

**2020**

# **Comprehensive Agriculture Support Programme**

**STUDENT NAME: Bothwell Deka and team**

**CLUSTER: ECONOMIC SERVICES**

**NATIONAL TREASURY**

# Table of Contents

Chapter 1. Institutional Analysis .....	2
<b>1.1. Introduction</b> .....	2
<b>1.2. Problem statement</b> .....	2
<b>1.3. Key policies, laws, regulation</b> .....	2
Chapter 2. Governance arrangement, monitoring, and evaluation .....	4
<b>2.1. Role-players of the programme</b> .....	4
2.1.1. The six pillars of CASP .....	5
2.1.2. The intended beneficiaries of CASP are: .....	5
<b>2.2. The flow of funds</b> .....	5
Chapter 3. Logical Analysis .....	6
<b>3.1. Log framework</b> .....	6
<b>3.2. Approval Process</b> .....	7
<b>3.3. Indicators</b> .....	8
Chapter 4. Expenditure analysis .....	10
<b>4.1. Data source</b> .....	10
<b>4.2. Expenditure over the past 3 years</b> .....	10
4.2.1. What is the total expenditure for the period under review? .....	10
4.2.2. What or where is the most and the least money spent on? .....	11
4.2.3. CASP infrastructure per province .....	12
4.2.4. Extension recovery Plan (ERP) .....	13
4.2.5. Provincial Agricultural Colleges .....	14
Chapter 5. Findings and Recommendations .....	16
<b>5.1. Findings</b> .....	16
<b>5.2. Recommendations</b> .....	16
Figure 1: Flow of funds .....	5
Figure 2: Approval Process .....	7
Figure 3: Performance indicator 1 .....	8
Figure 4: Performance Indicator 2 .....	<b>Error! Bookmark not defined.</b>
Figure 5: Performance Indicator 3 .....	9
Figure 6: Process for approval of business plans .....	<b>Error! Bookmark not defined.</b>
Figure 7: Total expenditure per province .....	12

# Chapter 1. Institutional Analysis

## 1.1. Introduction

The South African agriculture sector is key to creating jobs in the economy and ensuring food security; therefore, government has a huge responsibility to deliver effective agricultural support services to the agricultural community, particularly previously disadvantaged subsistence, smallholder and commercial farmers.

The policy reforms formulated since 1994, in policy documents, which include the White Paper on Agriculture (1995), the Strauss Commission Report into the Provision of Rural Financial Services and the Strategic Plan for South African Agriculture (2001) reshaped the agricultural sector between 1994 and 2004. However, the government's approach to supporting the sector remained weak and was often provided in an uncoordinated manner.

It was against this background that the Department of Agriculture, Land Reform and Rural Development designed the Comprehensive Agricultural Support Programme (CASP), in 2004 to ensure access to agricultural support and service delivery to the beneficiaries of land reform, farmers in communal areas and other vulnerable groups. The CASP will be subject of this review.

## 1.2. Problem statement

In recent years, there has been growing concern that despite a lot of money allocated to the agricultural sector it is not achieving much in contributing to the growth of agriculture production and rural development. Many proponents of the agriculture sector argue that the amount allocated to agriculture by both provinces and national departments is not being used effectively and efficiently to boost agricultural production and increase employment and GDP (the sector contributed on average 3% to GDP in the past 10 years according to Statistics South Africa). This is despite the sector having the potential to contribute to job creation amongst non-skilled South Africans.

It is therefore important to see how despite significant amount of money being deployed into the sector, rural unemployment remains high and agricultural production remains weak. The efficiency and effectiveness of spending under CASP has often been questioned and this review will attempt to scientifically seek evidence of the same.

## 1.3. Key policies, laws, regulation

The CASP was established in 2004 as a national policy intervention to strengthen agricultural support in South Africa, and currently it is a schedule 5 grant (specific purpose allocation grant to provinces) as promulgated in the Division of Revenue Act.

Funding for CASP is raised nationally to provide post-settlement support to targeted beneficiaries of land reform, land redistribution and other previously disadvantaged producers who acquired land through private means and who are engaged in value-adding enterprises.

Agriculture is a concurrent function in terms of the Constitution of South African, and implementation of the agriculture function is the responsibility of both the National and Provincial spheres.

Figure 1: Laws, Policies and Regulations



## Chapter 2. Governance arrangement, monitoring, and evaluation

### 2.1. Role-players of the programme

The responsibility for the programme rests with DALRRD while provincial departments of agriculture (PDAs) are implementing departments.

Table 1: Role players in the programme

Institution	Responsibility
National Department	Agree on outputs and targets with provincial departments in line with grant objectives.
	Provide the guidelines and criteria for the development, approval and implementation of business plans.
	Provide template for project registration and reporting, and monitor monthly financial expenditure by provinces and conduct sampled project site visits quarterly.
	Submit monthly financial reports to National Treasury 20 days after the end of the month
	Submit quarterly performance reports to National Treasury within 45 days after the end of each quarter
	Submit annual evaluation of performance report to National Treasury within four months after the end of the financial year.
	Oversee and monitor implementation of the grant during Ministerial Technical Committee (MinTech) and Quarterly Review Meetings.
Provincial Department	Adhere to the conditions of grant framework and Division of Revenue Act (DoRA)
	Submit detailed project list and project profiles as per the DALRRD project list template.
	Implement the CASP business plans as approved.
	Executing projects and report in line with the PFMA, Treasury Regulations and the DoRA.
	Report monthly (financial) 15 days after the end of each month, and quarterly (non-financial) 20 days after the end of each quarter, and annually two months after the end of the financial year on the progress and achievements of the programme.
	Submit quarterly project performance reports to DALRRD
	Provinces to inform the transferring officer of any changes from plans and allocations approved by the transferring officer, within 7 days of such a change, and such changes must be approved by the transferring officer before they are implemented.
	Keep record of projects supported and a farmer register, and monitor project implementation on quarterly basis and evaluate the impact of projects in achieving CASP goals.
Adhere to the approved CASP standard operating procedure (SOP) framework	
Provincial Treasury	Oversee and monitor implementation of the grant.
National Treasury	Oversee and monitor expenditure and implementation of the grant. (Monthly and quarterly performance reports within 20 days after the end of the month and 45 days after the end of each quarter.
	Facilitate the drafting of conditional grant framework

Source: DoRA grant framework

### 2.1.1. The six pillars of CASP

- On and Off farm infrastructure support;
- Technical and Advisory Assistance, and Regulatory Services;
- Training and Capacity building;
- Marketing and Business Development;
- Information and knowledge management and financial assistance.

