Additionally, new security service contracts commenced in the 2024/25 financial year, aligning with the department's growing need for enhanced security. Given the rising security concerns and the importance of safeguarding assets, personnel, and sensitive operations.

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5.1. Minor assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		5 686	812
Biological assets		4 492	9
Machinery and equipment		1 194	803
Total	5	5 686	812

The increase was driven by demand received through the application process from farmers and beneficiaries involved in genetic improvement initiatives, prompting the department to reduce the large stock budget in order to accommodate small stock

5.2. Computer services

	Note	2024/25 R'000	2023/24 R'000
SITA computer services		3 712	3 647
External computer service providers		5 605	5 845
Total	5	9 317	9 492

5.3. Audit cost - external

	Note	2024/25 R'000	2023/24 R'000
Regularity audits		7 201	7 128
Total	5	7 201	7 128

5.4. Inventories

	Note	2024/25 R'000	2023/24 R'000
Clothing material and accessories		583	-
Farming supplies		117 139	99 519
Food and food supplies		73	73
Fuel, oil and gas		1 657	1 123
Learning, teaching and support material		39	-
Materials and supplies		14 494	14 263
Medical supplies		2 468	1 874
Medicine		30 095	29 649
Other supplies	5.4.1	12 152	6 195
Total		178 700	152 696

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1. Farming supplies

The department received an additional allocation for the Import Substitution Project, part of which was used to procure farming supplies, production inputs, feed for chickens

2. Medicine

The increase is based on quantity of medicine procured in line with the requirements for the province,

5.4.1. Other supplies

	Note	2024/25 R'000	2023/24 R'000
Assets for distribution		11 108	5 316
Machinery and equipment		10 645	4 947
Other assets for distribution		463	369
Other		1 044	879
Total	5.4	12 152	6 195

1. Other supplies

Procurement of agricultural equipment to be distributed to beneficiaries and is based on demand received through the application process.

5.5. Consumables

	Note	2024/25 R'000	2023/24 R'000
Consumable supplies		7 203	6 165
Uniform and clothing		4 882	2 617
Household supplies		1 943	1 302
IT consumables		189	11
Other consumables		189	2 235
Stationery, printing and office supplies		4 213	3 659
Total	5	11 416	9 824

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5.6. Property payments

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Municipal services		9 047	7 833
Property management fees		2 060	20 486
Property maintenance and repairs		1 419	1 093
Other		28 947	-
Total	5	41 473	29 412

The increase is attributed to accruals from the 2023/24 financial year for security and cleaning services, along with rising costs for municipal services. Additionally, new security service contracts commenced in the 2024/25 financial year, aligning with the department's growing need for enhanced security. Given the rising security concerns and the importance of safeguarding assets, personnel, and sensitive operations.

5.7. Travel and subsistence

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Local		72 661	71 868
Foreign		845	874
Total	5	73 506	72 742

5.8. Other operating expenditure

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Resettlement costs		713	1 296
Other		627	575
Total	5	1 340	1 871

6. Interest and rent on land

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Interest paid		2	236
Total		2	236

The department incurred interest pertaining to late payment of a transaction

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7. Payments for financial assets

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Debts written off	7.1	-	16
Total		-	16

7.1. Debts written off

		2024/25	2024/25
Nature of debts written off	<i>Note</i>	R'000	R'000
Other debt written off		-	16
Total debt written off		-	16

8. Transfers and subsidies

		2024/25	2023/24
	<i>Note</i>	R'000	R'000
Departmental agencies and accounts	<i>Annex 1A</i>	227 144	235 088
Higher education institutions	<i>Annex 1B</i>	67 280	66 035
Households	<i>Annex 1C</i>	29 821	27 983
Total		324 245	329 106

1. Departmental agencies and accounts

In the 2023/24 financial year, the Eastern Cape Rural Development Agency (ECRDA) received a once-off increased transfer to support Amadlelo and Ncera Macadamia. Additionally, the budget for the Chris Hani Development Agency was reclassified under Goods and Services.

2. Higher education institution

Transfer to Fort Cox was increase for training/skills development of unemployed youth who are not part of CASP beneficiaries for 2024/25 but are involved in some agriculture activities.

