



**Western Cape
Government**

Agriculture

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Reference No.: 18/16

CPAC Chairpersons

**COMMODITY PROJECT ALLOCATION COMMITTEE (CPAC) TERMS OF REFERENCE AS
ENDORSED BY THE DPAC**

Attached herewith please find revised Commodity Project Allocation Committee (CPAC) Terms of Reference (TOR) as approved by the Departmental Project Allocation Committee (DPAC) on 28 May 2021. Kindly adopt it to your respective CPACs and sign a copy.

Kind regards



MR J. ARIES

ACTING CHIEF DIRECTOR: AGRICULTURAL PRODUCER SUPPORT AND DEVELOPMENT

DATE: 22 / 06 / 2021

COMMODITY PROJECT ALLOCATION COMMITTEE (CPAC) TERMS OF REFERENCE ENDORSED BY THE DPAC

1. PURPOSE

The Commodity Project Allocation Committee (CPAC) is a consortium of duly appointed government officials, implementing partner representatives and industry experts who discharge the following set of responsibilities:

- i. To harness the collective wisdom of stakeholders to advise farmers who seek assistance from the Western Cape Department of Agriculture (hereinunder referred to as WCDoA).
- ii. To conduct project appraisals against WCDoA application criteria. The said appraisal process is outlined in these Terms of Reference which may be revised from time to time;
- iii. Ensuring that project selection and prioritisation is in keeping with the priorities set out by WCDoA.
- iv. To oversee project implementation according to a signed Memorandum of Understanding (MOU) between implementing partner (CASIDRA) and applicants and to monitor deliverables and milestones of multiple MOU's between CASIDRA and farmer applicants.

2. MANDATE OF THE COMMITTEE


The CPAC is accountable to the Department Project Allocation Committee (hereinafter referred to as the DPAC) and to the Accounting officer for WCDoA. The DPAC reserves the right to override any decision made by the CPAC if the said decision is found by the DPAC or WCDoA's accounting officer to contravene its Terms of Reference or not to be consistent with its priorities.

The CPAC is to serve as an over-arching committee with scheduled interactions where applications are to be considered either for new funding or for fund re-allocations within approved projects which have previously passed the appraisal criteria. The CPAC's appraisal process shall either result in project approval, a project non-approval or referral to the DPAC for consideration if conditions described in these terms of reference are deemed by the CPAC to warrant such a referral. The CPAC's mandate is not limited to funding appraisals and fund re-allocations. It is required to consider technical barriers or enhancements and to recommend that WCDoA invests in the technical expertise that might follow.


3. COMPOSITION OF THE COMMITTEE

3.1 The committee will consist of:

- A maximum of Two (2) x Representatives per (*Commodity*) representing only two votes
- A minimum of Two (2) x BEE Representatives from the active provincial new farmers organisations (1 each as approved by WCDoA) representing two votes only
- One (1) BEE Representative from the Commodity partner like a development Chamber/ Forum if in existence having one vote
- Two (2) x Representatives of the WCDoA from which at least one is a senior official (Senior and Regional Manager): not having a vote
- Two (2) x Representatives of (*project management partner*), who will also supply the secretariat services (non-voting member)

