

Vote 26

Environmental Affairs and Tourism

R thousand	2007/08 To be appropriated	2008/09	2009/10
MTEF allocations			
Administration	156 784	164 963	175 019
Environmental Quality and Protection	245 977	249 132	258 121
Marine and Coastal Management	333 845	313 105	334 641
Tourism	624 114	693 454	765 413
Biodiversity and Conservation	369 540	401 148	415 270
Sector Services and International Relations	860 511	964 475	1 021 310
Total	2 590 771	2 786 277	2 969 774
Direct charges against the National Revenue Fund	–	–	–
Total expenditure estimates	2 590 771	2 786 277	2 969 774
Economic classification			
Current payments	639 646	630 937	665 157
Transfers and subsidies	1 947 449	2 151 467	2 302 130
Payments for capital assets	3 676	3 873	2 487
Total expenditure estimates	2 590 771	2 786 277	2 969 774
Executive authority	Minister of Environmental Affairs and Tourism		
Accounting officer	Director-General of Environmental Affairs and Tourism		

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

Programme 1: Administration

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

Programme 2: Environmental Quality and Protection

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 well-being.

Programme 3: Marine and Coastal Management

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

Programme 4: Tourism

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

Programme 5: Biodiversity and Conservation

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

Programme 6: Sector Services and International Relations

Create conditions for effective corporate and co-operative governance, international co-operation, business performance and project implementation.

Strategic overview: 2003/04 – 2009/10

The overarching vision of the Department of Environmental Affairs and Tourism is a prosperous and equitable society living in harmony with its environment and using natural resources wisely. The department manages policies governing four interrelated sectors in South Africa's socio-economic development spectrum:

- tourism
- the fishing industry
- conservation and management of natural resources and the environment
- sustainable development.

The department ensures that the potential for economic growth in these sectors is maximised; that the interface between the environment and development is effectively managed; and, wherever possible, that developments in tourism, fishing and environmental management complement each other and stimulate transformative economic growth.

Tourism

Tourism has continued to grow rapidly over the past few years and has been 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 strategic and policy approach has been to develop the sector by stimulating domestic and international tourism demand, removing blockages to and actively supporting tourism growth, and broadening participation in order to alleviate poverty.

To stimulate domestic and international tourism demand, the department has facilitated and invested in marketing South Africa for tourism. SA Tourism is implementing the country's international tourism growth and marketing strategy, with a focus on priority markets with high growth potential. For the tourism sector to be sustainable in the long term, it is essential to grow a vibrant domestic tourism industry, and the department facilitates domestic marketing in partnership with the provinces and SA Tourism.

As a result of increasing tourism demand, it is important to identify and support the development of new, competitive tourism products and infrastructure. Tourism thus forms an integral part of the spatial development initiatives and transfrontier conservation area (TFCA) programmes, both of which aim to unlock the economic development potential of places across South and Southern Africa. The department is working towards making TFCA's premier destinations for Southern Africa by 2010 and beyond.

A key challenge for South Africa is shared growth through broadening participation in various sectors. The transformation of the tourism sector is thus a key outcome, and the department is working to ensure changes in ownership patterns in the industry; promote the participation level of historically disadvantaged groups; and create favourable conditions for small, medium and micro enterprises (SMMEs) to access tourism business opportunities and training. By providing support tools to promote the compliance of tourism businesses with (BBBEE), the department contributes to implementing the tourism BEE charter and scorecard (through the Tourism BEE Charter Council). The department invests in tourism SMME development to build the required level of tourism skills in the sector.

The department's tourism plan for 2010, when South Africa hosts the 2010 FIFA World Cup, will be implemented through interventions such as developing tourism infrastructure and products, a web based SMME accommodation booking system, tourism information centres in the host cities, and a tourism information portal. Concerted efforts to increase the number of graded tourism establishments will also contribute to better quality and standards in the build up to 2010.

The fishing industry

The challenge and focus of the department's strategic and policy approach to managing and conserving marine and coastal resources is to create a balance between the sustainable use of those resources to encourage economic growth, broaden participation and alleviate poverty and conserving them for the long term. Key outcomes for this policy area include diversifying the fishing industry, transforming the sector, and managing marine and coastal resources better.

To achieve these outcomes, the department has focused on improving the regulation and management of the fishing sector. The Marine Living Resources Act (1998) sets out the broad objectives of fisheries management and access rights, as well as specifying empowerment and transformation objectives for the fishing industry. The industry has seen considerable transformation through the allocation of subsistence and commercial fishing rights, with a marked increase in the level of BEE beneficiaries. The subsistence fisheries policy, to be published in 2007, will contribute to better management of marine resources and promote beneficiation.

Despite better management and regulation there is evidence of a steady decline in fish stocks due to commercial fishing activity. An effective and internationally proven response is to improve the contribution of marine fish farming to fish production by establishing a marine aquaculture industry. The department will do research into new species that can be harvested, and publish marine aquaculture policy and guidelines in 2007.

To provide for the sustainable management, use and protection of South Africa's coastal zone, the department is developing the National Environmental Management Act: Coastal Zone Bill, which will be tabled in Parliament in 2007. The bill sets out a new approach to managing South Africa's coastal resources in the interests of promoting public access and social equity and making best economic use of the resources, while protecting the natural environment.

Improved management and regulation is supported by law enforcement to reduce illegal harvesting and the degradation of marine and coastal environments. The department's law enforcement efforts will be strengthened in the future. Through joint patrols with authorities in neighbouring Southern African Development Community (SADC) countries, the department also contributes to regional development.

Conservation and management of natural resources and the environment

Given the inequalities in access to South Africa's natural and environmental resources, the department's strategic approach is to create a sustainable natural and environmental resource use and management system which underpins accelerated socio-economic development and growth, broadens participation, and leads to the alleviation of poverty. The system must simultaneously ensure conservation and protect the environmental rights of all South Africans, particularly those most vulnerable and previously disadvantaged.

Effective environmental management, achieved through minimising waste and pollution, better air quality management, and environmental impact assessments (EIA), is a key outcome for the department. Since the responsibility for managing natural and environmental resources is a shared competence of all spheres of government, the department developed the National Environmental Management Act (1998) as an enabling framework. National policy and legislation addressing specific natural resource and environmental management issues has also been developed. The environmental law reform process is not complete, and will need further refinement as the accelerated socio-economic development and growth path unfolds. A key policy imperative for the department is to develop a system for minimising waste. The National Environmental Management: Waste Management Bill, aimed at minimising the health impact on communities and improving waste management systems country wide, is to be promulgated in 2007/08.

Having put an enabling policy and legislative framework and system in place, the major challenge is implementing the environmental management system. The department will continue to address the mitigation of air pollution and ensure better management of emissions via the National Environmental Management Air Quality Act (2004). Immediate priorities include setting air quality standards and monitoring air quality. Further policy implementation developments are focused on the need to reduce environmental crimes by introducing systems and guidelines for monitoring compliance. The department promulgated new

EIA regulations in 2006, and will be working closely with provinces to ensure the efficient processing of EIA applications.

South Africa's rich natural and cultural heritage offers significant development potential and competitive advantage, and this informs the department's efforts to expand the conservation estate for the benefit of all. A specific focus will be on ensuring a representative sample of all ecosystems in protected areas and improving the capacity to manage both marine and land protected areas. A further priority is sustainable regional economic development and integration through establishing transfrontier conservation areas. TFCAs enable the sharing of tourism economic opportunities beyond borders, and South Africa and its neighbours currently share a total of six TFCAs. The department is focused on infrastructure development as well as the joint management of species in all the TFCAs.

Sustainable development

To accelerate socio-economic development and growth, broaden participation in the economy and alleviate poverty, it is important to pursue a sustainable development approach. The department's strategy involves developing a national framework to guide sustainable development, and implementing co-ordinated sustainable development programmes nationally, regionally, in Africa, and internationally.

In pursuit of sustainable development objectives nationally, the department also manages the implementation of projects related to its mandate through expanded public works programme projects and departmental infrastructure development projects. These efforts will continue in areas such as waste management, coast care, sustainable land based livelihoods, tourism route development, and product and infrastructure development, with a specific focus on job creation, SMME development and skills development.

At the regional and international level, South Africa has ratified a range of multilateral and bilateral agreements to strengthen co-operative action to promote sustainable development and eliminate poverty.

Expenditure estimates

Table 26.1 Environmental Affairs and Tourism

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
R thousand								
1. Administration	88 168	110 470	144 219	150 101	150 101	156 784	164 963	175 019
2. Environmental Quality and Protection	113 964	141 629	185 287	214 801	194 571	245 977	249 132	258 121
3. Marine and Coastal Management	349 661	354 378	262 428	303 119	303 119	333 845	313 105	334 641
4. Tourism	324 087	384 759	427 236	556 754	556 754	624 114	693 454	765 413
5. Biodiversity and Conservation	202 552	234 768	283 195	286 908	277 438	369 540	401 148	415 270
6. Sector Services and International Relations	377 212	434 496	473 321	550 121	545 121	860 511	964 475	1 021 310
Total	1 455 644	1 660 500	1 775 686	2 061 804	2 027 104	2 590 771	2 786 277	2 969 774
Change to 2006 Budget estimate				43 751	9 051	178 000	154 000	