### 2.1.2. The intended beneficiaries of CASP are:

- Black subsistence and smallholder farmers;
- black producers in horticulture, grains, livestock, and aquaculture value chains;
- sustainable employment in rural areas; and
- household

## 2.2. The flow of funds

The formula used to allocate funds across the provinces is a weighted average of the following variables: agricultural land area, households involved in agriculture (General Household Survey 2018 report), previous CASP performance and current benchmarks on production and national policy imperatives. Funds flows from the National Department of Agriculture, Land Reform and Rural Development to the nine provincial Departments of Agriculture. A diagrammatic presentation of the flow of funds is in figure 2 below.

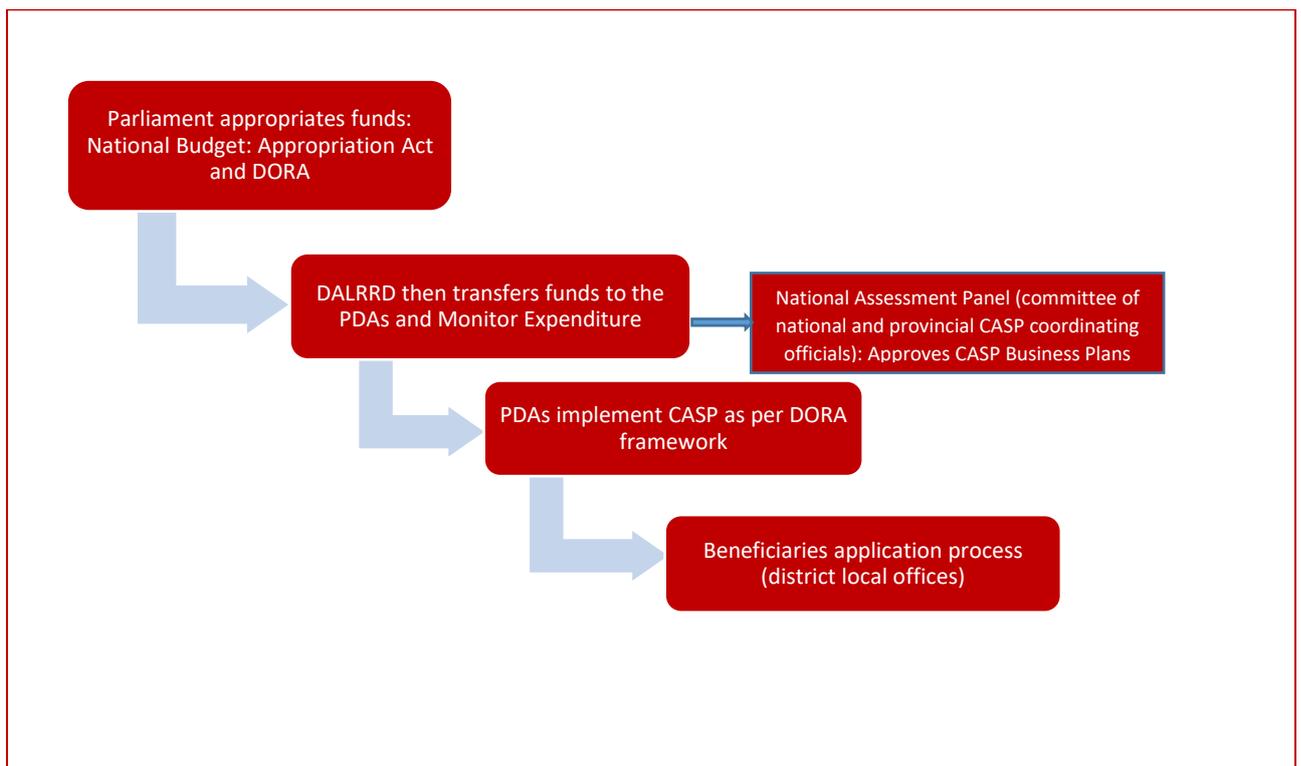


Figure 1: Flow of funds

# Chapter 3. Logical Analysis

## 3.1. Log framework

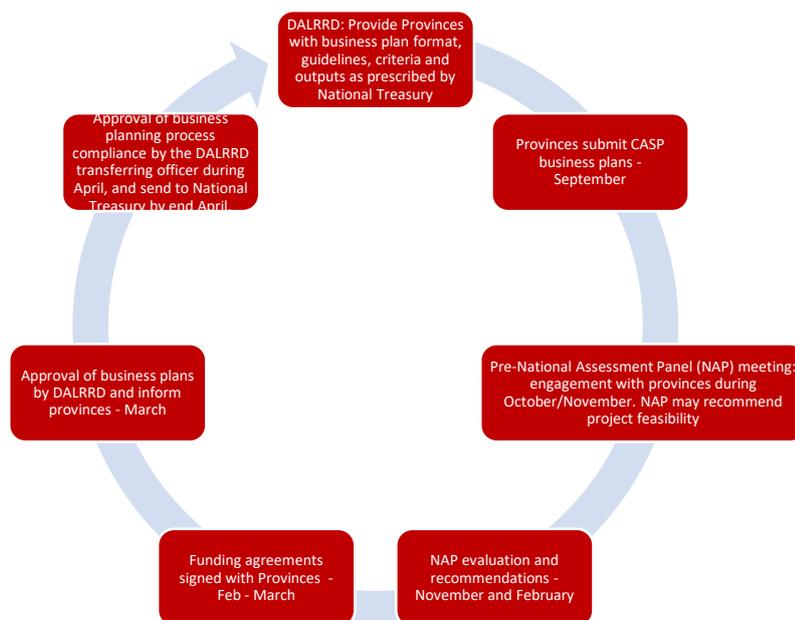
Table 2: Logical Framework

Process Map	Project description	Indicators	Monitoring & Evaluation	Assumptions	Responsibility
<b>Inputs</b>	Provision of agricultural Infrastructure and mechanisation services	Number of smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. In case of transgression to reporting requirements, non-compliance of the province is issued and national department can withhold funds from the non-complying province as stipulated in DORA	Sufficient infrastructure capacity for smallholder farmers to produce	National grant transferring Officer and Provincial grant receiving Officer)
<b>Activities</b>	Identify smallholder farmers and provide infrastructure (fence, boreholes, etc.)	Number of smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	100 % targeted beneficiaries/small holders receiving agriculture infrastructure	National grant transferring Officer and Provincial grant receiving Officer)
	Link smallholder farmers with local and international market	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Integration and coordination of market access	National grant transferring Officer and Provincial grant receiving Officer)
	Identifying training courses suitable for extension officer	Number of extension officers registered in formal and informal training courses	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	improved technical support service to farmers	National grant transferring Officer and Provincial grant receiving Officer)
<b>Outputs</b>	On and off - farm infrastructure	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved farm security and water supply	National grant transferring Officer and Provincial grant receiving Officer)
	Access to market	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved farmer income	National grant transferring Officer and Provincial grant receiving Officer)
	Jobs created	Number of fulltime and seasonal jobs created	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved livelihood of communities	National grant transferring Officer and Provincial grant receiving Officer)
	Extension officers trained and or deployed to commodity organizations	Number of extension support practitioners deployed to commodity organisations	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved extension services to smallholder support	National grant transferring Officer and Provincial grant receiving Officer)
<b>Outcome</b>	Increase access to agricultural support for black subsistence and smallholder farmers	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved farming efficiency of beneficiaries	National grant transferring Officer and Provincial grant receiving Officer)