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- Any other party relevant to and agreed upon by the committee. (non-voting member)
 - FSD Project Office (SOP compliance) and DAFF will be ex officio members attending from time to time. (non voting member)
 - An Agricultural Engineer from the requisite division of WCDoA (non-voting member)
 - A LandCare expert form the requisite division of WCDoA (non-voting member)
- 3.2 Members of the Committee will be nominated and appointed to the CPAC in writing by Vinpro, WCDoA or CASIDRA depending on their respective delegations as described in 3.1, for a one year term, renewable annually.
- 3.3 The **Chairperson** of the Committee is required to be elected from the industry's cohort of senior employees or co-opted senior figures who bare Vinpro's approval. The **Vice-Chairperson** should similarly hold a senior administrative role within a commodity structure. If for some reason, the Chairperson cannot attend a meeting, the Vice-Chairperson is mandated to chair the said meeting as a temporary measure. Should the CPAC be found by the DPAC not to be following their TOR acceptably, the DPAC will take over the Chairperson's responsibilities described in this TOR, possibly with immediate effect.
- 3.4 Members of the Committee are to identify a secundus as part of their membership acceptance correspondence to the CPAC secretariat. It is the member's responsibility to provide fair warning to the secundus and to the CPAC secretariate of any meeting that the said member cannot attend, that the secundus will attend in their place. The secundus should be appointed in writing and briefed by the member and the Chairperson on his/her responsibilities and task at the meeting
- 3.5 In addition to the appointed Members of the Committee, the WCDoA or Chairperson may (on the recommendation of any other member), at any time during the process of consideration and evaluation of specialised projects, **co-opt** an additional member internal or external to the committee, who possesses specialised knowledge/expertise in the relevant field. Co-option can be effected by way of a minuted resolution.
- 3.6 The identification of the BEE partner members must be an open process. It is the responsibility of the WCDoA to facilitate such a process. Organisations that wish to be considered for inclusion on the CPAC, must put names of candidates to WCDoA. Upon acceptance by WCDoA; an appointment letter is to be composed by their respective organisations and submitted to the CPAC secretariat Said letters are to be renewed on an annual basis. Members appointed from the said farmer organisations are to serve as an unbiased voice for all black farmer applicants without prejudice towards their respective membership, commercial interests or associations. They are there to raise matters peculiar to the lived experience of black farmers, to help defuse biases and to recognise constraints experienced by their peers, which are no fault of their own, but which might serve as an unfair barrier to markets or endowments.
- 3.7 The **quorum** of the committee will consist of:
- The Chairperson or Vice-Chairperson.
 - At least one member from the organised black farmer appointees provided the said appointee is not in conflict of the interests to being deliberated.
 - At least one Senior Manager or appointed representative from the WCDoA (confirmed in writing).
 - At least one member from CASIDRA (project management partner).
- 3.8 Guideline fo rthe remuneration of members of the CPAC, other than the Commodity representatives, Implementing partner and the WCDoA will be as follows:

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- ❖ **Travel allowance:** the AA-related kilometre allowance as determined monthly based on fuel price fluctuations, (based on a 2500 to 3000cc diesel SUV, value R200 000 to R250 000.
- ❖ **Preparation and attendance allowance:** R1000 per meeting. Commodity fees may be paid at the commodity's own discretion as part of said Commodity's contribution to the CPAC process.
- ❖ **Day allowance:** The day allowance will be the maximum tax-free limit as determined by SARS (currently R298). All expenses under this allowance can only be claimed with proof of expenses related to the work of the CPAC. (Toll gates, parking).
- ❖ **Allowances** will be funded by WCDOA from a budget provided to the *project management partner*. Payments are to be made to members within seven days of submission of a recognised claim form along with evidence of money spent out of pocket, proof of attendance and correctly reported vehicle mileage readings.

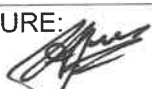
4. LEGISLATIVE, POLICY FRAMEWORK AND GUIDELINES

- 4.1 Comprehensive Agricultural Support Programme (CASP) & Ilima Letsema Road Map.
- 4.2 Public Finance Management Act (PFMA), National Treasury Regulations (NTR), Provincial Treasury Instruction (PTI), Commodity Finance Instructions (DFI).
- 4.3 Comprehensive Rural Development Programme (CRDP).
- 4.4 National Agricultural Master Plan (2020)
- 4.5 Provincial Rural Development Strategy.
- 4.6 National Development Plan (NDP).
- 4.7 Agriculture Policy Action Plan (APAP).
- 4.8 Provincial Strategic Plan (PSP).
- 4.9 Fetsa Tlala.
- 4.10 Revitalisation of Agricultural Agro-processing Value Chain (RAAVC).
- 4.11 Operation Phakisa.
- 4.12 Project Khulisa.
- 4.13 National Policy on Extension and Revitalisation.
- 4.14 Comprehensive Producers Development Policy.
- 4.15 SPLUMA (Municipal Spatial Development)


The Legislation, Policy Framework and guideline documents are available from the Department.