Economic classification

Current payments	365 333	372 768	517 741	560 485	525 785	639 646	630 937	665 157
Compensation of employees	139 390	163 795	209 664	265 352	235 652	296 230	311 042	326 613
Goods and services	225 560	208 746	307 906	295 133	290 133	343 416	319 895	338 544
<i>of which:</i>								
Communication	7 142	5 083	7 253	12 900	12 900	13 198	14 995	15 781
Computer services	3 886	10 742	15 330	11 731	11 731	11 465	11 777	12 443
Consultants, contractors and special services	142 918	97 867	158 230	138 880	133 880	184 080	154 146	164 242
Inventory	6 335	9 029	12 883	13 960	13 960	16 574	17 530	18 321
Maintenance, repairs and running costs	1 532	3 301	4 711	6 030	6 030	9 189	7 788	8 167
Operating leases	22 282	27 181	33 220	36 445	36 445	39 692	42 637	47 311
Travel and subsistence	25 201	26 137	37 380	35 189	35 189	40 604	42 443	44 377
Municipal services	2 900	3 044	3 285	–	–	3 447	3 680	3 936
Financial transactions in assets and liabilities	383	227	171	–	–	–	–	–

Table 26.1 Environmental Affairs and Tourism (continued)

R thousand	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07		2007/08	2008/09	2009/10
Transfers and subsidies	1 079 663	1 219 207	1 201 809	1 484 951	1 484 951	1 947 449	2 151 467	2 302 130
Provinces and municipalities	558	464	595	141	141	–	–	–
Departmental agencies and accounts	773 502	836 079	806 558	1 036 676	1 036 676	1 363 849	1 530 508	1 602 053
Foreign governments and international organisations	–	–	–	4 500	4 500	–	5 000	8 100
Non-profit institutions	–	12 000	12 000	44 400	44 400	86 350	89 366	92 097
Households	305 603	370 664	382 656	399 234	399 234	497 250	526 593	599 880
Payments for capital assets	10 648	68 525	56 136	16 368	16 368	3 676	3 873	2 487
Buildings and other fixed structures	4 082	64 364	44 836	–	–	–	–	–
Machinery and equipment	6 566	4 161	10 800	16 078	16 078	3 371	3 557	2 385
Software and other intangible assets	–	–	500	290	290	305	316	102
Total	1 455 644	1 660 500	1 775 686	2 061 804	2 027 104	2 590 771	2 786 277	2 969 774

Expenditure trends

The budget of the Department of Environmental Affairs is expected to maintain steady growth over the seven-year period, increasing from R1,5 billion in 2003/04 to R3 billion in 2009/10.

Transfers and subsidies to departmental agencies and accounts and to households take up a significant part of the budget, comprising an average of 71,8 per cent of total expenditure in 2007/08. The transfers mostly go to the six public entities reporting to the minister. To improve efficiency the department rationalised the grouping of activities and revised its programme structure. Some functions have been shifted from programme 1 (*Administration*), to programme 6, which has been renamed *Sector Services and International Relations*. Two new subprogrammes have been introduced: *Business Trust* under programme 4 (*Tourism*) and *Management of Blyde National Park* under programme 5 (*Biodiversity and Conservation*).

The newly established programme 6 (*Sector Services and International Relations*) includes social responsibility projects and infrastructure investment. These are the main functions contributing to the average annual growth of 12,9 per cent in the subprogrammes over the MTEF period, driven mainly by increased allocations to South African National Parks (SANParks) and the South African Weather Services (SAWS) for social responsibility projects and new infrastructure investment plans. Expenditure on social responsibility projects is earmarked for coastal management, tourism infrastructure and products, waste management systems, biodiversity and conservation, and Working for Wetlands projects. Funding earmarked for social responsibility projects is: R538 million in 2007/08, R569,5 million in 2008/09 and R645,2 million in 2009/10. SANParks' infrastructure investment plan was boosted by an additional allocation of R15 million over the MTEF period for the Southern Cape mountain catchments. In response to the SAWS's plans to replace its weather radars, it received an additional R60 million per year over the MTEF period. The Marion Island building project receives R35 million in 2007/08 for the completion of the project.

The average annual growth of the *Biodiversity and Conservation* programme for the seven-year period is 12,7 per cent. This rapid growth is mainly because of the increases in transfer payments to public entities such as SANParks, for establishing and developing parks, and the South African National Biodiversity Institute (SANBI), for implementing its business plan. An additional R20 million in 2007/08, R30 million in 2008/09 and R30 million in 2009/10 was allocated to SANBI. The Greater St Lucia Wetland Park Authority (now iSimangaliso Wetland Park Authority) received an additional R5 million per year over the MTEF period for rehabilitating its forestry areas.

The *Tourism* programme's average annual growth over the seven-year period is 15,4 per cent, largely due to the allocations for marketing South Africa to international tourists and developing SMMEs in the tourism sector.

To ensure that an environmental management impact system is established and maintained, an additional R60 million was allocated over the MTEF period to the *Environmental Quality and Protection* programme under the *Environmental Impact Management* subprogramme.

Marine and Coastal Management received R100 million in additional funding over the MTEF period for operational costs related to manning and maintaining the newly acquired inshore and offshore patrol vessels.

On the advice of the auditor general, some expenditure that was previously classified as goods and services spending has been reclassified as transfer payments. This includes transfers to the Business Trust, SA Tourism, SANParks, iSimangaliso Wetland Park Authority, the Marine Living Resources Fund, SA Tourism Institute, the Wildlife and Environment Society of South Africa, and the National Business Initiative.

Departmental receipts

Departmental receipts are estimated to be R1 million in 2007/08 and to rise to R1,5 million in 2009/10. The receipts come from unused poverty relief funds from previous years and revenue from environmental impact assessments. EIAs are expected to generate approximately R500 000 in 2007/08.

Table 26.2 Departmental receipts

R thousand	Audited outcome			Adjusted appropriation	Medium-term receipts estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Departmental receipts	1 937	4 208	2 850	956	1 034	1 087	1 534
Sales of goods and services produced by department	192	209	249	956	1 034	1 087	1 534
Interest, dividends and rent on land	95	55	38	–	–	–	–
Sales of capital assets	–	8	400	–	–	–	–
Financial transactions in assets and liabilities	1 650	3 936	2 163	–	–	–	–
Total	1 937	4 208	2 850	956	1 034	1 087	1 534

Programme 1: Administration

The *Administration* programme is responsible for the overall management of the department and provides centralised support services.

Table 26.3 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Minister ¹	907	734	895	885	938	985	1 034
Deputy Minister ²	736	721	618	719	762	801	841
Director-General	3 899	2 673	1 797	1 994	2 094	2 179	2 263
Ministry	12 324	16 075	19 226	18 075	17 612	18 152	19 231
Corporate Affairs	–	–	1 300	1 334	1 814	1 897	1 981
Communications	7 876	16 831	30 304	17 159	20 389	21 587	22 408
Internal Audit	1 527	2 126	847	1 527	1 551	1 611	1 668
Office of the Chief Financial Officer	11 177	10 957	11 109	13 262	12 223	12 912	13 456
Information Technology and Administration	13 159	17 221	31 735	31 506	31 563	32 845	34 114
Property Management	23 759	27 356	29 532	32 325	35 329	38 011	42 516
Human Resources and Transformation	11 179	13 807	14 023	25 966	26 991	28 228	29 506
Legal Services	1 625	1 969	2 833	5 349	5 518	5 755	6 001
Total	88 168	110 470	144 219	150 101	156 784	164 963	175 019
Change to 2006 Budget estimate				(35 208)	(46 066)	(48 932)	

1. Payable as from 1 April 2006. Salary: R707 956. Car allowance: R176 988.

2. Payable as from 1 April 2006. Salary: R575 410. Car allowance: R143 852.

Table 26.3 Administration (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	83 846	107 414	136 750	149 046	155 367	163 474	175 019
Compensation of employees	30 046	41 488	46 158	58 163	68 746	72 184	75 778
Goods and services	53 482	65 699	90 440	90 883	86 621	91 290	99 241
of which:							
Communication	1 593	1 562	1 624	5 039	5 648	7 048	7 539
Computer services	868	3 301	3 432	6 643	7 060	7 247	7 752
Consultants, contractors and special services	16 490	12 618	31 131	18 250	17 127	17 862	20 699
Inventory	1 414	2 775	2 885	2 690	2 975	3 439	3 679
Maintenance, repairs and running costs	342	1 015	1 055	2 416	4 184	2 516	2 691
Operating leases	21 267	25 251	30 197	32 325	35 329	38 011	42 516
Travel and subsistence	5 625	8 032	8 410	7 342	8 873	9 158	9 796
Municipal services	2 900	3 044	3 285	–	3 447	3 680	3 936
Financial transactions in assets and liabilities	318	227	152	–	–	–	–
Transfers and subsidies	172	357	656	33	–	–	–
Provinces and municipalities	172	148	170	33	–	–	–
Households	–	209	486	–	–	–	–
Payments for capital assets	4 150	2 699	6 813	1 022	1 417	1 489	–
Machinery and equipment	4 150	2 699	6 313	822	1 207	1 271	–
Software and other intangible assets	–	–	500	200	210	218	–
Total	88 168	110 470	144 219	150 101	156 784	164 963	175 019

Expenditure trends

Expenditure in the *Administration* programme is expected to increase from R88,2 million in 2003/04 to R175 million in 2009/10, at an average annual rate of 12,1 per cent. The average annual growth from 2006/07 to 2009/10 is 5,3 per cent. The increase is mainly due to the devolution of funds for accommodation from April 2006 from the Department of Public Works, from which the department receives the following amounts: R32,3 million in 2006/07, R35,3 million in 2007/08, R38 million in 2008/09, and R42,5 million in 2009/10. Expenditure for this purpose has been adjusted for 2003/04 to 2005/06.

Spending on compensation of employees in the *Marine and Coastal Management* programme is related to human resources management, communication and legal services, and has been transferred to *Administration*. As a result, the *Human Resources and Transformation* subprogramme increased by 85,2 per cent from 2005/06 to 2006/07 and the *Legal Services* subprogramme by 88,8 per cent.

Programme 2: Environmental Quality and Protection

The *Environmental Quality and Protection* programme aims to protect the right of all South Africans to an environment that is not harmful to health and well-being, through legislative and other measures.