	Increased employment in rural areas	Number of jobs created	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Reduced unemployment rate in rural areas	National grant transferring Officer and Provincial grant receiving Officer)
	Improved household and national food security	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Improved smallholder farmers production and access to food by communities	National grant transferring Officer and Provincial grant receiving Officer)
<b>Impact</b>	Increased food production by small holder farmers, and increased food security	Number of household and smallholder producers supported; Number of hectares cultivated for food production in communal areas and land reform projects.	Monthly and quarterly reports from provinces. Reports from the provinces are a key control tool	Reduced number of households vulnerable to hunger and food security	National grant transferring Officer and Provincial grant receiving Officer)

### 3.2. Approval Process

The application process starts at provincial level. Provinces calls farmers to apply for CASP grant, through various medium of communication (e.g. Department websites or commodity originations websites and any other form of communication).

Figure 2: Approval Process



Farmers are also encouraged to visit their respective district offices in the province. Each province has a CASP coordinator who are point of contacts for Smallholder farmers, land reform beneficiaries, and small agribusinesses.

To qualify for funding the projects must meet the following criteria:

- Target beneficiaries should be from the previously disadvantaged group ((i.e. Youth, Women and People Living with Disabilities)
- Enhances national and household food security
- Once-off grant and not committing the Government to any form of direct recurrent operational or maintenance projects grants
- Long-term sustainability and economic viability
- Project finance support will only be provided for agricultural activities having the required level of institutional and technical support
- Projects that will generate employment opportunities should be given priority

The CASP business plan process starts with provinces submitting business plans to the national department followed by pre-national assessment plan and evaluation; the National Assessment Panel (NAP) deliberates on proposals that qualified via preliminary screening. The NAP recommends project

feasibility study. Respective provinces appoints qualified service providers to conduct feasibility on selected projects and compile reports.

NAP evaluates project business plan and outcomes of feasibility assessment. An application is rejected based on negative findings. Provinces are notified of outcomes through CASP Transferring Officer. This then follows the signing of funding agreements and approval of business plans and implementation.

### 3.3. Indicators

Over the past 3 years, the CASP grant failed to achieve most of the original targets, as shown in Table 3 below. The programme achieved 121 491 out of a total targeted 251 905 households and smallholder farmers supported with agricultural food production inputs. The department had planned to cultivate 274 391 hectares of land but only achieved 165 722 hectares during the period. The programme continued to underachieve a number of its targets, to a certain extent a result of drought as most households and smallholder farmers depend on rain for agricultural production.

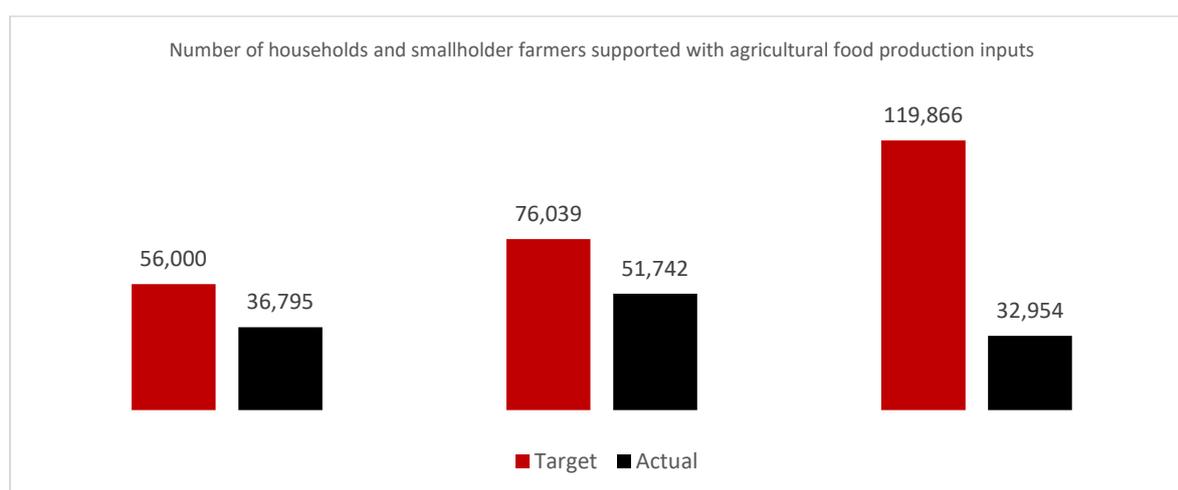
Table 3: Selected performance indicators