5. GENERAL RESPONSIBILITIES AND FUNCTIONS

The responsibilities of the CPAC members are set out as follows:

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- 5.1 To **objectively** evaluate all funding requests submitted to the CPAC for consideration against the legal framework that defines the funding rules. Once funding has been appropriated and project implementation is underway, fund re-allocations will be submitted to the CPAC from time to time. The CPAC is to evaluate the merits of the said fund re-allocations and make an informed recommendation to approve or to reject such requests. Applicants are required to use the most recently updated CASP request form and to furnish the requisite attachments before an application is to be considered by the CPAC. If a current business plan is available, its contents should be converted by the applicant to the latest application form structure and format.
- 5.2 It is not the role of the CPAC to exhibit the submission of applications (or any part thereof) or to disqualify them on the grounds of where they were first submitted. If applications are erroneously directed by the applicant to the CPAC and not to the WCDoA district office, then said application is to be submitted to the WCDoA district offices at once and in tact.
- 5.3 Request forms should be submitted to WCDoA district offices, signed and date stamped by WCDoA district managers, and then submitted to the CPAC secretariat. **No applications** (inclusive of the FSD checklist, funding form and declaration form) **will be considered** by the CPAC if this process has not been adhered to. Should a more detailed business plan or due diligence be required, the CPAC has the right to request such outputs from the Unit for Technical Assistance at Casidra. Completed material lists, scope of work and plans must accompany the application. The planning must be at a stage that if the project is approved, implementation can start immediately.
- 5.4 A technical team should visit every project before approval and make recommendations to the CPAC/DPAC.
- 5.5 The following **types of requests** for allocation and/or re-allocation will be submitted to the CPAC for consideration:
- Projects from which an allocation or reallocation request is being received, must be on the approved DALRRD business plan list as accepted or revised by WCDoA in writing.
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 - Requests for the re-allocation of funds within a project (change of profile);
 - Requests for the **cancellation** of projects;
 - Declaration of **savings** (funds which will not be spent, even though they were previously approved during a submission and appraisal process).
 - Requests for the **re-allocation** of funds of projects that have been cancelled;
 - The allocation of funds to new projects on the DALRRD business plan list or the expansion of existing projects with new deliverables;
 - The allocation and sharing of expertise to support project implementation for improved enterprise production and management.
 - Requests to reallocate funds towards items on the initial application but not approved due to limited funding.
 - Reallocation and/or repossession of goods and related costs from one project to another.

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- 5.6 The committee will assess the feasibility of all applications and associated financial viability, sustainability, production capacity, member capacity, training needs, security and social-economic considerations.
- 5.7 The committee will pursue additional funding for the projects from the private sector and, for instance, trust funds of commodity organisations.
- 5.8 The CPAC is to consider complementary funding opportunities such as debt finance, in order to help meet the full set of financing requirements.

The committee will collaborate with other commodity functionaries to arrive at joint solutions for mixed commodity enterprises to be financed. Mixed applications shall be submitted by WCDoA districts to the CPAC which is responsible for the bulk of the budget value. The Chairperson who receives a mixed application first, is then required to contact other affected CPAC's to solicit their inputs. Other CPAC's will consider their sections after the lead CPAC has deliberated and scored their portion on the requisite score sheets. Reporting is to be conducted by each affected CPAC on the portion of the project which they have funded. One commodity grouping is not required to fund items or expenses relating to another commodity in a mixed farming application. There however needs to be adequate coordination of project activities and timelines by project implementers.


- 5.9 Once WCDoA has received approval from funding principals, then only shall applicants be notified of the outcome of the appraisal process. Notification shall be given in the language of choice of the applicant and made by way of a jointly signed letter (signed by the CPAC chairperson and the CPAC secretariat). The CPAC is required to use the agreed template for such letters, and to consult DALRRD budget descriptions for the required budget appropriations (budget item names) of items approved. In instances where applications are not approved, adequate reasons are to be provided in the appropriate template provided. A copy of approval letters must be supplied to the District Office, FRK program manager and the Chief Director's Project Team for lodgement and commencement proceedings to follow.