Apart from the *Management* subprogramme, there are six subprogrammes:

- *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, 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* provides funding to the section 21 company established as part of the implementation of the plastic bag regulations.
- *South African Weather Service* makes transfer payments to the South African Weather Service.

Expenditure estimates

Table 26.4 Environmental Quality and Protection

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Management	13 453	5 182	5 163	5 644	6 622	6 896	7 169
Regulatory Services	–	3 179	12 709	17 858	15 584	16 205	16 817
Pollution and Waste Management	12 978	13 449	15 443	28 682	22 280	23 255	24 243
Environmental Impact Management	3 197	6 927	18 015	19 907	36 345	37 010	37 695
Air Quality Management and Climate Change	3 695	3 968	18 267	28 317	25 034	20 850	21 660
Buyisa-e-Bag	–	12 000	12 000	–	20 000	20 000	20 000
South African Weather Service	80 641	96 924	103 690	114 393	120 112	124 916	130 537
Total	113 964	141 629	185 287	214 801	245 977	249 132	258 121
Change to 2006 Budget estimate				(1 798)	18 503	10 339	

Economic classification

Current payments	32 456	32 229	68 731	91 958	104 392	103 312	106 632
Compensation of employees	7 520	13 419	20 986	37 723	40 187	42 197	44 336
Goods and services	24 933	18 810	47 742	54 235	64 205	61 115	62 296
<i>of which:</i>							
Communication	867	527	1 285	1 791	1 880	1 956	2 034
Computer services	472	1 114	2 716	172	180	188	196
Consultants, contractors and special services	17 782	10 149	26 627	38 836	48 186	45 472	46 048
Inventory	769	936	2 282	881	925	961	999
Operating leases	173	297	724	373	381	396	412
Travel and subsistence	3 061	2 710	6 607	7 184	7 388	7 689	7 997
Financial transactions in assets and liabilities	3	–	3	–	–	–	–
Transfers and subsidies	80 694	109 044	115 742	115 008	140 712	144 916	150 537
Provinces and municipalities	53	38	52	15	–	–	–
Departmental agencies and accounts	80 641	96 924	103 690	114 393	120 112	124 916	130 537
Non-profit institutions	–	12 000	12 000	600	20 600	20 000	20 000
Households	–	82	–	–	–	–	–
Payments for capital assets	814	356	814	7 835	873	904	952
Machinery and equipment	814	356	814	7 745	778	806	850
Software and other intangible assets	–	–	–	90	95	98	102
Total	113 964	141 629	185 287	214 801	245 977	249 132	258 121

Details of major transfers and subsidies:

Departmental agencies and accounts							
Current	80 641	96 924	103 690	114 393	120 112	124 916	130 537
South African Weather Service	80 641	96 924	103 690	114 393	120 112	124 916	130 537
Non-profit institutions							
Current	–	12 000	12 000	600	20 600	20 000	20 000
Buyisa-e-Bag	–	12 000	12 000	–	20 000	20 000	20 000
South African Climate Action Network	–	–	–	600	600	–	–

Expenditure trends

Expenditure increased from R214,8 million in 2006/07 to R258,1 million in 2009/10, at an average annual rate of 6,3 per cent. The growth in 2006/07 was because pollution and waste management legislation was implemented and enforced. The delivery of air quality monitoring equipment is expected in April 2007.

Spending in the *Environmental Impact Management* subprogramme will increase from R19,9 million in 2006/07 to R37,7 million in 2009/10, at an average annual rate of 23,7 per cent, due to the additional R20 million per year allocated for environmental impact management over the MTEF period.

The transfer payment to the South African Weather Service is R120,1 million in 2007/08, R124,9 million in 2008/09 and R130,5 million in 2009/10.

Service delivery objectives and indicators

Recent outputs

In 2005/06, a review of the environmental impact assessment regulations resulted in the development of new regulations, which came into effect in July 2006. They are aimed at streamlining the system to improve efficiency and improve turnaround times. EIA backlogs in the national office under the 1997 regulations were reduced by 60 per cent.

Addressing provincial capacity to manage the EIA system was a major focus in 2006/07. A survey was conducted to identify obstacles and constraints, resulting in interventions such as providing financial and technical assistance to provincial authorities, decision making tools (environmental management frameworks), sector and procedural guidelines, and training. The department also embarked on a capacity audit and needs analysis that will inform a medium- to long-term EIA capacity and support programme.

The Waste Management Bill, which legislates for a country wide waste management system, will be promulgated in 2007. A waste exchange pilot programme in Sedibeng municipality saw over 100 industries participating in waste exchange. The department has taken over the responsibility for granting permits at landfill sites from the Department of Water Affairs and Forestry and is working with provinces to address landfill permitting backlogs.

The Vaal Triangle was declared the first national air quality priority area in April 2006, and the department is focusing on completing the management plan for it. The department is capacitating municipalities and provinces in implementing the Air Quality Act (2004). The inaugural annual air quality governance lekgotla was held in Eastern Cape in October 2006 and brought together all affected spheres of government to plan for implementing the act.

There has been significant compliance with environmental legislation as a direct result of inspections and investigations by the department's environmental management inspectorate. Over 600 government and parks officials nation wide have been designated as environmental management inspectors.

Selected medium-term output targets

Environmental Quality and Protection

Measurable objective: Reduce pollution and environmental degradation through legislative and other measures that give effect to the right of all South Africans to an environment that is not harmful to health and well-being.

Subprogramme	Output	Measure/indicator	Target
Regulatory Services	Systems and guidelines for monitoring compliance	Effective compliance monitoring system approved by minister	December 2007
	Environmental management inspectorate	Number of environmental management inspectors trained and designated	750 inspectors
Pollution and Waste Management	Waste management legislation	Development of National Environmental Management: Waste Management Act	Promulgated in 2007/08
	Backlog in landfill site permitting eradicated	Percentage reduction of landfill permitting backlog	15% reduction

Subprogramme	Output	Measure/indicator	Target
Environmental Impact Management	Improved environmental impact assessment processes	Percentage reduction in EIA backlogs Percentage of EIA applications processed nationally	95% reduction 50% applications
Air Quality Management and Climate Change	Improved air quality in priority areas Ambient air quality standards National, provincial and municipal air quality management planning initiated	Effective air quality monitoring systems operational in Vaal Triangle Second national priority area declared Standards gazetted Guidelines and implementation manuals in place	September 2007 July 2007 December 2007 January 2008

Programme 3: Marine and Coastal Management

The *Marine and Coastal Management* programme aims to guide the conservation and development of the marine and coastal environments and to ensure the sustainable use of these resources.

There are four subprogrammes:

- *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.

Table 26.5 Marine and Coastal Management

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Administrative Support Services	62 773	66 321	76 500	73 239	89 882	95 376	101 095
Antarctic Supply Vessel	25 511	17 118	15 763	33 500	30 000	32 000	34 000
Antarctic and Island Research	55 880	101 714	76 843	38 323	67 351	33 700	35 081
Marine Living Resources Fund	205 497	169 225	93 322	158 057	146 612	152 029	164 465
Total	349 661	354 378	262 428	303 119	333 845	313 105	334 641
Change to 2006 Budget estimate				42 396	70 415	36 567	

Economic classification

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Current payments	139 619	120 424	121 537	142 061	187 233	161 076	170 176
Compensation of employees	69 049	75 030	87 014	83 970	96 070	100 873	105 917
Goods and services	70 516	45 394	34 523	58 091	91 163	60 203	64 259
<i>of which:</i>							
Communication	2 575	1 272	1 282	1 000	1 100	1 200	1 248
Computer services	1 400	2 688	2 710	100	110	120	125
Consultants, contractors and special services	49 290	24 492	15 453	46 438	77 196	46 240	49 738
Inventory	2 284	2 260	2 278	6 379	7 297	7 424	7 721
Maintenance, repairs and running costs	552	826	833	2 550	3 868	4 032	4 193
Operating leases	513	718	724	815	859	901	937
Travel and subsistence	9 084	6 541	6 594	609	669	286	297
Financial transactions in assets and liabilities	54	–	–	–	–	–	–
Transfers and subsidies	205 667	169 419	93 551	158 113	146 612	152 029	164 465
Provinces and municipalities	170	194	229	56	–	–	–
Departmental agencies and accounts	205 497	169 225	93 322	158 057	146 612	152 029	164 465
Payments for capital assets	4 375	64 535	47 340	2 945	–	–	–
Buildings and other fixed structures	4 082	64 364	44 836	–	–	–	–
Machinery and equipment	293	171	2 504	2 945	–	–	–
Total	349 661	354 378	262 428	303 119	333 845	313 105	334 641

Table 26.5 Marine and Coastal Management (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Details of major transfers and subsidies:							
Departmental agencies and accounts							
Current	19 497	50 225	46 020	96 110	126 612	152 029	164 465
Marine Living Resources Fund	19 497	50 225	46 020	96 110	126 612	152 029	164 465
Capital	186 000	119 000	47 302	61 947	20 000	-	-
Marine Living Resources Fund	186 000	119 000	47 302	61 947	20 000	-	-

Expenditure trends

Expenditure will decrease from R349,7 million in 2003/04 to R334,6 million in 2009/10, at an average annual rate of 0,7 per cent.

The major changes in expenditure are in payments for capital assets by the Marine Living Resources Fund (MLRF), which decline steadily between 2003/04 and 2007/08. Spending on acquiring the four patrol vessels, totalling R473 million, ended in 2004/05, and the coastal erosion emergency project at Langebaan received its last allocation of R15 million in 2006/07. Over the medium term, the fund will replace a research vessel at a cost of R105,2 million. The 2007/08 allocation for this vessel is R20 million. The MLRF's vessel operating costs also received additional allocations of R30 million in 2006/07, R33 million in 2007/08, R33 million in 2008/09 and R34 million in 2009/10. This will help the four newly built patrol vessels (three inshore and one offshore) maintain an adequate patrol schedule.

