

Vote 25

Environmental Affairs and Tourism

Adjusted budget summary

2008/09				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	3 061 686	3 206 557	-	144 871
<i>of which:</i>				
Current payments	729 224	765 189	-	35 965
Transfers and subsidies	2 318 139	2 427 335	-	109 196
Payments for capital assets	14 323	14 033	(290)	-
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.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of the 2008/09 (April to September)
As published in the 2008 ENE		
Number of tourism SMMEs trained in tourism related business skills	4 600	544
Number of transactional business linkages facilitated between SMMEs and established business through the Tourism Enterprise Programme	605	170
Number of tourist guides trained	145	0
Number of 2010 FIFA World Cup 'tourism ambassadors' trained	2 500	280
Number of tourism establishments graded	6 365	6 825
Percentage of national environmental impact management applications processed within stipulated timeframes	85%	85%
Percentage reduction in number of un-permitted waste disposal sites (currently at 580)	30%	18%
Number of environmental management inspectors designated	950	975
Number of ambient air quality monitoring stations providing information to the South African air quality information system	18	6
Number of temporary jobs created through EPWP projects	14 000	5 976
Number of permanent jobs created through EPWP projects	200	324

The training needs and aspects for tourist guides have been identified and are to be confirmed with provincial registrars. Training will happen in the second half of the year.

Adjusted Estimates of National Expenditure 2008

Table 25.1: Adjusted estimates

Programme	2008/09						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	198 366	-	-	-	(4 270)	(4 270)	194 096
2. Environmental Quality and Protection	268 956	-	-	-	1 163	1 163	270 119
3. Marine and Coastal Management	396 742	-	-	-	32 293	32 293	429 035
4. Tourism	693 022	-	-	-	(2 238)	(2 238)	690 784
5. Biodiversity and Conservation	396 342	-	-	-	219	219	396 561
6. Sector Services and International Relations	1 108 258	-	109 000	-	8 704	117 704	1 225 962
Departmental Total	3 061 686	-	109 000	-	35 871	144 871	3 206 557
Economic classification							
Current payments	729 224	-	19 000	6 178	10 787	35 965	765 189
Compensation of employees	394 575	-	-	5 888	12 761	18 649	413 224
Goods and services	334 649	-	19 000	290	(1 974)	17 316	351 965
Transfers and subsidies	2 318 139	-	90 000	(5 888)	25 084	109 196	2 427 335
Departmental agencies and accounts	1 546 449	-	-	(5 888)	25 210	19 322	1 565 771
Foreign governments and international organisations	14 000	-	-	-	(5 000)	(5 000)	9 000
Non-profit institutions	89 366	-	-	-	4 874	4 874	94 240
Households	668 324	-	90 000	-	-	90 000	758 324
Payments for capital assets	14 323	-	-	(290)	-	(290)	14 033
Machinery and equipment	14 007	-	-	(290)	-	(290)	13 717
Software and other intangible assets	316	-	-	-	-	-	316
Total	3 061 686	-	109 000	-	35 871	144 871	3 206 557

Details of adjustments to Estimates of National Expenditure 2008

Unforeseeable and unavoidable expenditure

Programme 6: Sector Services and International Relations

R109 million has been allocated for a cashflow adjustment for the Expanded Public Works Programme.

Virements

Table 25.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
3. Marine and Coastal Management	(6 088)	6 088	
Current payments	(200)	5 888	
Compensation of employees	-	5 888	From departmental agencies and accounts in this programme (MLRF) for control officers for protecting abalone resources.
Goods and services	(200)	-	To machinery and equipment in this programme
Transfers and Subsidies	(5 888)	-	
Departmental agencies and accounts	(5 888)	-	To compensation of employees in this programme
Payments for capital assets	-	200	
Machinery and equipment	-	200	From goods and services in this programme for Antarctic and island machinery and equipment
6. Sector Services and International Relations	(490)	490	
Current payments	-	490	
Goods and services	-	490	From machinery and equipment in this programme for equipment less than R5 000
Payments for capital assets	(490)	-	
Machinery and equipment	(490)	-	To goods and services in this programme
Total for Vote	(6 578)	6 578	

Other adjustments – R35.871 million

Adjustments due to significant and unforeseeable economic and financial events

Additional funding of R12.761 million has been allocated to cover costs related to the higher than budgeted wage increase made by the Minister for Public Service and Administration.

Programme 3: Marine and Coastal Management

Additional funding of R23.11 million has been allocated for inflation related increases in fuel costs for the inshore and offshore patrol and research vessels, and for the SA Agulhas for voyages to Marion Island, Gough Island and Antarctica.

Funds shifted within a vote

Programme 2: Environmental Quality and Protection

Funds were incorrectly classified as goods and services in the ENE for transfers of R580 000 to the National Association of Clean Air for the 3rd Annual Air Quality Governance Lekgotla and of R500 000 to the National Off-Road Workshop for the implementation of the strategy for self-regulation and recreational off-road driving.

Programme 4: Tourism

Funds were incorrectly classified as goods and services in the ENE for the following transfers:

South African Tourism: R3 million to enable the Tourism BEE Charter Council to carry out its mandate; R1.4 million for Tourism Month; R350 000 for the Tourism Grading Council of South Africa (TGCSA) to review the grading process; and R250 000 for TGCS to develop and implement the national responsible tourism grading programme for the tourism industry.

The Federated Hospitality Association of South Africa: R200 000 to conduct a tourism and hospitality schools survey aiming to address the significant shortage of skills; and R300 000 to contribute to hosting the Imvelo Responsible Tourism Awards 2008.

The National Business Initiative: R2 million to host and project manage the National Tourism Career Fair.

The Tourism Business Council of South Africa: R500 000 for hosting the Hospitality Investment Conference for Africa.

