

Vote 27

Environmental Affairs

Adjusted budget summary

R thousand	2017/18			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated of which:	6 848 214	6 848 214	–	–
Current payments	2 193 809	2 193 809	–	–
Transfers and subsidies	4 488 896	4 488 896	–	–
Payments for capital assets	165 509	165 509	–	–
Executive authority	Minister of Environmental Affairs			
Accounting officer	Director-General of Environmental Affairs			
Website address	www.environment.gov.za			

Vote purpose

Lead South Africa's environmental sector to achieve sustainable development towards a better quality of life for all.

Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Number of interventions developed for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan per year	Administration	Outcome 10: Protect and enhance our environment assets and natural resources	2	1	–
Percentage of national environmental impact management applications processed per year	Legal, Authorisations and Compliance		98% (392/400)	98% (160/164)	–
Number of environmental authorisations inspected per year	Legal, Authorisations and Compliance		150	53	–
Improvement in the national air quality indicator (index less than 1)	Climate Change and Air Quality		1.20	– ¹	–
Number of climate change response policy interventions implemented per year	Climate Change and Air Quality		18	9	–
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67 per cent	Biodiversity and Conservation		75% (4 894 416/ 6 525 889)	67% (4 372 346/ 6 525 889)	–
Total percentage of land under conservation	Biodiversity and Conservation		12.7% (15 492 882ha/ 121 991 200ha)	12.5% (15 247 487.14 ha/ 121 991 200 ha)	–
Number of natural resource-based enterprises established in support of Vision 2024 per year	Biodiversity and Conservation		10	5	–
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes	Outcome 4: Decent employment through inclusive growth	75 845	12 894	–
Number of full-time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes		40 368	2 898	–
Percentage of waste diverted from landfill sites for recycling	Chemicals and Waste Management	Outcome 10: Protect and enhance our environment assets and natural resources	60% (62 079 tonnes/ 103 465 tonnes)	26% (26 901 tonnes/ 103 465 tonnes)	–

1. Index result from the South African Air Quality Information System will be available only by the end of 2017/18.

Mid-year progress

The department is lagging in its achievement of targets for the number of work opportunities and full-time equivalent jobs created through the expanded public works programme. This is due to the re-evaluation of contracts and projects as a result of the audit opinion on the department. To correct this, it plans to intensify efforts to meet these targets by the end of 2017/18.

The department has almost met its annual target for the percentage of land under conservation as a result of a higher than expected number of landowners volunteering their land.

Adjusted Estimates of National Expenditure 2017

Programme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Administration	863 045	–	–	–	–	–	–	863 045
Legal, Authorisations and Compliance	179 780	–	–	–	–	–	–	179 780
Oceans and Coasts	468 455	–	–	–	–	–	–	468 455
Climate Change and Air Quality	294 872	–	–	–	–	–	–	294 872
Biodiversity and Conservation	696 518	–	–	–	–	–	–	696 518
Environmental Programmes	3 895 209	–	–	33 000	–	–	33 000	3 928 209
Chemicals and Waste Management	450 335	–	–	(33 000)	–	–	(33 000)	417 335
Total	6 848 214	–	–	–	–	–	–	6 848 214
Economic classification								
Current payments	2 193 809	–	–	–	–	–	–	2 193 809
Compensation of employees	1 035 073	–	–	15 000	–	–	15 000	1 050 073
Goods and services	1 158 736	–	–	(15 000)	–	–	(15 000)	1 143 736
Transfers and subsidies	4 488 896	–	–	–	–	–	–	4 488 896
Departmental agencies and accounts	1 201 169	–	–	–	–	–	–	1 201 169
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Public corporations and private enterprises	110 455	–	–	–	–	–	–	110 455
Non-profit institutions	3 835	–	–	–	–	–	–	3 835
Households	3 157 437	–	–	–	–	–	–	3 157 437
Payments for capital assets	165 509	–	–	–	–	–	–	165 509
Buildings and other fixed structures	136 901	–	–	–	–	–	–	136 901
Machinery and equipment	28 608	–	–	–	–	–	–	28 608
Total	6 848 214	–	–	–	–	–	–	6 848 214

Programme 1: Administration

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Management	184 231	–	–	–	–	–	–	184 231
Corporate Affairs	218 209	–	–	–	–	66 744	66 744	284 953
Environmental Advisory Services	112 738	–	–	–	–	–	–	112 738
Financial Management	71 222	–	–	–	–	–	–	71 222
Office Accommodation	209 901	–	–	–	–	–	–	209 901
Environmental Sector Coordination	66 744	–	–	–	–	(66 744)	(66 744)	–
Total	863 045	–	–	–	–	–	–	863 045

Programme 1: Administration (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Current payments	703 395	–	–	–	–	–	–	703 395
Compensation of employees	394 092	–	–	–	–	–	–	394 092
Goods and services	309 303	–	–	–	–	–	–	309 303
Transfers and subsidies	16 000	–	–	–	–	–	–	16 000
Foreign governments and international organisations	16 000	–	–	–	–	–	–	16 000
Payments for capital assets	143 650	–	–	–	–	–	–	143 650
Buildings and other fixed structures	136 901	–	–	–	–	–	–	136 901
Machinery and equipment	6 749	–	–	–	–	–	–	6 749
Total	863 045	–	–	–	–	–	–	863 045