3. Household

The increase is due to a high number of retirements and departures from the department, which has created spending pressure for leave gratuities

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8.1. Gifts, donations and sponsorships made in kind (not included in the main note)

	Note	2024/25 R'000	2023/24 R'000
	<i>Annex 1E</i>		
Donations		98	83
Total		98	83

9. Expenditure for capital assets

	Note	2024/25 R'000	2023/24 R'000
Tangible capital assets		186 642	173 063
Buildings and other fixed structures		98 665	97 491
Machinery and equipment		81 017	63 771
Biological assets		8 960	11 801
Total		188 642	173 063

The following amounts have been included as project costs in
Expenditure for capital assets

Compensation of employees	4 750	5 324
Goods and services	285	1 064
Total	5 035	6 388

1. Building and other fixed structures

The increase was driven by the high demand received through the application process from farmers and communities seeking agricultural support. A significant number of projects related to dip tank renovations and the erection of fencing were implemented during the 2024/25 financial year.

2. Machinery and equipment

The increase is to cover underfunded contractual obligations - rentals of gg vehicles and cell phones.

3. Biological assets

The decrease was driven by demand received through the application process from farmers and beneficiaries involved in genetic improvement initiatives, prompting the department to reduce the large stock budget in order to accommodate small stock.

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9.1. Analysis of funds utilised to acquire capital assets - Current year

	Voted funds	Total
Name of entity	R'000	R'000
Tangible capital assets	188 642	188 642
Buildings and other fixed structures	98 665	98 665
Machinery and equipment	81 017	81 017
Biological assets	8 960	8 960
Total	188 642	188 642

9.2. Analysis of funds utilised to acquire capital assets - Prior year

	Voted funds	Total
Name of entity	R'000	R'000
Tangible capital assets	173 063	173 063
Buildings and other fixed structures	97 491	97 491
Machinery and equipment	63 771	63 771
Biological assets	11 801	11 801
Total	173 063	173 063

9.3. Finance lease expenditure include in Expenditure for capital assets

	2024/25	2023/24
Note	R'000	R'000
Tangible capital assets		
Machinery and equipment	44 531	36 778
Total	44 531	36 778

The increase is caused by the accruals for the payments of rentals for GG's vehicles that were not paid in 2023-24 and paid in 2024-25 financial year and the department moved funds to cater for leases of GG's

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10. Cash and cash equivalents

	Note	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General Account		8 998	4 023
Total		8 998	4 023

The increase relates to the remaining budget balance as at the end of the year

11. Prepayments and advances

	Note	2024/25 R'000	2023/24 R'000
Advances paid (Not expensed)	11.1	1 488	-
Total		1 488	-

Analysis of Total Prepayments and advances

Current Prepayments and advances		1 488	-
Total		1 488	-

The department transferred funds for various projects.

11.1. Advances paid (Not expensed)

		2024/25				
		Amount as at 1 April 2024	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2025
	Note	R'000	R'000	R'000	R'000	R'000
Public entities		-	(62 771)	-	64 259	1 488
Total	11	-	(62 771)	-	64 259	1 488

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		2023/24				
		Amount as at 1 April 2023	Less: Amounts expensed in current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
	Note	R'000	R'000	R'000	R'000	R'000
Public entities		-	-	-	-	-
Total	11	-	-	-	-	-

11.2. Advances paid (Expensed)

	Amount as at 1 April 2024	Less: Received in the current year	Less: Other	Amount as at 31 March 2025
	R'000	R'000	R'000	R'000
Public entities	11 486	(11 486)	-	-
Total	11 486	(11 486)	-	-

		2023/24				
		Amount as at 1 April 2023	Less: Received in the current year	Add / Less: Other	Add Current year advances	Amount as at 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Public entities		-	-	-	11 486	11 486
Total		-	-	-	11 486	11 486

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12. Receivables

	<i>Note</i>	2024/25			2023/24		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	61	-	61	76	-	76
Recoverable expenditure	12.2	(464)	-	(464)	(417)	-	(417)
Staff debt	12.3	3 917	-	3 917	3 691	-	3 691
Other receivables	12.4	174	-	174	174	-	174
Total		3 688	-	3 688	3 524	-	3 524

12.1. Claims recoverable

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Provincial departments		61	76
Total	12	61	76

12.2. Recoverable expenditure

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Clearing accounts		(464)	(417)
Total	12	(464)	(417)

12.3. Staff debt

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Debtors		3 917	3 691
Total	12	3 917	3 691

12.4. Other receivables

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Fruitless and wasteful expenditure		174	174
Total	12	174	174

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13. Voted funds to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		1 111	33 296
As restated		1 111	33 296
Transferred from statement of financial performance (as restated)		4 815	1 111
Paid during the year		(1 111)	(33 296)
Closing balance		4 815	1 111

13.1. Reconciliation on unspent conditional grants

	Note	2024/25 R'000	2023/24 R'000
Opening balance		590	-
Total conditional grants received	1.2	332 673	323 605
Total conditional grants spent		(332 671)	(323 015)
Unspent conditional grants to be surrendered		592	590
Less: Paid to the Provincial Revenue Fund by Provincial department		(590)	
Approved for rollover		-	
Not approved for rollover		(590)	
Closing balance		2	590

14. Statutory Appropriation to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		46	181
As restated		46	181
Transferred from statement of financial performance (as restated)		(88)	46
Paid during the year		(46)	(181)
Closing balance		(88)	46

The over-expenditure is due to the pro rata payment for the new MEC, while the former MEC received a full payment for the month.