- 5.10 A Memorandum of Agreement (MOA) will be signed by the project management partner and the beneficiary. The MOA is to confirm the following arrangements:

- Granted vehicles are to be registered in the name of the implementing partner (Casidra) for a three year period, after which, permanent title may be considered for the grantee. Livestock too shall be subject to a three year ownership retention by Casidra. ;
- Registration of 5 year bonds against land title deeds in cases where fixed assets are granted
- Operational expenses i.e. labour, electricity or fuel will be subjected to a 1 year payment term.

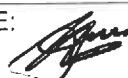
- 5.11 The selection of projects is to be considered according to the following **criteria**:

- Government employees, public representatives and parastatal employees are prohibited from applying for CASP support. Consult the CASP programme document for details in this regard.
- Projects are to be appraised for inclusion on the DALRRD project list before receiving CASP support, or notification thereof. Any proposed additions to; or removal of projects form the DALRRD project list subsequent to its approval by WCDOA, need to be considered by the DPAC and cannot be removed or added by the CPAC after the said project list has been approved by WCDoA.
- Proof of land ownership or leasehold needs to be provided with the application. Lease holds must take any one of the following forms before a project can be considered for funding;
 - i. Lease agreement for 9 years and 11 months (of which at least 8 years of the lease remain).

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- ii. Lease agreement for 3 years on government owned land (including PLAS leases),
- iii. 3-year lease for development of commonage land (Development on Commonage belonging to the Municipality, Act 9 land and Church land.
- iv. The land owners must be informed and infrastructure may not be removed from the land in the course of project implementation. . In instances where lease agreements are not available for this category of leasehold, the DPAC shall decide whether the conditions meet the requirements for consideration under certain circumstances.
- v. In cases where perennial crop establishment such as trees or vineyards is being considered, a 15 year lease agreement, registered against the title deeds is required as per legislation and notarial requirement.

- In instances where an application shows potential and the CPAC discerns it to be viable, the CPAC chair may be mandated by the CPAC to submit the application to the DPAC to be considered as an exception.
- Contribution to food security and alignment with the strategies of National and Provincial Government are required
- The project must have the potential to create and sustain jobs.
- The project must have the potential to become economically viable and sustainable.
- Consider a developmental approach for sustainability and/or other income streams for the applicant.
- CPAC allocations or re-allocations need to result in projects becoming significantly more viable and sustainable.
- Previous government funding or support is to be weighed up against new applications. A signed declaration of all prior government support is to accompany every application. Deliberate dishonesty or omissions pertaining to this declaration shall result in disqualification from current and future applications.
- A project request can only be considered if the project is housed within a registered Legal Entity. Smallholder submissions which fall below legal thresholds for registration are not required to submit business registration documents as they shall be deemed to be sole proprietors. Partnerships and Joint ventures are not legal entities and therefore cannot apply for funding in their own right.
- For Commercial enterprises and Smallholder farmers, a valid Tax Clearance pin of the Legal Entity (or CSD printout verifying the Tax clearance status) must be attached to the request form.
- If the applicant is not yet labour law compliant, then labour law compliance must be added to the outcomes as part of training and be required as a development area to be monitored throughout implementation. The CPAC may assist with the registration process and documentation for compliance. (Refer to directive 28/2/2013 or as revised).
- The project application must align to outcomes of the required CASP business plan submitted by WCDoA to DALRRD for any given year. Grants may be awarded to qualifying enterprises that are not 100% black owned under the following circumstances only;
 - i. Black ownership has been confirmed by Casidra's Unit for Technical Assistance (UTA) to adhere to provisos set forth in code series 100 of B-BBEE Act 46 (2013)
 - ii. If the partner who is not classified as being part of black designated groupings under the B-BBEE act of 2013 (black, coloured, Indian or SA Chinese), is willing to pay for the percentage of the total project costs which is commensurate to his/her business interest.
 - iii. If ii about is not possible, then the shareholding of the black designated grouping is required to increase by a percentage which is commensurate to the grant provided. Instances in which changes in shareholding are proposed as the partner contribution should all be subjected to approval by the DPAC and monitoring by WCDoA Quality Control Department. A

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confirmation letter which reflects the issuance of new shares and the change in shareholding needs to be provided by a qualified auditor.

