

# Vote 25

## Environmental Affairs and Tourism

### Budget summary

R thousand	2008/09				2009/10	2010/11
	Total to be appropriated	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	198 366	196 877	–	1 489	209 107	226 762
Environmental Quality and Protection	268 956	113 136	144 916	10 904	278 408	287 868
Marine and Coastal Management	396 742	214 263	182 029	450	570 011	887 244
Tourism	693 022	46 074	646 501	447	764 957	795 747
Biodiversity and Conservation	396 342	41 890	354 269	183	409 899	423 625
Sector Services and International Relations	1 108 258	116 984	990 424	850	1 214 478	1 141 427
<b>Total expenditure estimates</b>	<b>3 061 686</b>	<b>729 224</b>	<b>2 318 139</b>	<b>14 323</b>	<b>3 446 860</b>	<b>3 762 673</b>
Executive authority	Minister of Environmental Affairs and Tourism					
Accounting officer	Director-General of Environmental Affairs and Tourism					
Website address	www.environment.gov.za					

### Aim

*The aim of the Department of Environmental Affairs and Tourism is to lead sustainable development of South Africa's environment and tourism for a better life for all.*

### Programme purposes, objectives and measures

#### Programme 1: Administration

**Purpose:** Provide strategic leadership, centralised administration and executive support, and corporate services.

#### Programme 2: Environmental Quality and Protection

**Purpose:** Protect and improve the quality and safety of the environment to give effect to the right of all South Africans to an environment that is not harmful to health and wellbeing.

#### Objectives and measures:

- Improve environmental quality by developing the capacity and increasing the number of environmental management inspectors from 750 in 2007/08 to 1 200 in 2010/11.
- Prevent and reduce pollution by setting norms and standards for waste management, fast-tracking the authorisation of waste disposal facilities, increasing government capacity to manage waste, and strengthening the broader waste management legislative framework, to reduce the number of un-permitted waste disposal sites by 80 per cent by 2010/11.
- Improve air and atmospheric quality by:
  - establishing the number of metros and regional municipalities with air quality problems and, through appropriate legislative and other air quality management interventions, reducing this number by 90 per cent by 2020
  - increasing the number of ambient air quality monitoring stations from 11 in 2007/08 to 30 in 2010/11.

### **Programme 3: Marine and Coastal Management**

**Purpose:** Promote the conservation and sustainable use of marine and coastal resources to contribute to economic growth and poverty alleviation.

**Objectives and measures:**

- Contribute to the development of sustainable marine resources by finalising the marine aquaculture development plan by 2008/09, which will facilitate the creation of a marine aquaculture industry and the establishment of the first government sponsored marine fish farm in 2012/13.
- Ensure equitable and sustainable use of marine and coastal resources by allocating fishing rights based on equity principles and scientifically based stock estimates and measuring rights holders' performance against licence requirements.
- Improve the management and conservation of South Africa's coastline by getting presidential assent for the integrated coastal management legislation in 2008.
- Reduce illegal activities, including poaching of marine resources, by increasing monitoring and surveillance patrols of South Africa's marine and coastal area.

### **Programme 4: Tourism**

**Purpose:** Create conditions for sustainable tourism growth and development for the benefit of all South Africans.

**Objectives and measures:**

- Support the development of tourism small medium and micro-enterprises (SMME) through the tourism enterprise programme (TEP), which facilitates transactional linkages between established business and SMMEs in the sector as well as business skills development for tourism SMMEs, by:
  - raising the number of linkages facilitated from 550 in 2007/08 to 725 in 2010/11
  - increasing the number of tourism SMMEs trained in tourism related business skills from 3 700 in 2007/08 to 5 500 in 2010/11.
- Improve the skills and service levels in the tourism sector by:
  - increasing the number of tourist guides trained in tourist guiding and customer care from 135 in 2007/08 to 160 by 2009/10
  - increasing the number of people trained in priority foreign languages from 350 in 2007/08 to 450 in 2009/10.
- Create a welcoming environment for tourists during the 2010 FIFA World Cup by training and deploying 5 000 voluntary 'tourism ambassadors' in host cities.

### **Programme 5: Biodiversity and Conservation**

**Purpose:** Promote the conservation and sustainable use of natural resources to contribute to economic growth and poverty alleviation.

**Objectives and measures:**

- Increase land under conservation in South Africa by expanding the national protected areas network to cover 8 per cent of all land by 2010.

### **Programme 6: Sector Services and International Relations**

**Purpose:** Create conditions for effective corporate and co-operative governance, international co-operation, business performance and the implementation of poverty alleviation projects.

### Objectives and measures:

- Promote the empowerment of designated communities through the expanded public works programme in the environment, tourism and arts and culture sectors by increasing the number of temporary jobs created to 15 000, the number of permanent jobs created to 230, and the number of training days provided to 120 000 in 2010/11.
- Promote South Africa's global sustainable development agenda by mobilising multilateral and bilateral funding for implementing environmental programmes in the country and in the Southern African Development Community (SADC) from US\$35 million in 2007/08 to US\$45 million in 2010/11.

### Strategic overview and key policy developments: 2004/05 – 2010/11

The overarching vision of the Department of Environmental Affairs and Tourism is a prosperous and equitable society living in harmony with its environment and natural resources. The department manages policies governing four interrelated components: tourism; the fishing industry; conservation management of natural resources and the environment; and sustainable development. The department's objective is to maximise economic growth in these sectors while effectively managing the interface between the environment and development. Furthermore, the department is also the lead department for the environment and culture sector of the expanded public works programme (EPWP), and promotes the global sustainable development agenda.

#### *Tourism*

Tourism has grown rapidly over the past few years and is identified in the Accelerated and Shared Growth Initiative for South Africa (ASGISA) as an immediate priority area. As a labour intensive industry, tourism creates jobs, attracts foreign investment and contributes to economic growth. The department's focus is on ensuring that blockages to tourism channels in priority markets are cleared by increasing air frequency and alleviating visa constraints. The Tourism BEE Charter and scorecard aimed at the economic transformation of the sector is currently being implemented.

#### *The fishing industry*

To ensure the sustainable use of marine and coastal resources the department focuses on equitable access, including the allocation of fishing rights for both commerce and subsistence. The department combats illegal harvesting, which threatens the sustainability of the resource base, through partnerships with the law enforcement agencies. The abalone fishery has been temporarily closed due to the depletion of stocks through poaching.

The department is pursuing the development of a marine aquaculture industry to complement the current resource base. The marine aquaculture development plan will be finalised in 2008. The department also developed integrated coastal management legislation, which is to be promulgated in 2008.

#### *Conservation management of natural resources*

The department aims to expand on the network of national protected areas to ensure that the conserved ecosystem is fully representative of the country's biodiversity. Management of national protected areas will be improved by strengthening the conservation legislative framework, including the development and implementation of norms and standards. Furthermore, the department has been pursuing the reintegration of ecosystems across manmade boundaries by developing transfrontier conservation areas (TFCAs) and ensuring that communities benefit from protected areas through their co-management of resources.

To ensure long term sustainability, the department has contributed to balancing the challenges of environmental protection and development through waste and pollution minimisation interventions, improved air quality management, and environmental impact assessments for proposed developments. Legislative instruments to address the challenges around air quality and environmental impact management were instituted last year, and waste management legislation will be promulgated in 2008.

### **Long term mitigation scenarios for climate change**

In March 2006, Cabinet mandated the Department of Environmental Affairs and Tourism to examine the potential for mitigating South Africa's greenhouse gas emissions, which contribute to climate change. The long term mitigation scenarios (LTMS) process was initiated, and technical work concluded in November 2007. The key finding of the LTMS is that without constraints, there is likely to be a four-fold increase in greenhouse gas emissions by 2050. This would be unacceptable internationally. South Africa will have to make a massive effort to reduce emissions to meet the scientifically determined target, but immediate strategic mitigation options are available, including: energy efficiency, especially in industry; electricity supply options; carbon capture and storage; transport efficiency and shifts; and people-oriented strategies supported by awareness raising. These options show good emissions reduction results, with costs to the economy ranging from affordable to significant. Furthermore, they can have net public benefits, such as reduced air pollution, savings in energy bills and increased employment.

From a policy point of view, both regulatory and economic instruments are available. In parallel with short term policy implementation, investment in medium term research and development will be needed. In the long term, South Africa needs to think about its industrial policy and shift its economy to less emissions intensive sectors. This will require alignment across all sectors. The key to success will be strong, committed and engaged South African leadership in government, business and civil society, coupled with international alignment and active support.

The technical findings of the LTMS will be presented to leaders from government, business, labour and civil society in the first half of 2008. The interministerial committee on climate change will then advise Cabinet on long term national climate policy, as well as clear and mandated positions for the next round of UN negotiations on climate change.

### **Recent achievements**

#### *Tourism*

There were more than 8 million international arrivals in South Africa in 2007, suggesting that South Africa is on course to reach the 2010 target of 10 million international arrivals a year.

The department has been working closely with the 2010 FIFA World Cup local organising committee. Accommodation workshops, highlighting opportunities that the event presents for non-hotel accommodation establishments, were conducted. About 5 000 establishments attended, mainly SMMEs.

The tourism enterprise programme (TEP) facilitated transactional linkages between established businesses and SMMEs valued at R751 million, of which 767 transactions involved SMMEs with an historically disadvantaged enterprise profile. 993 SMMEs were provided with support, ranging from business linkages to the development of business plans. Business training was also provided to 1545 SMMEs. The grading of tourism establishments accelerated, with 4 905 establishments graded by the end of 2006/07.

#### *Fisheries, and marine and coastal management*

South Africa has worked with the SADC monitoring, control and surveillance programme to improve the management of marine resources. An interim agreement has been signed by South Africa, Angola and Namibia for joint decision making in trans-boundary fisheries and pollution control. The department's fleet of 4 environmental protection vessels made 42 arrests, confiscated 9 boats, made 8605 abalone confiscations, checked 392 permits on vessels, inspected 242 vessels, applied 31 fines and conducted 10 search and rescue operations from April 2005 to October 2006.

The allocation of long term fishing rights has been completed, with 59 per cent allocated to BEE beneficiaries.

Relief voyages to Marion Island, Gough Island and Antarctica were all successfully carried out.

#### *Environmental impact assessments*

The new environmental impact assessment (EIA) regulations, effective from July 2006, are aimed at streamlining the system for better efficiency and turnaround times. EIA backlogs under the 1997 regulations in the national office were reduced by 60 per cent.

*Air quality*

The first and second national air quality priority areas were declared in April 2006 and November 2007, and the 2007 national framework for air quality management was published in September 2007. A review of the emission permits of industries responsible for 80 per cent of atmospheric emissions was started, and phase 1 of a national air quality monitoring network (six monitoring stations in the Vaal Triangle priority area) was completed.

*Protected areas*

In June 2006, South Africa, Botswana and Zimbabwe reached an agreement on the establishment of the Limpopo-Shashe TFCA, which includes the Mapungubwe world heritage site. The Lubombo tourism route within the Lubombo TFCA was jointly launched in May 2006. The Giriyondo tourist access facility linking South Africa and Mozambique, within the Great Limpopo TFCA, was completed and officially opened in August 2006. The Mata-Mata tourist access facility linking Namibia with the Kgalagadi Transfrontier Park was officially opened in October 2007.

*Sustainable development*

The South Africa Environment Outlook was published in 2007. It addresses environmental sustainability and the interdependence of the economy, human activity and the environment.

South Africa has hosted key environmental and sustainable development meetings as part of shaping global and regional policies and laws, including the Global Environment Facility International Waters Conference and several inter-sessional meetings of the Convention on Biological Diversity, aimed at building consensus and capacity among parties from African countries.