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15. Departmental revenue to be surrendered to the Revenue Fund

	Note	2024/25 R'000	2023/24 R'000
Opening balance		552	531
Prior period error			
As restated		552	531
Own revenue included in appropriation		8 575	8 029
Paid during the year		(8 567)	(8 008)
Closing balance		560	552

16. Payables - current

	Note	2024/25 R'000	2023/24 R'000
Amounts owing to other entities		4 262	1 808
Clearing accounts	16.1	1 514	2 620
Total		5 776	4 428

16.1. Clearing accounts

Description	Note	2025/24 R'000	2023/24 R'000
Salary related accounts		1 514	2 620
Total	16	1 514	2 620

17. Net cash flow available from operating activities

	Note	2024/25 R'000	2023/24 R'000
Net surplus/(deficit) as per Statement of Financial Performance		4 728	1 157
Add back non-cash/cash movements not deemed operating activities		182 711	139 848
(Increase)/decrease in receivables		(164)	202
(Increase)/decrease in prepayments and advances		(1 488)	-
Increase/(decrease) in payables - current		1 348	1 019
Proceeds from sale of capital assets		(1 053)	(980)
Expenditure on capital assets		188 642	173 063
Surrenders to Revenue Fund		(9 724)	(41 485)
Own revenue included in appropriation		8 574	8 029
Net cash flow generated by operating activities		190 863	141 005

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18. Reconciliation of cash and cash equivalents for cash flow purposes

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Consolidated Paymaster General account		8 998	4 023
Total		8 998	4 023

19. Contingent liabilities and contingent assets

19.1. Contingent liabilities

Liable to	Nature	<i>Note</i>	2024/25 R'000	2023/24 R'000
Claims against the department		<i>Annex 3</i>	25 714	30 422
Total			25 714	30 422

19.2. Contingent assets

Nature of contingent asset	<i>Note</i>	2024/25 R'000	2023/24 R'000
Guardrisk Insurance		989	989
SARS Tax		11 976	11 976
Cotton Star		895	895
Total		13 860	13 860

The claims against the department consist of legal cases lodged against the department. These cases are pending with the court of law, therefore, there is uncertainties regarding the outcome of these cases. The department is represented by the State attorney for the contingent liabilities and assets.

Due to the magnitude of the claims against the department, it is impractical to classify these cases

20. Capital commitment

	<i>Note</i>	2024/25 R'000	2023/24 R'000
Buildings and other fixed structures		19 923	10 186
Machinery and equipment		650	133
Total		20 573	10 319

The department has multi-year project that were implemented during the financial year.

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21. Accruals and payables not recognised

21.1. Accruals

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		6 144	2 574	8 718	10 301
Capital assets		2 503	4 932	7 435	2 063
Total		8 647	7 506	16 153	12 364

		2024/25	2023/24
Listed by programme level	Note	R'000	R'000
Administration		12 211	8 912
Sustainable Resource Management		146	57
Farmer support& Development		1 132	387
Veterinary Services		84	1 426
Technology Research & Dev Services		700	324
Agricultural Economics		70	-
Structured Agricultural Training		1 804	1 258
Rural Development		6	-
Total		16 153	12 364

21.2. Payables not recognised

		2024/25			2023/24
		30 Days	30+ Days	Total	Total
Listed by economic classification	Note	R'000	R'000	R'000	R'000
Goods and services		2 789	78	2 867	11 579
Capital assets		421	1 408	1 829	11 749
Total		3 210	1 486	4 696	23 328

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Listed by programme level	Note	2024/25 R'000	2023/24 R'000
Administration		3 411	20 665
Sustainable Resource Management		17	43
Farmer support& Development		403	370
Veterinary Services		13	226
Technology Research & Dev Services		675	376
Agricultural Economics		40	-
Structured Agricultural Training		113	1 648
Rural Development		24	-
Total		4 696	23 328

1. Accruals

The department received invoices after the year end.

2. Payables

The department enhanced its efforts to process payments timeously which resulted in a decrease in payables.

