

Vote 27

Environmental Affairs

Adjusted budget summary

R thousand	2018/19			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	7 112 532	7 430 532	–	318 000
<i>of which:</i>				
Current payments	2 276 650	2 276 650	–	–
Transfers and subsidies	4 657 535	4 975 535	–	318 000
Payments for capital assets	178 347	178 347	–	–
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	MTSF outcome	Annual performance		
			Projected for 2018/19 as published in the 2018 ENE	Achieved in the first six months of 2018/19 (April to September)	Changed target for 2018/19
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 environmental assets and natural resources	1	1	–
Percentage of national environmental impact management applications processed per year	Legal, Authorisations, Compliance and Enforcement		98% (392/400)	98% (135/138)	–
Number of environmental authorisations inspected per year	Legal, Authorisations, Compliance and Enforcement		155	109	–
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		20	8	–
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67 per cent	Biodiversity and Conservation		77% (5 024 034/6 525 889)	62% (4 046 051/6 525 889)	–
Total percentage of land under conservation	Biodiversity and Conservation		13.2% (16 121 794 ha/121 991 200 ha)	12.7% (15 492 882 ha/121 991 200 ha)	–
Number of natural resource-based enterprises established in support of Vision 2024 per year	Biodiversity and Conservation		10	3	–

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2018/19 as published in the 2018 ENE	Achieved in the first six months of 2018/19 (April to September)	Changed target for 2018/19
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes	Outcome 4: Decent employment through inclusive economic growth	77 839	32 039	–
Number of full-time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes		41 390	5 630	–
Percentage of waste diverted from landfill sites for recycling per year	Chemicals and Waste Management	Outcome 10: Protect and enhance our environmental assets and natural resources	100% (172 441 tonnes)	49% (84 496 tonnes)	–

1. Index result from the South African Air Quality Information System will only be available by the end of 2018/19.

Mid-year progress

In the first half of 2018/19, 5 630 full-time equivalent jobs were created through the expanded public works programme against the annual target of 41 390. The slow achievement was due to the re-evaluation of contracts and projects as a result of the audit opinion on the department. The department plans to achieve the target in the second half of the year.

In the first half of 2018/19, 3 natural resource-based enterprises were established in support of Vision 2024 against a target of 10 for the year. The department plans to provide actual support to enterprises and achieve the target by the end of the financial year.

Adjusted Estimates of National Expenditure 2018

Programme	2018/19						
	Main appropriation	Adjustments appropriation					Total adjustments appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand							
Administration	941 820	–	–	–	–	–	941 820
Legal, Authorisations, Compliance and Enforcement	189 324	–	–	–	–	–	189 324
Oceans and Coasts	491 995	–	–	–	–	–	491 995
Climate Change and Air Quality	294 508	–	–	–	–	–	294 508
Biodiversity and Conservation	773 350	–	–	–	–	–	773 350
Environmental Programmes	3 871 281	–	–	–	318 000	318 000	4 189 281
Chemicals and Waste Management	550 254	–	–	–	–	–	550 254
Total	7 112 532	–	–	–	318 000	318 000	7 430 532
Economic classification							
Current payments	2 276 650	–	–	–	–	–	2 276 650
Compensation of employees	1 149 020	–	–	–	–	–	1 149 020
Goods and services	1 127 630	–	–	–	–	–	1 127 630
Transfers and subsidies	4 657 535	–	–	–	318 000	318 000	4 975 535
Departmental agencies and accounts	1 543 042	–	–	–	–	–	1 543 042
Foreign governments and international organisations	16 928	–	–	–	–	–	16 928
Public corporations and private enterprises	95 000	–	–	–	–	–	95 000
Non-profit institutions	3 925	–	–	–	–	–	3 925
Households	2 998 640	–	–	–	318 000	318 000	3 316 640
Payments for capital assets	178 347	–	–	–	–	–	178 347
Buildings and other fixed structures	147 375	–	–	–	–	–	147 375
Machinery and equipment	30 972	–	–	–	–	–	30 972
Total	7 112 532	–	–	–	318 000	318 000	7 430 532