*Social responsibility projects*

Between March 2006 and September 2007, the department's social responsibility programme created 24 467 job opportunities and 638 permanent jobs. In the first half of 2007/08, the skills support initiatives resulted in 74 855 training days, 8 learnership programmes were registered, and 102 skills development programmes were implemented. 23 per cent of this programme's budget was allocated to nodal areas and 396 SMMEs were used in the implementation of projects. 58 wetlands (2 375 hectares) were rehabilitated, and 1 289 km of coastline and rivers were cleaned between March 2006 and September 2007.

**Selected performance indicators**

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of tourism SMMEs trained in tourism related business skills	–	1 900	2 600	3 700	4 600	5 000	5 500
Number of transactional business linkages facilitated between SMMEs and established business through the Tourism Enterprise Programme	–	–	–	550	605	665	725
Number of tourist guides trained	–	–	–	135	145	160	–
Number of 2010 FIFA World Cup 'tourism ambassadors' trained	–	–	–	–	2 500	2 500	–
Number of tourism establishments graded	–	–	5 040	5 544	6 365	8 000	–
Percentage of national environmental impact management applications processed within stipulated timeframes	–	–	–	80	85	90	95
Percentage reduction in number of un-permitted waste disposal sites (currently at 580)	–	–	–	10	30	50	80
Number of environmental management inspectors designated	–	300	700	750	950	1 000	1 200
Number of ambient air quality monitoring stations providing information to the South African air quality information system	–	–	6	11	18	24	30
Number of temporary jobs created through EPWP projects	8 874	15 994	13 887	11 580	14 000	14 500	15 000
Number of permanent jobs created through EPWP projects	333	301	459	179	200	220	230

## Expenditure estimates

**Table 25.1 Environmental Affairs and Tourism**

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08		2008/09	2009/10	2010/11
R thousand								
1. Administration	110 470	144 219	167 276	167 284	167 284	198 366	209 107	226 762
2. Environmental Quality and Protection	141 629	185 287	199 232	245 977	245 977	268 956	278 408	287 868
3. Marine and Coastal Management	354 378	262 428	324 048	340 945	340 945	396 742	570 011	887 244
4. Tourism	384 759	427 236	547 248	616 314	616 314	693 022	764 957	795 747
5. Biodiversity and Conservation	234 768	283 195	279 579	362 990	362 990	396 342	409 899	423 625
6. Sector Services and International Relations	434 496	473 321	542 281	1 057 011	1 057 011	1 108 258	1 214 478	1 141 427
<b>Total</b>	<b>1 660 500</b>	<b>1 775 686</b>	<b>2 059 664</b>	<b>2 790 521</b>	<b>2 790 521</b>	<b>3 061 686</b>	<b>3 446 860</b>	<b>3 762 673</b>
Change to 2007 Budget estimate				199 750	199 750	275 409	477 086	839 042

### Economic classification

<b>Current payments</b>	<b>372 768</b>	<b>511 741</b>	<b>543 802</b>	<b>672 879</b>	<b>670 544</b>	<b>729 224</b>	<b>759 304</b>	<b>800 684</b>
Compensation of employees	163 795	209 664	262 506	344 312	349 766	394 575	414 198	434 896
Goods and services	208 746	301 906	281 093	328 567	320 778	334 649	345 106	365 788
<i>of which:</i>								
Communication	5 083	7 253	12 900	13 198	13 198	14 995	15 781	16 552
Computer services	10 742	15 330	11 731	11 465	11 465	11 777	12 443	13 199
Consultants, contractors and special services	97 867	152 230	124 297	178 307	170 518	176 197	176 830	187 595
Inventory	9 029	12 883	13 960	16 082	16 082	17 530	18 321	19 255
Maintenance, repairs and running costs	3 301	4 711	6 030	9 189	9 189	7 788	8 167	8 437
Operating leases	27 181	33 220	36 445	39 692	39 692	42 637	47 311	51 283
Travel and subsistence	26 137	37 380	28 048	37 604	37 604	34 386	35 497	36 601
Municipal Services	3 044	3 285	3 672	3 447	3 447	4 440	4 884	5 372
Financial transactions in assets and liabilities	227	171	203	–	–	–	–	–
<b>Transfers and subsidies</b>	<b>1 219 207</b>	<b>1 207 809</b>	<b>1 505 963</b>	<b>2 111 221</b>	<b>2 111 221</b>	<b>2 318 139</b>	<b>2 667 837</b>	<b>2 936 936</b>
Provinces and municipalities	464	595	160	–	–	–	–	–
Departmental agencies and accounts	836 079	806 558	1 042 176	1 380 963	1 380 963	1 546 449	1 785 543	1 961 209
Universities and technikons	–	–	–	300	300	–	–	–
Foreign governments and international organisations	–	6 000	12 421	–	–	14 000	9 000	9 000
Non-profit institutions	12 000	12 000	44 622	88 054	88 054	89 366	92 097	94 981
Households	370 664	382 656	406 584	641 904	641 904	668 324	781 197	871 746
<b>Payments for capital assets</b>	<b>68 525</b>	<b>56 136</b>	<b>9 899</b>	<b>6 421</b>	<b>8 756</b>	<b>14 323</b>	<b>19 719</b>	<b>25 053</b>
Buildings and other fixed structures	64 364	44 836	–	–	–	–	–	–
Machinery and equipment	4 161	10 800	7 036	6 116	8 451	14 007	19 347	24 620
Software and other intangible assets	–	500	2 863	305	305	316	372	433
<b>Total</b>	<b>1 660 500</b>	<b>1 775 686</b>	<b>2 059 664</b>	<b>2 790 521</b>	<b>2 790 521</b>	<b>3 061 686</b>	<b>3 446 860</b>	<b>3 762 673</b>

### Expenditure trends

Expenditure is expected to maintain steady growth over the period under review, having increased from R1.7 billion in 2004/05 to R2.8 billion in 2007/08, an average annual growth rate of 18.9 per cent. Expenditure is projected to rise to R3.8 billion in 2010/11, an average annual increase of 10.5 per cent over the medium term. Transfers and subsidies to departmental agencies and accounts and to households take up a significant part of the budget, comprising an average annual 77.1 per cent of total expenditure over the MTEF period.

The new allocations to the department's baseline are R280.4 million in 2008/09, R487 million in 2009/10 and R849 million in 2010/11.

Transfers and subsidies grew from a low base with an average annual increase of 20.1 per cent between 2004/05 and 2007/08. The main increases were in the allocations to the department's public entities and for the expansion of the department's social responsibility projects. Over the medium term the growth in transfers and subsidies stabilises.

Payments in capital assets decreased from R68.5 million in 2004/05 to R6.4 million in 2007/08, due to the completion of the Marion Island building project. Over the medium term, growth relates mainly to the acquisition of IT and other equipment.

#### *Efficiency savings*

The department introduced measures in 2007/08 to curtail spending on travel and subsistence, classified under goods and services. Over the medium term, R5 million in 2008/09, R10 million in 2009/10 and R10 million in 2010/11 have been identified in the following programmes:

- *Administration*: R2 million in 2008/09, R4 million in 2009/10 and R4 million in 2010/11
- *Environmental Quality and Protection*: R2 million in 2008/09, R4 million in 2009/10 and R4 million in 2010/11
- *Tourism*: R1 million in 2008/09, R2 million in 2009/10 and R2 million in 2010/11.

#### *Infrastructure spending*

*Marine and Coastal Management* receives R150 million in 2009/10 and R450 million in 2010/11 for acquisition of the polar research vessel to replace the SA Agulhas (built in 1978), which provides logistical support to the three research bases in Antarctica and on Marion and Gough islands.

Infrastructure projects in the *Sector Services and International Relations* programme include the replacement of weather radars by the South African Weather Service and the upgrading of tourism accommodation and facilities in preparation for the 2010 Soccer World Cup by SANParks and the iSimangaliso Wetland Park Authority.

## Departmental receipts

Departmental receipts are estimated to be R1 million in 2007/08. The department mainly receives revenue from environmental impact assessments. Over the MTEF period, departmental receipts are estimated to grow at an average annual rate of 14.4 per cent, from R1 million in 2008/09 to R1.6 million in 2010/11.

**Table 25.2 Departmental receipts**

R thousand	Audited outcome			Estimate	Medium-term receipts estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Departmental receipts</b>	<b>4 208</b>	<b>2 850</b>	<b>4 863</b>	<b>1 034</b>	<b>1 087</b>	<b>1 534</b>	<b>1 626</b>
Sales of goods and services produced by department	209	249	247	1 034	1 087	1 534	1 626
Interest, dividends and rent on land	55	38	52	–	–	–	–
Sales of capital assets	8	400	–	–	–	–	–
Financial transactions in assets and liabilities	3 936	2 163	4 564	–	–	–	–
<b>Total</b>	<b>4 208</b>	<b>2 850</b>	<b>4 863</b>	<b>1 034</b>	<b>1 087</b>	<b>1 534</b>	<b>1 626</b>

## Programme 1: Administration

**Purpose:** Provide strategic leadership, centralised administration and executive support, and corporate services.

## Expenditure estimates

Table 25.3 Administration

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Minister <sup>1</sup>	734	895	885	951	1 019	1 072	1 127
Deputy Minister <sup>2</sup>	721	618	719	773	828	871	916
Director-General	2 673	1 797	1 965	2 094	2 218	2 469	2 661
Ministry	16 075	19 226	18 959	19 438	19 066	21 633	23 293
Corporate Affairs	–	1 300	796	1 814	2 111	2 362	2 552
Communications	16 831	30 304	19 883	20 939	21 824	24 275	26 214
Internal Audit	2 126	847	1 804	1 551	2 248	2 480	2 651
Office of the Chief Financial Officer	10 957	11 109	16 202	13 223	19 229	21 352	23 026
Information Technology and Administration	17 221	31 735	37 101	38 663	47 997	40 875	43 777
Property Management	27 356	29 532	31 317	35 329	38 404	43 205	48 104
Human Resources and Transformation	13 807	14 023	33 704	26 991	35 762	39 948	43 180
Legal Services	1 969	2 833	3 941	5 518	7 660	8 565	9 261
<b>Total</b>	<b>110 470</b>	<b>144 219</b>	<b>167 276</b>	<b>167 284</b>	<b>198 366</b>	<b>209 107</b>	<b>226 762</b>
Change to 2007 Budget estimate				10 500	33 403	34 088	40 657

1. Payable as from 1 April 2007. Salary: R761 053. Car allowance: R190 262.

2. Payable as from 1 April 2007. Salary: R618 566. Car allowance: R154 641.

## Economic classification

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Current payments</b>	<b>107 414</b>	<b>136 750</b>	<b>160 312</b>	<b>165 392</b>	<b>196 877</b>	<b>207 355</b>	<b>224 789</b>
Compensation of employees	41 488	46 158	44 889	70 128	84 942	89 082	93 536
Goods and services	65 699	90 440	115 277	95 264	111 935	118 273	131 253
of which:							
Communication	1 562	1 624	5 039	5 648	7 048	7 539	7 834
Computer services	3 301	3 432	6 643	7 060	7 247	7 752	8 225
Consultants, contractors and special services	12 618	31 131	28 250	25 370	39 105	38 673	46 178
Inventory	2 775	2 885	2 690	2 975	3 439	3 679	3 778
Maintenance, repairs and running costs	1 015	1 055	2 416	4 184	2 516	2 691	2 812
Operating leases	25 251	30 197	32 325	35 329	38 011	42 516	46 223
Travel and subsistence	8 032	8 410	7 342	8 873	7 800	8 000	8 200
Municipal services	3 044	3 285	3 672	3 447	4 440	4 884	5 372
Financial transactions in assets and liabilities	227	152	146	–	–	–	–
<b>Transfers and subsidies</b>	<b>357</b>	<b>656</b>	<b>1 211</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Provinces and municipalities	148	170	22	–	–	–	–
Households	209	486	1 189	–	–	–	–
<b>Payments for capital assets</b>	<b>2 699</b>	<b>6 813</b>	<b>5 753</b>	<b>1 892</b>	<b>1 489</b>	<b>1 752</b>	<b>1 973</b>
Machinery and equipment	2 699	6 313	3 029	1 682	1 271	1 482	1 663
Software and other intangible assets	–	500	2 724	210	218	270	310
<b>Total</b>	<b>110 470</b>	<b>144 219</b>	<b>167 276</b>	<b>167 284</b>	<b>198 366</b>	<b>209 107</b>	<b>226 762</b>

## Expenditure trends

Expenditure in the *Administration* programme increased at an average annual rate of 14.8 per cent from R110.5 million in 2004/05 to R167.3 million in 2007/08, and is expected to increase to R226.8 million in 2010/11, an average annual rate of 10.7 per cent over the medium term.

