

Vote 27

Environmental Affairs

Adjusted budget summary

R thousand	2016/17			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	6 430 101	6 425 101	(5 000)	-
of which:				
Current payments	2 268 522	2 127 390	(141 132)	-
Transfers and subsidies	3 999 484	4 135 616	-	136 132
Payments for capital assets	162 095	162 095	-	-
Executive authority	Minister of Environmental Affairs			
Accounting officer	Director-General of Environmental Affairs			
Website address	www.environment.gov.za			

Vote purpose

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

Mid-year performance status

Indicator	Programme	Outcome	Annual performance			
			Projected for 2016/17 as published in the 2016 ENE	Achieved in the first six months of 2016/17 (April to September)	Changed target for 2016/17	
Number of interventions developed per year for streamlining environmental authorisations for strategic infrastructure programmes and the industrial policy action plan	Administration	Outcome 10: Protect and enhance our environmental assets and natural resources	1	1	-	
Percentage of national environmental impact management applications processed within stipulated timeframes per year ¹	Legal, Authorisations and Compliance		92% (392)	92% (100)	-	
Number of environmental authorisations inspected per year	Legal, Authorisations and Compliance		155	96	-	
Improvement in the national air quality indicator (index < 1)	Climate Change and Air Quality		1.25	- ²	-	
Number of climate change response policy interventions implemented per year	Climate Change and Air Quality		18	10	-	
Total percentage of land under conservation	Biodiversity and Conservation		12.2% (14 900 446ha /121 991 200ha)	11.9% (14 575 544ha /121 991 200ha)	-	
Number of natural resource based enterprises established in support of Vision 2024 per year	Biodiversity and Conservation		10	5	-	
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes		Outcome 4: Decent employment through inclusive economic growth	71 716	41 666	-
Number of full time equivalent jobs created through projects related to the expanded public works programme per year	Environmental Programmes			38 377	10 577	-
Total percentage of recycling waste diverted from landfill sites	Chemicals and Waste Management		Outcome 10: Protect and enhance our environmental assets and natural resources	40% (69 678.88 tonnes)	12% (20 903.66 tonnes)	-

¹. These percentages apply only if no more than 400 applications are received per year.

². Index result from the South African air quality information system will only be available by the end of 2016/17.

Mid-year progress

The progress on all indicators is in line with planned targets for the first six months and the department expects to reach its annual targets by the end of 2016/17.

There has been a lag in the achievement of targets for the number of work opportunities created through the expanded public works programme due to strict monitoring measures imposed on the implementing agencies, which has led to both slow expenditure and the targets not being met.

Adjusted Estimates of National Expenditure 2016

Programme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	808 226	-	-	-	(5 000)	-	(5 000)	803 226	
Legal, Authorisations and Compliance	164 647	-	-	-	-	-	-	164 647	
Oceans and Coasts	475 041	-	-	-	-	-	-	475 041	
Climate Change and Air Quality	289 582	-	-	-	-	-	-	289 582	
Biodiversity and Conservation	718 249	-	-	-	-	-	-	718 249	
Environmental Programmes	3 865 083	-	-	-	-	-	-	3 865 083	
Chemicals and Waste Management	109 273	-	-	-	-	-	-	109 273	
Total	6 430 101	-	-	-	(5 000)	-	(5 000)	6 425 101	
Economic classification									
Current payments	2 268 522	-	-	(136 132)	(5 000)	-	(141 132)	2 127 390	
Compensation of employees	1 001 609	-	-	-	(5 000)	-	(5 000)	996 609	
Goods and services	1 266 913	-	-	(136 132)	-	-	(136 132)	1 130 781	
Transfers and subsidies	3 999 484	-	-	136 132	-	-	136 132	4 135 616	
Departmental agencies and accounts	1 301 157	-	-	-	-	-	-	1 301 157	
Foreign governments and international organisations	16 000	-	-	-	-	-	-	16 000	
Public corporations and private enterprises	180 000	-	-	-	-	-	-	180 000	
Non-profit institutions	3 761	-	-	726	-	-	726	4 487	
Households	2 498 566	-	-	135 406	-	-	135 406	2 633 972	
Payments for capital assets	162 095	-	-	-	-	-	-	162 095	
Buildings and other fixed structures	135 954	-	-	-	-	-	-	135 954	
Machinery and equipment	26 141	-	-	-	-	-	-	26 141	
Total	6 430 101	-	-	-	(5 000)	-	(5 000)	6 425 101	