22. Employee benefits

	Note	2024/25 R'000	2023/24 R'000
Leave entitlement		88 889	90 151
Service bonus		39 919	39 251
Performance awards		45	-
Capped leave		57 520	70 888
Other		7 575	8 519
Total		193 948	208 809

There was a high number of retirements during the financial year which resulted in a reduction of capped leave. The leave entitlement includes as a negative leave balance amounting to R343 117.85

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23. Lease commitments

23.1. Operating leases

	2024/25		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	8 249	4 935	13 184
Later than 1 year and not later than 5 years	5 148	-	5 148
Total lease commitments	13 397	4 935	18 332

	2023/24		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	4 848	-	4 848
Later than 1 year and not later than 5 years	7 599	-	7 599
Total lease commitments	12 447	-	12 447

23.2. Finance leases **

	2024/25		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	-	29 807	29 807
Later than 1 year and not later than 5 years	-	21 539	21 539
Total lease commitments	-	51 346	51 346

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	2023/24		
	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000
Not later than 1 year	-	30 844	30 844
Later than 1 year and not later than 5 years	-	24 366	24 366
Total lease commitments	-	55 210	55 210

24. Accrued departmental revenue

	2024/25	2023/24
<i>Note</i>	R'000	R'000
Sales of goods and services other than capital assets	490	479
Fines, penalties and forfeits	-	2
Interest, dividends and rent on land	14	15
Sales of capital assets	-	2
Transactions in financial assets and liabilities	56	54
Total	560	552

24.1. Analysis of accrued departmental revenue

	2024/25	2023/24
<i>Note</i>	R'000	R'000
Opening balance	552	531
Add: amounts recorded	560	552
Amount paid	(552)	(531)
Closing balance	560	552

25. Fruitless and wasteful expenditure

	2024/25	2023/24
<i>Note</i>	R'000	R'000
Fruitless and wasteful expenditure - current year	32	244
Total	32	244

Information on any criminal or disciplinary steps taken as a result of unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure is included in the annual report under the PFMA Compliance Report.

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26. Related party transactions

Related party relationships include ECRDA and its subsidiaries such as Kangela Citrus Farm (Pty) Ltd. The department holds 100% shareholding in Magwa Enterprise Tea.

All transactions with related parties were at arm's length

27. Key management personnel

	2024/25	2023/24
	R'000	R'000
Political office bearers (<i>provide detail below</i>)	2 221	2 098
Officials:		-
Level 15 - 16	3 140	4 957
level 14 (Incl. CFO)	17 807	15 201
Acting allowance	450	289
Family members of key management personnel	2 702	2 976
Total	26 320	25 521

28. Provisions

	2024/25	2023/24
	R'000	R'000
<i>Note</i>		
Retention	1 798	1 517
Total	1 798	1 517

28.1. Reconciliation of movement in provisions - Current year

	2024/25	
	Provision	Total provisions
	R'000	R'000
Opening balance	1 517	1 517
Change in provision due to change in estimation of inputs	1 798	1 798
Settlement of provision	(1 517)	(1 517)
Closing balance	1 798	1 798

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Reconciliation of movement in provisions - Prior year

	2023/24	
	Provision	Total provisions
	R'000	R'000
Opening balance	2 215	2 215
Settlement of provision	(2 215)	(2 215)
Change in provision due to change in estimation of inputs	1 517	1 517
Closing balance	1 517	1 517

The provisions related to multi-year projects that are underway. The expected timing of the outflow is uncertain as at the end of the financial year

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25				
	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	289 796		36 488	(12 532)	313 752
Transport assets	27 630		-	(1 040)	26 590
Computer equipment	93 339		11 648	(4 399)	100 588
Furniture and office equipment	21 752		985	(92)	22 645
Other machinery and equipment	147 075		23 855	(7 001)	163 929
BIOLOGICAL ASSETS	7 344	1 244	8 960	(11 223)	6 325
Biological assets	7 344	1 244	8 960	(11 223)	6 325
FINANCE LEASE ASSETS	53 868		9 295	(33)	63 130
Finance lease assets	53 868		9 295	(33)	63 130
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	351 008	1 244	54 743	(23 788)	383 207

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Movable Tangible Capital Assets under investigation

	Number	Value R'000
<i>Note</i>		
Included in the above total of the movable tangible capital assets per the asset register that are under investigation:		
Machinery and equipment	21	346
Total	21	346

This relates to assets reported as lost or stolen. The outcome of the investigation is still pending.