R8.5 million in 2008/09, R4 million in 2009/10 and R4.5 million in 2010/11 was allocated for implementation of the master systems plan in the *Information Technology and Administration* subprogramme.

The devolution of funds for accommodation from April 2006 from the Department of Public Works is one of the main reasons for the increase in this programme. Over the medium term, the department receives R38.4 million, R43.2 million and R48.1 million.

## Programme 2: Environmental Quality and Protection

**Purpose:** Protect and improve the quality and safety of the environment to give effect to the right of all South Africans to an environment that is not harmful to health and wellbeing.

- *Management.*
- *Regulatory Services* ensures that compliance with all environmental legislation is effectively monitored and that enforcement measures are taken against cases of non-compliance.
- *Pollution and Waste Management* aims to reduce the impact of waste on safety, health and the environment, and encourage cleaner industrial production, waste minimisation and recycling.
- *Environmental Impact Management* ensures that the possible negative impacts of significant new developments are avoided, mitigated or managed.
- *Air Quality Management and Climate Change* ensures that the possible negative impacts of air pollution on air and atmospheric quality are avoided, mitigated or managed.
- *Buyisa-e-Bag*, a section 21 company, has been established as part of the implementation of the plastic bag regulations.
- *South African Weather Service* makes transfer payments to the public entity, which is responsible for high quality meteorological services.

## Expenditure estimates

**Table 25.4 Environmental Quality and Protection**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	5 182	5 163	4 700	6 622	7 984	8 312	8 691
Regulatory Services	3 179	12 709	13 105	19 084	16 731	17 369	18 134
Pollution and Waste Management	13 449	15 443	12 018	18 780	24 187	25 221	26 405
Environmental Impact Management	6 927	18 015	29 841	36 345	41 873	37 774	38 813
Air Quality Management and Climate Change	3 968	18 267	25 175	25 034	33 265	39 195	45 288
Buyisa-e-Bag	12 000	12 000	–	20 000	20 000	20 000	20 000
South African Weather Service	96 924	103 690	114 393	120 112	124 916	130 537	130 537
<b>Total</b>	<b>141 629</b>	<b>185 287</b>	<b>199 232</b>	<b>245 977</b>	<b>268 956</b>	<b>278 408</b>	<b>287 868</b>
Change to 2007 Budget estimate				–	19 824	20 287	14 260

## Economic classification

	32 229	68 731	73 797	103 508	113 136	111 919	116 358
<b>Current payments</b>							
Compensation of employees	13 419	20 986	27 530	46 187	52 021	54 623	57 353
Goods and services	18 810	47 742	46 254	57 321	61 115	57 296	59 005
<i>of which:</i>							
<i>Communication</i>	527	1 285	1 791	1 880	1 956	2 034	2 167
<i>Computer services</i>	1 114	2 716	172	180	188	196	213
<i>Consultants, contractors and special services</i>	10 149	26 627	30 855	41 686	46 661	42 445	43 605
<i>Inventory</i>	936	2 282	881	925	961	999	1 045
<i>Maintenance, repairs and running costs</i>	342	834	72	76	78	81	90
<i>Operating leases</i>	297	724	373	381	396	412	453
<i>Travel and subsistence</i>	2 710	6 607	7 184	7 388	6 500	6 600	6 700
Financial transactions in assets and liabilities	–	3	13	–	–	–	–

**Table 25.4 Environmental Quality and Protection (continued)**

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Transfers and subsidies</b>	<b>109 044</b>	<b>115 742</b>	<b>123 423</b>	<b>141 212</b>	<b>144 916</b>	<b>150 537</b>	<b>150 537</b>
Provinces and municipalities	38	52	16	–	–	–	–
Departmental agencies and accounts	96 924	103 690	114 393	120 112	124 916	130 537	130 537
Foreign governments and international organisations	–	–	8 000	–	–	–	–
Non-profit institutions	12 000	12 000	822	21 100	20 000	20 000	20 000
Households	82	–	192	–	–	–	–
<b>Payments for capital assets</b>	<b>356</b>	<b>814</b>	<b>2 012</b>	<b>1 257</b>	<b>10 904</b>	<b>15 952</b>	<b>20 973</b>
Machinery and equipment	356	814	2 012	1 162	10 806	15 850	20 850
Software and other intangible assets	–	–	–	95	98	102	123
<b>Total</b>	<b>141 629</b>	<b>185 287</b>	<b>199 232</b>	<b>245 977</b>	<b>268 956</b>	<b>278 408</b>	<b>287 868</b>

**Details of major transfers and subsidies**

<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>96 924</b>	<b>103 690</b>	<b>114 393</b>	<b>120 112</b>	<b>124 916</b>	<b>130 537</b>	<b>130 537</b>
South African Weather Service	96 924	103 690	114 393	120 112	124 916	130 537	130 537
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>8 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Foreign Governments	–	–	8 000	–	–	–	–
<b>Non-profit institutions</b>							
<b>Current</b>	<b>12 000</b>	<b>12 000</b>	<b>822</b>	<b>21 100</b>	<b>20 000</b>	<b>20 000</b>	<b>20 000</b>
Buyisa-e-Bag	12 000	12 000	–	20 000	20 000	20 000	20 000
South African Climate Action Network	–	–	822	600	–	–	–
National Associations for Clean Air	–	–	–	500	–	–	–

**Expenditure trends**

Expenditure increases from R246 million in 2007/08 to R288 million in 2010/11, at an average annual rate of 5.4 per cent.

This programme received an additional allocation of R20 million for eliminating the permitting backlog of waste disposal sites over the MTEF period (R10 million in 2008/09, R5 million in 2009/10 and R5 million in 2010/11).

The R45 million allocated over the MTEF period in the *Air Quality Management and Climate Change* subprogramme for policy co-ordination on climate change will be used to purchase air quality monitoring equipment (R10 million in 2008/09, R15 million in 2009/10 and R20 million in 2010/11).

**Programme 3: Marine and Coastal Management**

**Purpose:** Promote the conservation and sustainable use of marine and coastal resources to contribute to economic growth and poverty alleviation.

- *Administrative Support Services* administers the Marine Living Resources Fund.
- *Antarctic Supply Vessel* provides sea transport for research at the meteorological observation stations in Antarctica and on Marion and Gough islands.
- *Antarctic and Island Research* manages the South African National Antarctic Programme and the three bases in Antarctica and on Marion and Gough islands.
- *Marine Living Resources Fund* makes transfers to the Marine Living Resources Fund.

## Expenditure estimates

**Table 25.5 Marine and Coastal Management**

Subprogramme	Audited outcome			Adjusted	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	appropriation	2008/09	2009/10	2010/11
R thousand				2007/08			
Administrative Support Services	66 321	76 500	89 239	115 282	141 659	148 743	156 180
Antarctic Supply Vessel	17 118	15 763	22 285	10 500	32 000	34 000	35 360
Antarctic and Island Research	101 714	76 843	49 467	67 351	41 054	42 803	44 660
Marine Living Resources Fund	169 225	93 322	163 057	147 812	182 029	344 465	651 044
<b>Total</b>	<b>354 378</b>	<b>262 428</b>	<b>324 048</b>	<b>340 945</b>	<b>396 742</b>	<b>570 011</b>	<b>887 244</b>
Change to 2007 Budget estimate				7 100	83 637	235 370	532 525

### Economic classification

<b>Current payments</b>	<b>120 424</b>	<b>121 537</b>	<b>160 822</b>	<b>192 851</b>	<b>214 263</b>	<b>225 066</b>	<b>235 700</b>
Compensation of employees	75 030	87 014	102 426	121 470	155 510	163 287	171 451
Goods and services	45 394	34 523	58 396	71 381	58 753	61 779	64 249
<i>of which:</i>							
Communication	1 272	1 282	1 000	1 100	1 200	1 248	1 375
Computer services	2 688	2 710	100	110	120	125	130
Consultants, contractors and special services	24 492	15 453	46 743	57 696	44 790	47 258	49 251
Inventory	2 260	2 278	6 379	7 015	7 424	7 721	7 933
Maintenance, repairs and running costs	826	833	2 550	3 868	4 032	4 193	4 290
Operating leases	718	724	815	859	901	937	969
Travel and subsistence	6 541	6 594	609	669	286	297	301
<b>Transfers and subsidies</b>	<b>169 419</b>	<b>93 551</b>	<b>163 112</b>	<b>147 812</b>	<b>182 029</b>	<b>344 465</b>	<b>651 044</b>
Provinces and municipalities	194	229	55	–	–	–	–
Departmental agencies and accounts	169 225	93 322	163 057	147 812	182 029	344 465	651 044
<b>Payments for capital assets</b>	<b>64 535</b>	<b>47 340</b>	<b>114</b>	<b>282</b>	<b>450</b>	<b>480</b>	<b>500</b>
Buildings and other fixed structures	64 364	44 836	–	–	–	–	–
Machinery and equipment	171	2 504	114	282	450	480	500
<b>Total</b>	<b>354 378</b>	<b>262 428</b>	<b>324 048</b>	<b>340 945</b>	<b>396 742</b>	<b>570 011</b>	<b>887 244</b>

### Details of major transfers and subsidies

Departmental agencies and accounts							
Departmental agencies (non-business entities)							
<b>Current</b>	<b>50 225</b>	<b>46 020</b>	<b>101 110</b>	<b>126 612</b>	<b>182 029</b>	<b>194 465</b>	<b>201 044</b>
Marine Living Resources Fund	50 225	46 020	101 110	126 612	182 029	194 465	201 044
<b>Capital</b>	<b>119 000</b>	<b>47 302</b>	<b>61 947</b>	<b>21 200</b>	<b>–</b>	<b>150 000</b>	<b>450 000</b>
Marine Living Resources Fund	119 000	47 302	61 947	21 200	–	150 000	450 000

## Expenditure trends

Expenditure between 2004/05 and 2007/08 declined from R354.4 million to R340.9 million at an average annual rate of 1.3 per cent because the acquisition of vessels for the Marine Living Resources Fund was completed. Over the medium term, expenditure is expected to increase strongly rising to R887.2 million in 2010/11 at an average annual rate of 37.5 per cent, due to allocations of R150 million in 2009/10 and R450 million in 2010/11 in the *Marine Living Resources Fund* subprogramme for the replacement of the polar research vessel.