- iv. All projects must have a mentor appointed in writing by the CPAC Chairperson.
- v. Projects are to be scored according to scoring criteria that are prescribed by WCDoA. A minimum score of 60% must be achieved before funds may be approved. Should the CPAC deem a sub 60% result to have merit, and if the aspects of the score which resulted in the low score can be overcome, then the CPAC may present it to the DPAC for special consideration.
- vi. Applications for existing projects that have a shortage of funds to meet the **approved business plan (already funded deliverables)** may be considered by the CPAC for additional funding. A special form is available for such an application to be lodged by the applicant.


5.12 Applications for existing projects with **new budget items and new deliverables** will be treated as a new application, viability must be proven and the project must be re-scored.

5.13 The Chairperson will have a delegation to a maximum value of R75 000 to approve requests within projects that were already evaluated and approved for funding at the CPAC, but only under the following circumstances:

- Movement of funds between approved budget items only.
- Movement of savings on budget items to new budget items. (subject to 5.11 above)
- Extra funds for urgent under-funded budget items.
- On condition that the approved project deliverables, will not be negatively influenced, the viability of the project will not be endangered and funds are still available in the CPAC budget for extra fund allocations.
- On condition that the Departmental CPAC member be consulted in writing and approved that he/she approves.
- These decisions must then be ratified by Committee members at the next CPAC meeting.

5.14 The **prioritisation of projects** will be based on the consideration of the following:

- ❖ (1) Increase growth in production
(2) Increase growth in agri-business
(3) Contribute to Land reform
(4) Increase Services and Infrastructure
(5) Increase Export and Market Access;
(6) Alignment to APAP (and Agri Master Plan 2020)
(7) Job creation;
(8) Food and Nutritional security
- ❖ Provincial priority areas Comprehensive Rural Development Programme (CRDP) & Urban Renewal Programme (URP) nodes and other priority areas as may be determined by the Executive Authority;
- ❖ Projects must be aligned to the DALRRD Grant framework, targeting beneficiaries of land reform, restitution and redistribution, in particular, smallholder and black commercial farmers, and other black producers who have acquired land through private means and are engaged in value-adding enterprises for domestic or international distribution;

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- ❖ Commodity Key Deliverables;
- ❖ To augment the viability of projects where the current funding has been proven to be insufficient;
- ❖ Projects under distress or facing threat of repossession from financial institutions (If criteria are uncertain, refer to the DPAC);
- ❖ Projects with high involvement of women, youth, persons with disabilities and those affected and infected by HIV/AIDS and Covid-19;
- ❖ Consideration of other critical circumstances as may arise from time to time;
- ❖ Establishment of black farmers.

6. SCHEDULING OF MEETINGS

- 6.1 Meetings will be hosted at least bi-monthly (every 2 months) or if a need arises.
- 6.2 Ad hoc meetings or a teleconferences can be convened to address URGENT matters. (Such teleconference does not qualify for attendance allowance as in 3.8)
- 6.3 Apologies for non-attendance of scheduled meetings should be made in writing to the secretariat of the CPAC at least 2 days before the meeting and a representative's name indicated. If the members secundus cannot attend, then reasons need to be furnished.
- 6.4 Meeting Minutes will be circulated at least two weeks after the meeting to expedite action in the field.