Indicator	Performance	2016/17	2017/18	2018/19	Total
1. Number of households and smallholder farmers supported with agricultural food production inputs	Target	56 000	76 039	119 866	251 905
	Actual	36 795	51 742	32 954	121 491
2. Number of extension support practitioners deployed to commodity organizations.	Target	20	20	20	60
	Actual	40	61	6	107
3. Number of hectares cultivated for food production in communal areas and land reform projects.	Target	40 000	129 690	104 701	274 391
	Actual	32 213	92 389	41 120	165 722

Source: Annual reports 2015/16 – 2018/19

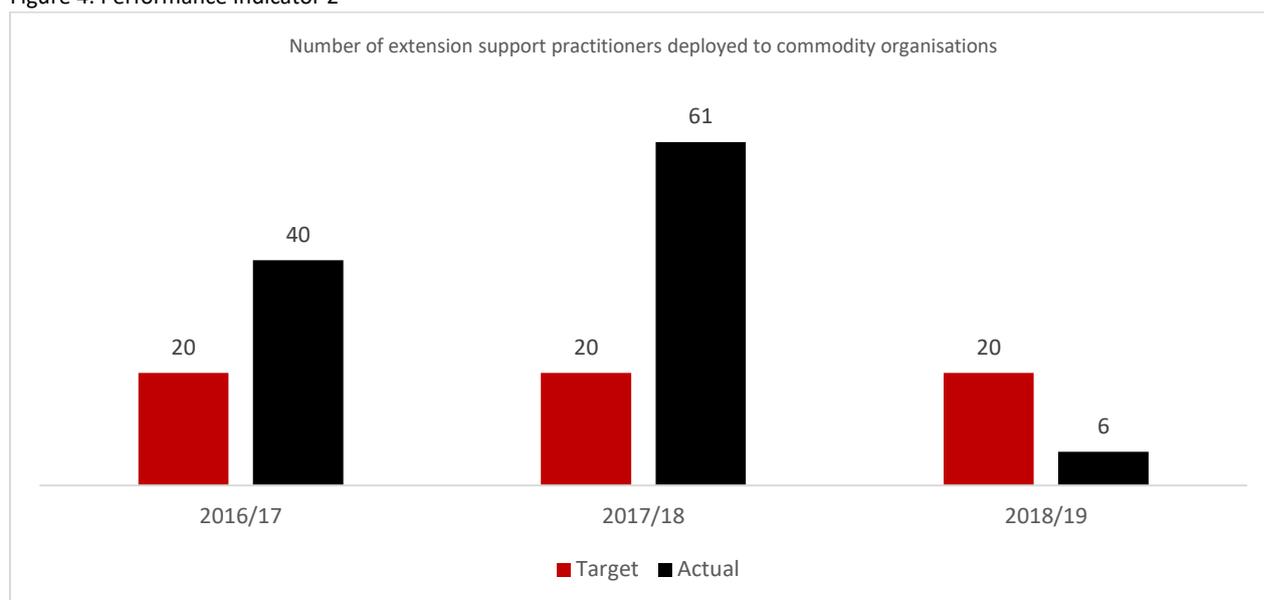
Over the past few years, the department has failed to monitor the conditional grants in the sector. The department top-sliced 5 per cent of the CASP allocation, to recruit people responsible for monitoring and evaluation. Despite this, the performance of the grant did not improve.

Figure 3: Performance indicator 1



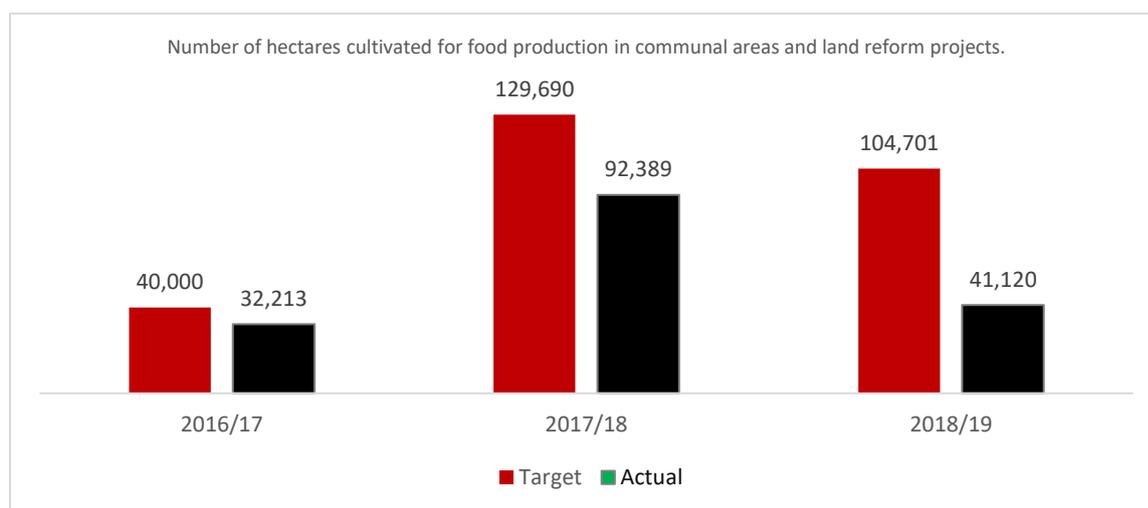
Source: Annual reports

Figure 4: Performance Indicator 2



Source: Annual reports

Figure 4: Performance Indicator 3



Source: Annual reports

The indicators are not fully SMART (Specific, Measurable, Achievable, Relevant and Time-bound):

- Many of the activities are measured by the same set of indicators relating to the same set of beneficiaries. This makes it very difficult to work out what the right mix is of activities and what is the most efficient way to use resources. The indicators are also affected by a whole range of factors other than the CASP activities, which makes it impossible to evaluate whether CASP actually made any difference or not.
- More importantly, it is not obvious that the indicators relied on can be gathered accurately and reliably.

It is worth noting that, the above does NOT mean that CASP is ineffective. It does mean that its impact is ineffectively measured. In the long run, this may mean that it will become less and less effective (because we will not know how to address problems).

## Chapter 4. Expenditure analysis

### 4.1. Data source

The data source is National Treasury's IGR division provincial reports extracted from BAS/Vulindlela, and the department's annual reports between 2017/18 to 2019/20. The raw data was filtered per categories/pillars of CASP, which is, Infrastructure, Extension Recovery Plan, and Colleges of Agriculture.