The allocation of R30 million a year over the medium term is for funding improved enforcement by the Marine Living Resources Fund to ensure an increased level of visibility at sea by the marine patrol vessels.

## Programme 4: Tourism

**Purpose:** Create conditions for sustainable tourism growth and development for the benefit of all South Africans.

- *Management.*
- *Tourism Support* improves the competitiveness of the tourism industry through skills development, efficient services and facilitating the unblocking of barriers to tourism growth.
- *Tourism Development* leverages support for tourism SMME development, including incentives, business linkages and SMME capacity. It also facilitates investment in tourism infrastructure.
- *South African Tourism* makes transfer payments to SA Tourism for operational expenditure and expenditure on domestic and international marketing.
- *Business Trust* makes transfer payments to the Tourism Enterprise Programme.

## Expenditure estimates

Table 25.6 Tourism

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	3 550	5 902	14 890	10 504	7 520	7 737	8 027
Tourism Support	8 733	9 754	13 015	11 160	13 558	14 118	14 763
Tourism Development	22 645	48 847	54 156	11 904	25 443	26 336	27 457
South African Tourism	349 831	362 733	465 187	516 996	577 135	644 669	670 519
Business Trust	–	–	–	65 750	69 366	72 097	74 981
<b>Total</b>	<b>384 759</b>	<b>427 236</b>	<b>547 248</b>	<b>616 314</b>	<b>693 022</b>	<b>764 957</b>	<b>795 747</b>
Change to 2007 Budget estimate				(7 800)	(432)	(456)	(15 591)

### Economic classification

<b>Current payments</b>	<b>34 642</b>	<b>64 232</b>	<b>39 532</b>	<b>32 337</b>	<b>46 074</b>	<b>47 726</b>	<b>49 750</b>
Compensation of employees	10 315	12 799	16 028	20 836	18 296	19 209	20 169
Goods and services	24 327	51 433	23 486	11 501	27 778	28 517	29 581
<i>of which:</i>							
Communication	682	1 246	528	558	584	607	623
Computer services	1 441	2 632	37	42	46	48	52
Consultants, contractors and special services	13 125	30 972	13 873	4 590	17 255	17 529	17 941
Inventory	1 211	2 212	1 096	1 147	1 196	1 244	1 446
Maintenance, repairs and running costs	443	809	53	58	60	62	64
Operating leases	385	703	200	220	240	250	260
Travel and subsistence	3 505	6 402	3 591	3 969	3 900	4 100	4 300
Financial transactions in assets and liabilities	–	–	18	–	–	–	–
<b>Transfers and subsidies</b>	<b>349 863</b>	<b>362 775</b>	<b>507 198</b>	<b>583 546</b>	<b>646 501</b>	<b>716 766</b>	<b>745 500</b>
Provinces and municipalities	32	40	11	–	–	–	–
Departmental agencies and accounts	349 831	362 733	465 187	516 996	577 135	644 669	670 519
Non-profit institutions	–	–	42 000	66 550	69 366	72 097	74 981
Households	–	2	–	–	–	–	–
<b>Payments for capital assets</b>	<b>254</b>	<b>229</b>	<b>518</b>	<b>431</b>	<b>447</b>	<b>465</b>	<b>497</b>
Machinery and equipment	254	229	379	431	447	465	497
Software and other intangible assets	–	–	139	–	–	–	–
<b>Total</b>	<b>384 759</b>	<b>427 236</b>	<b>547 248</b>	<b>616 314</b>	<b>693 022</b>	<b>764 957</b>	<b>795 747</b>

Table 25.6 Tourism (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Details of major transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>349 831</b>	<b>362 733</b>	<b>465 187</b>	<b>516 996</b>	<b>577 135</b>	<b>644 669</b>	<b>670 519</b>
South African Tourism	349 831	362 733	465 187	516 996	577 135	644 669	670 519
<b>Non-profit institutions</b>							
<b>Current</b>	<b>-</b>	<b>-</b>	<b>42 000</b>	<b>66 550</b>	<b>69 366</b>	<b>72 097</b>	<b>74 981</b>
Business Trust	-	-	42 000	65 750	69 366	72 097	74 981
Federated Hospitality Association of Southern Africa (FEDHASA)	-	-	-	300	-	-	-
Tourism Business Council	-	-	-	500	-	-	-

### Expenditure trends

Expenditure grows steadily over the period under review, rising from R384.8 million in 2004/05 to R795.7 million in 2010/11 at an average annual rate of 12.9 per cent. Over the medium term, expenditure growth moderates to an average annual 8.9 per cent, increasing from R616.3 million in 2007/08 to R795.7 million in 2010/11.

Expenditure trends for the *Tourism* programme are governed by transfers to entities, and constitute an average annual 93.8 per cent of the programme's expenditure over the MTEF period. The transfer to SA Tourism rises from R517 million in 2007/08 to R670.5 million in 2010/11 at an average annual rate of 9.1 per cent, while the transfer to Business Trust grows at an average annual rate of 4.5 per cent, rising from R65.8 million in 2007/08 to R75 million in 2010/11. The allocation for the Business Trust includes the Tourism Enterprise Programme and tourism SMME development.

### Programme 5: Biodiversity and Conservation

**Purpose:** Promote the conservation and sustainable use of natural resources to contribute to economic growth and poverty alleviation.

- *Management*.
- *Biodiversity and Heritage* promotes the conservation and sustainable use of biological resources.
- *Transfrontier Conservation and Protected Areas* ensures the effective establishment and management of protected areas.
- *iSimangaliso Wetland Park Authority* makes transfers to the authority.
- *South African National Parks* makes transfers to SANParks.
- *South African National Biodiversity Institute* makes transfers to the institute.
- *Management of Blyde National Park* provides funding to ensure that standards and norms are maintained by the park managers.

### Expenditure estimates

Table 25.7 Biodiversity and Conservation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	1 425	3 357	2 197	2 508	2 704	2 844	2 974
Biodiversity and Heritage	10 412	14 426	11 877	14 244	16 004	16 750	17 590
Transfrontier Conservation and Protected Areas	17 832	29 099	16 166	21 176	23 365	26 219	26 952
iSimangaliso Wetland Park Authority	10 196	12 111	12 427	18 169	18 701	20 736	21 365
South African National Parks	121 631	143 833	151 940	191 456	202 269	204 736	212 185
South African National Biodiversity Institute	73 272	80 369	84 972	110 696	128 831	133 824	137 577
Management of Blyde National Park	-	-	-	4 741	4 468	4 790	4 982
<b>Total</b>	<b>234 768</b>	<b>283 195</b>	<b>279 579</b>	<b>362 990</b>	<b>396 342</b>	<b>409 899</b>	<b>423 625</b>
Change to 2007 Budget estimate				(6 550)	(4 806)	(5 371)	(16 561)

**Table 25.7 Biodiversity and Conservation (continued)**

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Economic classification</b>							
<b>Current payments</b>	<b>29 218</b>	<b>46 080</b>	<b>28 032</b>	<b>36 864</b>	<b>41 890</b>	<b>45 623</b>	<b>47 296</b>
Compensation of employees	10 441	15 389	15 408	20 665	20 392	21 414	22 474
Goods and services	18 777	30 675	12 608	16 199	21 498	24 209	24 822
<i>of which:</i>							
Communication	547	1 087	740	799	844	878	895
Computer services	1 156	2 298	800	939	999	1 039	1 157
Consultants, contractors and special services	9 791	12 814	2 009	6 060	5 439	7 643	7 471
Inventory	971	1 930	1 323	2 315	2 703	2 811	2 945
Maintenance, repairs and running costs	355	706	157	165	172	179	189
Operating leases	309	614	635	656	572	595	613
Travel and subsistence	2 812	5 589	3 688	3 017	5 900	6 000	6 100
Financial transactions in assets and liabilities	–	16	16	–	–	–	–
<b>Transfers and subsidies</b>	<b>205 204</b>	<b>236 425</b>	<b>251 311</b>	<b>325 766</b>	<b>354 269</b>	<b>364 086</b>	<b>376 109</b>
Provinces and municipalities	31	48	10	–	–	–	–
Departmental agencies and accounts	205 099	236 313	249 339	325 062	354 269	364 086	376 109
Universities and technikons	–	–	–	300	–	–	–
Non-profit institutions	–	–	1 800	404	–	–	–
Households	74	64	162	–	–	–	–
<b>Payments for capital assets</b>	<b>346</b>	<b>690</b>	<b>236</b>	<b>360</b>	<b>183</b>	<b>190</b>	<b>220</b>
Machinery and equipment	346	690	236	360	183	190	220
<b>Total</b>	<b>234 768</b>	<b>283 195</b>	<b>279 579</b>	<b>362 990</b>	<b>396 342</b>	<b>409 899</b>	<b>423 625</b>
<b>Details of major transfers and subsidies</b>							
<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>152 099</b>	<b>183 313</b>	<b>234 039</b>	<b>261 962</b>	<b>284 989</b>	<b>293 178</b>	<b>302 845</b>
South African National Biodiversity Institute	73 272	80 369	84 972	110 696	128 831	133 824	137 577
South African National Parks	68 631	90 833	136 640	128 356	132 989	133 828	138 921
iSimangaliso Wetland Park Authority	10 196	12 111	12 427	18 169	18 701	20 736	21 365
Blyde National Park	–	–	–	4 741	4 468	4 790	4 982
<b>Capital</b>	<b>53 000</b>	<b>53 000</b>	<b>15 300</b>	<b>63 100</b>	<b>69 280</b>	<b>70 908</b>	<b>73 264</b>
South African National Parks	53 000	53 000	15 300	63 100	69 280	70 908	73 264
<b>Universities and technikons</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>300</b>	<b>–</b>	<b>–</b>	<b>–</b>
Nelson Mandela Metro University	–	–	–	300	–	–	–
<b>Non-profit institutions</b>							
<b>Current</b>	<b>–</b>	<b>–</b>	<b>1 800</b>	<b>404</b>	<b>–</b>	<b>–</b>	<b>–</b>
Non Profit Institutions	–	–	1 800	–	–	–	–
Botanical Society	–	–	–	404	–	–	–

### Expenditure trends

Expenditure increased from R234.8 million in 2004/05 to R363 million on 2007/08 at an average annual rate of 15.6 per cent and is expected to grow an average annual 5.3 per cent to R423.6 million in 2010/11.

R4.5 million in 2008/09, R4.8 million in 2009/10 and R5 million in 2010/11 have been allocated to the *Management of Blyde National Park* subprogramme. Due to the uniqueness and value of water resources and biodiversity in the area around Blyde River and the potential for nature based tourism, the provincial Blyde River Canyon Nature Reserve was consolidated and elevated in status to a national park.

Transfer payments to the three public entities, SANParks, the South African National Biodiversity Institute, iSimangaliso Wetland Park Authority, and to Blyde National Park, comprise an average annual 89.2 per cent of the programme's total expenditure over the MTEF period, and collectively rise from R325.7 million in 2007/08

to R376.1 million in 2010/11 at an average annual rate of 5 per cent. Parks expansion and development as well as an allocation for marine protected areas contribute to the growth.

## Programme 6: Sector Services and International Relations

**Purpose:** Create conditions for effective corporate and co-operative governance, international co-operation, business performance and the implementation of poverty alleviation projects.