Programme 6: Environmental Programmes

Subprogramme	2018/19							
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Environmental Protection and Infrastructure Programme	1 407 490	–	–	–	–	318 000	318 000	1 725 490
Natural Resource Management	2 125 662	–	–	–	–	–	–	2 125 662
Green Fund	95 000	–	–	–	–	–	–	95 000
Environmental Programmes Management	182 912	–	–	–	–	–	–	182 912
Information Management and Sector Coordination	60 217	–	–	–	–	–	–	60 217
Total	3 871 281	–	–	–	–	318 000	318 000	4 189 281
Economic classification								
Current payments	441 254	–	–	–	–	–	–	441 254
Compensation of employees	252 009	–	–	–	–	–	–	252 009
Goods and services	189 245	–	–	–	–	–	–	189 245
Transfers and subsidies	3 426 219	–	–	–	–	318 000	318 000	3 744 219
Departmental agencies and accounts	332 579	–	–	–	–	–	–	332 579
Public corporations and private enterprises	95 000	–	–	–	–	–	–	95 000
Households	2 998 640	–	–	–	–	318 000	318 000	3 316 640
Payments for capital assets	3 808	–	–	–	–	–	–	3 808
Machinery and equipment	3 808	–	–	–	–	–	–	3 808
Total	3 871 281	–	–	–	–	318 000	318 000	4 189 281

Details of adjustments to Estimates of National Expenditure 2018**Other adjustments – R318 million*****Appropriation of expenditure earmarked in the 2018 Budget speech for future allocation***

Programme 6: Environmental Programmes

An additional R318 million was allocated for drought relief interventions to be used under the environmental protection and infrastructure programme.

Expenditure outcome for 2017/18 and actual expenditure for 2018/19

Programme	2017/18					2018/19			
	Adjusted appropriation	Audited outcome		Actual expenditure		Adjusted appropriation/Total (%)	Apr 18 - Sep 18 adjusted appropriation	Apr 18 - Sep 18 adjusted appropriation	
Apr 17 - Sep 17		% of	Apr 17 - Mar 18	% of	Adjusted appropriation/Total (%)				
R thousand									
Administration	863 045	400 383	46.4	922 046	106.8	941 820	12.7	385 733	41.0
Legal, Authorisations, Compliance and Enforcement	179 780	74 506	41.4	165 441	92.0	189 324	2.5	82 618	43.6
Oceans and Coasts	468 455	192 807	41.2	428 613	91.5	491 995	6.6	170 008	34.6
Climate Change and Air Quality	294 872	146 629	49.7	294 887	100.0	294 508	4.0	154 342	52.4
Biodiversity and Conservation	696 518	343 335	49.3	692 660	99.4	773 350	10.4	400 247	51.8
Environmental Programmes	3 928 209	1 423 075	36.2	3 732 605	95.0	4 189 281	56.4	1 357 034	32.4
Chemicals and Waste Management	417 335	44 216	10.6	353 885	84.8	550 254	7.4	235 044	42.7
Total	6 848 214	2 624 951	38.3	6 590 137	96.2	7 430 532	100.0	2 785 026	37.5