Total expenditure according to data from annual reports over the past three years was R4.9 billion and BAS/Vulindlela spending shows R4.4 billion (see table 4 and 5 below.), implying a variance of R500 million

### 4.2. Expenditure over the past 3 years

#### 4.2.1. What is the total expenditure for the period under review?

The total audited expenditure over the past three years was R4.9 billion, against total budget of R5.4 billion, which represents a under-spending of R500 million. Over the past 3 years, total expenditure decreased by 8% percent from R1.4 billion in 2017/18 to R1.1 billion in 2019/20, partly due to reprioritisation of CASP grant towards blended finance programme from 2018/19 and broad based budget cuts.

In the period under review, the Western Cape, Northern Cape, Eastern Cape and Kwazulu Natal provinces, constituted the highest share of expenditure. This was due to the once off expenditure in 2018/19, because of the flood damaged infrastructure and the drought relief expenditure (see table 6 below).

There is some data inconsistencies between annual reports (table 4) and BAS/Vulindlela data (table 5). Data for this programme is disjointed and we cannot fully account for the differences.

#### 4.2.2. What or where is the most and the least money spent on?

The biggest share of expenditure on CASP is on the infrastructure pillar, which constitute 50 percent, followed by the extension recovery plan at 33 percent of total expenditure of R4.4 billion. The infrastructure pillar is meant to assist with equipment necessary for agriculture production.

Table 4: Expenditure vs budget per province (past 3yrs)

R'million	2017/18 Audited			2018/19 Audited			2019/20 Unaudited			2017/18 - 2019/20			
	Budget	Spent	(over)/under	Budget	Spent	(over)/under	Budget	Spent	(over)/under	Total Budget 3yrs	Total spent 3yrs	Total (over)/under 3yrs	% spent
Province													
Eastern Cape	248	243	5	282	262	20	255	244	11	786	749	36	95
Free State	169	102	66	202	193	9	194	172	22	565	468	98	83
Gauteng	87	32	55	106	107	-1	93	69	24	286	208	78	73
KwaZulu-Natal	210	157	53	239	175	64	268	220	47	717	552	164	77
Limpopo	242	237	5	271	273	-1	247	238	9	760	748	12	98
Mpumalanga	155	153	2	173	166	7	161	161	0	489	480	10	98
Northern Cape	233	226	7	312	275	37	156	156	1	701	656	45	94
North West	169	166	3	179	170	9	167	126	41	515	461	53	90
Western Cape	136	135	2	316	315	1	152	152	0	604	601	3	100
<b>Total</b>	<b>1 649</b>	<b>1 451</b>	<b>198</b>	<b>2 081</b>	<b>1 934</b>	<b>147</b>	<b>1 693</b>	<b>1 538</b>	<b>155</b>	<b>5 423</b>	<b>4 923</b>	<b>500</b>	<b>91</b>

Source: Annual Reports (17/18 - 18/19) and preliminary report 2020

Table 5: Total expenditure per province

Expenditure per province	R'million	2017/18	2018/19	2019/20	% growth	Total
Eastern Cape		214	226	134	-14%	574
Free State		128	133	103	-7%	364
Gauteng		29	91	26	-3%	146
Kwazulu Natal		190	195	187	-1%	572
Limpopo		194	219	113	-16%	526
Mpumalanga		120	124	58	-22%	302
Northern Cape		197	220	172	-4%	588
North West		151	152	72	-22%	375
Western Cape		244	454	269	3%	967
<b>Total</b>		<b>1 467</b>	<b>1 814</b>	<b>1 133</b>	<b>-8%</b>	<b>4 414</b>

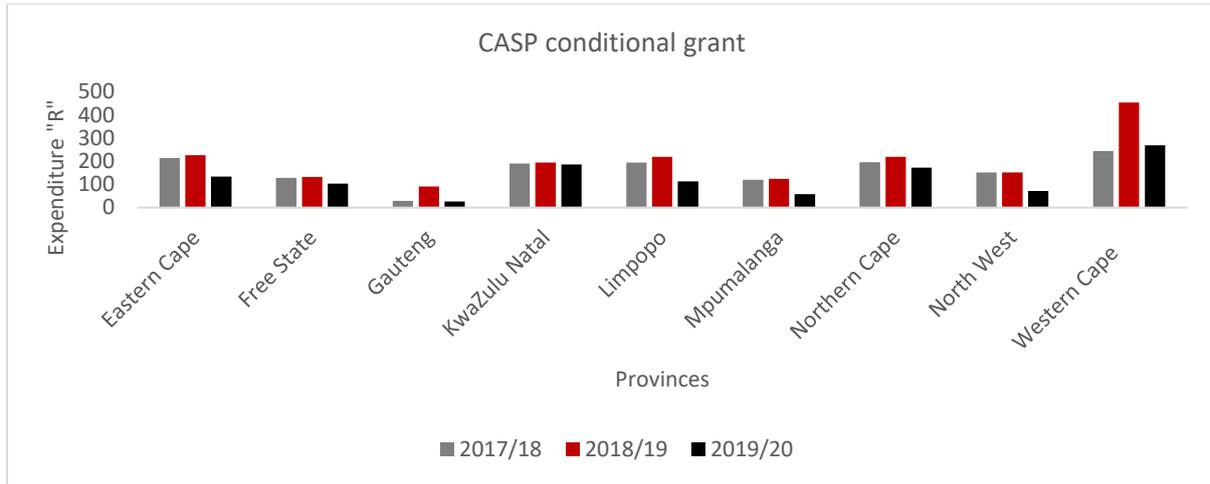
Source: BAS/Vulindlela reports (17/18 - 18/19)

Table 6: Annual report and BAS numbers difference

Expenditure per province	2017/18		2018/19		2019/20		Total BAS	Total Annual Report	Variance
	R'million	BAS	Annual Report	BAS	Annual Report	BAS			
Eastern Cape	214	243	226	262	134	244	574	749	175
Free State	128	102	133	193	103	172	364	468	104
Gauteng	29	32	91	107	26	69	146	208	62
Kwazulu Natal	190	157	195	175	187	220	572	552	-19
Limpopo	194	237	219	273	113	238	526	748	222
Mpumalanga	120	153	124	166	58	161	302	480	178
Northern Cape	197	226	220	275	172	156	588	656	68
North West	151	166	152	170	72	126	375	461	86
Western Cape	244	135	454	315	269	152	967	601	-366
<b>Total</b>	<b>1 467</b>	<b>1 451</b>	<b>1 814</b>	<b>1 934</b>	<b>1 133</b>	<b>1 538</b>	<b>4 414</b>	<b>4 923</b>	<b>509</b>