- *Management.*
- *Social Responsibility, Policy and Projects* facilitates environmental rehabilitation and improvement and tourism infrastructure development projects under the expanded public works programme through the use of labour intensive methods targeting the unemployed, youth, women, the disabled and SMMEs.
- *International Co-operation* provides international negotiations and relations support to promote South Africa's global sustainable development and tourism agenda and to mobilise bilateral and multilateral financial and technical resources in support of national, sub-regional (SADC) and regional (NEPAD) environment and tourism projects.
- *Planning and Co-ordination* provides scientific environmental information and assessments and co-operative intergovernmental planning and co-ordination services to promote sustainable development in the marine, biodiversity, environmental, and tourism sectors.
- *Business Performance Management* facilitates planning, corporate governance and business performance management to improve service delivery by the department and its public entities.
- *Infrastructure Investment* provides for infrastructure investment allocations and project management across the department's programmes and its six public entities.

## Expenditure estimates

**Table 25.8 Sector Services and International Relations**

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
Management	3 631	7 028	1 767	2 050	5 165	5 382	5 640
Social Responsibility, Policy and Projects	391 122	416 428	447 551	731 953	726 055	841 589	934 521
International Cooperation	9 640	18 058	23 876	26 146	41 553	37 700	38 954
Planning and Coordination	15 603	17 446	11 047	15 022	17 898	18 699	19 532
Business Performance Management	–	4 361	8 340	12 359	9 987	9 822	10 280
Infrastructure Investment	14 500	10 000	49 700	269 481	307 600	301 286	132 500
<b>Total</b>	<b>434 496</b>	<b>473 321</b>	<b>542 281</b>	<b>1 057 011</b>	<b>1 108 258</b>	<b>1 214 478</b>	<b>1 141 427</b>
Change to 2007 Budget estimate				196 500	143 783	193 168	283 752

### Economic classification

	48 841	74 411	81 307	141 927	116 984	121 615	126 791
<b>Current payments</b>							
Compensation of employees	13 102	27 318	56 225	65 026	63 414	66 583	69 913
Goods and services	35 739	47 093	25 072	76 901	53 570	55 032	56 878
<i>of which:</i>							
<i>Communication</i>	493	729	3 802	3 213	3 363	3 475	3 658
<i>Computer services</i>	1 042	1 542	3 979	3 134	3 177	3 283	3 422
<i>Consultants, contractors and special services</i>	27 692	35 233	2 567	42 905	22 947	23 282	23 149
<i>Inventory</i>	876	1 296	1 591	1 705	1 807	1 867	2 108
<i>Maintenance, repairs and running costs</i>	320	474	782	838	930	961	992
<i>Operating leases</i>	221	258	2 097	2 247	2 517	2 601	2 765
<i>Travel and subsistence</i>	2 537	3 778	5 634	13 688	10 000	10 500	11 000
Financial transactions in assets and liabilities	–	–	10	–	–	–	–

**Table 25.8 Sector Services and International Relations (continued)**

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Transfers and subsidies</b>	<b>385 320</b>	<b>398 660</b>	<b>459 708</b>	<b>912 885</b>	<b>990 424</b>	<b>1 091 983</b>	<b>1 013 746</b>
Provinces and municipalities	21	56	46	–	–	–	–
Departmental agencies and accounts	15 000	10 500	50 200	270 981	308 100	301 786	133 000
Foreign governments and international organisations	–	6 000	4 421	–	14 000	9 000	9 000
Households	370 299	382 104	405 041	641 904	668 324	781 197	871 746
<b>Payments for capital assets</b>	<b>335</b>	<b>250</b>	<b>1 266</b>	<b>2 199</b>	<b>850</b>	<b>880</b>	<b>890</b>
Machinery and equipment	335	250	1 266	2 199	850	880	890
<b>Total</b>	<b>434 496</b>	<b>473 321</b>	<b>542 281</b>	<b>1 057 011</b>	<b>1 108 258</b>	<b>1 214 478</b>	<b>1 141 427</b>

**Details of major transfers and subsidies**

<b>Departmental agencies and accounts</b>							
<b>Departmental agencies (non-business entities)</b>							
<b>Current</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>1 500</b>	<b>500</b>	<b>500</b>	<b>500</b>
Council for Scientific and Industrial Research	500	500	500	1 500	500	500	500
<b>Capital</b>	<b>14 500</b>	<b>10 000</b>	<b>49 700</b>	<b>269 481</b>	<b>307 600</b>	<b>301 286</b>	<b>132 500</b>
South African National Biodiversity Institute	14 500	10 000	10 000	12 500	10 000	10 000	10 000
South African National Parks	–	–	35 500	175 981	232 600	208 786	–
South African Weather Service	–	–	–	60 000	35 000	52 500	92 500
iSimangaliso Wetland Park Authority	–	–	4 200	21 000	30 000	30 000	30 000
<b>Foreign governments and international organisations</b>							
<b>Current</b>	<b>–</b>	<b>6 000</b>	<b>4 421</b>	<b>–</b>	<b>14 000</b>	<b>9 000</b>	<b>9 000</b>
Global Environmental Fund (GEF)	–	6 000	4 421	–	9 000	9 000	9 000
African Ministerial Conference on the Environment (AMCEN)	–	–	–	–	5 000	–	–
<b>Households</b>							
<b>Social benefits</b>							
<b>Current</b>	<b>370 000</b>	<b>382 104</b>	<b>404 541</b>	<b>641 904</b>	<b>668 324</b>	<b>781 197</b>	<b>871 746</b>
Expanded Public Works Programme	370 000	382 104	404 541	641 904	668 324	781 197	871 746

**Expenditure trends**

The *Social Responsibility, Policy and Projects* subprogramme allocation is earmarked mainly for coastal management, tourism infrastructure and tourism product development, waste management, biodiversity and conservation, and Working for Wetlands. Expenditure increased from R391.1 million in 2004/05 to R732 million in 2007/08 at an average annual rate of 23.2 per cent. The increase of 63.5 per cent between 2006/07 and 2007/08 was due to the increase in transfers to the expanded public works programme of R237.4 million. Expenditure on the subprogramme is expected to rise to R934.5 million in 2010/11. This represents annual growth of 8.5 per cent and remains driven by the allocation to the EPWP, which increases from R641.9 million in 2007/08 to R871.7 million in 2010/11 at an average annual rate of 10.7 per cent.

The *Infrastructure Investment* subprogramme was created to include infrastructure investment allocations across the department's programmes and the six public entities. This subprogramme's funding increased by 442.2 per cent between 2006/07 and 2007/08, from R49.7 million to R269.5 million, reflecting large capital injections of R176 million into SANParks for infrastructure, and R60 million into the South African Weather Service for weather radars. The subprogramme retains high allocations in the first two years of the medium term, R307.6 million in 2008/09 and R301.3 million in 2009/10, as SANParks continues to receive considerable capital injections in accordance with its approved infrastructure plan. In 2010/11, expenditure decreases by 56 per cent from 2009/10 as the capital investment in SANParks ends. The majority of expenditure on transfers in 2010/11, R92.5 million (70 per cent of total transfers), is for the South African Weather Service to continue to replace and upgrade its weather radars.

## Public entities and other agencies

### South African Tourism

The core business of South African Tourism, established in terms of the Tourism Act (1993), is to market South Africa internationally as a tourism destination of choice, through regulating and interfacing with the industry, maintaining and enhancing the standards of facilities and services for tourists, and co-ordinating the marketing activities of industry role-players.

Key objectives of SA Tourism are, among others, to increase the annual volume of international tourists, increase the amount of money they spend in South Africa, and increase the length of their stay. Focal strategic areas over the short to medium term are: improving relationships with trade; implementing and maintaining an integrated talent management strategy; internalising and applying SA Tourism's brand consistently; providing leadership and improving strategy development and execution; expanding word of mouth programmes; and improving the image of South Africa.

The 2006/07 Department of Environmental Affairs and Tourism annual review revealed that in 2006, 8.4 million tourists visited South Africa, an increase of 13.9 per cent from 2005. The number of jobs in the tourism and travel industry grew by an estimated 9.6 per cent, from 864 460 in 2005 to 947 530 in 2006. Attendance at the tourism indaba increased by 5 per cent, from 11 462 in 2006 to 12 056 in 2007.

### Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of tourism arrivals	6 677 839	7 368 742	8 395 833	8 682 495	9 089 202	9 539 421	10 011 940
Value of tourism spend per person	R8 935	R8 500	R8 300	R8 073	R8 557	R9 071	R9 615

### Expenditure estimates

Table 25.9 SA Tourism

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>95 730</b>	<b>94 182</b>	<b>109 550</b>	<b>149 802</b>	<b>107 463</b>	<b>115 104</b>	<b>123 234</b>
Sale of goods and services other than capital assets	65	2	–	1 866	2 053	2 258	2 484
of which:							
Sales by market establishments	65	2	–	1 866	2 053	2 258	2 484
Other non-tax revenue	95 665	94 180	109 550	147 936	105 410	112 846	120 751
<b>Transfers received</b>	<b>341 831</b>	<b>377 823</b>	<b>464 783</b>	<b>516 996</b>	<b>577 135</b>	<b>644 669</b>	<b>670 519</b>
<b>Total revenue</b>	<b>437 561</b>	<b>472 005</b>	<b>574 333</b>	<b>666 798</b>	<b>684 598</b>	<b>759 773</b>	<b>793 753</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>451 741</b>	<b>465 021</b>	<b>575 658</b>	<b>668 248</b>	<b>684 598</b>	<b>759 773</b>	<b>793 753</b>
Compensation of employees	55 430	71 810	86 620	93 344	90 751	99 826	109 809
Goods and services	395 037	389 948	479 890	570 151	588 618	654 196	677 618
Depreciation	1 274	3 263	9 148	4 753	5 228	5 751	6 326
<b>Total expenses</b>	<b>451 741</b>	<b>465 021</b>	<b>575 658</b>	<b>668 248</b>	<b>684 598</b>	<b>759 773</b>	<b>793 753</b>
<b>Surplus / (Deficit)</b>	<b>(14 180)</b>	<b>6 984</b>	<b>(1 325)</b>	<b>(1 450)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Balance sheet data</b>							
Carrying value of assets	19 999	20 877	46 154	48 383	48 155	45 904	44 077
of which: Acquisition of assets	1 478	4 156	6 244	6 982	5 000	3 500	4 500
Receivables and prepayments	36 309	8 321	6 785	1 540	2 500	3 500	4 500
Cash and cash equivalents	35 849	96 686	149 573	132 974	135 000	130 000	125 000
<b>Total assets</b>	<b>92 157</b>	<b>125 884</b>	<b>202 512</b>	<b>182 897</b>	<b>185 655</b>	<b>179 404</b>	<b>173 577</b>

**Table 25.9 SA Tourism (continued)**

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Capital and reserves	8 844	18 258	31 815	30 874	30 874	30 874	30 874
Borrowings	–	–	10 154	–	–	–	–
Trade and other payables	72 440	91 821	117 687	126 073	120 000	115 000	110 000
Provisions	10 873	15 805	42 856	25 950	34 781	33 530	32 703
<b>Total equity and liabilities</b>	<b>92 157</b>	<b>125 884</b>	<b>202 512</b>	<b>182 897</b>	<b>185 655</b>	<b>179 404</b>	<b>173 577</b>

### Expenditure trends

Transfers from the department are the main source of revenue for SA Tourism. It also receives transfers from the Tourism Business Council of South Africa (TBCSA), in the form of tourism levies collected by Tourism Marketing South Africa (TOMSA). Over the MTEF period, total transfers are expected to increase from R577.1 million in 2008/09 to R670.5 million in 2010/11. SA Tourism expects to fully utilise its budget, resulting in a zero balance over the MTEF period. The transfer from the department for 2008/09 is R577.1 million, comprising of R435 million for tourism marketing, R136.1 million for operational expenditure and R6 million for the Tourism Empowerment Council of South Africa.