29.1. MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	293 245	-	33 716	(37 165)	289 796
Transport assets	21 934	-	5 966	(270)	27 630
Computer equipment	77 626	-	17 376	(1 663)	93 339
Furniture and office equipment	21 532	-	320	(100)	21 752
Other machinery and equipment	172 153	-	10 054	(35 132)	147 075
BIOLOGICAL ASSETS	9 046	(230)	11 801	(13 273)	7 344
Biological assets	9 046	(230)	11 801	(13 273)	7 344
FINANCE LEASE ASSETS	53 868				53 868
Finance lease assets	53 868	-	-	-	53 868
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	356 159	(230)	45 517	(50 438)	351 008

29.1.1. Prior period error

Nature of prior period error	2023/24 R'000
<i>Note</i>	
Relating to assets affecting 2023/24 opening balances	
Biological Asset	(230)
Total prior period errors	(230)

This relates to deaths of biological assets that were identified during the year.

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29.2. Minor assets

MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	Intangible assets R'000	Machinery and equipment R'000	Biological assets R'000	Finance lease assets R'000	Total R'000
Opening balance	48	38 354	2 561	110	41 073
Value adjustments			36		36
Additions		1 191	4 841		6 032
Disposals		(933)	(5 330)		(6 263)
Total Minor assets	48	38 612	2 108	110	40 878

	Intangible assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	18	7 457	-	-	7 475
Number of minor assets at cost	18	34 938	2 000	28	36 984
Total number of minor assets	36	42 395	2 000	28	44 459

Minor capital assets under investigation

	Number	Value R'000
<i>Note</i>		
Included in the above total of the minor capital assets per the asset register that are under investigation:		
Machinery and equipment	5	3
	5	3

These assets were reported as lost or stolen.

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MOVEMENT IN MINOR CAPITAL ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Intangible assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R'000	R'000	R'000	R'000	R'000
Opening balance	48	38 291	2 929	110	41 378
Prior period error	-	-	(105)	-	(105)
Additions	-	1 008	390	-	1 398
Disposals	-	(945)	(653)	-	(1 598)
Total Minor assets	48	38 354	2 561	110	41 073

	Intangible assets	Machinery and equipment	Biological assets	Finance lease assets	Total
Number of R1 minor assets	-	8	-	-	8
Number of minor assets at cost	-	26	2	-	28
Total number of minor assets	-	34	2	-	36

29.2.1. Prior period error

Nature of prior period error	Note	2023/24 R'000
Relating to 2023/24 <i>[affecting the opening balance]</i>		
Biological assets		(105)
Total prior period errors		(105)

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
SOFTWARE	8 642	-	-	8 642
TOTAL INTANGIBLE CAPITAL ASSETS	8 642	-	-	8 642

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30.1. MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	8 642	-	-	-	8 642
TOTAL INTANGIBLE CAPITAL ASSETS	8 642	-	-	-	8 642

31. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2025

	2024/25			
	Opening balance	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	10 809	118 645	(118 645)	10 809
Non-residential buildings	9 986	80 964	(80 964)	9 986
Other fixed structures	823	37 681	(37 681)	823
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	10 809	118 645	(118 645)	10 809

31.1. MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	2023/24				
	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	10 809	-	83 417	(83 417)	10 809
Non-residential buildings	9 986	-	51 463	(51 463)	9 986
Other fixed structures	823	-	31 954	(31 954)	823
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	10 809	-	83 417	(83 417)	10 809

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31.2. Immovable tangible capital assets: Capital Work-in-progress

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2025

		2024/25			
	Note	Opening balance 1 April 2024	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2025
	Annex 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		36 820	98 663	(118 645)	16 838
Total		36 820	98 663	(118 645)	16 838

Payables not recognised relating to Capital WIP

	Note	2024/25 R'000	2023/24 R'000
<i>Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress</i>			
Non-residential building		296	-
Total		296	-

CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31 MARCH 2024

		2023/24				
	Note	Opening balance 1 April 2023	Prior period error	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2024
		R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures		22 746		97 491	(83 417)	36 820
Total		22 746		97 491	(83 417)	36 820

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31.3. Immovable tangible capital assets written off

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2025

	Buildings and other fixed structures	Total
	R'000	R'000
Assets written off	1 569	1 569
Total Immovable capital assets written off	1 569	1 569

Based on the technical feasibility report, the project was unaffordable.