Source: BAS – IGR and annual reports

Figure 7: Total expenditure per province



Source: Annual Reports (17/18 - 18/19) and preliminary report 2020

Table 7: Total Expenditure per pillar

Expenditure per pillar/project	R'million	2017/18	2018/19	2019/20	% growth	Total	% spent/total
CASP: INFRASTRUCTURE		776	896	533	-12%	2 205	50%
CASP:DISASTER:FIRE DAMAGED INFRASTRUCTURE		-	1	-	0%	1	0%
CASP:DISASTERS:FLOOD DAMGD INFRASTRUCTURE		118	316	58	-21%	492	11%
CASP:DROUGHT RELIEF		-	-	72	0%	72	2%
CASP:EXTENSION RECOVERY PLAN		495	537	406	-6%	1 438	33%
CASP:UPGR PROV AGRICUL COLLEGES		78	63	63	-7%	205	5%
<b>Total</b>		<b>1 467</b>	<b>1 814</b>	<b>1 133</b>	<b>-8%</b>	<b>4 414</b>	<b>100%</b>

#### 4.2.3. CASP infrastructure per province

The largest expenditure items include non-assets related items (such as livestock fodder, farming supplies, and fencing materials etc.); farm structure; fencing; water storage facilities; storage and marketing facility; and conservation works. The infrastructure purchased is handed over to the beneficiaries, especially in instances where infrastructure is located in the farmer's land, such as water storage facilities. Over the past 3 years, there has been about 408 infrastructure projects, with an average spending of R5.4 million.

The analysis shows that some of the expenditure items are inconsistent with the purpose of the infrastructure pillar. We have noted expenditure items such as motor vehicles, and construction of office buildings (or it could be that provinces have incorrectly classified expenditure transactions) which have nothing to do with improving the agricultural space. We can only conclude that some of the provinces are deviating from the purpose of the grant. There is a need for verification or accountability for the deviation.

Provinces through the provincial equitable share pay for the compensation of employees.

Table 8: Infrastructure expenditure

PROJECT GRANT	PROJECT DESCRIPTION	2017/18	2018/19	2019/20	% growth	Total 3 years
CASP: INFRASTRUCTURE	ABBATOIR	3 089	5 833	320	-53%	9 243
CASP: INFRASTRUCTURE	ACCESS ROADS GRAVEL	53			-100%	53
CASP: INFRASTRUCTURE	ADVERT/SIGN/INFO BOARDS			69		69
CASP: INFRASTRUCTURE	AGRICULTURE-LABORATORIES		30			30
CASP: INFRASTRUCTURE	ANIMAL HOUSING FACILITY	11 774	9 177	11 969	1%	32 919
CASP: INFRASTRUCTURE	AUDIO VISUAL EQUIPMENT		242			242
CASP: INFRASTRUCTURE	BROILER HOUSING		1 137			1 137
CASP: INFRASTRUCTURE	CEDARA COLLEGE		108			108
CASP: INFRASTRUCTURE	CELLULAR PHONES	110	103		-100%	212
CASP: INFRASTRUCTURE	COMP HARD&SYSTEMS - LAPTOP		233			233
CASP: INFRASTRUCTURE	CONSERVATION WORKS	59 004	13 735	1 472	-71%	74 211
CASP: INFRASTRUCTURE	CONSTRUCTION & MAINTENANCE EQUIP	111	273	29	-36%	414
CASP: INFRASTRUCTURE	DIPPING FACILITY	1 881	2 327	149	-57%	4 358
CASP: INFRASTRUCTURE	DOMESTIC EQUIPMENT	868	1 116	58	-59%	2 042
CASP: INFRASTRUCTURE	FARM STRUCTURE	22 816	28 841	33 325	13%	84 982
CASP: INFRASTRUCTURE	FARM/AGRICULTURE EQUIPMENT	24 225	65 288	4 096	-45%	93 608
CASP: INFRASTRUCTURE	FEATHERED ANIMALS		18	18		36
CASP: INFRASTRUCTURE	FENCE	58 690	69 387	38 193	-13%	166 270
CASP: INFRASTRUCTURE	GARDENING EQUIPMENT		782			782
CASP: INFRASTRUCTURE	HOSTELS	18 992			-100%	18 992
CASP: INFRASTRUCTURE	IRRIGATION SCHEMES	24 707	12 572	5 748	-38%	43 027
CASP: INFRASTRUCTURE	IRRIGATION SYSTEMS	1 391		107	-57%	1 498
CASP: INFRASTRUCTURE	JOZINI LOCAL OFFICE	457	124		-100%	582
CASP: INFRASTRUCTURE	LAB EQUIPM:AGRICULTURE	2 875	658	105	-67%	3 638
CASP: INFRASTRUCTURE	MILKING PALOR	10 974	768		-100%	11 742
CASP: INFRASTRUCTURE	MOTOR VEHICLES	5 917	345	6 558	3%	12 821
CASP: INFRASTRUCTURE	NON-ASSETS RELATED	470 191	653 310	424 940	-3%	1 548 441
CASP: INFRASTRUCTURE	NON-RES:PREFAB & PORTABLE BUILD	259			-100%	259
CASP: INFRASTRUCTURE	OFFICE BUILDINGS	785	397	220	-35%	1 402
CASP: INFRASTRUCTURE	OFFICE EQUIPMENT	709		66	-55%	775
CASP: INFRASTRUCTURE	OFFICE FURNITURE			290		290
CASP: INFRASTRUCTURE	OSCA COLLEGE		942	763		1 705
CASP: INFRASTRUCTURE	PHOTOGRAPHIC EQUIPMENT			110		110
CASP: INFRASTRUCTURE	PROCESSING FACILITY	396		101	-36%	497
CASP: INFRASTRUCTURE	SOFTW & OTHER INTANGIBLE ASSETS	309			-100%	309
CASP: INFRASTRUCTURE	STOCK HANDLING FACILITY	3 876	2 998	361	-55%	7 235
CASP: INFRASTRUCTURE	STORAGE AND MARKETING FACILITY	26 235	11 789	2 640	-53%	40 663
CASP: INFRASTRUCTURE	TRACTORS		5 648			5 648
CASP: INFRASTRUCTURE	TRSP ACC&TRLRS	764			-100%	764
CASP: INFRASTRUCTURE	WATER CANNEL	24 613		378	-75%	24 992
CASP: INFRASTRUCTURE	WATER DAMS		1 241			1 241
CASP: INFRASTRUCTURE	WATER OTHER		1 044	342		1 386
CASP: INFRASTRUCTURE	WOOL SHED		5 664	275		5 939
<b>GRAND TOTAL</b>		<b>776 072</b>	<b>896 131</b>	<b>532 703</b>	<b>-12%</b>	<b>2 204 906</b>