### South African National Biodiversity Institute

The South African National Biodiversity Institute (SANBI) was established in September 2004, in terms of the National Environmental Management Biodiversity Act (2004). The institute's mandate is to implement strategic actions to ensure compliance with prescribed requirements for biodiversity research, management and education, and to promote the wealth of indigenous floral and faunal life in South Africa, Southern Africa, and beyond.

SANBI's activities are conducted through three systematic research and collections centres, four bioregional programmes, conservation and sustainable use research centres, nine countrywide national botanical gardens, and equally well distributed environmental outreach, education and ecosystem rehabilitation programmes.

SANBI's strategic focus for the medium term will be on: providing leadership in biodiversity knowledge management and information generation and dissemination, highlighting the status and trends in South Africa; conducting co-ordinated research on South Africa's biodiversity; managing a national system of bioregional programmes; implementing priority components of the national biodiversity strategy and action plan; providing continued support for SADC, NEPAD and multilateral environmental arrangements; further developing and managing national botanical gardens; monitoring biodiversity in South Africa; and providing guidelines and best practices on the identification and conservation of threatened species and ecosystems, as well as the sustainable use of biodiversity. In addition, SANBI will implement rehabilitation programmes that systematically target threatened ecosystems and continue to support the goals of the expanded public works programme.

In 2006/07 1.3 million people visited the eight national botanical gardens, of which Kirstenbosch received the most visitors (753 216). Kirstenbosch was also financially sustainable for the second year in succession. More than 2 000 people have been employed in temporary jobs through funded EPWP projects in the gardens since 2001, with more than 135 000 temporary job days worked. Environmental education programmes are fully operational in five gardens, and 41 676 learners have been involved. 83 wetlands have been rehabilitated through the Working for Wetlands programme, providing 269 741 job days to 2 265 people via 227 SMMEs.

## Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of national botanical gardens (NBGs) representative of South Africa's biodiversity	8	8	8	9	9	10	10
Number of provinces with NBGs	5	5	5	6	6	7	7
Number of visitors to NBGs	1 219 757	1 250 748	1 258 032	1 265 000	1 270 000	1 290 000	1 300 000
Revenue at gates of NBGs	R17.6m	R23.2m	R23.5m	R24m	R24.5m	R25m	R26m
Number of learners from previously disadvantaged communities put through garden based environmental education outreach programmes	19 000	46 000	41 000	45 000	46 000	47 000	49 000
Number of school gardens greened	31	113	128	130	100	110	120
Number of research outputs published and disseminated	380	350	520	360	350	370	400

## Expenditure estimates

Table 25.10 SA National Biodiversity Institute

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>138 679</b>	<b>172 232</b>	<b>216 627</b>	<b>172 081</b>	<b>195 572</b>	<b>205 041</b>	<b>215 293</b>
Sale of goods and services other than capital assets	19 523	24 222	31 113	27 364	29 305	31 389	32 958
<i>of which:</i>							
Admin fees	13 297	15 917	22 409	18 190	19 463	20 826	21 867
Sales by market establishments	4 183	6 016	6 630	6 955	7 442	7 963	8 361
Other sales	2 043	2 289	2 074	2 219	2 400	2 600	2 730
Other non-tax revenue	119 156	148 010	185 514	144 717	166 267	173 652	182 335
<b>Transfers received</b>	<b>180 857</b>	<b>221 128</b>	<b>216 134</b>	<b>252 839</b>	<b>277 549</b>	<b>292 253</b>	<b>303 427</b>
<b>Total revenue</b>	<b>319 536</b>	<b>393 360</b>	<b>432 761</b>	<b>424 921</b>	<b>473 121</b>	<b>497 294</b>	<b>518 720</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>317 857</b>	<b>393 320</b>	<b>431 750</b>	<b>457 788</b>	<b>473 121</b>	<b>497 294</b>	<b>518 720</b>
Compensation of employees	71 129	83 376	95 636	98 214	109 467	114 940	122 986
Goods and services	241 255	302 558	327 692	350 803	363 655	382 353	395 734
Depreciation	5 297	7 260	8 325	8 667	-	-	-
Interest, dividends and rent on land	176	126	97	104	-	-	-
<b>Total expenses</b>	<b>317 857</b>	<b>393 320</b>	<b>431 750</b>	<b>457 788</b>	<b>473 121</b>	<b>497 294</b>	<b>518 720</b>
<b>Surplus / (Deficit)</b>	<b>1 679</b>	<b>40</b>	<b>1 011</b>	<b>(32 867)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>							
Carrying value of assets	117 700	142 120	155 619	156 298	160 305	161 963	163 161
<i>of which: Acquisition of assets</i>	<i>22 639</i>	<i>31 685</i>	<i>21 851</i>	<i>9 370</i>	<i>4 007</i>	<i>1 658</i>	<i>1 198</i>
Investments	42 217	50 801	40 918	-	-	-	-
Inventory	96	123	130	139	139	139	139
Receivables and prepayments	4 478	2 303	2 221	2 133	2 133	2 133	2 133
Cash and cash equivalents	23 307	23 905	16 503	51 384	50 461	48 804	47 606
<b>Total assets</b>	<b>187 798</b>	<b>219 252</b>	<b>215 391</b>	<b>209 954</b>	<b>213 038</b>	<b>213 039</b>	<b>213 039</b>
Capital and reserves	118 253	141 960	153 518	164 264	173 143	173 144	173 144
Borrowings	2 580	1 232	800	856	-	-	-
Trade and other payables	64 407	73 540	58 317	42 028	37 337	37 337	37 337
Provisions	2 558	2 520	2 756	2 806	2 558	2 558	2 558
<b>Total equity and liabilities</b>	<b>187 798</b>	<b>219 252</b>	<b>215 391</b>	<b>209 954</b>	<b>213 038</b>	<b>213 039</b>	<b>213 039</b>

## Expenditure trends

Over the MTEF period, total revenue is expected to increase from R473.1 million in 2008/09 to R518.7 million in 2010/11. SANBI expects to fully utilise its budget, resulting in a zero balance over the MTEF period. Allocations from the department increase at an average annual rate of 7.5 per cent over the MTEF period, from

R110.7 million in 2007/08 to R137.6 million in 2010/11. The transfer from the department for 2008/09 is R138.8 million: R128.8 million for operational expenditure and R10 million for infrastructure development.

### South African National Parks

South African National Parks (SANParks) is a public entity functioning under the National Environmental Management: Protected Areas Act (2003). SANParks is responsible for promoting the conservation of South Africa's natural and cultural heritage through managing 22 national parks representative of the South Africa's biodiversity. SANParks also plays an important role in promoting nature-based tourism for both the domestic and international markets.

Apart from the ongoing conservation, scientific and research work, the strategic focus in the medium term will include, among others, the strengthening of programme management for the transfrontier conservation areas, as well as instituting special plans and preparations for leveraging the opportunities presented by the 2010 FIFA World Cup. SANParks' strategic programmes will be underpinned by the drive for broad based organisational and industry transformation.

In 2006/07, 24 321 hectares were added to national parks, the bulk of which (almost 20 000 hectares) was through establishing a new national park near Kimberley. While the expansion of the national parks serves primarily to ensure that South Africa's biodiversity is adequately protected, the parks also provide a vital function in attracting tourists and creating jobs and income opportunities for communities living adjacent to the parks. Infrastructure development received an allocation of R574 million over a four-year period in preparation for 2010 and beyond. Preparations for the huge influx of foreign visitors in 2010 go hand in hand with efforts to grow domestic tourism, especially in opening up national parks to communities who were denied access in the past. Local tourism statistics for 2006 show encouraging progress in this regard, with the SANParks occupancy rate at 72 per cent compared to 69 per cent in 2005. Likewise, the Kids in Parks initiative continues to grow, educating children about the environment in national parks. In 2006/07, 47 686 learners visited the Kruger National Park, with the other 21 national parks hosting 41 397 learners.

### Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Black visitors as a percentage of total visitors to national parks	-	-	18%	19.8%	26%	31%	37%
Percentage increase in revenue from commercial activities (R458m in 2006/07)	-	-	-	7	8	9	10
Hectares of land brought into the national parks system	-	-	24 000	-	25 000	30 000	35 000
Number of learners that go through environmental education programme	-	-	100 000	90 000	100 000	120 000	130 000

### Expenditure estimates

Table 25.11 SA National Parks

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>526 555</b>	<b>630 490</b>	<b>794 799</b>	<b>554 450</b>	<b>603 999</b>	<b>646 279</b>	<b>691 519</b>
Sale of goods and services other than capital assets	455 986	497 627	610 001	541 066	590 797	632 153	676 404
<i>of which:</i>							
<i>Tourism revenue</i>	441 184	486 048	594 581	516 055	580 797	621 453	664 954
<i>Other sales</i>	14 802	11 579	15 420	25 011	10 000	10 700	11 450
Other non-tax revenue	70 569	132 863	184 798	13 384	13 202	14 126	15 115
<b>Transfers received</b>	<b>133 208</b>	<b>155 909</b>	<b>143 061</b>	<b>193 718</b>	<b>202 624</b>	<b>205 116</b>	<b>212 591</b>
<b>Total revenue</b>	<b>659 763</b>	<b>786 399</b>	<b>937 860</b>	<b>748 168</b>	<b>806 623</b>	<b>851 395</b>	<b>904 110</b>

Table 25.11 SA National Parks (continued)

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Expenses</b>							
<b>Current expense</b>	<b>619 733</b>	<b>757 653</b>	<b>910 497</b>	<b>671 234</b>	<b>751 569</b>	<b>799 341</b>	<b>854 595</b>
Compensation of employees	256 538	296 685	356 817	371 213	412 380	440 580	470 721
Goods and services	332 348	433 382	519 202	269 530	301 471	322 152	344 702
Depreciation	24 167	21 988	24 736	26 365	33 085	31 652	33 868
Interest, dividends and rent on land	6 680	5 598	9 742	4 126	4 633	4 957	5 304
<b>Total expenses</b>	<b>619 733</b>	<b>757 653</b>	<b>910 497</b>	<b>671 234</b>	<b>751 569</b>	<b>799 341</b>	<b>854 595</b>
<b>Surplus / (Deficit)</b>	<b>40 030</b>	<b>28 746</b>	<b>27 363</b>	<b>76 934</b>	<b>55 054</b>	<b>52 054</b>	<b>49 515</b>
<b>Balance sheet data</b>							
Carrying value of assets	502 277	802 380	981 012	1 040 503	1 013 264	976 059	948 965
of which: Acquisition of assets	138 398	17 280	18 338	35 215	4 705	6 180	6 798
Investments	1 125	1 218	887	-	-	-	-
Inventory	250 895	16 119	18 464	21 588	18 723	21 996	18 396
Receivables and prepayments	34 877	25 787	25 632	26 194	25 871	27 343	28 918
Cash and cash equivalents	288 671	255 030	172 582	41 369	156 327	175 535	187 822
<b>Total assets</b>	<b>1 077 845</b>	<b>1 100 534</b>	<b>1 198 577</b>	<b>1 129 654</b>	<b>1 214 185</b>	<b>1 200 933</b>	<b>1 184 101</b>
Capital and reserves	314 391	304 513	331 876	398 248	344 879	358 334	383 418
Borrowings	332 017	336 036	478 068	342 921	385 675	402 221	430 377
Post-retirement benefits	128 997	181 935	194 045	223 385	199 788	205 739	220 141
Trade and other payables	302 440	278 050	194 588	80 000	184 212	152 933	91 104
Provisions	-	-	-	85 100	99 631	81 706	59 061
<b>Total equity and liabilities</b>	<b>1 077 845</b>	<b>1 100 534</b>	<b>1 198 577</b>	<b>1 129 654</b>	<b>1 214 185</b>	<b>1 200 933</b>	<b>1 184 101</b>

### Expenditure trends

Due to its ability to generate significant revenue, SANParks maintains a strong financial position over the medium term. Tourism, retail and concessioning income increased from R441.2 million in 2004/05 to R516.1 million in 2007/08.