The Marion Island base, under the *Antarctic and Island Research* subprogramme, received a once-off allocation for 2007/08 of R35 million to complete its building project.

Service delivery objectives and indicators

Recent outputs

The Marion Island, Gough Island and Antarctica (SANAE) relief voyages all successfully transported equipment and personnel. The allocation of long-term fishing rights has been completed. Allocations to BEE beneficiaries in the five major fisheries were as follows: South Coast rock lobster (74,9 per cent), West Coast rock lobster (61,8 per cent), squid (48,4 per cent), hake deep sea trawl (28 per cent) and small pelagics (sardine 61,6 per cent and anchovy 60,7 per cent).

In addition to the department's fishery control officers, it also has contractual arrangements and memorandums of understanding with various agencies, which provided one enforcement officer per 7,5 km of coastline.

In 2007, the draft aquaculture and subsistence fisheries policies should be formalised and the Coastal Zone Management Bill promulgated. The Kei and Gxulu marine areas will be declared protected areas in 2007.

In terms of marine law enforcement (issuing fines, confiscating abalone, and direct imprisonment) South Africa has worked with the SADC monitoring, control and surveillance programme to improve participating coastal SADC states' management of marine resources. South Africa also participated in harmonising laws in the SADC region. 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 four environmental protection vessels made 42 arrests, confiscated 9 boats, made 8 605 abalone confiscations, checked 392 permits on vessels, inspected 242 vessels, issued 31 fines, and undertook 10 search and rescue operations from April 2005 to October 2006.

Selected medium-term output targets

Marine and Coastal Management

Measurable objective: Improve equity and stability in the fishing sector through allocating long-term commercial fishing rights, and improve access and service to subsistence and recreational users of South Africa's coast.

Subprogramme	Output	Measure/Indicator	Target
Antarctic Supply Vessel	Relief voyages to Antarctica, Marion Island and Gough Island	Number of successful voyages per year per destination	1 successful voyage per year per destination
Marine Living Resources Fund	Horse mackerel fisheries stock estimate report	Stock estimate of horse mackerel surveys completed	March 2008
	Coastal Zone Management Act	Act published	October 2007
	Increase in non-consumptive use of marine resources	Boat based whale watching and white shark cage diving policies published	June 2007
	Subsistence fisheries regulatory framework	Subsistence fisheries policy published	August 2007
	Growing aquaculture industry	Aquaculture sector policy and guidelines published	September 2007
		Number of aquaculture farms established	1 demonstrated aquaculture farm for SMMEs
	Reduced illegal activities	Number of MoUs signed with SADC and domestic law enforcement agencies	8 regional and domestic MoUs
		Number of SADC patrols per year	3 SADC sub-regional protocols signed
		Number of investigations per year	25 investigations
		Number of vessels monitored by the vessel monitoring system per year	1 500 vessels monitored by vessel monitoring systems
	Cost recovery framework	Cost recovery framework development	March 2008

Programme 4: Tourism

The *Tourism* programme aims to create conditions for the sustainable growth and development of tourism.

Apart from *Management*, there are four subprogrammes:

- *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 on 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.

Table 26.6 Tourism

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Management	10 726	3 550	5 902	12 746	13 504	14 063	14 607
Tourism Support	5 243	8 733	9 754	13 664	12 160	12 674	13 191
Tourism Development	11 718	22 645	48 847	65 157	22 254	26 216	27 149
South African Tourism	296 400	349 831	362 733	465 187	510 446	571 135	638 369
Business Trust	–	–	–	–	65 750	69 366	72 097
Total	324 087	384 759	427 236	556 754	624 114	693 454	765 413
Change to 2006 Budget estimate				(2 500)	(3 204)	(2 691)	

Table 26.6 Tourism (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	27 386	34 642	64 232	48 805	47 487	52 506	54 482
Compensation of employees	8 905	10 315	12 799	18 394	17 836	18 728	19 665
Goods and services	18 478	24 327	51 433	30 411	29 651	33 778	34 817
<i>of which:</i>							
Communication	643	682	1 246	528	558	584	607
Computer services	350	1 441	2 632	37	42	46	48
Consultants, contractors and special services	13 178	13 125	30 972	20 798	19 140	22 845	23 447
Inventory	570	1 211	2 212	1 096	1 147	1 196	1 244
Maintenance, repairs and running costs	138	443	809	53	58	60	62
Operating leases	128	385	703	200	220	240	250
Travel and subsistence	2 268	3 505	6 402	3 591	3 969	4 310	4 482
Financial transactions in assets and liabilities	3	–	–	–	–	–	–
Transfers and subsidies	296 480	349 863	362 775	507 198	576 196	640 501	710 466
Provinces and municipalities	80	32	40	11	–	–	–
Departmental agencies and accounts	296 400	349 831	362 733	465 187	510 446	571 135	638 369
Non-profit institutions	–	–	–	42 000	65 750	69 366	72 097
Households	–	–	2	–	–	–	–
Payments for capital assets	221	254	229	751	431	447	465
Machinery and equipment	221	254	229	751	431	447	465
Total	324 087	384 759	427 236	556 754	624 114	693 454	765 413
Details of major transfers and subsidies:							
Departmental agencies and accounts							
Current	296 400	349 831	362 733	465 187	510 446	571 135	638 369
South African Tourism	296 400	349 831	362 733	465 187	510 446	571 135	638 369
Non-profit institutions							
Current	–	–	–	42 000	65 750	69 366	72 097
Business Trust	–	–	–	42 000	65 750	69 366	72 097

Expenditure trends

Expenditure grows steadily over the seven-year period, rising from R324 million in 2003/04 to R765,4 million in 2009/10, at an average annual rate of 15,4 per cent.

The transfer to SA Tourism in 2007/08 is R510,4 million, comprising 81,8 per cent of total programme expenditure.

The *Business Trust* subprogramme includes the allocation for the Tourism Enterprise Programme and tourism SMME development with an allocation of R65,8 million in 2007/08, R69,4 million in 2008/09 and R72,1 million in 2009/10. The funding for these projects was previously reflected under goods and services, but has been reclassified as a transfer payment to the Business Trust.

Service delivery objectives and indicators

Recent outputs

As part of the strategy to improve the industry's competitiveness through quality assurance, just under 5 000 tourism establishments have been graded by the Tourism Grading Council of South Africa. There was an increase of more than 50 per cent in the procurement of services from graded establishments by national departments. Workshops were conducted for 11 national departments as part of an ongoing awareness raising process.

36 black tourist guides were trained in three provinces, and a further 72 will be drawn from the remaining provinces for training in 2007. An estimated 30 per cent of all tourist guides trained are black.

To support the implementation of the tourism BEE charter, a self assessment tool was introduced and verification systems were put in place. The public sector procurement tool was completed, which will enable reporting on public sector compliance with the charter.

The Tourism Enterprise Programme's support for SMMEs grew by 5 per cent between April and November 2006, including 495 transactions between SMMEs and big business worth about R630 million. Of the 753 enterprises supported, 312 were historically disadvantaged. The support also included addressing small business capacity and skills challenges for responding to the demand of the large enterprises. The programme also resulted in 1,6 million job opportunities in 2005/06. Since the start of 2006/07, the Tourism Enterprise Programme has facilitated the training of 892 SMMEs in business skills, 341 in business management, and 214 in training for setting up exhibitions. 495 business linkages between SMMEs and established businesses have been established and 207 SMMEs were sent to local and international exhibitions.

In 2006, the department hosted a tourism skills conference, where agreement was reached with the industry and other stakeholders on the skills targets for the 2010 FIFA World Cup. Business, government, organised labour and communities committed themselves to establishing a tourism national skills development forum to inform and monitor the implementation of the conference outcomes.

The department has been working closely with the 2010 FIFA World Cup local organising committee on tourism related matters. Accommodation workshops were run, attended by some 5 000 accommodation establishments, mainly SMMEs, with the aim of highlighting opportunities that the event presents.

Selected medium-term output targets

Tourism

Measurable objective: Increase international and domestic tourism by developing appropriate products and marketing strategies to promote economic growth and sustainable development.

Subprogramme	Output	Measure/Indicator	Target
Tourism Support	Tourism skills development programmes	Percentage of tourism skills development initiatives implemented as per the tourism skills plan	50% of initiatives
	Black tourist guides	Number of black tourist guides trained	108 guides by December 2007
Tourism Development	Tourism statistics	Number of statistical tables focusing on tourism demand and supply information	7 tables
	Support to tourism SMMEs	Percentage increase in SMMEs supported through the Tourism Enterprise Programme	10% increase
	Implementation of 2010 tourism plan	Accommodation SMME web-based booking system for 2010 completed	March 2008
		Tourism information centres established	March 2008
Improved standards in tourism industry	Number of graded tourism establishments	544 establishments	
Tourism BEE Charter Council Secretariat	Implementation of tourism BEE charter and scorecard	BEE status verification system completed	March 2008
		Report on BEE compliance in the tourism industry completed	March 2008

Programme 5: Biodiversity and Conservation

The *Biodiversity and Conservation* programme aims to promote the conservation and sustainable use of natural resources to contribute to economic growth and poverty alleviation.

Apart from the *Management* subprogramme, there are five subprogrammes:

- *Biodiversity and Heritage* promotes the conservation and sustainable use of biological resources.
- *Transfrontier Conservation and Protected Areas* ensures the effective establishment of transfrontier conservation areas as well as the establishment and management of protected areas.
- **iSimangaliso Wetland Park Authority* makes transfers to the authority (*previously Greater St Lucia)
- *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.