Source: BAS - IGR

#### 4.2.4. Extension recovery Plan (ERP)

The main expenditure items in this pillar are non-assets related, farm equipment, motor vehicles, and construction works. There is a possibility of misalignment of expenditure or the use of grant for other purposes than as per the grant framework. Main purpose of the grant is training of extension officers, and recruitment of extension offices, but this is a fraction of the expenditure. Only 2 per cent (R21 million) has been used for training of extension officers. This raises questions on whether there is effective monitoring on the usage of funds for this grant.

Currently the department report on ERP based on the assessment of performance in five key pillars of the ERP such as visibility and accountability, improving image and professionalism, recruitment of personnel, reskilling and reorientation. In addition, other reports which are compiled for provision of information and communication technology equipment to extension officers, such as smart pen, laptops and cell phones, soil augur for fertility testing, measuring wheel and geological hammers, and subsidised motor vehicles for extension officers shows that the grant is performing the functions that are ordinarily the responsibilities of the provinces.

Over the past 3 year, the annual report shows that, the department recruited about 107 extension officers and placed them in their respective provinces, against the target of 60.

Expenditure has gone down by around -6 percent over the past 3 years, following cabinet approved budget reductions.

Table 9: Extension recovery Plan

PROJECT GRANT	PROJECT DESCRIPTION	2017/18	2018/19	2019/20	% growth	Total 3 years
CASP:EXTENSION RECOVER PLAN SERV	ADVERT/SIGN/INFO BOARDS		78			78
CASP:EXTENSION RECOVER PLAN SERV	AUDIO VISUAL EQUIPMENT	25	214	141	77%	380
CASP:EXTENSION RECOVER PLAN SERV	BAGS	10				10
CASP:EXTENSION RECOVER PLAN SERV	BUILDING AIR-CON SYSTEMS	48	66			114
CASP:EXTENSION RECOVER PLAN SERV	CELLULAR PHONES	7 051	5 279	3 750	-19%	16 080
CASP:EXTENSION RECOVER PLAN SERV	COMP HARD&SYSTEMS - DESKTOP	151	109	74		335
CASP:EXTENSION RECOVER PLAN SERV	COMP HARD&SYSTEMS - LAPTOP	3 484	14 837	7 220		25 542
CASP:EXTENSION RECOVER PLAN SERV	COMPHARD&SYSTEMS-SERVER/MAINFR	23				23
CASP:EXTENSION RECOVER PLAN SERV	COMPUTER PERIPHERALS	20	69	497	194%	585
CASP:EXTENSION RECOVER PLAN SERV	CONSERVATION WORKS	2 163	2 006	29		4 198
CASP:EXTENSION RECOVER PLAN SERV	CONSTRUCTION & MAINTENANCE EQUIP	6 961	188	2 606	-28%	9 756
CASP:EXTENSION RECOVER PLAN SERV	CONTAINERS	35	127		-100%	162
CASP:EXTENSION RECOVER PLAN SERV	CROCKERY & CUTLERY	2			-100%	2
CASP:EXTENSION RECOVER PLAN SERV	DESKTOP PRINTING EQUIPMENT	50		44	-4%	94
CASP:EXTENSION RECOVER PLAN SERV	DOMESTIC EQUIPMENT	219	8	13	-61%	240
CASP:EXTENSION RECOVER PLAN SERV	DOMESTIC FURNITURE			16		16
CASP:EXTENSION RECOVER PLAN SERV	ELECTRIC WIRE&POWER DISTRIBUTION	195				195
CASP:EXTENSION RECOVER PLAN SERV	FARM/AGRICULTURE EQUIPMENT	142 111	124 398	63 580	-24%	330 089
CASP:EXTENSION RECOVER PLAN SERV	FENCE			1 144		1 144
CASP:EXTENSION RECOVER PLAN SERV	FET COLLEGES		75			75
CASP:EXTENSION RECOVER PLAN SERV	FIX INDIVID&MOVABLE AIR CONDIT	13			-100%	13
CASP:EXTENSION RECOVER PLAN SERV	GG MOTOR VEHICLES			82 710		82 710
CASP:EXTENSION RECOVER PLAN SERV	KITCHEN APPLIANCES	74	1	9	-51%	84
CASP:EXTENSION RECOVER PLAN SERV	LAB EQUIPM:AGRICULTURE		2 636	1 351		3 987
CASP:EXTENSION RECOVER PLAN SERV	LINEN & SOFT FURNISHING	7			-100%	7
CASP:EXTENSION RECOVER PLAN SERV	MACHINE TEXTILE PROD		21			21
CASP:EXTENSION RECOVER PLAN SERV	MOTOR VEHICLES	110 425	150 273	52 122	-22%	312 820
CASP:EXTENSION RECOVER PLAN SERV	NON-ASSETS RELATED	216 226	214 513	184 386	-5%	615 125
CASP:EXTENSION RECOVER PLAN SERV	OFFICE BUILDINGS	3 243	14 559	1 536	-22%	19 338
CASP:EXTENSION RECOVER PLAN SERV	OFFICE EQUIPMENT	802	5 678	366	-23%	6 846
CASP:EXTENSION RECOVER PLAN SERV	OFFICE FURNITURE	1 179	861	423		2 462
CASP:EXTENSION RECOVER PLAN SERV	PHOTOGRAPHIC EQUIPMENT	171	88	8		266
CASP:EXTENSION RECOVER PLAN SERV	SECURITY EQUIP,SYST,MATERIALS:MOV		401			401
CASP:EXTENSION RECOVER PLAN SERV	SHARE NETWORK PRINTING EQUIPMENT		8			8
CASP:EXTENSION RECOVER PLAN SERV	SURVEY EQUIPMENT	97			-100%	97
CASP:EXTENSION RECOVER PLAN SERV	TENTS,FLAGS & ACCESSORIES		21			21
CASP:EXTENSION RECOVER PLAN SERV	TRSP ACC&TRLRS		600	4 309		4 909
<b>Grand Total</b>		<b>494 786</b>	<b>537 114</b>	<b>406 333</b>	<b>-6%</b>	<b>1 438 233</b>