Apart from the human resources costs due to the labour intensive nature of both conservation and tourism, the other main cost drivers are the operating leases for all the vehicles used for specialised work, and maintenance costs for bulk and support infrastructure, as well as the organisation's hospitality facilities. These will remain the organisation's key cost drivers in the medium term.

### South African Weather Service

The South African Weather Service (SAWS) was established in accordance with the South African Weather Service Act (2001). Its objectives are: maintain, extend and improve the quality of meteorological services; ensure the ongoing collection of meteorological data over South Africa and the surrounding southern oceans; and fulfil government's international obligations under the Convention of the World Meteorological Organisation and the Convention of the International Civil Aviation Organisation as South Africa's aviation meteorological authority.

The modernisation of the service's observational infrastructure remains the focus over the MTEF period. Funds have been allocated to replace its radar network over the next three years. SAWS and the department are also in partnership to develop and maintain the South African air quality information system for storing and archiving air quality data which has been observed and archived by municipalities and other monitoring stations. SAWS is one of the founder members of the national committee on climate change and is working on a climate change strategy with the Department of Science and Technology. It is also implementing a WMO funded severe weather forecast demonstration project designed to develop and provide forecasting guidelines to SADC countries.

In 2006/07, SAWS increased its focus on service excellence through a variety of technological improvements, including: upgrading weather observation stations through automation; installing the improved unified model; acquiring NinJo forecasting workstations and TriVis media software; ongoing modernising of infrastructure; and increased weather observations.

### Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Commercial revenue generated ( R million)	R44.7m	R47.1m	R49.5m	R57.3m	R71.5m	R87.5m	R103.7m
Number of old weather radars maintained	10	11	12	13	–	–	–
Number of new weather radars installed	–	–	–	–	3	3	4

### Expenditure estimates

Table 25.12 SA Weather Service

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>56 825</b>	<b>63 114</b>	<b>58 269</b>	<b>63 742</b>	<b>78 395</b>	<b>96 463</b>	<b>116 626</b>
Sale of goods and services other than capital assets	47 373	52 499	53 328	60 805	74 395	92 463	112 626
<i>of which:</i>							
<i>Sale of Meteorological information</i>	44 697	47 152	49 514	54 735	58 575	61 853	70 663
<i>Other sales</i>	2 676	5 347	3 814	6 070	15 820	30 610	41 963
Other non-tax revenue	9 452	10 615	4 941	2 937	4 000	4 000	4 000
<b>Transfers received</b>	<b>96 924</b>	<b>103 743</b>	<b>114 398</b>	<b>120 112</b>	<b>124 916</b>	<b>130 537</b>	<b>130 537</b>
<b>Total revenue</b>	<b>153 749</b>	<b>166 857</b>	<b>172 667</b>	<b>183 854</b>	<b>203 311</b>	<b>227 000</b>	<b>247 163</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>112 458</b>	<b>160 081</b>	<b>157 969</b>	<b>183 854</b>	<b>203 311</b>	<b>227 000</b>	<b>247 163</b>
Compensation of employees	65 988	71 399	86 743	93 860	105 420	111 745	118 450
Goods and services	39 600	77 682	59 330	79 086	84 955	97 943	106 762
Depreciation	6 628	10 025	10 783	10 908	12 936	17 312	21 950
Interest, dividends and rent on land	242	975	1 113	–	–	–	–
<b>Total expenses</b>	<b>112 458</b>	<b>160 081</b>	<b>157 969</b>	<b>183 854</b>	<b>203 311</b>	<b>227 000</b>	<b>247 163</b>
<b>Surplus / (Deficit)</b>	<b>41 291</b>	<b>6 776</b>	<b>14 698</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Balance sheet data</b>							
Carrying value of assets	96 913	112 043	131 249	201 041	239 127	300 778	387 408
<i>of which: Acquisition of assets</i>	<i>16 526</i>	<i>12 115</i>	<i>24 588</i>	<i>78 700</i>	<i>49 022</i>	<i>76 963</i>	<i>106 581</i>
Inventory	711	634	4 675	5 450	3 000	3 000	3 000
Receivables and prepayments	13 629	11 353	8 818	8 600	8 650	8 650	7 000
Cash and cash equivalents	50 707	39 397	45 762	45 174	47 988	45 337	52 357
<b>Total assets</b>	<b>161 960</b>	<b>163 427</b>	<b>190 504</b>	<b>260 265</b>	<b>298 765</b>	<b>357 765</b>	<b>449 765</b>
Capital and reserves	103 992	120 451	138 765	198 765	233 765	286 265	378 765
Borrowings	5 595	7 300	8 502	9 000	10 000	10 000	10 000
Post-retirement benefits	15 988	17 956	20 890	22 500	23 000	23 000	23 000
Trade and other payables	27 826	15 796	20 435	30 000	32 000	38 500	38 000
Provisions	8 559	1 924	1 912	–	–	–	–
<b>Total equity and liabilities</b>	<b>161 960</b>	<b>163 427</b>	<b>190 504</b>	<b>260 265</b>	<b>298 765</b>	<b>357 765</b>	<b>449 765</b>

### Expenditure trends

Total revenue increases from R183.9 million in 2007/08 to R203.3 million in 2008/09. Approximately 60 per cent of the revenue is from the government grant and 40 per cent from internal sources, including

aviation (27 per cent of total revenue). Compensation of employees remains the key cost driver over the MTEF period, amounting to R105.4 million in 2008/09, which represented 59.9 per cent of total expenditure. Capital expenditure, mainly driven by the replacement of the radar network, amounts to R240 million between 2007/08 and 2009/10.

### Marine Living Resources Fund

The Marine Living Resources Fund (MLRF) was established in terms of the Marine Living Resources Act (1998). It is responsible for managing the development and sustainable use of South Africa's marine and coastal resources, and for protecting the integrity and quality of the country's marine and coastal ecosystems.

The MLRF is made up of the following divisions:

- Research, Antarctica and islands focus area: is responsible for advising on the sustainable use of marine and coastal resources by carrying out appropriate research.
- Integrated coastal management: is responsible for managing a variety of human impacts on the coastal environment through regulating activities along the coastline.
- Resource management (marine): is responsible for regulating the use of marine resources through the administration of fishing rights, permits and licences.
- Monitoring, control and surveillance: is responsible for preventing and eliminating illegal marine activity.
- Chief financial officer: is responsible for the financial management of the fund.

In 2005, the Department of Environmental Affairs and Tourism embarked on a long term rights allocation process in 20 fishery sectors, resulting in the allocation of 2 542 rights after the appeals process was concluded. Although the transformation profile of the fisheries varies, average transformation of all the fishery sectors stood at 59 per cent by December 2006. Given that long term rights were being allocated for periods of 8 to 15 years, the department used the opportunity to affirm black ownership and exceeded its 30 per cent target.

The 2006/07 target of ensuring that the use of marine resources was sustainable and to establish three new fisheries was addressed by conducting estimates in new and existing fisheries, including stock assessment reports for the two new fishery sectors of horse mackerel and octopus. Octopus fishers were trained to improve their catches and reduce losses of equipment. A short horse mackerel survey was undertaken, and a more intense sampling routine is planned for 2008.

### Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Number of fisheries sectors for which long term allocated rights have been reviewed for compliance with rights and sustainability requirements	-	-	-	-	9	15	19
Number of marine protected areas established and managed	-	-	19	21	24	24	24

## Expenditure estimates

Table 25.13 Marine Living Resources Fund

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>161 968</b>	<b>161 612</b>	<b>179 911</b>	<b>153 388</b>	<b>140 000</b>	<b>130 000</b>	<b>135 000</b>
Sale of goods and services other than capital assets	96 418	137 263	117 341	108 788	114 227	119 939	125 936
<i>of which:</i>							
<i>Licences and permits</i>	88 897	121 891	92 454	101 288	106 352	111 670	117 254
<i>Sales by market establishments</i>	547	851	731	500	525	551	579
<i>Other sales</i>	6 974	14 521	24 156	7 000	7 350	7 718	8 103
Levies on fish and fish products	65 550	24 349	62 570	44 600	25 773	10 061	9 064
<b>Transfers received</b>	<b>169 225</b>	<b>97 322</b>	<b>166 386</b>	<b>126 612</b>	<b>182 029</b>	<b>194 465</b>	<b>201 044</b>
<b>Total revenue</b>	<b>331 193</b>	<b>258 934</b>	<b>346 297</b>	<b>280 000</b>	<b>322 029</b>	<b>324 465</b>	<b>336 044</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>276 872</b>	<b>289 339</b>	<b>283 931</b>	<b>280 000</b>	<b>322 029</b>	<b>324 465</b>	<b>336 044</b>
Goods and services	265 745	262 407	279 730	275 589	317 397	319 602	330 938
Depreciation	11 120	26 928	3 956	4 154	4 361	4 458	4 596
Interest, dividends and rent on land	7	4	245	257	271	405	511
<b>Total expenses</b>	<b>276 872</b>	<b>289 339</b>	<b>283 931</b>	<b>280 000</b>	<b>322 029</b>	<b>324 465</b>	<b>336 044</b>
<b>Surplus / (Deficit)</b>	<b>54 321</b>	<b>(30 405)</b>	<b>62 366</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance sheet data</b>							
Carrying value of assets	450 289	508 727	500 865	507 706	514 889	522 552	530 684
<i>of which: Acquisition of assets</i>	122 157	85 366	10 471	10 995	11 544	12 121	12 728
Investments	118 882	3 894	26 933	16 209	17 250	12 042	6 574
Inventory	-	-	17 647	-	-	-	-
Receivables and prepayments	27 185	31 706	16 641	11 641	7 641	4 641	2 641
Cash and cash equivalents	3 216	5 677	1 170	1 229	1 290	1 354	1 422
<b>Total assets</b>	<b>599 572</b>	<b>550 004</b>	<b>563 256</b>	<b>536 784</b>	<b>541 069</b>	<b>540 589</b>	<b>541 321</b>
Capital and reserves	524 402	493 997	482 577	482 577	482 577	482 577	482 577
Borrowings	-	-	378	-	-	-	-
Trade and other payables	75 170	56 007	62 911	53 911	58 000	57 500	58 000
Provisions	-	-	17 390	296	492	512	744
<b>Total equity and liabilities</b>	<b>599 572</b>	<b>550 004</b>	<b>563 256</b>	<b>536 784</b>	<b>541 069</b>	<b>540 589</b>	<b>541 321</b>

## Expenditure trends

A major source of income for the MLRF is from levies on fish and fish products, licence and permit fees, fines and confiscations, and harbour fees. This revenue is a key source of funding for the operations of the department's *Marine and Coastal Management* programme. Personnel expenditure is funded by the department.

## iSimangaliso Wetland Park Authority

The iSimangaliso Wetland Park Authority, formerly known as Greater St Lucia Wetland Park Authority, manages South Africa's first world heritage site. The new name reflects the park's cultural heritage. The authority's mandate, as set out in the World Heritage Convention Act (1999) and the associated regulations, is to conserve the iSimangaliso Wetland Park's world heritage values, ensure local economic development and transformation, and optimise tourism development.