Table 26.7 Biodiversity and Conservation

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Management	1 332	1 425	3 357	2 152	2 508	2 620	2 756
Biodiversity and Heritage	7 914	10 412	14 426	16 710	17 744	18 529	19 301
Transfrontier Conservation and Protected Areas	12 842	17 832	29 099	18 707	25 346	26 230	29 127
iSimangaliso Wetland Park Authority	8 187	10 196	12 111	12 427	18 049	18 701	20 736
South African National Parks	114 823	121 631	143 833	151 940	191 456	201 769	204 736
South African National Biodiversity Institute	57 454	73 272	80 369	84 972	109 696	128 831	133 824
Management of Blyde National Park	–	–	–	–	4 741	4 468	4 790
Total	202 552	234 768	283 195	286 908	369 540	401 148	415 270
Change to 2006 Budget estimate				(61 600)	(184 206)	(236 285)	

Economic classification

Current payments	21 371	29 218	46 080	34 803	50 189	51 664	55 784
Compensation of employees	6 224	10 441	15 389	17 592	20 665	21 698	22 785
Goods and services	15 142	18 777	30 675	17 211	29 524	29 966	32 999
<i>of which:</i>							
Communication	527	547	1 087	740	799	844	878
Computer services	287	1 156	2 298	800	939	999	1 039
Consultants, contractors and special services	10 799	9 791	12 814	5 902	14 175	13 428	15 735
Inventory	467	971	1 930	1 323	2 525	2 703	2 811
Maintenance, repairs and running costs	113	355	706	157	165	172	179
Operating leases	105	309	614	635	656	572	595
Travel and subsistence	1 859	2 812	5 589	3 688	6 017	6 379	6 698
Financial transactions in assets and liabilities	5	–	16	–	–	–	–
Transfers and subsidies	180 538	205 204	236 425	251 150	319 201	349 301	359 296
Provinces and municipalities	74	31	48	11	–	–	–
Departmental agencies and accounts	180 464	205 099	236 313	249 339	319 201	349 301	359 296
Non-profit institutions	–	–	–	1 800	–	–	–
Households	–	74	64	–	–	–	–
Payments for capital assets	643	346	690	955	150	183	190
Machinery and equipment	643	346	690	955	150	183	190
Total	202 552	234 768	283 195	286 908	369 540	401 148	415 270

Details of major transfers and subsidies:

Departmental agencies and accounts							
Current	131 464	152 099	183 313	198 539	256 101	280 021	288 388
South African National Parks	65 823	68 631	90 833	101 140	128 356	132 489	133 828
iSimangaliso Wetland Park Authority	8 187	10 196	12 111	12 427	18 049	18 701	20 736
South African National Biodiversity Institute	57 454	73 272	80 369	84 972	109 696	128 831	133 824
Capital	49 000	53 000	53 000	50 800	63 100	69 280	70 908
South African National Parks	49 000	53 000	53 000	50 800	63 100	69 280	70 908
Non-profit institutions							
Current	–	–	–	1 800	–	–	–
International Conservation Union	–	–	–	1 800	–	–	–

Expenditure trends

Expenditure increased from R286,9 million in 2006/07 to R415,3 million in 2009/10, at an average annual rate of 13,1 per cent.

Transfer payments to the two public entities, South African National Parks and the South African National Biodiversity Institute, account for the bulk of spending: R301,1 million in 2007/08 or 81,5 per cent of total programme expenditure. Parks expansion and development as well as an additional allocation for marine protected areas contributed to the rapid growth. The iSimangaliso Wetland Park Authority received an additional R15 million over the MTEF period for the rehabilitation of forestry land in the park.

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. R4,7 million has been allocated to it for 2007/08.

The *Transfrontier Conservation and Protected Areas* subprogramme's expenditure will increase from R18,7 million in 2006/07 to R29 million in 2009/10, a 15,9 per cent increase, mainly due to additional allocations for the Limpopo Shashe treaty, a tourist guide, the official opening of the refurbished Mata-Mata camp, and implementation of the People and Parks initiative.

The South African National Biodiversity Institute received additional allocations of R20 million in 2007/08, R30 million in 2008/09 and R30 million in 2009/10 for implementing its business plan. R15 million has been allocated over the MTEF period for the rehabilitation of Southern Cape mountain catchments.

Service delivery objectives and indicators

Recent outputs

The national biodiversity strategy and action plan, a requirement under the Convention of Biological Diversity and which was developed through an extensive consultative process, was completed and launched on International Biodiversity Day 2006. The plan will inform the national biodiversity framework, which will be published in terms of the National Environmental Management: Biodiversity Act (2004). The framework will provide an integrated and co-ordinated approach to biodiversity management and is expected to be published for public comment in the early part of 2007.

The National Environmental Management: Protected Areas Act (2003) as amended, came into force in November 2005. Regulations for the proper administration of special nature reserves, national parks and world heritage sites were published in October 2005. In compliance with the act, management plans for 19 national parks have been completed and a protected areas register has been developed. Verification of the data contained in the register by national and provincial departments and by public entities will be completed by March 2007, after which the register will be published.

The regulations in terms of the National Environmental Management: Biodiversity Act for threatened or protected species will be published by March 2007. An elephant management policy statement was developed, on which norms and standards will be based. After a public consultation process, the norms and standards will be finalised by March 2007. The norms and standards for the hunting industry are still being consulted on and are to be finalised by the end of 2006/07.

A system to manage the environmental impact of genetically modified organisms (GMOs) is in development, with a draft ecological risk assessment framework currently being consulted with stakeholders.

In June 2006, South Africa, Botswana and Zimbabwe reached an agreement on establishing the Limpopo-Shashe TFCA, which includes the Mapungubwe world heritage site. The Lubombo tourism route in the Lubombo TFCA was launched at the Tourism Indaba in May 2006 by the responsible ministers from Mozambique, South Africa and Swaziland.

The Giriyyondo tourist access facility linking South Africa and Mozambique in the Great Limpopo Transfrontier Park was completed and officially opened by the heads of state of South Africa, Mozambique and Zimbabwe in August 2006. More than 800 tourists had used the access facility since it became operational in December 2005 until the official opening in August 2006.

The Prince Edward Islands and the Makuleke wetlands have received in principle approval for designation as Ramsar sites. The Prince Edward Islands and the Richtersveld have been nominated as world heritage sites.

Selected medium-term output targets

Biodiversity and Conservation

Measurable objective: Protection and conservation of biodiversity to contribute to economic growth and poverty alleviation.

Sub-programme	Output	Measure/Indicator	Target
Biodiversity Management	Tools for ensuring ecosystem integrity	Biodiversity management framework in place	March 2007
	Effective management of threats to biodiversity	Norms and standards for species indicators developed	March 2007
		Framework for the management of the environmental impact of GMOs developed	January 2008
	Tools for regulating bio-prospecting	Regulations on alien and invasive species developed	January 2008
Regulations on bio-prospecting and access and benefit sharing implemented		January 2008	
Transfrontier Conservation and Protected Areas	Increased cross border tourism	Number of tourist access facilities (border posts) operationalised	2 facilities
	Expanded and representative conservation estate	Number of new national parks declared	1 new park
		Protected areas expansion strategy in place	March 2008
	Implementation of National Environmental Management: Protected Areas Act (2003) and World Heritage Convention Act (1999)	Performance management system for parks developed	March 2008
		Number of management authorities appointed	4 authorities
Number of world heritage sites declared		7 sites	

Programme 6: Sector Services and International Relations

The *Sector Services and International Relations* programme creates conditions for effective corporate and co-operative governance, international co-operation, business performance and project implementation.

Apart from the *Management* subprogramme, there are five subprogrammes:

- *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.
- *Planning and Co-ordination* provides 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 the service delivery of 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.

Table 26.8 Sector Services and International Relations

Subprogramme	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Management	638	3 631	7 028	1 334	2 050	2 326	2 402
Social Responsibility, Policy and Projects	323 593	391 122	416 428	447 660	537 953	569 473	645 178
International Co-operation	8 929	9 640	18 058	24 400	26 146	32 271	36 504
Planning and Co-ordination	34 052	15 603	17 446	19 988	15 022	15 726	16 421
Business Performance Management	–	–	4 361	7 039	12 359	12 079	12 019
Infrastructure Investment	10 000	14 500	10 000	49 700	266 981	332 600	308 786
Total	377 212	434 496	473 321	550 121	860 511	964 475	1 021 310
Change to 2006 Budget estimate				102 461	322 558	395 002	

Table 26.8 Sector Services and International Relations (continued)

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Economic classification							
Current payments	60 655	48 841	80 411	93 812	94 978	98 905	103 064
Compensation of employees	17 646	13 102	27 318	49 510	52 726	55 362	58 132
Goods and services	43 009	35 739	53 093	44 302	42 252	43 543	44 932
<i>of which:</i>							
Communication	937	493	729	3 802	3 213	3 363	3 475
Computer services	509	1 042	1 542	3 979	3 134	3 177	3 283
Consultants, contractors and special services	35 379	27 692	41 233	8 656	8 256	8 299	8 575
Inventory	831	876	1 296	1 591	1 705	1 807	1 867
Maintenance repair and running cost	201	320	474	782	838	930	961
Operating leases	96	221	258	2 097	2 247	2 517	2 601
Travel and subsistence	3 304	2 537	3 778	12 775	13 688	14 621	15 107
Transfers and subsidies	316 112	385 320	392 660	453 449	764 728	864 720	917 366
Provinces and municipalities	9	21	56	15	–	–	–
Departmental agencies and accounts	10 500	15 000	10 500	49 700	267 478	333 127	309 386
Foreign governments and international organisations	–	–	–	4 500	–	5 000	8 100
Households	305 603	370 299	382 104	399 234	497 250	526 593	599 880
Payments for capital assets	445	335	250	2 860	805	850	880
Machinery and equipment	445	335	250	2 860	805	850	880
Total	377 212	434 496	473 321	550 121	860 511	964 475	1 021 310

Details of major transfers and subsidies:

Departmental agencies and accounts							
Current	500	500	500	–	497	527	600
Council for Scientific and Industrial Research	500	500	500	–	497	527	600
Capital	10 000	14 500	10 000	49 700	266 981	332 600	308 786
iSimangaliso Wetland Park Authority	–	–	–	4 200	21 000	30 000	30 000
South African National Biodiversity Institute	10 000	14 500	10 000	10 000	10 000	10 000	10 000
South African Weather Service	–	–	–	–	60 000	60 000	60 000
South African National Parks	–	–	–	35 500	175 981	232 600	208 786
Foreign governments and international organisations							
Current	–	–	–	4 500	–	5 000	8 100
Global Environmental Fund (GEF)	–	–	–	4 500	–	5 000	8 100
Households							
Social benefits							
Current	305 603	370 000	382 104	399 234	497 250	526 593	599 880
Expanded Public Works Programme	305 603	370 000	382 104	399 234	497 250	526 593	599 880

Expenditure trends

The *Sector Services and International Relations* programme includes functions previously allocated under *Administration* in three new subprogrammes: *International Co-operation, Planning and Co-ordination* and *Business Performance Management*.