Programme 1: Administration

Subprogramme	2016/17								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
R thousand									
Management	86 040	-	-	-	-	-	-	86 040	
Corporate Affairs	264 398	-	-	-	(5 000)	-	(5 000)	259 398	
Environmental Advisory Services	108 475	-	-	-	-	-	-	108 475	
Financial Management	65 138	-	-	-	-	-	-	65 138	
Office Accommodation	220 603	-	-	-	-	-	-	220 603	
Environmental Sector Coordination	63 572	-	-	-	-	-	-	63 572	
Total	808 226	-	-	-	(5 000)	-	(5 000)	803 226	
Economic classification									
Current payments	651 973	-	-	-	(5 000)	-	(5 000)	646 973	
Compensation of employees	385 900	-	-	-	(5 000)	-	(5 000)	380 900	
Goods and services	266 073	-	-	-	-	-	-	266 073	
Transfers and subsidies	16 000	-	-	-	-	-	-	16 000	
Foreign governments and international organisations	16 000	-	-	-	-	-	-	16 000	
Payments for capital assets	140 253	-	-	-	-	-	-	140 253	
Buildings and other fixed structures	135 954	-	-	-	-	-	-	135 954	
Machinery and equipment	4 299	-	-	-	-	-	-	4 299	
Total	808 226	-	-	-	(5 000)	-	(5 000)	803 226	

Programme 4: Climate Change and Air Quality**Subprogramme**

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Climate Change Management	7 576	-	-	-	-	-	-	7 576
Climate Change Mitigation	8 651	-	-	-	-	-	-	8 651
Climate Change Adaptation	4 771	-	-	-	-	-	-	4 771
Air Quality Management	42 549	-	-	-	-	-	-	42 549
South African Weather Service	204 985	-	-	-	-	-	-	204 985
International Climate Change Relations and Negotiations	11 032	-	-	-	-	-	-	11 032
Climate Change Monitoring and Evaluation	10 018	-	-	-	-	-	-	10 018
Total	289 582	-	-	-	-	-	-	289 582
Economic classification								
Current payments	81 952	-	-	74	-	-	74	82 026
Compensation of employees	53 691	-	-	-	-	-	-	53 691
Goods and services	28 261	-	-	74	-	-	74	28 335
Transfers and subsidies	206 459	-	-	(74)	-	-	(74)	206 385
Departmental agencies and accounts	204 985	-	-	-	-	-	-	204 985
Non-profit institutions	1 474	-	-	(74)	-	-	(74)	1 400
Payments for capital assets	1 171	-	-	-	-	-	-	1 171
Machinery and equipment	1 171	-	-	-	-	-	-	1 171
Total	289 582	-	-	-	-	-	-	289 582

Programme 5: Biodiversity and Conservation**Subprogramme**

R thousand	Main appropriation	2016/17						
		Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Biodiversity and Conservation Management	17 927	-	-	-	-	-	-	17 927
Biodiversity Planning and Management	27 161	-	-	-	-	-	-	27 161
Protected Areas Systems Management	50 042	-	-	-	-	-	-	50 042
iSimangaliso Wetland Park Authority	33 031	-	-	-	-	-	-	33 031
South African National Parks	278 939	-	-	-	-	-	-	278 939
South African National Biodiversity Institute	237 973	-	-	-	-	-	-	237 973
Biodiversity Monitoring and Evaluation	6 519	-	-	-	-	-	-	6 519
Biodiversity Economy and Sustainable Use	66 657	-	-	-	-	-	-	66 657
Total	718 249	-	-	-	-	-	-	718 249
Economic classification								
Current payments	165 301	-	-	(800)	-	-	(800)	164 501
Compensation of employees	69 013	-	-	-	-	-	-	69 013
Goods and services	96 288	-	-	(800)	-	-	(800)	95 488
Transfers and subsidies	552 230	-	-	800	-	-	800	553 030
Departmental agencies and accounts	549 943	-	-	-	-	-	-	549 943
Non-profit institutions	2 287	-	-	800	-	-	800	3 087
Payments for capital assets	718	-	-	-	-	-	-	718
Machinery and equipment	718	-	-	-	-	-	-	718
Total	718 249	-	-	-	-	-	-	718 249