Programme 2: Legal, Authorisations and Compliance

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Legal, Authorisations and Compliance Management	6 691	–	–	–	–	–	–	6 691
Compliance Monitoring	26 210	–	–	–	–	–	–	26 210
Integrated Environmental Authorisations	52 572	–	–	–	–	–	–	52 572
Enforcement	66 959	–	–	–	–	–	–	66 959
Corporate Legal Support and Litigation	10 461	–	–	–	–	–	–	10 461
Law Reform and Appeals	16 887	–	–	–	–	–	–	16 887
Total	179 780	–	–	–	–	–	–	179 780
Economic classification								
Current payments	178 185	–	–	–	–	–	–	178 185
Compensation of employees	109 796	–	–	15 000	–	–	15 000	124 796
Goods and services	68 389	–	–	(15 000)	–	–	(15 000)	53 389
Payments for capital assets	1 595	–	–	–	–	–	–	1 595
Machinery and equipment	1 595	–	–	–	–	–	–	1 595
Total	179 780	–	–	–	–	–	–	179 780

Programme 6: Environmental Programmes

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Environmental Protection and Infrastructure Programme	1 505 377	–	–	–	–	–	–	1 505 377
Working for Water and Working on Fire	2 037 943	–	–	33 000	–	–	33 000	2 070 943
Green Fund	110 455	–	–	–	–	–	–	110 455
Environmental Programmes Management	174 149	–	–	–	–	–	–	174 149
Information Management and Sector Coordination	67 285	–	–	–	–	–	–	67 285
Total	3 895 209	–	–	33 000	–	–	33 000	3 928 209
Economic classification								
Current payments	483 679	–	–	–	–	–	–	483 679
Compensation of employees	228 969	–	–	–	–	–	–	228 969
Goods and services	254 710	–	–	–	–	–	–	254 710

Programme 6: Environmental Programmes (continued)

Economic classification		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Transfers and subsidies	3 408 660	–	–	33 000	–	–	33 000	3 441 660
Departmental agencies and accounts	418 768	–	–	–	–	–	–	418 768
Public corporations and private enterprises	110 455	–	–	–	–	–	–	110 455
Households	2 879 437	–	–	33 000	–	–	33 000	2 912 437
Payments for capital assets	2 870	–	–	–	–	–	–	2 870
Machinery and equipment	2 870	–	–	–	–	–	–	2 870
Total	3 895 209	–	–	33 000	–	–	33 000	3 928 209

Programme 7: Chemicals and Waste Management

Subprogramme		2017/18						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Chemicals and Waste Management	6 482	–	–	–	–	–	–	6 482
Hazardous Waste Management and Licensing	63 674	–	–	(33 000)	–	–	(33 000)	30 674
General Waste and Municipal Support	39 923	–	–	–	–	–	–	39 923
Chemicals and Waste Policy, Evaluation and Monitoring	329 012	–	–	–	–	–	–	329 012
Chemicals Management	11 244	–	–	–	–	–	–	11 244
Total	450 335	–	–	(33 000)	–	–	(33 000)	417 335
Economic classification								
Current payments	164 570	–	–	–	–	–	–	164 570
Compensation of employees	57 616	–	–	–	–	–	–	57 616
Goods and services	106 954	–	–	–	–	–	–	106 954
Transfers and subsidies	285 132	–	–	(33 000)	–	–	(33 000)	252 132
Departmental agencies and accounts	7 132	–	–	–	–	–	–	7 132
Households	278 000	–	–	(33 000)	–	–	(33 000)	245 000
Payments for capital assets	633	–	–	–	–	–	–	633
Machinery and equipment	633	–	–	–	–	–	–	633
Total	450 335	–	–	(33 000)	–	–	(33 000)	417 335

Details of adjustments to Estimates of National Expenditure 2017**Virements and shifts within votes**

Programmes					
1. Administration					
2. Legal, Authorisations and Compliance					
3. Oceans and Coasts					
4. Climate Change and Air Quality					
5. Biodiversity and Conservation					
6. Environmental Programmes					
7. Chemicals and Waste Management					
FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(15 000)	Programme 2		15 000
Goods and services	Agency and support/outsourced services	(15 000)	Compensation of employees	Personnel remuneration ¹	15 000
Shifts within the programme as a percentage of the programme budget		8.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 7		(33 000)	Programme 6		33 000
Households	Reclassification of funds incorrectly classified in the 2017 ENE	(33 000)	Households	Reclassification of funds incorrectly classified in the 2017 ENE	33 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		7.3%			
Total		(48 000)			48 000