Another subprogramme, *Infrastructure Investment*, was created to include infrastructure investment allocations across the department's programmes and the six public entities. In accordance with South African National Parks' approved infrastructure plan, the following amounts were allocated for infrastructure investment: R175,9 million in 2007/08, R232,6 million in 2008/09 and R208,8 million in 2009/10. The South African Weather Service received R60 million a year from 2007/08 to 2009/10 to replace weather radars. The iSimangaliso Wetland Park Authority has been allocated R21 million in 2007/08, R30 million in 2008/09 and R30 million in 2009/10 for infrastructure development.

The *Social Responsibility, Policy and Projects* subprogramme allocation is earmarked for coastal management, tourism infrastructure and products, waste management, biodiversity and conservation, and Working for Wetlands, and amounts to R538 million in 2007/08, R569,5 million in 2008/09 and R645,2 million in 2009/10.

Service delivery objectives and indicators

Recent outputs

In 2005/06 and the first half of 2006/07, the department created 2 274 job opportunities and 503 permanent jobs. The skills support initiatives resulted in 139 288 training days. The programme also spent 50 per cent of its budget on implementing projects on SMMEs or broad based BEE.

21 wetlands and 1 211 hectares of land were rehabilitated, and 682km of coast and rivers were cleaned. The department provided support to 46 projects on tourism product development. 13 waste recycling and minimisation projects were also funded. 359 learners were registered for skills development programmes and 40 others were registered for learnerships.

South Africa successfully hosted the Global Environmental Facility (GEF) Assembly and, in line with the 2006 International Year of Deserts campaign, also launched a programme to promote awareness and action on desertification, its relationship with climate change and the impact on livelihoods.

Selected medium-term output targets

Measurable objective: International policies and local job creation through environment and tourism projects to promote sustainable development.

Subprogramme	Output	Measure/indicator	Target
Social Responsibility, Policy and Projects	Expanded public works programme projects: Job opportunities	Number of temporary job days	14 000 job days
		Number of permanent jobs created	600 jobs
	Training New SMMEs	Number of training days	160 000 training days
		Number of SMMEs created	500 SMMEs
International Co-operation	Mandated South African positions incorporated in international sustainable development, climate, chemicals, biodiversity, bio-safety, desertification, marine, fisheries and relevant environmental trade related agreements	Number of favourable/supportive international policies and measures negotiated	18 policies and measures
	Resources mobilised	Value of technical, material, financial and technology support mobilised	US\$35 million
Planning and Co-ordination	Information on tourism services and facilities	Tourism geographical information system (GIS) facility established	March 2008
	Sustainable development and tourism objectives integrated into IDPs	Number of districts with sustainable development and tourism objectives integrated into IDPs by December 2007	6 districts

Public entities and other agencies

South African Tourism

The core business of South African Tourism (SA Tourism), established in terms of the Tourism Act (1993), is to market South Africa internationally as a desirable tourism destination, through regulation of and interface with the industry, maintaining and improving the standards of facilities and services for tourists, and co-ordinating the marketing activities of role players in the industry. Key objectives of SA Tourism are, among others, to increase the annual volume of international tourists visiting the country, to increase the amount of money they spend in South Africa, and to increase the length of their stay. (Total arrivals at the end of 2005 were a record 7,3 million, a 10,3 per cent increase over the previous year.)

Transfers from the Department of Environmental Affairs and Tourism 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 next three years, total

transfers are expected to rise from R477 million in 2006/07 to R636 million in 2008/09. SA Tourism expects to fully utilise its budget, resulting in a zero balance over the MTEF period. The 2007/08 transfer to SA Tourism is R510,4 million, comprising of R378,6 million for international tourism marketing, R3 million for the tourism satellite account and R128,8 million for the operating budget.

Focal strategic areas over the short to medium term are: improving relationships with the tourism industry; implementing and maintaining an integrated talent management strategy; internalising and applying brand consistency; providing leadership and improving strategy development and execution; expanding word of mouth programmes; and improving the image of South Africa.

Table 26.9 Financial summary for South African Tourism

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2007/08	2008/09	2009/10
R thousand	2003/04	2004/05	2005/06	2006/07			
Revenue							
Non-tax revenue	74 785	46 875	59 180	32 896	19 796	18 228	18 344
<i>Other non-tax revenue</i>	74 760	46 810	59 180	32 896	19 796	18 228	18 344
Transfers received	360 939	390 831	412 823	513 938	560 446	623 135	692 369
Total revenue	435 724	437 706	472 003	546 834	580 242	641 363	710 713
Expenses							
Current expense	428 969	451 001	464 507	545 370	578 631	639 591	708 764
Compensation of employees	60 590	55 156	71 791	77 164	84 880	93 368	102 705
Goods and services	366 337	394 597	389 453	465 506	490 781	542 956	602 465
Depreciation	2 043	1 248	3 262	2 700	2 970	3 267	3 594
Transfers and subsidies	268	886	473	1 464	1 611	1 772	1 949
Total expenses	429 237	451 887	464 980	546 834	580 242	641 363	710 713
Surplus / (Deficit)	6 486	(14 180)	7 023	-	-	-	-
Balance sheet data							
Carrying value of assets	19 800	19 999	20 877	22 332	24 566	27 022	29 724
Receivables and prepayments	46 929	36 309	8 321	7 500	8 250	9 075	9 983
Cash and cash equivalents	93 459	35 849	96 686	59 325	65 258	71 783	78 962
Total assets	160 188	92 157	125 883	89 157	98 073	107 880	118 669
Capital and reserves	23 341	8 844	18 257	18 257	18 257	18 257	18 258
Post retirement benefits	7 496	7 104	7 541	7 900	8 690	9 559	10 515
Trade and other payables	116 724	55 095	90 244	55 000	62 326	70 385	79 248
Provisions	12 627	21 113	9 841	8 000	8 800	9 680	10 648
Total equity and liabilities	160 188	92 157	125 883	89 157	98 073	107 880	118 669
Contingent liabilities	-	-	-	-	-	-	-

Source: South African Tourism

South African National Biodiversity Institute

The South African National Biodiversity Institute (SANBI) is responsible for biodiversity management, education and research, and promotes the wealth of indigenous floral and faunal life of Southern Africa. SANBI has three systematic research and collection centres; four bioregional programmes, conservation and sustainable use centres; eight country wide national botanical gardens; and equally well distributed environmental outreach, education and ecosystem rehabilitation programmes.

In the past financial year, SANBI rolled out knowledge management initiatives and established the geographic information systems (GIS) website (<http://bgis.sanbi.org>) for online access to biodiversity information, opened a new centre for biodiversity conservation at Kirstenbosch in Cape Town and launched the South African reptiles conservation assessment programme. In addition, 350 papers and books on Southern African biodiversity together with a comprehensive response to the global strategy for plant conservation were published.

To support government's biodiversity related obligations in SADC, NEPAD and multilateral environmental agreements, the institute compiled the third country report and submitted it to the Convention on Biological Diversity. SANBI also hosted the third African plants initiative meeting, which was attended by 75 international delegates. The institute further established a national system of bioregional programmes implementing priority components of the national biodiversity strategy and action plan (NBSAP) and convened the first national bioregional programmes forum.

Through its network of national botanical gardens, the institute attracted a record of 1,3 million visitors. Furthermore, SANBI implemented rehabilitation programmes that systematically target threatened ecosystems while supporting the goals of the expanded public works programme, and created 3 400 short-term jobs through the Working for Wetlands and Greening of the Nation programmes.

SANBI's strategic focus for the medium term will be on: leadership in biodiversity knowledge management and information dissemination, highlighting the status and trends in South Africa; co-ordinated research on South Africa's biodiversity; managing a national system of bioregional programmes implementing priority components of the NBSAP; continued support for SADC, NEPAD and multilateral environmental arrangements; further development and management of national botanical gardens; monitoring biodiversity in South Africa and providing guidelines and best practice relating to identifying and conserving threatened species and ecosystems and sustainable use of biodiversity; implementing rehabilitation programmes that systematically target threatened ecosystems; and continued support for the goals of the expanded public works programme.

South African National Parks

South African National Parks (SANParks) is a statutory organisation governed by the National Environmental Management: Protected Areas Act (2003). SANParks is primarily engaged in nature conservation as well as the tourism and hospitality industry. The organisation manages a system of 21 national parks that are representative of the country's biodiversity, cultural heritage and unique national features.

