

Vote 27

Environmental Affairs

Adjusted budget summary

R thousand	Appropriation	2019/20		Adjusted appropriation
		Adjustments appropriation		
		Decrease	Increase	
Amount to be appropriated	7 529 671	(50 000)	4 000	7 483 671
<i>of which:</i>				
Current payments	5 950 254	–	4 000	5 954 254
Transfers and subsidies	1 393 294	(50 000)	–	1 343 294
Payments for capital assets	186 123	–	–	186 123
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.

2019 National macro organisation of government

The forestry and fisheries functions will be shifted from the Department of Agriculture, Forestry and Fisheries to the new Department of Environment, Forestry and Fisheries. The department is currently in the process of determining the funds to be transferred from the Department of Agriculture, Forestry and Fisheries and structures to be included in the new Department of Environment, Forestry and Fisheries. This will only take effect from 1 April 2020.

Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
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	3 ¹	3	–
Percentage of national environmental impact management applications processed per year	Legal, Authorisations, Compliance and Enforcement		100%	99% (69/70)	–
Number of environmental authorisations inspected per year	Legal, Authorisations, Compliance and Enforcement		160	107	–
Improvement in the national air quality indicator (index less than 1)	Climate Change, Air Quality and Sustainable Development		1.00	0	–
Climate change regulatory framework and tools developed and implemented ¹	Climate Change, Air Quality and Sustainable Development		Climate Change Bill submitted to Parliament for promulgation ¹	Stakeholder consultation on Climate Change Bill conducted	–
National climate change adaptation strategy developed and implemented	Climate Change, Air Quality and Sustainable Development		National climate change adaptation strategy action plan implemented	Inception meeting for climate change adaptation interventions conducted	–

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67%	Biodiversity and Conservation	Outcome 10: Protect and enhance our environmental assets and natural resources	79%	0	–
Total percentage of land under conservation (hectares)			13.7%	0	–
Number of hectares of land for indigenous species identified and cultivated per year			500	0	–
Number of biodiversity entrepreneurs trained per year			400 ¹	314	–
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes		74 396	20 034	–
Number of full-time equivalent jobs created through projects related to the expanded public works programme per year			39 110	4 693	–
Percentage of waste diverted from landfill sites for recycling per year	Chemicals and Waste Management		50% (85 133 tonnes / 170 266 tonnes)	11.79% (20 074 tonnes / 170 266 tonnes)	–

1. Target and/or indicator changed to align with the department's 2019/20 annual performance plan, which was finalised after the 2019 ENE had been published.

Mid-year progress

In the first half of 2019/20, the annual target of 3 interventions for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan was already achieved due to the department having planned to achieve the target by mid-year. During the same period, the department undertook extensive stakeholder consultations on the Climate Change Bill, which is still on track to be submitted to Parliament by the end of 2019/20. By mid-year, 314 biodiversity entrepreneurs were trained against an annual target of 400 due to a greater turnover than expected.

By mid-year, 20 034 work opportunities and 4 693 full-time equivalent jobs were created through the expanded public works programme against annual targets of 74 396 and 39 110, respectively. This 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 these targets in the second half of the year.

In the first half of 2019/20, 11.79 per cent of waste was diverted from landfill sites for recycling against an annual target of 50 per cent. This was due to low tyre processing capacity as only 6 of the 9 successful and contracted companies were operational during the first half of the year.

Data for the following indicators will only be available in the second half of 2019/20: improvement in the national air quality indicator, percentage of state-managed protected areas assessed, total percentage of land under conservation, and the number of hectares of land for indigenous species identified and cultivated.

Adjusted estimates

Programme	2019/20	Adjustments appropriation						Adjusted appropriation	
		Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total
									adjustments appropriation
R thousand									
Administration	891 872	–	–	–	–	–	–	891 872	
Legal, Authorisations, Compliance and Enforcement	207 527	–	–	–	–	–	–	207 527	
Oceans and Coasts	507 228	–	–	–	–	–	–	507 228	
Climate Change, Air Quality and Sustainable Development	445 939	–	–	–	–	–	–	445 939	
Biodiversity and Conservation	797 320	–	–	–	–	4 000	4 000	801 320	
Environmental Programmes	4 085 469	–	–	–	(50 000)	–	(50 000)	4 035 469	
Chemicals and Waste Management	594 316	–	–	–	–	–	–	594 316	
Total	7 529 671	–	–	–	(50 000)	4 000	(46 000)	7 483 671	