IMMOVABLE CAPITAL ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2024

	Buildings and other fixed structures	Total
	R'000	R'000
Assets written off	-	-
Total immovable capital assets written off	-	-

32. Changes in accounting policies

32.1. Changes in accounting policies

		2023/24				
		Opening balance before the change (1 Apr 2023)	Adjust- ment of opening balance	Restated opening balance after the change (1 Apr 2023)	Adjust- ment for 2023/24	Restated closing balance (31 Mar 2024)
Nature of change in accounting policy	<i>Note</i>	R'000	R'000	R'000	R'000	R'000
Finance lease assets						
Movable Tangible Capital Assets	33	-	-	-	53 868	53 868
Minor Assets		-	-	-	110	110

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Included in the opening balances for 2023/24 and 2024/25 is a change in accounting policy made in terms of the MCS requirements whereby assets under finance leases are recorded by a department at the commencement of the lease term rather than at the end of the lease term. The change in accounting policy is applied retrospectively.

33. Prior period errors

33.1. Correction of prior period errors

		2023/24		
		Amount before error correction	Prior period error	Restated
		R'000	R'000	R'000
		Note		
Assets:				
Biological assets: major		7 574	(230)	7 344
Biological assets: minor		2 929	(105)	2 824
Net effect		10 503	(335)	10 168

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34. Statement of conditional grants received

2024/25												2023/24			
GRANT ALLOCATION												SPENT			
Name of grant	Division of Revenue Act / Provincial grants	Roll overs	DORA Adjust-ments	Other Adjust-ments	Total Available	Amount received by depart-ment	Amount spent by depart-ment	Under- / (Oversp ending)	% of available funds spent by depart-ment	Division of Revenue Act / Provincial grants	Amount spent by depart-ment				
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000				
CASP	261 158	-	-	-	261 158	261 158	(261 160)	(2)	100,0%	237 612	237 110				
LAND CARE	13 470	-	-	-	13 470	13 470	(13 466)	4	100,0%	13 429	13 342				
ILIMA/LETSEMA	55 965	-	-	-	55 965	55 965	(55 965)	-	100,0%	70 483	70 482				
EPWP	2 080	-	-	-	2 080	2 080	(2 080)	-	100,0%	2 081	2 081				
TOTAL	332 673	-	-	-	332 673	332 673	(332 671)	2	100%	323 605	323 015				

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ANNEXURE 1A
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

Departmental Agency or Account	2024/25				2023/24	
	TRANSFER ALLOCATION			TRANSFER	Final Budget	Actual transfer
	Adjusted Budget R'000	Roll overs R'000	Adjustments R'000	Total Available R'000	Actual transfer R'000	% of available funds transferred
ECRDA	145 275	-	-	145 275	145 275	100,0%
Magwa Tea	30 699	-	-	30 699	30 699	100,0%
Chris Hani Development Agency	-	-	-	-	-	-
RED Hub	4 700	-	-	4 700	4 700	100,0%
Cannabis	10 919	-	-	10 919	10 919	100,0%
Blended Finance	25 000	-	-	25 000	25 000	100,0%
Ncera Macadamia Nuts	-	-	-	-	-	-
Citrus Intervention	6 551	-	-	6 551	6 551	100,0%
Amadlelo	-	-	-	-	-	-
Commodity Revolving Credit	4 000	-	-	4 000	4 000	100,0%
TOTAL	227 144	-	-	227 144	227 144	100%
					239 588	235 088

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ANNEXURE 1B
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

Higher Education Institution	2024/25					2023/24			
	TRANSFER ALLOCATION			TRANSFER					
	Adjusted Budget	Roll overs	Adjustment s	Total Available	Actual transfer	Amount not transferred	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Higher Education & Training Institute	64 479	-	-	64 479	64 480	(1)	0.0%	-	66 035
Fort Cox	2 800	-	-	2 800	2 800	-	0.0%	-	-
TOTAL	67 279	-	-	67 279	67 280	(1)	0.0%	66 035	66 035

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HOUSEHOLDS

Household	2024/25				EXPENDITURE		2023/24	
	TRANSFER ALLOCATION							
	Adjusted Budget	Roll overs	Adjustments	Total Available	Actual transfer	% of available funds transferred	Final Budget	Actual transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers								
Leave Gratuity	24 000	-	4 480	28 480	28 480	100,0%	42 499	27 741
Bursary	-	-	1 341	1 341	1 341	100,0%	242	242
TOTAL	24 000	-	5 821	29 821	29 821	100,0%	42 741	27 983

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ANNEXURE 1D
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

Name of organisation	Nature of gift, donation or sponsorship	2024/25	2023/24
<u>Received in kind</u>		R'000	R'000
Donations			
DALRRD	Samsung A22 Cellphones	-	205
ECRDA	Hydraulic excavator	-	1 441
ECRDA	Tipper truck, motor grader, tipper double cab	-	5 171
Total donations		-	6 817
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED		-	6 817

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ANNEXURE 1E
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