During 2005/06, a total of 27 328 hectares of land was acquired for inclusion into the national parks system. The emphasis continues to be on the nationally under conserved biomes. Land brought under protection resulted in the expansion of the Addo Elephant and Mountain Zebra national parks in Eastern Cape; Mapungubwe and Marakele in Limpopo; Namaqua in Northern Cape; and Agulhas and Table Mountain in Western Cape. The Free State provincial government agreed in principle to link Qwa-Qwa Game Reserve with Golden Gate Highland National Park and to bring the two areas under SANParks' management. Camdeboo in Eastern Cape was proclaimed a national park in 2005.

Following a successful land claim in the Vaalbos National Park, a new property west of Kimberly was acquired through the assistance of the regional Land Claims Commission. A new national park is to be established there and it will be proclaimed in 2006/07.

The land expansion programme for 2006/07 will focus on potential purchases to expand the Addo Elephant National Park (306 hectares); Namaqua National Park (29 000 hectares); Agulhas National Park (100 hectares); and Table Mountain National Park (21 hectares in Sentinel).

The role of SANParks in the management of marine protected areas adjacent to (and as part of) the national parks includes managing coast lines for the Addo Elephant National Park, the Tsitsikama National Park, and parts of the West Coast and Table Mountain national parks. Future marine protected area prospects for which SANParks will prepare are Namaqualand, as part of the Namaqua National Park, and Agulhas as part of the Agulhas National Park.

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 million in 2004/05 to R486 million in 2005/06. Although this was below the stretched target growth of 14 per cent due to over-budgeting on conservation/gate fees, it still represents a strong growth of 10 per cent, attributable to factors like the growth in tourism overnight products and improved revenue collection and efficiencies. This is illustrated

by the growth in hospitality accommodation occupancy levels from 64,7 per cent in 2004/05 to 66 per cent in 2005/06.

SANParks contributed to socio-economic development among historically disadvantaged neighbouring communities in a number of ways. Over 75 per cent of approximately R77 million of commercial development projects went to broad based BEE contracts.

The strategic financing focus in the medium term will be on a major infrastructure development programme, initiated following the allocation of R396 million over the MTEF period. The programme's focus will be to address the ailing bulk support infrastructure in the national parks (60 per cent of the intended expenditure), as well as the refurbishment of the return yielding tourism products (40 per cent of expenditure). The first year (2006/07) has been used for professional planning work, with most of the construction work due to begin in 2007/08.

Apart from the human resources costs (conservation being a labour intensive and specialist field, and tourism being a service oriented business), 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.

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. The strategic programmes for the organisation will be underpinned by the drive for broad based organisational and industry transformation.

Biodiversity conservation, cultural heritage management, ecotourism and commercial development (in excess of 3 million visitors per year), and constituency building and the involvement of local communities are regarded as the core indicators of performance.

Table 26.10 Financial summary for South African National Parks

	Outcome			Estimated outcome	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2006/07	2007/08	2008/09
R thousand							
Revenue							
Non-tax revenue	384 042	415 822	584 769	646 388	664 051	706 521	755 540
Sale of goods and services other than capital assets	374 669	402 214	574 644	636 446	655 230	697 259	745 815
<i>Of which:</i>							
<i>Tourism income</i>	374 669	402 214	574 644	636 446	655 230	697 259	745 815
<i>Other non-tax revenue</i>	9 373	13 608	10 125	9 942	8 821	9 262	9 725
Transfers received	107 785	126 631	162 418	149 898	214 433	224 746	227 713
Total revenue	491 827	542 453	747 187	796 286	878 484	931 267	983 253
Expenses							
Current expense	447 893	500 733	704 856	751 355	803 719	848 968	901 726
Compensation of employees	230 865	253 577	287 273	342 950	363 527	388 975	418 730
Goods and services	200 500	215 864	387 187	380 005	411 104	429 450	450 925
Depreciation	13 217	24 167	25 314	24 400	24 888	26 133	27 440
Interest, dividends and rent on land	3 311	7 125	5 082	4 000	4 200	4 410	4 631
Interest	3 311	7 125	5 082	4 000	4 200	4 410	4 631
Total expenses	447 893	500 733	705 838	751 355	803 719	848 968	901 726
Surplus / (Deficit)	43 934	41 720	41 349	44 931	74 765	82 299	81 527

Table 26.10 Financial summary for South African National Parks (continued)

	Outcome			Estimated outcome	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2006/07	2007/08	2008/09
R thousand							
Balance sheet data							
Carrying value of assets	632 320	741 414	810 023	844 000	894 640	984 104	1 082 515
Investments	10 100	1 125	1 218	670	711	781	859
Inventory	11 031	11 759	16 119	20 000	21 200	23 320	25 652
Receivables and prepayments	38 800	34 877	24 653	25 000	26 500	29 150	32 065
Cash and cash equivalents	199 764	288 671	255 030	264 501	304 057	326 441	355 316
Total assets	892 015	1 077 846	1 107 043	1 154 171	1 247 108	1 363 796	1 496 407
Capital and reserves	451 518	570 122	355 740	400 671	448 398	497 755	548 002
Borrowings	76 660	76 286	45 946	46 500	49 290	49 979	50 737
Post-retirement benefits	114 743	128 997	137 216	145 000	153 700	169 070	185 977
Trade and other payables	118 435	105 146	399 563	447 000	473 820	512 902	564 192
Provisions	15 875	14 593	14 431	15 000	15 900	17 490	19 239
Managed funds	114 784	182 701	154 147	100 000	106 000	116 600	128 260
Total equity and liabilities	892 015	1 077 845	1 107 043	1 154 171	1 247 108	1 363 796	1 496 407

Source: South African National Parks

South African Weather Service

The South African Weather Service (SAWS) was established in accordance with the South African Weather Service Act (2001). The objectives of the SAWS are to: 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.

In the period ending March 2006, the South African Weather Service increased its focus on servicing its customers by upgrading the radar network, expanding the implementation of automatic weather stations, installing a lightning detection network and launching the MeteoSat second generation training centre.

Modernising the SAWS' observational infrastructure remains the major point of focus in 2007. The environmental impact assessment study for deploying new radar at Skukuza has been approved and the installation process should be finished towards the end of 2006/07. The implementation of NiNjo, the new forecasting work station planned for the following quarter, will be a major step towards improving the quality of forecasting products and services. The SAWS will be the first national meteorological service in the southern hemisphere to have access to this state of the art technology, which presents product development and research opportunities for South Africa's forecasters and researchers.

For the future, a major strategy of the South African Weather Service is to modernise and recapitalise its observations network and infrastructure. The major part of this recapitalisation plan is replacing the fairly old C band weather radar network with more modern and sophisticated S-band Doppler weather radars. The implementation of a business strategy for improving commercial revenue from industries using SAWS' services is also under way.

Total revenue increases from R172 million in 2006/07 to R251 million in 2007/08, which includes a contribution to the recapitalisation plan of R60 million from the Department of Environmental Affairs and Tourism. Approximately 32 per cent of the total income is derived from the aviation industry and 68 per cent is from the government grant.

Compensation of employees remains the key cost driver over the MTEF period, amounting to R88,2 million in 2006/07, which represents 51 per cent of total expenditure. Capital expenditure amounting to R26,1 million in 2006/07 and R97,8 million in 2007/08 is driven mainly by the acquisition of capital assets.

Table 26.11 Financial summary for the South African Weather Service

R thousand	Outcome			Estimated outcome	Medium-term estimate		
	Audited 2003/04	Audited 2004/05	Audited 2005/06		2006/07	2007/08	2008/09
Revenue							
Non-tax revenue	60 618	51 433	57 153	58 453	70 537	76 684	85 316
Sale of goods and services other than capital assets	59 214	49 212	53 876	55 521	67 600	73 684	82 316
<i>Of which:</i>							
Sale of meteorological information	54 900	48 227	52 848	55 295	67 000	73 030	81 603
Other sales	4 314	985	1 028	226	600	654	713
Other non-tax revenue	1 404	2 220	3 277	2 932	2 937	3 000	3 000
Transfers received	80 641	96 924	103 690	114 392	180 112	184 916	190 537
Total revenue	141 259	148 357	160 843	172 845	250 649	261 600	275 853
Expenses							
Current expense	122 885	127 498	154 145	172 684	250 649	261 600	275 852
Compensation of employees	59 820	65 717	70 742	88 271	98 436	107 743	117 600
Goods and services	54 634	52 892	79 412	71 139	81 304	82 303	86 016
Depreciation	9 160	9 131	10 026	13 275	70 909	71 554	72 236
Interest, dividends and rent on land	(729)	(242)	(6 035)	–	–	–	–
Transfers and subsidies	654	250	295	160	–	–	–
Total expenses	123 539	127 748	154 440	172 845	250 649	261 600	275 852
Surplus / (Deficit)	17 720	20 609	6 403	–	–	–	–
Balance sheet data							
Carrying value of assets	65 877	94 409	112 042	127 882	154 773	157 467	161 565
Inventory	675	711	634	4 300	4 300	4 300	4 300
Receivables and prepayments	19 355	13 948	11 196	10 000	8 000	6 000	6 000
Cash and cash equivalents	22 682	50 707	39 397	33 635	8 904	8 310	4 312
Total assets	108 589	159 775	163 269	175 817	175 977	176 077	176 177
Capital and reserves	65 031	106 790	120 232	134 174	134 174	134 174	134 174
Post-retirement benefits	14 019	15 988	17 956	17 956	17 956	17 956	17 956
Trade and other payables	14 882	23 737	9 228	9 000	9 000	9 000	9 000
Provisions	8 500	8 737	13 530	13 187	13 347	13 447	13 547
Managed funds	5 306	4 523	2 323	1 500	1 500	1 500	1 500
Total equity and liabilities	108 589	159 775	163 269	175 817	175 977	176 077	176 177
Contingent liabilities	766	930	12 464	12 464	3 000	3 000	3 000

Source: South African Weather Service

Marine Living Resources Fund

The Marine Living Resources Fund (MLRF) was established in terms of the Marine Living Resources Act (1998) to create a mechanism that allows for the costs incurred for services rendered to the fishing industry to be redeemed on a user pays principle. The fund was listed as a public entity in 2001.