Economic classification		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Current payments	5 950 254	–	–	–	–	4 000	4 000	5 954 254
Compensation of employees	1 237 539	–	–	–	–	–	–	1 237 539
Goods and services	4 703 248	–	–	–	–	4 000	4 000	4 707 248
Interest and rent on land	9 467	–	–	–	–	–	–	9 467
Transfers and subsidies	1 393 294	–	–	–	(50 000)	–	(50 000)	1 343 294
Departmental agencies and accounts	1 218 211	–	–	–	–	–	–	1 218 211
Foreign governments and international organisations	23 500	–	–	–	–	–	–	23 500
Public corporations and private enterprises	143 840	–	–	–	(50 000)	–	(50 000)	93 840
Non-profit institutions	7 743	–	–	–	–	–	–	7 743
Payments for capital assets	186 123	–	–	–	–	–	–	186 123
Buildings and other fixed structures	159 138	–	–	–	–	–	–	159 138
Machinery and equipment	18 785	–	–	–	–	–	–	18 785
Software and other intangible assets	8 200	–	–	–	–	–	–	8 200
Total	7 529 671	–	–	–	(50 000)	4 000	(46 000)	7 483 671

Programme 5: Biodiversity and Conservation

Subprogramme		2019/20						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Biodiversity and Conservation Management	21 591	–	–	–	–	–	–	21 591
Biodiversity Planning and Management	32 752	–	–	–	–	4 000	4 000	36 752
Protected Areas Systems Management	49 042	–	–	–	–	–	–	49 042
iSimangaliso Wetland Park Authority	36 076	–	–	–	–	–	–	36 076
South African National Parks	277 224	–	–	–	–	–	–	277 224
South African National Biodiversity Institute	344 079	–	–	–	–	–	–	344 079
Biodiversity Monitoring Specialist Services	13 015	–	–	–	–	–	–	13 015
Biodiversity Economy and Sustainable Use	23 541	–	–	–	–	–	–	23 541
Total	797 320	–	–	–	–	4 000	4 000	801 320
Economic classification								
Current payments	136 484	–	–	–	–	4 000	4 000	140 484
Compensation of employees	87 034	–	–	–	–	–	–	87 034
Goods and services	49 450	–	–	–	–	4 000	4 000	53 450
Transfers and subsidies	659 666	–	–	–	–	–	–	659 666
Departmental agencies and accounts	657 379	–	–	–	–	–	–	657 379
Non-profit institutions	2 287	–	–	–	–	–	–	2 287
Payments for capital assets	1 170	–	–	–	–	–	–	1 170
Machinery and equipment	1 170	–	–	–	–	–	–	1 170
Total	797 320	–	–	–	–	4 000	4 000	801 320

Programme 6: Environmental Programmes

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Environmental Protection and Infrastructure Programme	1 462 489	–	–	–	–	–	–	1 462 489
Natural Resource Management	2 234 752	–	–	–	–	–	–	2 234 752
Green Fund	111 000	–	–	–	(50 000)	–	(50 000)	61 000
Environmental Programmes Management	210 284	–	–	–	–	–	–	210 284
Information Management and Sector Coordination	66 944	–	–	–	–	–	–	66 944
Total	4 085 469	–	–	–	(50 000)	–	(50 000)	4 035 469
Economic classification								
Current payments	3 663 317	–	–	–	–	–	–	3 663 317
Compensation of employees	271 107	–	–	–	–	–	–	271 107
Goods and services	3 392 210	–	–	–	–	–	–	3 392 210
Transfers and subsidies	419 125	–	–	–	(50 000)	–	(50 000)	369 125
Departmental agencies and accounts	344 285	–	–	–	–	–	–	344 285
Public corporations and private enterprises	74 840	–	–	–	(50 000)	–	(50 000)	24 840
Payments for capital assets	3 027	–	–	–	–	–	–	3 027
Machinery and equipment	3 027	–	–	–	–	–	–	3 027
Total	4 085 469	–	–	–	(50 000)	–	(50 000)	4 035 469

Declared unspent funds – R50 million

Programme 6: Environmental Programmes

R50 million in unspent funds has been declared on the Green Fund, administered by the Development Bank of Southern Africa, due to slow progress in the financing of green initiatives and projects.

Other adjustments – R4 million**Self-financing expenditure**

Programme 5: Biodiversity and Conservation

Revenue of R4 million has been generated from the sale of elephant ivory by South African National Parks. These funds have been surrendered to the Department of Environmental Affairs for the second phase of the South Africa Elephant Research Strategy.

Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	Adjusted appropriation	2018/19				2019/20			
		Outcome				Actual expenditure			
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted appropriation	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/Total (%)	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted appropriation
R thousand									
Administration	941 820	385 733	41.0	961 664	102.1	891 872	11.9	418 269	46.9
Legal, Authorisations, Compliance and Enforcement	189 324	82 618	43.6	175 927	92.9	207 527	2.8	99 054	47.7
Oceans and Coasts	491 995	170 008	34.6	436 903	88.8	507 228	6.8	199 934	39.4
Climate Change, Air Quality and Sustainable Development	294 508	154 342	52.4	306 346	104.0	445 939	6.0	204 852	45.9
Biodiversity and Conservation	773 350	400 247	51.8	791 648	102.4	801 320	10.7	400 407	50.0
Environmental Programmes	4 189 281	1 357 034	32.4	3 510 403	83.8	4 035 469	53.9	1 169 179	29.0
Chemicals and Waste Management	550 254	235 044	42.7	554 080	100.7	594 316	7.9	219 563	36.9
Total	7 430 532	2 785 026	37.5	6 736 971	90.7	7 483 671	100.0	2 711 258	36.2

Economic classification	2018/19					2019/20				
	Adjusted appropriation	Outcome			Adjusted appropriation/ Total (%)	Actual expenditure				
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted appropriation	Apr 18 - Mar 19		Apr 18 - Mar 19 % of adjusted appropriation	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted appropriation		
R thousand										
Current payments	2 276 650	1 094 038	48.1	4 186 047	183.9	5 954 254	79.6	2 021 787	34.0	
Compensation of employees	1 149 020	554 516	48.3	1 135 584	98.8	1 237 539	16.5	615 310	49.7	
Goods and services	1 127 630	532 052	47.2	3 026 848	268.4	4 707 248	62.9	1 391 690	29.6	
Interest and rent on land	–	7 470	–	23 615	–	9 467	0.1	14 787	156.2	
Transfers and subsidies	4 975 535	1 571 102	31.6	1 768 344	35.5	1 343 294	17.9	598 097	44.5	
Provinces and municipalities	–	116	–	159	–	–	–	109	–	
Departmental agencies and accounts	1 543 042	643 817	41.7	1 598 257	103.6	1 218 211	16.3	551 424	45.3	
Foreign governments and international organisations	16 928	–	–	23 500	138.8	23 500	0.3	–	–	
Public corporations and private enterprises	95 000	7 588	8.0	45 441	47.8	93 840	1.3	32 611	34.8	
Non-profit institutions	3 925	2 200	56.1	4 687	119.4	7 743	0.1	6 896	89.1	
Households	3 316 640	917 381	27.7	96 300	2.9	–	–	7 057	–	
Payments for capital assets	178 347	119 843	67.2	466 148	261.4	186 123	2.5	89 840	48.3	
Buildings and other fixed structures	147 375	50 385	34.2	292 826	198.7	159 138	2.1	78 526	49.3	
Machinery and equipment	30 972	69 450	224.2	153 282	494.9	18 785	0.3	9 589	51.0	
Software and other intangible assets	–	8	–	20 040	–	8 200	0.1	1 725	21.0	
Payments for financial assets	–	43	–	316 432	–	–	–	1 534	–	
Total	7 430 532	2 785 026	37.5	6 736 971	90.7	7 483 671	100.0	2 711 258	36.2	

Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R6.7 billion, 90.7 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R2.8 billion, 37.5 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R2.7 billion, 36.2 per cent of the adjusted appropriation of R7.5 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 decreased by R73.8 million, 2.6 per cent. This was mainly because payments due to the department's entities in lieu of projects undertaken on their own land as part of the expanded public works programme were not paid, pending the sign-off of progress reports.

Departmental receipts

Economic classification	2018/19					2019/20				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19				Apr 18 - Mar 19 % of adjusted estimate	Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
R thousand										
Departmental receipts	8 205	4 225	51.5	29 387	358.2	21 142	70 450	100.0	63 328	89.9
Sales of goods and services produced by department	2 103	1 609	76.5	2 769	131.7	4 035	2 100	3.0	1 166	55.5
Sales of scrap, waste, arms and other used current goods	2	1	50.0	1	50.0	2	–	–	–	–
Fines, penalties and forfeits	500	25	5.0	25	5.0	1 500	3 000	4.3	2 273	75.8
Interest, dividends and rent on land	125	37	29.6	967	773.6	130	5 200	7.4	4 585	88.2
Sales of capital assets	175	125	71.4	224	128.0	175	150	0.2	74	49.3
Transactions in financial assets and liabilities	5 300	2 428	45.8	25 401	479.3	15 300	60 000	85.2	55 230	92.1
Total	8 205	4 225	51.5	29 387	358.2	21 142	70 450	100.0	63 328	89.9

Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R4.2 million, 51.5 per cent of the 2018/19 adjusted estimate, whereas mid-year revenue in 2019/20 was R63.3 million, 89.9 per cent of the adjusted estimate for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 increased by R59.1 million, 1 399 per cent. This was mainly due to higher interest earned on unutilised funds, funds paid back by implementing agents in the expanded public works programme, as well as payments of fines issued for non-compliance.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

		2019/20						
		Adjustments appropriation						
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
	Environmental Programmes							
	Public corporations and private enterprises							
	Public corporations							
	Other transfers							
	Current							
		74 840	-	-	(50 000)	-	(50 000)	24 840
	Development Bank of Southern Africa	74 840	-	-	(50 000)	-	(50 000)	24 840