Economic classification	2017/18					2018/19			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 17 - Sep 17	adjusted % of	Apr 17 - Mar 18	adjusted % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 18 - Sep 18	adjusted % of
Current payments	2 193 809	929 265	42.4	4 676 937	213.2	2 276 650	30.6	1 094 038	48.1
Compensation of employees	1 050 073	536 037	51.0	1 050 054	100.0	1 149 020	15.5	554 516	48.3
Goods and services	1 143 736	393 228	34.4	3 617 867	316.3	1 127 630	15.2	532 052	47.2
Interest and rent on land	–	–	0.0	9 016	0.0	–	0.0	7 470	0.0
Transfers and subsidies	4 488 896	1 627 161	36.2	1 309 211	29.2	4 975 535	67.0	1 571 102	31.6
Provinces and municipalities	–	81	0.0	123	0.0	–	0.0	116	0.0
Departmental agencies and accounts	1 201 169	655 862	54.6	1 170 794	97.5	1 543 042	20.8	643 817	41.7
Foreign governments and international organisations	16 000	–	0.0	16 000	100.0	16 928	0.2	–	0.0
Public corporations and private enterprises	110 455	–	0.0	102 433	92.7	95 000	1.3	7 588	8.0
Non-profit institutions	3 835	3 487	90.9	8 084	210.8	3 925	0.1	2 200	56.1
Households	3 157 437	967 731	30.6	11 777	0.4	3 316 640	44.6	917 381	27.7
Payments for capital assets	165 509	68 519	41.4	603 978	364.9	178 347	2.4	119 843	67.2
Buildings and other fixed structures	136 901	60 075	43.9	501 365	366.2	147 375	2.0	50 385	34.2
Machinery and equipment	28 608	7 934	27.7	88 439	309.1	30 972	0.4	69 450	224.2
Software and other intangible assets	–	510	0.0	14 174	0.0	–	0.0	8	0.0
Payments for financial assets	–	6	–	11	–	–	0.0	43	0.0
Total	6 848 214	2 624 951	38.3	6 590 137	96.2	7 430 532	100.0	2 785 026	37.5

Expenditure trends for the first half of 2018/19

Total expenditure in 2017/18 was R6.6 billion, 96.2 per cent of the 2017/18 adjusted appropriation. Mid-year expenditure in 2017/18 was R2.6 billion, 38.3 per cent of the 2017/18 adjusted appropriation, whereas expenditure in the first half of 2018/19 was R2.8 billion, 37.5 per cent of the adjusted appropriation of R7.4 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2018/19 increased by R160.1 million, 6.1 per cent, mainly due to the commencement of operations of the Waste Bureau from the beginning of the financial year.

Departmental receipts

Economic classification	2017/18					2018/19				
	Audited outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 17 - Sep 17	adjusted estimate	Apr 17 - Mar 18	adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 18 - Sep 18	Adjusted Estimate
Departmental receipts	32 733	22 404	68.4	29 244	89.3	20 991	8 205	100.0	4 225	51.5
Sales of goods and services produced by department	3 691	1 831	49.6	3 154	85.5	4 019	2 103	25.6	1 609	76.5
Sales of scrap, waste, arms and other used current goods	2	1	50.0	1	50.0	2	2	0.0	1	50.0
Fines, penalties and forfeits	75	75	100.0	1 775	2 366.7	1 490	500	6.1	25	5.0
Interest, dividends and rent on land	59	32	54.2	61	103.4	125	125	1.5	37	29.6
Sales of capital assets	300	124	41.3	200	66.7	155	175	2.1	125	71.4
Transactions in financial assets and liabilities	28 606	20 341	71.1	24 053	84.1	15 200	5 300	64.6	2 428	45.8
Total	32 733	22 404	68.4	29 244	89.3	20 991	8 205	100.0	4 225	51.5

Revenue trends for the first half of 2018/19

Mid-year revenue in 2017/18 was R22.4 million, 68.4 per cent of the 2017/18 adjusted estimate, whereas mid-year revenue in 2018/19 was R4.2 million, 51.5 per cent of the adjusted revenue estimate for the year. Compared to the first half of 2017/18, revenue over the same period in 2018/19 decreased by R18.2 million, 81.1 per cent. This was due to the sluggish progress of expanded public works programme projects because of the implications of the modified cash standard on the 2017/18 expenditure outcome, which led to projects not being finalised on time for balances to be repaid into the National Revenue Fund.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2018/19							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Environmental Programmes								
Households								
Other transfers to households								
Current	777 259	–	–	–	–	318 000	318 000	1 095 259
Expanded public works programme:	777 259	–	–	–	–	318 000	318 000	1 095 259
Environmental protection and infrastructure programme								