The MLRF is made up of the following divisions:

- Research, Antarctica and islands focus area: is responsible for advising on the sustainable utilisation 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 licenses.
- Monitoring, control and surveillance: is responsible for preventing and eliminating illegal marine activity.
- Chief financial officer: is responsible for the financial management of the Marine Living Resources Fund.

A major source of income for the MLRF is the revenue generated from levies on fish products, licence fees and permits, fines and confiscations, and harbour fees. This revenue is a key source of funding for the operations of the marine and coastal management branch. Personnel expenditure is funded by the vote of the Department of Environmental Affairs and Tourism. MLRF revenue was used to finance activities related to managing the development, sustainable use and orderly exploitation of South Africa's marine and coastal resources, as well as protecting the integrity and quality of South Africa's marine and coastal ecosystems

Recent outputs of the MLRF include: the evaluation and finalisation of appeals in terms of long-term fishing rights allocations; ongoing research into the biological estimates of stocks in existing and new fisheries nationally and internationally, recommendations on total allowable catch and total allowable effort in 21 fisheries; formulating and publishing a number of policies, including the aquaculture policy, the broad based whale watching and white shark cage diving policies, and the Coastal Zone Management Bill; and ongoing operations aimed at reducing and eliminating illegal fishing activities.

In addition to its ongoing strategic priorities and mandates, the important focus areas for the forthcoming financial year include implementing upgraded financial management systems, developing cost recovery and revenue management policies, strategies for the effective monitoring and management of marine oil pollution, and promoting and facilitating advances in the aquaculture industry.

Table 26.12 Financial summary for the Marine Living Resources Fund

	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2007/08	2008/09	2009/10
R thousand	2003/04	2004/05	2005/06	2006/07			
Revenue							
Non-tax revenue	126 181	162 401	161 612	138 818	123 608	135 450	147 500
Sale of goods and services other than capital assets	43 047	60 652	69 150	57 980	55 000	58 000	60 000
<i>Of which:</i>							
<i>Licences and permits</i>	43 047	60 652	69 150	57 980	55 000	58 000	60 000
<i>Levies on fish and fish products</i>	83 134	101 749	92 462	80 838	68 608	77 450	87 500
Transfers received	205 497	169 225	97 322	158 057	146 612	152 029	164 465
Total revenue	331 678	331 626	258 934	296 875	270 220	287 479	311 965
Expenses							
Current expense	186 365	277 305	289 339	251 379	250 220	267 479	311 965
Compensation of employees	–	1 860	853	1 500	1 000	750	500
Goods and services	176 201	264 325	261 558	241 979	241 210	258 619	303 255
Depreciation	10 164	11 120	26 928	7 900	8 010	8 110	8 210
Total expenses	186 365	277 305	289 339	251 379	250 220	267 479	311 965
Surplus / (Deficit)	145 313	54 321	(30 405)	45 496	20 000	20 000	–
Balance sheet data							
Carrying value of assets	338 699	450 289	508 727	567 632	616 732	620 232	623 732
Receivables and prepayments	5 872	27 185	31 706	31 300	–	–	–
Cash and cash equivalents	142 326	122 098	9 571	8 000	8 000	8 000	8 000
Total assets	487 067	599 572	550 004	606 932	624 732	628 232	631 732
Capital and reserves	472 270	526 591	493 997	502 493	522 493	542 493	542 493
Trade and other payables	14 224	72 981	56 007	104 439	102 239	85 739	89 239
Total equity and liabilities	487 067	599 572	550 004	606 932	624 732	628 232	631 732

Source: Marine Living Resources Fund

iSimangaliso Wetland Park Authority

The iSimangaliso Wetland Park Authority (previously known as St Lucia Wetland Park Authority), which manages South Africa's first world heritage site, is entering into its fifth year of operation. Its objectives include conserving the park's world heritage values, ensuring local economic development and transformation, and optimising tourism development.

Achievements to date include: a decrease in the incidence of malaria by 96 per cent; completion of the Lubombo spatial development initiative roads, establishing the park as a consolidated 220 km long entity; settling land claims for over 60 per cent of the 220 000 hectare park; constructing major infrastructure in the park, including 350 km of game fencing; reintroducing game and retracting large tracts of commercial forestry land for tourism and conservation; opening the first lodge; the ongoing development of four new lodges with significant broad based BEE equity; and creating over 4 000 temporary jobs.

Transfers from government over the MTEF period amount to R16,6 million in 2006/07, R34 million in 2007/08 and R43,7 million in 2008/09, of which R4,2 million, R21 million and R30 million are for capital projects. Other sources of revenue for the park include critical infrastructure allocations from the Department of Trade

and Industry for bulk infrastructure, and own revenue in the form of fees collected from park visitors and concessionaires.

The authority's main focus over the MTEF period is to: increase revenue by creating value for park visitors; complete the remaining phases of the infrastructure to ensure that economic imperatives are met; improve the activity base of the park; draw in emerging entrepreneurs; and develop a programme for equitable access and rolling out the park's new brand identity.

Additional tables

Table 26.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	2005/06		2005/06	2006/07			2006/07
1. Administration	173 212	191 777	144 219	136 701	13 400	150 101	150 101
2. Environmental Quality and Protection	196 442	185 292	185 287	216 599	(1 798)	214 801	194 571
3. Marine and Coastal Management	278 415	269 576	262 428	260 723	42 396	303 119	303 119
4. Tourism	403 333	427 236	427 236	559 254	(2 500)	556 754	556 754
5. Biodiversity and Conservation	287 906	293 195	283 195	298 808	(11 900)	286 908	277 438
6. Sector Services and International Relations	414 000	416 428	473 321	545 968	4 153	550 121	545 121
Total	1 753 308	1 783 504	1 775 686	2 018 053	43 751	2 061 804	2 027 104

Economic classification							
Current payments	512 185	518 609	517 741	616 183	(55 698)	560 485	525 785
Compensation of employees	223 164	209 867	209 664	273 043	(7 691)	265 352	235 652
Goods and services	289 021	308 571	307 906	343 140	(48 007)	295 133	290 133
Financial transactions in assets and liabilities	–	171	171	–	–	–	–
Transfers and subsidies	1 190 330	1 201 809	1 201 809	1 388 332	96 619	1 484 951	1 484 951
Provinces and municipalities	578	595	595	274	(133)	141	141
Departmental agencies and accounts	801 648	806 558	806 558	993 176	43 500	1 036 676	1 036 676
Foreign governments and international organisations	6 000	–	–	–	4 500	4 500	4 500
Non-profit institutions	–	12 000	12 000	–	44 400	44 400	44 400
Households	382 104	382 656	382 656	394 882	4 352	399 234	399 234
Payments for capital assets	50 793	63 086	56 136	13 538	2 830	16 368	16 368
Buildings and other fixed structures	46 700	51 786	44 836	–	–	–	–
Machinery and equipment	4 093	10 800	10 800	13 248	2 830	16 078	16 078
Software and intangible assets	–	500	500	290	–	290	290
Total	1 753 308	1 783 504	1 775 686	2 018 053	43 751	2 061 804	2 027 104

Table 26.B Summary of personnel numbers and compensation of employees

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
A. Permanent and full-time contract employees							
Compensation (R thousand)	139 390	163 795	209 664	265 352	296 230	311 042	326 613
Unit cost (R thousand)	135	156	169	187	207	216	227
Personnel numbers (head count)	1 030	1 052	1 240	1 416	1 429	1 437	1 437
Total for department							
Compensation (R thousand)	139 390	163 795	209 664	265 352	296 230	311 042	326 613
Unit cost (R thousand)	135	156	169	187	207	216	227
Personnel numbers (head count)	1 030	1 052	1 240	1 416	1 429	1 437	1 437

Table 26.C Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Training and staff development							
Expenditure (R thousand)	1 083	1 767	1 843	1 909	1 993	2 089	2 183
Number of employees trained (head count)	406	519	550	580	665	870	873
Bursaries (employees)							
Expenditure per programme (R thousand)	92	98	211	400	549	611	684
Number of employees (head count)	19	20	42	60	85	100	104
Total	1 175	1 865	2 054	2 309	2 542	2 700	2 867
Number of employees	425	539	592	640	750	970	977

Table 26.D Summary of expenditure on infrastructure

Description	Service delivery outputs			Adjusted appropriation	Medium-term expenditure estimate		
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R thousand							
Other large infrastructure projects (Over R20 million)							
Marion Base building project	29 326	64 364	46 700	–	–	–	–
Lubombo project	–	–	–	6 500	20 000	30 000	–
Groups of small projects or programmes							
Blyde National Park	–	–	1 000	1 400	4 741	4 468	–
Pondoland	–	–	–	3 729	3 915	4 072	–
Infrastructure transfers to other spheres, agencies and departments							
Langebaan coastal erosion	–	9 000	14 000	15 000	–	–	–
Research vessel replacement	–	–	33 302	46 947	25 000	27 400	–
Patrol vessel acquisition	151 000	86 000	–	–	–	–	–
Harbour infrastructure	35 000	15 000	–	–	–	–	–
iSimangaliso Wetland Park Authority	–	–	–	4 200	21 000	30 000	–
South African National Parks: Infrastructure development	32 000	41 000	41 000	41 000	71 000	74 550	–
Road subsidy: South African National Parks	12 000	12 000	12 000	12 000	12 000	12 000	12 000
South African National Parks: Tourism facilities	–	–	–	29 000	157 900	202 600	–
South African National Biodiversity Institute: Infrastructure development	10 000	10 000	10 000	10 000	10 000	10 000	–
Total	269 326	237 364	158 002	169 776	325 556	395 090	12 000