7. PROCEDURES FOR MEETINGS

- 7.1 Meetings are to be run according to conventional processes with clear minutes reflecting resolutions, action points and a summary of key discussion points.
- 7.2 The committee is not a bargaining forum, hence decisions will be made by consensus, but in the absence of consensus the majority vote will apply. However, the senior member of the WCDoA, in attendance at the meeting, must agree to the decision on the basis of it being within the Policy framework of the Grant and Departmental Strategic Goals (DSGs) priorities. Should the project decision proposed not be in line with the policy guidelines, the senior member has the right to veto the decision in accordance with the policy guideline and refer the application to the DPAC. Casidra and WCDoA representatives at the CPAC are to equip themselves with the latest, most relevant interpretation of government rules and developments. There needs to be consistency in these interpretations. The CPAC's role is not to arrive at any given interpretation. Interpretative matters are the role of DPAC, WCDoA and Casidra.
- 7.3 The Chairperson must lead the discussions at the meeting and the time allowed for each agenda point. All members need an equal opportunity to contribute to the discussion, regardless of their voting rights on the CPAC. He/she will see that adequate discussions have taken place before a decision is made. He/she will then repeat the decision for the secretary to minute and close discussions on that item. It is his/her responsibility to regulate the time spent for the meeting to be efficient and effective.
- 7.4 In the event of votes being equal or members of the committee having vested interests in the applicant's business, or if there is no quorum present at a meeting, the matter or project will be referred to the DPAC. **Included in the documentation of referral must be the score sheet and signed minutes as proof that the project is supported by the CPAC.** Applications

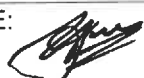
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for funding by any member of the CPAC must be referred to the DPAC to prevent conflict of interest or potential bias of members. It is the responsibility of the Chairperson to explain the project to the DPAC when the project is handed over

- 7.5 The CPAC secretariat will be responsible for proper recording of proceedings, attendance of meetings, and resolutions adopted by the committee. A professional minute taker is to be made available to the CPAC by the commodity organization, or by Casidra for this purpose.
- 7.6 Projects that need funds above the allocation to the Commodity **(Included in the documentation of referral must be the score sheet and signed Minutes as proof that the project is supported by the CPAC)** or those which fall outside of the scope of the CPAC, will be referred to the DPAC.
- 7.7 Business plans from projects' applications will be distributed to members **at least 7 working days before** the CPAC meeting during which the matters shall be handled.
- 7.8 Delegated members (Technical Committee) should preferably visit the applicant's project before or after the project is presented at the CPAC, to verify practices and conditions first-hand.
- 7.9 The applicant must be invited to come and present their project at the CPAC, supported by the WCDDoA's extension official and the mentor (where applicable) to answer questions for clarity to assist in the appraisal process.
- 7.10 Each project request must be scored by the CPAC or a dedicated sub-committee of the CPAC, or counsel be sought from the Unit for Technical Assistance (UTA) before it can be considered for funding. If a UTA report is requested, the service provider must present the report on his/her findings to the CPAC before scoring takes place.
- 7.11 The procedures of the meeting must be transparent and representative. If from time to time representatives of organized Agricultural groups wish to observe meetings, they should be permitted to do so provided the following rules are observed:
 - Them signing a confidentiality declaration
 - The representatives only having observer status and no say in the outcome of appraisals, or in the debates pertaining to applications or budget allocations
 - Not have access to confidential materials
 - Protection; and recourse of protecting information will be dealt with accordingly
 - Cordial behaviour and not causing disruptions or dominating the proceedings
 - The said third party may (with the stated permission of the chairperson) address the meeting on matters of a general nature
 - That no particular organization, product or service be promoted or afforded prominence over another
- 7.12 For all approved projects, at every meeting of the CPAC, the responsible District Manager, or their representative, must present the progress on implementation of projects. After project approval, project plans must be presented by means of a GANTT Chart to the CPAC, by the District Manager or delegated official.

8. APPEAL PROCESS

- 8.1 All appeals are to be lodged in writing, by Email, registered mail or Fax, to the DPAC chairperson within twenty one (21) working days of notification of a CPAC decision. The appeal process will exclude applications that are not submitted in tact, along with all supporting documentation.