Nature of gift, donation or sponsorship (Group major categories but list material items including name of organisation) Made in kind	2024/25	2023/24
	R'000	R'000
Donations (Livestock) beneficiaries for livestock improvement.	98	83
TOTAL GIFTS, DONATIONS AND SPONSORSHIPS MADE IN KIND	98	83

ANNEXURE 2
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES

Name of entity	Nature of business	Cost of investments		Net Asset value of investments		Amounts owing to entities		Amounts owing by entities	
		R'000	2023/24	R'000	2023/24	R'000	2023/24	R'000	2023/24
		2024/25		2024/25		2024/25		2024/25	
Controlled entities									
Magwa Tea	Harvesting and sale of tea	-	-	18 087	20 860	-	-	-	-
TOTAL		-	-	18 087	20 860	-	-	-	-

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ANNEXURE 3
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2025

Nature of liability	Opening balance 1 April 2024 R'000	Liabilities incurred during the year R'000	Liabilities paid / cancelled / reduced during the year R'000	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025 R'000
Claims against the department					
MTHATHA					
Nokwanda Nlebe/ MEC for DRDAR	350				350
Mzwabantu Mbana/Director & MEC for DRDAR	116				116
Davies Jongikhaya Dondolo & 2 others / MEC for DRDAR	191				191
Mongezi Jozana	100				100
Vuyokazi Fono/Synod Gxishe & MEC for DRDAR	400				400
Nceba Khongo& 4Others	1 714				1 714
Mzimkhulu Mtshikilana	597				597
Sbongile Zazini & 2 Other/MEC & HOD Drdar	100				100
P Mvalo/Drdar & Another	271				271
Nondumiso Nditha/ MEC Drdar	4 400				4 400
Xolani Senteni & Another/MEC & HOD for DRDAR		100			100
EAST LONDON					

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Nature of liability	Opening balance 1 April 2024	Liabilities incurred during the year	Liabilities paid / reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
	R'000	R'000	R'000	R'000	R'000
Eagle Multi Purpose	4 983		(4 983)		-
Tulile Ntombozuko Gege/ MEC for DRDAR	850				850
Konwaba Trading Solution cc/MEC FOR DRDAR	463		(463)		-
Emthonjeni Agricultural irrigation systems	100				100
DRDAR/Cotton Star	100				100
Mavuvela Trading	248		(248)		-
MEC Public Works/Balasi Traditional Council, DRDAR	100				100
Ntombozuko Linoria Mafu and 2 Others/ MEC & HOD for DRDAR	896				896
Mbulelo Msuli Poswa / MEC for DRDAR & MEC for Public Works	7 600				7 600
Nomadina M Zuthule	288				288
Adhip Singh/DRDAR	100				100
Babalwa E Makatisa/MEC & HOD Drdar	288				288
Mzwamadoda Ngesi		500			500
First New Generation Trading (Pty) Ltd / MEC for DRDAR		386			386
Hlali & 5 Others/MEC for DOA		100			100
Hlala Ngewu & 6 Others MEC & DIO for DRDAR		100			100
PORT ELIZABETH					
Sizwe Mayekiso	100		(100)		-

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Nature of liability	Opening balance 1 April 2024 R'000	Liabilities incurred during the year R'000	Liabilities paid / cancelled / reduced during the year R'000	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025 R'000
TO Molefe	100				100
Sandisiwe Matola & 15 Others	100				100
NCSPCA/Al Mawashi& 9 Others	100				100
Qwathi-Tolo Property Farm Holdings/DRDAR	5 067				5 067
Jongikhaya Davies Dondolo & 577 Others	200				200
Tsokolo Walter Shasha/Drdar	100				100
William Frans/ DRDAR	100				100
Zisiwe Jezile & Others/ MEC DRDAR	100				100
Drdar/ Ayabulelela Mangonda		100			100
PRETORIA					
SM KOTO	200		(200)		-
Subtotal	30 422	1 286	(5 994)	-	25 714
TOTAL	30 422	1 286	(5 994)	-	25 714

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UNAUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 4
CLAIMS RECOVERABLE

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *	
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Dept. of Correctional Services	1	1	-	-	1	1	-	-
Gauteng Department of Health	-	6	-	-	-	6	-	-
KZN Department of Agriculture	-	-	-	69	-	69	-	-
EC Department of Sport	17	-	-	-	17	-	-	-
EC Department of Public Works	43	-	-	--	43	-	-	-
TOTAL	61	7	-	69	61	76	-	-