Programme 6: Environmental Programmes

Subprogramme	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Environmental Protection and Infrastructure Programme	1 544 898	-	-	-	-	-	-	1 544 898
Working for Water and Working on Fire Green Fund	2 064 122	-	-	1 581	-	-	1 581	2 065 703
Environmental Programmes Management	180 000	-	-	-	-	-	-	180 000
Information Management and Sector Coordination	7 516	-	-	(500)	-	-	(500)	7 016
	68 547	-	-	(1 081)	-	-	(1 081)	67 466
Total	3 865 083	-	-	-	-	-	-	3 865 083
Economic classification								
Current payments	643 092	-	-	(135 406)	-	-	(135 406)	507 686
Compensation of employees	220 453	-	-	-	-	-	-	220 453
Goods and services	422 639	-	-	(135 406)	-	-	(135 406)	287 233
Transfers and subsidies	3 217 952	-	-	135 406	-	-	135 406	3 353 358
Departmental agencies and accounts	539 386	-	-	-	-	-	-	539 386
Public corporations and private enterprises	180 000	-	-	-	-	-	-	180 000
Households	2 498 566	-	-	135 406	-	-	135 406	2 633 972
Payments for capital assets	4 039	-	-	-	-	-	-	4 039
Machinery and equipment	4 039	-	-	-	-	-	-	4 039
Total	3 865 083	-	-	-	-	-	-	3 865 083

Details of adjustments to the Estimates of National Expenditure 2016**Virements and shifts within votes****Programmes**

- Administration
- Legal, Authorisations and Compliance
- Oceans and Coasts
- Climate Change and Air Quality
- Biodiversity and Conservation
- Environmental Programmes
- Chemicals and Waste Management

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 4		(74)	Programme 4		74
Non-profit institutions	Reallocation of funds incorrectly allocated in the 2016 ENE ¹	(74)	Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	74
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 5		(800)	Programme 5		800
Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	(800)	Non-profit institutions	Reallocation of funds incorrectly allocated in the 2016 ENE ¹	800
Shifts within the programme as a percentage of the programme budget		0.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 6		(135 406)	Programme 6		135 406
Goods and services	Reallocation of funds incorrectly allocated in the 2016 ENE	(135 406)	Households	Reallocation of funds incorrectly allocated in the 2016 ENE ¹	135 406
Shifts within the programme as a percentage of the programme budget		3.5%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(136 280)			136 280

¹ National Treasury approval has been obtained.

Declared unspent funds – R5 million

Programme 1: Administration

R5 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Expenditure outcome for 2015/16 and actual expenditure for 2016/17

Programme	2015/16 Audited outcome					2016/17 Actual expenditure				
	Adjusted appropriation	Apr 15 - Sep 15	Apr 15 - adjusted % of appropriation	Apr 15 - Mar 16	Apr 15 - adjusted % of appropriation	Adjusted appropriation/ Total (%)	Apr 16 - Sep 16	Apr 16 - adjusted % of appropriation		
R thousand										
Administration	870 184	387 725	44.6	832 483	95.7	803 226	12.5	374 707	46.7	
Legal, Authorisations and Compliance	133 921	59 416	44.4	131 418	98.1	164 647	2.6	63 414	38.5	
Oceans and Coasts	399 529	173 858	43.5	368 659	92.3	475 041	7.4	226 208	47.6	
Climate Change and Air Quality	240 149	127 413	53.1	246 114	102.5	289 582	4.5	145 427	50.2	
Biodiversity and Conservation	730 600	325 889	44.6	699 863	95.8	718 249	11.2	409 716	57.0	
Environmental Programmes	3 489 633	1 753 235	50.2	3 579 643	102.6	3 865 083	60.2	1 455 222	37.7	
Chemicals and Waste Management	79 281	33 996	42.9	79 740	100.6	109 273	1.7	33 939	31.1	
Total	5 943 297	2 861 532	48.1	5 937 920	99.9	6 425 101	100.0	2 708 633	42.2	
Economic classification										
Current payments	2 000 480	871 591	43.6	1 912 644	95.6	2 127 390	33.1	942 203	44.3	
Compensation of employees	930 681	456 736	49.1	909 177	97.7	996 609	15.5	487 959	49.0	
Goods and services	1 069 799	414 855	38.8	1 003 467	93.8	1 130 781	17.6	454 244	40.2	
Transfers and subsidies	3 759 775	1 923 998	51.2	3 863 509	102.8	4 135 616	64.4	1 676 148	40.5	
Provinces and municipalities	–	10	–	42	–	–	–	81	–	
Departmental agencies and accounts	1 111 415	567 719	51.1	1 112 461	100.1	1 301 157	20.3	392 412	30.2	
Foreign governments and international organisations	16 000	–	–	16 000	100.0	16 000	0.2	–	–	
Public corporations and private enterprises	300 000	–	–	300 000	100.0	180 000	2.8	–	–	
Non-profit institutions	3 687	3 487	94.6	3 687	100.0	4 487	0.1	4 287	95.5	
Households	2 328 673	1 352 782	58.1	2 431 319	104.4	2 633 972	41.0	1 279 368	48.6	
Payments for capital assets	183 042	65 542	35.8	160 859	87.9	162 095	2.5	90 094	55.6	
Buildings and other fixed structures	135 516	52 687	38.9	129 353	95.5	135 954	2.1	54 473	40.1	
Machinery and equipment	47 526	12 855	27.0	29 682	62.5	26 141	0.4	35 042	134.0	
Software and other intangible assets	–	–	–	1 824	–	–	–	579	–	
Payments for financial assets	–	401	–	908	–	–	–	188	–	
Total	5 943 297	2 861 532	48.1	5 937 920	99.9	6 425 101	100.0	2 708 633	42.2	

Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.9 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R2.7 billion or 42.2 per cent of the adjusted appropriation of R6.4 billion for the year. The department hosted the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) COP 17 in September and early October 2016 for which expenditure had already been incurred in the first six months of 2016/17. The establishment of the Waste Management Bureau is in progress and expenditure for this will begin to increase towards the end of 2016/17. Expenditure on the expanded public works programme in the first half of the financial year is much lower than in 2015/16 for the equivalent period as the department is awaiting the decision of the Auditor-General and National Treasury on the implementation of the correct accounting method for the modified cash standard. In comparison, mid-year expenditure in 2015/16 was R2.9 billion, or 48.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 decreased by R152.9 million, or 5.3 per cent. This was mainly due to slow spending on transfer payments to implementing agents under the expanded public works programme, as a result of tighter monitoring to determine whether the spending was done in line with the amounts allocated for 2016/17.

Departmental receipts

R thousand	2015/16					2016/17				
	Adjusted estimate	Audited outcome		Actual receipts		Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 16 - Sep 16	
		Apr 15 - Sep 15	adjusted estimate	Apr 15 - Mar 16	adjusted estimate				Apr 16 - Sep 16	adjusted estimate
Departmental receipts	10 955	5 622	51.3	11 486	104.8	27 311	28 294	100.0	14 719	52.0
Sales of goods and services produced by department	3 775	2 122	56.2	3 790	100.4	3 972	4 208	14.9	2 338	55.6
Sales of scrap, waste, arms and other used current goods	–	–	–	–	–	2	2	–	–	–
Transfers received	–	–	–	–	–	–	244	0.9	–	–
Fines, penalties and forfeits	1 400	610	43.6	2 080	148.6	1 450	1 450	5.1	1 000	69.0
Interest, dividends and rent on land	80	38	47.5	124	155.0	82	150	0.5	88	58.7
Sales of capital assets	300	54	18.0	114	38.0	305	100	0.4	42	42.0
Transactions in financial assets and liabilities	5 400	2 798	51.8	5 378	99.6	21 500	22 140	78.2	11 251	50.8
Total	10 955	5 622	51.3	11 486	104.8	27 311	28 294	100.0	14 719	52.0

Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R14.7 million, or 52 per cent of the adjusted revenue estimate of R28.3 million for the year. In comparison, mid-year revenue in 2015/16 was R5.6 million, or 51.3 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R9.1 million, or 161.8 per cent. This was mainly due to funds received from the National Research Fund for salary claims for the teams for the voyage to Antarctica, Marion Island and Gough Island in 2016/17, and revenue from fines from the industry for non-compliance with air quality, waste management and biodiversity regulations.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	2016/17							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Climate Change and Air Quality								
Non-profit institutions								
Current	1 474	–	–	(74)	–	–	(74)	1 400
National Association for Clean Air	1 474	–	–	(74)	–	–	(74)	1 400
Biodiversity and Conservation								
Non-profit institutions								
Current	1 000	–	–	800	–	–	800	1 800
African World Heritage Fund	1 000	–	–	800	–	–	800	1 800
Environmental Programmes								
Households								
Other transfers to households								
Current	1 402 431	–	–	135 406	–	–	135 406	1 537 837
Expanded Public Works	900 732	–	–	18 994	–	–	18 994	919 726
Programme: Working for Water	501 699	–	–	116 412	–	–	116 412	618 111
Expanded Public Works								
Programme: Working on Fire								