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- 8.2 Committee members are not entitled to appeal against the recommendations made, except if the members appeal in their capacity as applicants.
- 8.3 Should a client be of the opinion that additional information could be provided that would have a significant impact on the outcome / recommendation of the committee, the CPAC request form has to be re-submitted for consideration along with all the relevant information included in the format of an appeal.
- 8.4 Decisions not to approve funding that are not upheld by the DPAC are to be referred back to the CPAC for further consideration.
- 8.5 Decisions not to approve funding that are upheld and where the beneficiary wants to take further action; must be lodged with the Accounting Officer (HOD) within 14 days of notification of a DPAC decision.

9. CODE OF CONDUCT FOR MEMBERS

All members are expected to:

- 9.1 Keep to the objectives of transforming the subsector in keeping with the agreement between the commodity organization and WCDOA.
- 9.2 Actively participate in all meetings. Ensure that your views are put forward and that they have been heard.
- 9.3 Declare and disclose any interests (financial or other) pertaining to projects listed for consideration.
- 9.4 Treat all applicat information CONFIDENTIALLY.
- 9.5 Abide by a "Cabinet Approach to decisions taken at the meeting – members are to speak from the perspective of the decision taken and not from the perspective of their own submission to the debate or a view which is contrary to the final decision taken.
- 9.6 Respect all views and contributions.
- 9.7 Members of the Committee are to be appointed in an **ex officio capacity** and not in their personal capacity. This means that they represent the interests and designations of the organisations that appointed them to the CPAC and that they are not to further their personal ends as members of the same
- 9.8 **Come prepared and give constructive inputs** in order to add value to the discussions.
- 9.9 Individual members have no reporting obligations or responsibilities. Reporting is the responsibility of those who represent organisations, namely project management partners, WCDoA officials and Commodity organisations. Reporting should be conducted in full compliance with the confidentiality clause of these terms of reference and for the sole purpose of accountability towards funding principals.
- 9.10 A member will be disqualified if he/she:
 - transgresses this code of conduct;
 - is absent (without a valid or reasonable explanation) from more than 75% of the meetings per year or three (3) consecutive meetings. This is applicable to the CPAC Chairperson attending the DPAC meetings;
 - is no longer a member of the organisation that he/she is representing;
 - has conflicted interests with the activities of the CPAC or the programmes of the WCDoA and the project management partners;

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- is elected in a political capacity at Local, Provincial or National level.

10. AMENDMENTS TO THIS DOCUMENT

The committee will consult with the Departmental Project Allocation Committee (DPAC) on any amendments, apart from name or logos, to this document before implementation of such amendments.

11. REPORTING RESPONSIBILITIES


- 11.1 The implementing partner for the Commodity Organisation has a contractual obligation to report on a quarterly basis to WCDoA on the progress and deliverables achieved during any given quarter. These reports must be in the standard format as supplied by WCDoA for individual projects, as well as a consolidated formats for the commodities. These reports must be completed in full (as per the approved template) in order to meet reporting requirements of DALRRD. Proof of evidence must be supplied with the quarterly report on deliverables achieved such as jobs created in that quarter and if any mentors are appointed, an appointment letter on the Commodity letterhead. The appointment of a mentor is compulsory and if a mentor is already appointed by another organisation, a signed letter of acknowledgement from the mentor is needed.
- 11.2 These quarterly reports include the Minutes of the Commodity meetings held during the quarter. The Minutes must be signed by the Chairperson as approved by the committee, but in the case of meetings held towards the end of the quarter and not yet approved by the committee, the Chairperson will accept responsibility and sign off with the clause "recommended for approval". The Chairperson and members of the CPAC must ensure the correctness of the minutes and that all decisions are clearly recorded.
- 11.3 A quarterly meeting between all Commodities and WCDoA will take place for the purposes of liaison and co-ordination of activities. The meeting must be attended by the Chairperson of the CPAC and the implementing partner. The Commodity must report on such a meeting on the activities, challenges and achievements of the CPAC in the project implementation process. A standard format for such reporting is to be supplied.
- 11.4 The project management partner for the Commodity has a contractual obligation for reporting to the Department on the completion of each project and is obliged to include an acceptance of assets letter, signed by the beneficiary, for the deliverables made to the beneficiary.
- 11.5 The project management partner for the Commodity has a contractual obligation to supply within six (6) months after 31 March, an annual audit report on the application of funding as supplied by the Department.
- 11.6 The secretariat must supply the WCDoA project office with a copy of the Minutes of CPAC meetings held, a copy of business plan and application forms received from beneficiaries, a score sheet for the project, letters to the beneficiary of the decision/s made by the CPAC and appointment letter of the mentor. (See also 5.8)
- 11.7 A week before the DPAC meeting dates, the project management partner must supply the WCDoA project office with the sum of interest earned on the funds that are under the control of the project management partner. The CPAC Chairpersons are also required to supply the Chairpersons reports detailing the approved projects and progress as per templates supplied by the WCDoA.
- 11.8 On a regular basis, the CPAC must be informed of the overall financial, empowerment and production performance of the supported projects by the FRK programme or the WCDoA District manager.