1. National Treasury approval has been obtained.

Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17 Audited outcome					2017/18 Actual expenditure			
	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted appropriation
R thousand									
Administration	803 226	374 707	46.7	827 902	103.1	863 045	12.6	400 383	46.4
Legal, Authorisations and Compliance	164 647	63 414	38.5	154 303	93.7	179 780	2.6	74 506	41.4
Oceans and Coasts	475 041	226 208	47.6	502 681	105.8	468 455	6.8	192 807	41.2
Climate Change and Air Quality	289 582	145 427	50.2	295 484	102.0	294 872	4.3	146 629	49.7
Biodiversity and Conservation	718 249	409 716	57.0	738 721	102.9	696 518	10.2	343 335	49.3
Environmental Programmes	3 865 083	1 455 222	37.7	3 766 912	97.5	3 928 209	57.4	1 423 075	36.2
Chemicals and Waste Management	109 273	33 939	31.1	94 968	86.9	417 335	6.1	44 216	10.6
Total	6 425 101	2 708 633	42.2	6 380 971	99.3	6 848 214	100.0	2 624 951	38.3
Economic classification									
Current payments	2 127 390	942 203	44.3	2 082 440	97.9	2 193 809	32.0	929 265	42.4
Compensation of employees	996 609	487 959	49.0	992 748	99.6	1 050 073	15.3	536 037	51.0
Goods and services	1 130 781	454 244	40.2	1 089 692	96.4	1 143 736	16.7	393 228	34.4
Transfers and subsidies	4 135 616	1 676 148	40.5	4 110 229	99.4	4 488 896	65.5	1 627 161	36.2
Provinces and municipalities	–	81	0.0	94	0.0	–	0.0	81	0.0
Departmental agencies and accounts	1 301 157	392 412	30.2	1 271 379	97.7	1 201 169	17.5	655 862	54.6
Foreign governments and international organisations	16 000	–	0.0	16 000	100.0	16 000	0.2	–	0.0
Public corporations and private enterprises	180 000	–	0.0	180 000	0.0	110 455	1.6	–	0.0
Non-profit institutions	4 487	4 287	95.5	4 487	100.0	3 835	0.1	3 487	90.9
Households	2 633 972	1 279 368	48.6	2 638 269	100.2	3 157 437	46.1	967 731	30.6
Payments for capital assets	162 095	90 094	55.6	188 097	116.0	165 509	2.4	68 519	41.4
Buildings and other fixed structures	135 954	54 473	40.1	136 864	100.7	136 901	2.0	60 075	43.9
Machinery and equipment	26 141	35 042	134.0	41 246	157.8	28 608	0.4	7 934	27.7
Software and other intangible assets	–	579	0.0	9 987	0.0	–	0.0	510	0.0
Payments for financial assets	–	188	–	205	–	–	0.0	6	0.0
Total	6 425 101	2 708 633	42.2	6 380 971	99.3	6 848 214	100.0	2 624 951	38.3

Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R6.4 billion, or 99.3 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R2.6 billion, or 38.3 per cent of the adjusted appropriation of R6.8 billion for the year. In comparison, mid-year expenditure in 2016/17 was R2.7 billion, or 42.2 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 decreased by R83.7 million, or 3.1 per cent. This is mainly due to slow spending on expanded public works programme projects as a result of audit outcomes and a review of applicable projects and contracts; and delays in establishing the department's waste bureau, which is expected to be in full operation by December 2017.

Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
Departmental receipts	28 294	14 719	52.0	21 180	74.9	20 747	32 733	100.0	22 404	68.4
Sales of goods and services produced by department	4 208	2 338	55.6	3 520	83.7	4 005	3 691	11.3	1 831	49.6
Sales of scrap, waste, arms and other used current goods	2	–	–	–	–	2	2	0.0	1	50.0
Transfers received	244	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 450	1 000	69.0	2 240	154.5	1 470	75	0.2	75	100.0
Interest, dividends and rent on land	150	88	58.7	122	81.3	120	59	0.2	32	54.2
Sales of capital assets	100	42	42.0	86	86.0	150	300	0.9	124	41.3
Transactions in financial assets and liabilities	22 140	11 251	50.8	15 212	68.7	15 000	28 606	87.4	20 341	71.1
Total	28 294	14 719	52.0	21 180	74.9	20 747	32 733	100.0	22 404	68.4

Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R22.4 million, or 68.4 per cent of the adjusted revenue estimate of R32.7 million for the year. In comparison, mid-year revenue in 2016/17 was R14.7 million, or 52 per cent of the adjusted estimate for 2016/17. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R7.7 million, or 52.2 per cent. This is mainly due to the completion of projects for the expanded public works programme, and funds that were not used by service providers and returned to the department.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
	2017/18							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Environmental Programmes								
Households								
Other transfers to households								
Current	975 604	–	–	33 000	–	–	33 000	1 008 604
Expanded public works programme:	975 604	–	–	33 000	–	–	33 000	1 008 604
Working for Water								
Chemicals and Waste								
Management								
Households								
Other transfers to households								
Current	33 000	–	–	(33 000)	–	–	(33 000)	–
Asbestos rehabilitation	33 000	–	–	(33 000)	–	–	(33 000)	–