Source: BAS - IGR

#### 4.2.5. Provincial Agricultural Colleges

This CASP grant also focuses on implementation of colleges' revitalisation plan. Total expenditure for provincial agricultural colleges over the past 3 years amounted to about R200 million, mainly for construction of buildings relating to refurbishment and rehabilitation of colleges infrastructure and buildings (students hostels, classrooms and libraries); training and development; catering equipment; and security systems.

There are 11 government agricultural colleges, including the Grootfontein Agricultural Development Institute, which is under ambit of the Department of Agriculture, Land Reform and Rural Development. The other colleges are under the provincial agricultural colleges.

The Agricultural Colleges under Provincial government are as Follows: *Eastern Cape: Fort Cox and Tsolo; Free State: Glen; Kwazulu Natal: Cedara and Owen Sitole; Limpopo: Madzivhandila and Tompi Seleka; North West: Potchefstroom and Taung; Western Cape: Elsenburg.*

Table 10: Expenditure colleges

PROJECT GRANT	PROJECT DESCRIPTION	2017/ 18	2018/ 19	2019/ 20	% growth	Total 3 years
CASP:UPGR PROV AGRICUL COLLEGES	ABBATOIR	1 261			-100%	3 763
CASP:UPGR PROV AGRICUL COLLEGES	AGRICULTURAL COLLEGES	3 494		269	-57%	3 598
CASP:UPGR PROV AGRICUL COLLEGES	ANIMAL HOUSING FACILITY		2 056	1 541		106
CASP:UPGR PROV AGRICUL COLLEGES	CEDARA ADMIN BULIDINGS			106		1 708
CASP:UPGR PROV AGRICUL COLLEGES	CEDARA COLLEGE	1 020	175	512	-21%	2 493
CASP:UPGR PROV AGRICUL COLLEGES	CEDARA HOSTEL	933	640	921	0%	20
CASP:UPGR PROV AGRICUL COLLEGES	DOMESTIC EQUIPMENT	20			-100%	86
CASP:UPGR PROV AGRICUL COLLEGES	FARM STRUCTURE	6	11	69	129%	11 430
CASP:UPGR PROV AGRICUL COLLEGES	FENCE	2 160	5 152	4 117	24%	93
CASP:UPGR PROV AGRICUL COLLEGES	FET COLLEGES		40	53		15 755
CASP:UPGR PROV AGRICUL COLLEGES	HOTELS		12 513	3 243		75
CASP:UPGR PROV AGRICUL COLLEGES	MOTOR VEHICLES			75		36 205
CASP:UPGR PROV AGRICUL COLLEGES	NON-ASSETS RELATED	17 804	10 022	8 378	-22%	1 935
CASP:UPGR PROV AGRICUL COLLEGES	OFFICE BUILDINGS			1 935		361
CASP:UPGR PROV AGRICUL COLLEGES	OFFICE FURNITURE		361			100 128
CASP:UPGR PROV AGRICUL COLLEGES	OSCA COLLEGE	45 119	15 928	39 081	-5%	1 150
CASP:UPGR PROV AGRICUL COLLEGES	SECURITY EQUIP, SYST, MATERIALS: FIX		472	678		414
CASP:UPGR PROV AGRICUL COLLEGES	SPORTS FIELDS			414		485
CASP:UPGR PROV AGRICUL COLLEGES	TRACTORS	485			-100%	29
CASP:UPGR PROV AGRICUL COLLEGES	TRSP ACC&TRLRS			29		18 021
CASP:UPGR PROV AGRICUL COLLEGES	WATER CANNEL		16 090	1 932		5 983
CASP:UPGR PROV AGRICUL COLLEGES	WATER OTHER	5 983			-100%	
<b>Grand Total</b>		<b>78 286</b>	<b>63 460</b>	<b>63 353</b>	<b>-7%</b>	<b>200 074</b>

Source: BAS - IGR

## Chapter 5. Findings and Recommendations

### 5.1. Findings

- Some expenditure items are inconsistent with the purpose of pillars, like the infrastructure pillar and extension recovery, this include expenditure such as motor vehicles, and construction of office buildings (or it could be that provinces have incorrectly classified expenditure transactions “highly improbable”).
- The delivery of the programme is open to inefficiencies, which as it is too wide and unfocused. It seems there is no value for money, and some of the inefficiencies can result in opportunities for corruption.
- CASP programme may still be relevant in support for smallholder farmers, but there is need for it to be re-focused, draw lessons from international experience.
- There is poor performance of CASP on all indicators.
- We cannot confirm that all these projects actually exist, and we have suspicions that (a) many do not and (b) others are wasteful/over-costly. We need to verify and visit some of these projects.
- There is far too little clarity over mandate, and if the programme is allowed to do too many different things. This has many potentially problematic implications on achievement of the objectives of the programme.

### 5.2. Recommendations

- Scale down Extension Recovery Plan. The recovery of provincial extension services cannot be in perpetuity. The national department and provincial departments must consider merging of the Extension Recovery Plan grant with provincial extension service programmes currently funded from the equitable share, and reduce the scope, or align with provincial priorities.
- The overall objectives of CASP are still relevant for support to the sector. However, there is need for realignment of the grant or overhaul of the entire CASP grant purpose/objective or alternatively strengthen monitoring.
- It appears some provinces are deviating from the purpose of the grants. There is a need for put systems in place to reduce the fungibility of CASP funds.
- To complete the analysis we require much more evidence of delivery e.g. infrastructure for colleges and infrastructure delivered to beneficiaries/smallholder farmers. Evidence of projects before, after and during projects.

END