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12. BUDGET AND FUNDING

- 12.1 The CPAC must direct a request for funding for the next financial year (starting 1 April) **during August of each year** to WCDoA. The project names and expected deliverables must be indicated as well as the expected funds needed. A standard format for this purpose is supplied by the Department. (DALRRD list)
- VAT must be included in the project application budget. No invoice or documentation will be supplied to the beneficiary for VAT claims.
- 12.2 WCDoA will collate these requests within the funding framework and compile a combined business plan, indicating the strategic framework of the assistance programme and request funds from DALRRD.
- 12.3 WCDoA will inform the CPAC of their funding approval as soon as the grant funding agreement is signed with the DALRRD, and the Department will then enter into an agreement (MOA) with the project management partner for the Commodity and transfer the funds in tranches to the project management partner.
- 12.4 Requests for funding of specific projects with merit, outside of the budget of the CPAC in that specific year, may be directed to the DPAC with a motivation, approved Minutes and score sheet and recommendation by the CPAC. If funds are available, an addendum to the MOA will guide the transfer of these funds to the project management partner.
- 12.5 The CPAC is allowed to budget and request funds from WCDoA for the administrative requirements of the CPAC. This can include venue hire, refreshments, travel costs for non-official members, special travel costs and overnight accommodation related costs on project visits as well as stationary. Project visits by the CPAC, other than the Technical Committee, would require approval in advance by the Chief Director FSD. No costs for the implementing partner that are covered in their agreement with WCDoA may be included in these costs. The claims against the fund must be substantiated by invoices as proof of evidence.
- 12.6 Interest gained on the funds held by the project management partner is not for use by the Commodity and will be returned to WCDoA.
- 12.7 Business plans for strategic (special) large projects outside of the scope of the CASP funding regime, can be presented to the DPAC who, in turn, will evaluate the request and if approved, seek funding for this from other funding sources.
- 12.8 Training is managed in a separate process and budget, and a skills audit on approved projects must be done and implemented by the WCDoA's Training Co-ordinator and progress reported to the DPAC, on a quarterly basis, to monitor the interventions and success.
- 12.9 Training conducted by the Commodity or other sources of funding and interventions for CPAC approved projects, must be reported at the CPAC meetings as well for monitoring and co-ordination reasons.
- 12.10 Any training requests or excursions that involve CPAC members and beneficiaries, who require funding from the WCDoA Training Fund, must first seek approval for from the DPAC. This applies to national and international visits.

13. DEFINITIONS OF FARMER CATEGORIES (Annexure A)

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13.1 The definitions of the farmer categories are attached as a guide to report on projects appropriately.

13.2 The definition of Agri-processing is attached as guide for CPACs.

APPROVED:

J. ARIES

**ACTING CHIEF DIRECTOR APSD:
MR J ARIES**



DATE:

22/06/2021

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