The authority's main focus over the MTEF period is to increase revenue by creating value for the park's visitors, rolling out the new park brand, completing the remaining phases of the infrastructure development to ensure that economic imperatives are met, improving the activity base of the park, and in particular drawing in emerging entrepreneurs and developing a programme for equitable access.

Significant achievements in the 2006/07 and 2007/08 include the finalisation of the new park name and icon, the settlement of seven additional land claims (only three remain), the handover of the remaining forestry areas by SAFCOL, and increases in tourism visitor numbers. In addition, an independent review of the authority's BEE initiatives found its practices to be groundbreaking.

### Selected performance indicators

Indicators	Annual performance						
	Past			Current	Projected		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue generated by the park	R2.5m	R1 6m	R1 9m	R5.3m	R6.5m	R6.9m	R8.8m
Number of temporary jobs created through infrastructure development, alien species clearing and other local economic development programmes	1 964	1 952	1 727	1 500	4 000	4 000	4 000
Number of permanent jobs created through infrastructure development, alien species clearing and other local economic development programmes.	–	–	–	35	100	100	100
Infrastructure completed							
- fences	–	–	20km	114km	–	–	–
- roads	–	–	19.3km	87.5km	57km	–	–
- visitor/ staff accommodation	–	–	580m <sup>2</sup>	480m <sup>2</sup>	800m <sup>2</sup>	3 800m <sup>2</sup>	–
- entrance gates	–	–	1	–	2	1	–
- picnic sites/ viewing points	–	–	–	7	–	3	–

### Expenditure estimates

Table 25.14 iSimangaliso Wetland Park Authority

R thousand	Audited outcome			Estimated outcome	Medium-term estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>Revenue</b>							
<b>Non-tax revenue</b>	<b>5 232</b>	<b>4 245</b>	<b>6 369</b>	<b>9 325</b>	<b>9 555</b>	<b>10 001</b>	<b>10 230</b>
Sale of goods and services other than capital assets of which:							
Admin fees	–	–	–	1 762	1 885	2 017	2 158
Other non-tax revenue	5 232	4 245	6 369	7 563	7 670	7 984	8 072
<b>Transfers received</b>	<b>23 211</b>	<b>30 645</b>	<b>39 600</b>	<b>39 169</b>	<b>48 701</b>	<b>50 736</b>	<b>51 365</b>
<b>Total revenue</b>	<b>28 443</b>	<b>34 890</b>	<b>45 969</b>	<b>48 494</b>	<b>58 256</b>	<b>60 737</b>	<b>61 595</b>
<b>Expenses</b>							
<b>Current expense</b>	<b>29 435</b>	<b>36 908</b>	<b>50 483</b>	<b>47 699</b>	<b>45 995</b>	<b>49 745</b>	<b>47 540</b>
Compensation of employees	2 845	3 132	7 533	5 886	7 461	7 983	8 542
Goods and services	19 416	26 209	34 557	34 320	29 779	31 506	28 239
Depreciation	7 174	7 567	8 393	7 493	8 755	10 256	10 759
<b>Total expenses</b>	<b>29 435</b>	<b>36 908</b>	<b>50 483</b>	<b>47 699</b>	<b>45 995</b>	<b>49 745</b>	<b>47 540</b>
<b>Surplus / (Deficit)</b>	<b>(992)</b>	<b>(2 018)</b>	<b>(4 514)</b>	<b>795</b>	<b>12 261</b>	<b>10 992</b>	<b>14 055</b>
<b>Acquisition of assets</b>	<b>17 714</b>	<b>18 308</b>	<b>8 292</b>	<b>21 386</b>	<b>35 086</b>	<b>34 092</b>	<b>98</b>

### Expenditure trends

The main source of revenue for the authority is transfers from the department, which grow from R39.2 million in 2007/08 to R51.4 million in 2010/11 at an average annual rate of 9.5 per cent. The transfer for 2008/09 is R48.7 million, comprising R18.7 million for operational expenditure and R30 million for infrastructure development.

## Additional tables

**Table 25.A Summary of expenditure trends and estimates per programme and economic classification**

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Additional	Adjusted	
R thousand	2006/07		2006/07	2007/08			2007/08
1. Administration	185 309	202 862	167 276	156 784	10 500	167 284	167 284
2. Environmental Quality and Protection	216 599	214 801	199 232	245 977	–	245 977	245 977
3. Marine and Coastal Management	260 723	303 119	324 048	333 845	7 100	340 945	340 945
4. Tourism	559 254	556 754	547 248	624 114	(7 800)	616 314	616 314
5. Biodiversity and Conservation	348 508	336 608	279 579	369 540	(6 550)	362 990	362 990
6. Sector Services and International Relations	447 660	447 660	542 281	860 511	196 500	1 057 011	1 057 011
<b>Total</b>	<b>2 018 053</b>	<b>2 061 804</b>	<b>2 059 664</b>	<b>2 590 771</b>	<b>199 750</b>	<b>2 790 521</b>	<b>2 790 521</b>
<b>Economic classification</b>							
<b>Current payments</b>	<b>615 129</b>	<b>560 093</b>	<b>543 802</b>	<b>639 646</b>	<b>33 233</b>	<b>672 879</b>	<b>670 544</b>
Compensation of employees	273 090	265 352	262 506	296 230	48 082	344 312	349 766
Goods and services	342 039	294 741	281 093	343 416	(14 849)	328 567	320 778
Financial transactions in assets and liabilities	–	–	203	–	–	–	–
<b>Transfers and subsidies</b>	<b>1 388 862</b>	<b>1 484 869</b>	<b>1 505 963</b>	<b>1 947 449</b>	<b>163 772</b>	<b>2 111 221</b>	<b>2 111 221</b>
Provinces and municipalities	304	159	160	–	–	–	–
Departmental agencies and accounts	993 676	1 037 176	1 042 176	1 363 849	17 114	1 380 963	1 380 963
Universities and technikons	–	–	–	–	300	300	300
Foreign governments and international organisations	–	4 500	12 421	–	–	–	–
Non-profit institutions	–	43 800	44 622	86 350	1 704	88 054	88 054
Households	394 882	399 234	406 584	497 250	144 654	641 904	641 904
<b>Payments for capital assets</b>	<b>14 062</b>	<b>16 842</b>	<b>9 899</b>	<b>3 676</b>	<b>2 745</b>	<b>6 421</b>	<b>8 756</b>
Machinery and equipment	13 772	16 552	7 036	3 371	2 745	6 116	8 451
Software and intangible assets	290	290	2 863	305	–	305	305
<b>Total</b>	<b>2 018 053</b>	<b>2 061 804</b>	<b>2 059 664</b>	<b>2 590 771</b>	<b>199 750</b>	<b>2 790 521</b>	<b>2 790 521</b>

**Table 25.B Summary of personnel numbers and compensation of employees**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
<b>A. Permanent and full-time contract employees</b>							
Compensation (R thousand)	163 695	209 533	262 353	344 112	394 365	413 978	434 665
Unit cost (R thousand)	156	169	186	201	228	240	252
Personnel numbers (head count)	1 052	1 240	1 410	1 716	1 716	1 716	1 716
<b>C. Interns</b>							
Compensation of interns	100	131	153	200	210	220	231
Unit cost (R thousand)	1	2	2	2	2	2	2
Number of interns	80	87	90	100	100	100	100
<b>Total for department</b>							
<b>Compensation (R thousand)</b>	<b>163 795</b>	<b>209 664</b>	<b>262 506</b>	<b>344 312</b>	<b>394 575</b>	<b>414 198</b>	<b>434 896</b>
<b>Unit cost (R thousand)</b>	<b>145</b>	<b>158</b>	<b>175</b>	<b>190</b>	<b>216</b>	<b>227</b>	<b>238</b>
<b>Personnel numbers (head count)</b>	<b>1 132</b>	<b>1 327</b>	<b>1 500</b>	<b>1 816</b>	<b>1 816</b>	<b>1 816</b>	<b>1 816</b>
<b>D. Learnerships</b>							
Payments for learnerships (R thousand) (G&S)	29	38	44	60	63	66	69
Number of learnerships (head count)	23	25	26	30	30	30	30

Table 25.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Compensation of employees (R thousand)	163 795	209 664	262 506	344 312	394 575	414 198	434 896
Training expenditure (R thousand)	1 444	8 313	3 807	3 443	3 675	3 858	4 052
Training as percentage of compensation	1%	4%	1%	1%	1%	1%	1%
Total number trained in department (head count)	74	342	153	160			
<i>of which:</i>							
Employees receiving bursaries (head count)	23	23	32	32			
Learnerships trained (head count)	5	12	22	22			
Internships trained (head count)	84	89	94	100			
Households receiving bursaries (R thousand)	371	428	1 306	1 250	1 500	1 625	1 750
Households receiving bursaries (head count)	14	17	44	50			

Table 25.D Summary of expenditure on infrastructure

Description	Service delivery outputs			Adjusted appropriation	Medium-term expenditure estimate		
	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
R thousand							
<b>Large infrastructure projects or programmes (between R50 and R300 million per year)</b>							
Replacement of SA Agulhas Marion Base building project	64 364	46 700	–	35 000	–	–	–
Replacement of research vessel	9 000	33 302	51 947	20 000	–	–	–
Acquisition of patrol vessel	86 000	–	–	–	–	–	–
South African National Parks: Upgrading	41 000	41 000	41 000	51 100	57 280	58 908	61 264
South African National Parks tourism: Facilities	–	–	29 000	157 900	202 600	178 786	–
South African Weather Services: Upgrading of weather stations	–	–	–	60 000	35 000	52 500	92 500
Fishing harbours: Upgrading	15 000	–	–	–	–	–	–
Langebaan: Rehabilitation	9 000	14 000	15 000	–	–	–	–
South African National Biodiversity Institute: Upgrading and rehabilitation	–	–	10 000	10 000	10 000	10 000	10 000
iSimangaliso Wetland Park Authority: Upgrading	–	–	–	21 000	30 000	30 000	30 000
<b>Groups of small projects or programmes (less than R50 million)</b>							
Lubombo Project	–	–	6 500	20 000	30 000	–	–
Blyde National Park	–	1 000	1 400	4 741	4 468	–	–
Pondoland	–	–	3 729	3 915	4 072	–	–
Langebaan Coastal Erosion	9 000	14 000	15 000	–	–	–	–
Harbour Infrastructure	15 000	–	–	–	–	–	–
iSimangaliso Wetland Park Authority	–	–	4 200	21 000	30 000	–	–
South African National Parks	12 000	12 000	12 000	12 000	12 000	12 000	12 000
South African National Biodiversity Institute	10 000	10 000	10 000	10 000	10 000	10 000	10 000
<b>Total</b>	<b>270 364</b>	<b>172 002</b>	<b>199 776</b>	<b>426 656</b>	<b>425 420</b>	<b>502 194</b>	<b>665 764</b>

**Table 25.E Summary of departmental public-private partnership projects**

Project description: DEAT head office campus  R thousand	Project unitary fee at time of contract	Budgeted expenditure	Medium-term expenditure estimate		
		2007/08	2008/09	2009/10	2010/11
<b>Projects in preparation, registered in terms of Treasury Regulation 16 <sup>1</sup></b>	-	<b>5 000</b>	<b>4 000</b>	-	<b>77 500</b>
PPP unitary fee	-	-	-	-	77 500
Advisory fees	-	5 000	4 000	-	-
<b>Total</b>	-	<b>5 000</b>	<b>4 000</b>	-	<b>77 500</b>

*1. Only projects that have received Treasury Approval: 1*

**Disclosure notes for projects signed in terms of Treasury Regulation 16**

Project name	
	PPP project for development of new Environmental Affairs Head office campus.