ANNEXURE 5
INTERGOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *
							Payment date up to six (6) working days after year end
	31/03/2025	31/03/2024	31/03/2025	31/03/2024	31/03/2025	31/03/2024	
	R'000	R'000	R'000	R'000	R'000	R'000	Amount
	-	-	-	-	-	-	
	-	1 315	-	-	-	1 315	
	32	-	-	-	32	-	
	-	-	588	-	588	-	
Total Departments	32	1 315	588	-	620	1 315	R'000

DEPARTMENTS							
Current							
EC Office of the Premier							
KZN Department of Agriculture							
DALRRD							
Total Departments							

OTHER GOVERNMENT ENTITIES

Current							
HWSETA							
AGRISETA							
DALRRD							
FOOD & AGRIC							

1 535	649	-	-	1 535	649	
1 555	153	-	-	1 555	153	
525	753	-	-	525	753	
(5)	253	-	-	(5)	253	

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GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash-in-transit at year end 2024/25 *
	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	31/03/2025 R'000	31/03/2024 R'000	Payment date up to six (6) working days after year end Amount R'000
KZN-AGRICULTURE	5				5		
DALRRD-CLAIM FOR REFUND	50				50	-	
UFH-ENACTUS	7				7	-	
OTHER	1				1	-	
Subtotal	3 673	1 808	-	-	3 673	1 808	
Total Other Government Entities	3 673	1 808	-	-	3 673	1 808	
TOTAL INTERGOVERNMENT PAYABLES	3 705	3 123	588	-	4 293	3 123	-

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UNAUDITED ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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ANNEXURE 6
INVENTORIES

	Clothing material and accessories	Farming supplies	Food and groceries supplies	Fuel, Oil & gas	Inv media Col: School books/ Mag	Materials & supplies	Medical supplies	Medicine	Asset distribution	Other supplies	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Inventories for the year ended 31 March 2025											
Opening balance	-	-	-	-	-	-	-	-	-	-	-
Add: Additions/Purchases - Cash	583	117 139	73	1 657	39	14 494	2 468	30 095	11 108	1 044	178 700
(Less): Issues	(583)	(117 139)	(73)	(1 657)	(39)	(14 494)	(2 468)	(30 095)	(11 108)	(1 044)	(178 700)
Closing balance	-	-	-	-	-	-	-	-	-	-	-

	Farming Supplies	Food & grocery supplies	Fuel, Oil & Gas	Materials & supplies	Medical supplies	Medicine	Asset distribution	Other Supplies	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Inventories for the year ended 31 March 2024									
Opening balance	-	-	-	-	-	-	-	-	-
Add: Additions/Purchases - Cash	99 519	73	1 123	14 263	1 874	29 649	879	5 316	152 696
(Less): Issues	(99 519)	(73)	(1 123)	(14 263)	(1 874)	(29 649)	(879)	(5 316)	(152 696)
Closing balance	-	-	-	-	-	-	-	-	-

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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
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**ANNEXURE 7
MOVEMENT IN CAPITAL WORK IN PROGRESS**

Movement in capital work in progress for the year ended 31 March 2025

	Opening balance	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	36 820	98 663	(118 645)	16 838
Non-residential buildings	32 636	57 162	(80 964)	8 834
Other fixed structures	4 184	41 501	(37 681)	8 004
TOTAL	36 820	98 663	(118 645)	16 838

Movement in capital work in progress for the year ended 31 March 2024

	Opening balance	Prior period error	Current year CWIP	Ready for use (Asset Register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	22 746		97 491	(83 417)	36 820
Non-residential buildings	13 177		70 921	(51 4620)	32 636
Other fixed structures	9 569		26 570	(31 955)	4 184
TOTAL	22 746	-	97 491	(83 417)	36 820

ANNEXURE 12
ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 13.1 to 13.4)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2024	Total amount prepaid /advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2025
				R'000	R'000	R'000	R'000	R'000	R'000
Advances									
ECRDA	Agriculture	Cannabis Development Project	Public Entity	10 919	-	10 919	(9 747)	-	1 172
ECRDA	Agriculture	RED Hubs	Public Entity	4 700	-	4 700	(4 700)	-	-
ECRDA	Agriculture	Commodity Revolving Credit	Public Entity	4 000	-	4 000	(4 000)	-	-
ECRDA	Agriculture	Citrus Intervention	Public Entity	6 551	-	6 551	(6 551)	-	-
ECRDA	Agriculture	Blended Finance	Public Entity	25 000	-	25 000	(25 000)	-	-
ECRDA	Agriculture	Casual labourers	Public Entity	13 089	-	13 089	(12 773)	-	316
TOTAL ADVANCES				64 259	-	64 259	(62 771)	-	1 488