Programme 5: Biodiversity and Conservation

Funds were incorrectly classified as goods and services in the ENE for the following transfers:

Botanical Society: R474 000 for developing a suite of fiscal instruments and incentives that promote sound environmental management and biodiversity stewardship.

Endangered Wildlife Trust: R320 000 for the consultation process for establishing the Biodiversity Stewardship: South Africa programme.

Programme 6: Sector Services and International Relations

Funds were incorrectly classified as goods and services in the ENE for the transfer to the Council for Scientific Research of R1 million for the Earth Observation Service Centre for remote sensing imagery and applications.

Funds were incorrectly classified as a transfer payment to the African Ministerial Conference on the Environment. The expenditure was in fact for hosting the conference and not merely a transfer payment. Funds have been reclassified under goods and services to provide for the venues and related expenditure.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 25.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007- Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	167 284	92 929	55.6	193 120	115.4	194 096	101 007	52.0
2. Environmental Quality and Protection	245 977	130 990	53.3	241 503	98.2	270 119	135 902	50.3
3. Marine and Coastal Management	340 945	205 692	60.3	349 298	102.4	429 035	204 609	47.7
4. Tourism	616 314	368 787	59.8	612 477	99.4	690 784	391 612	56.7
5. Biodiversity and Conservation	362 990	213 402	58.8	359 833	99.1	396 561	235 608	59.4
6. Sector Services and International Relations	1 057 011	559 660	52.9	1 032 526	97.7	1 225 962	673 545	54.9
Total	2 790 521	1 571 460	56.3	2 788 757	99.9	3 206 557	1 742 283	54.3
Current payments	672 879	318 298	47.3	663 918	98.7	765 189	385 613	50.4
Compensation of employees	344 312	169 563	49.2	342 195	99.4	413 224	200 471	48.5
Goods and services	328 567	148 674	45.2	321 514	97.9	351 965	185 021	52.6
Financial transactions in assets and liabilities	-	61	-	209	-	-	121	-
Transfers and subsidies	2 111 221	1 246 277	59.0	2 114 491	100.2	2 427 335	1 353 309	55.8
Departmental agencies and accounts	1 380 963	756 828	54.8	1 373 701	99.5	1 565 771	907 488	58.0
Universities and technikons	300	-	-	300	100.0	-	-	-
Foreign governments and international organisations	-	-	-	-	-	9 000	5 000	55.6
Non-profit institutions	88 054	85 750	97.4	87 852	99.8	94 240	56 883	60.4
Households	641 904	403 699	62.9	652 638	101.7	758 324	383 938	50.6
Payments for capital assets	6 421	6 885	107.2	10 348	161.2	14 033	3 361	24.0
Machinery and equipment	6 116	6 759	110.5	10 131	165.6	13 717	3 147	22.9
Software and other intangible assets	305	126	41.3	217	71.1	316	214	67.7
Total	2 790 521	1 571 460	56.3	2 788 757	99.9	3 206 557	1 742 283	54.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R1.742 billion, or 54.3 per cent of the adjusted appropriation of R3.206 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R171 million, or 10.9 per cent compared to spending in the first six months of 2007/08 which amounted to R1.571 billion, or 56.3 per cent of the 2007/08 adjusted appropriation.

The main increases compared to 2007/08 are related to increased transfer payments.

Expenditure for 2007/08 was 99.9 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 25.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	1 087	500	251	50.2
Transfers received	-	362	362	100.0
Interest, dividends and rent on land	-	100	84	84.0
Financial transactions in assets and liabilities	-	3 450	3 450	100.0
Total	1 087	4 412	4 147	94.0

Actual departmental revenue collections for the first six months of 2008/09 were R4.1 million or 94 per cent of the adjusted estimate of R4.4 million.

Changes to transfers and subsidies, and conditional grants

Table 25.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						
	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
2. Environmental Quality and Protection	144 916	-	-	-	1 080	1 080	145 996
Non-profit institutions							
Current	20 000	-	-	-	1 080	1 080	21 080
National Off-Road Workshop	-	-	-	-	500	500	500
National Association of Clean Air	-	-	-	-	580	580	580
3. Marine and Coastal Management	182 029	-	-	(5 888)	19 210	13 322	195 351
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	182 029	-	-	(5 888)	19 210	13 322	195 351
Marine Living Resources Fund	182 029	-	-	(5 888)	19 210	13 322	195 351
4. Tourism	646 501	-	-	-	8 000	8 000	654 501
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	577 135	-	-	-	5 000	5 000	582 135
South African Tourism	577 135	-	-	-	5 000	5 000	582 135
Non-profit institutions							
Current	69 366	-	-	-	3 000	3 000	72 366
Federated Hospitality Association of South Africa	-	-	-	-	500	500	500
National Business Initiative	-	-	-	-	2 000	2 000	2 000
Tourism Business Council of South Africa	-	-	-	-	500	500	500
5. Biodiversity and Conservation	354 269	-	-	-	794	794	355 063
Non-profit institutions							
Current	-	-	-	-	794	794	794
Botanical society	-	-	-	-	474	474	474
Endangered wildlife trust	-	-	-	-	320	320	320
6. Sector Services and International Relations	990 424	-	90 000	-	(4 000)	86 000	1 076 424
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	500	-	-	-	1 000	1 000	1 500
Council for Scientific and Industrial Research	500	-	-	-	1 000	1 000	1 500
Foreign governments and international organisations							
Current	14 000	-	-	-	(5 000)	(5 000)	9 000
African Ministerial Conference on the Environment (AMCEN)	5 000	-	-	-	(5 000)	(5 000)	-
Households							
Social benefits							
Current	668 324	-	90 000	-	-	90 000	758 324
Expanded Public Works Programme	668 324	-	90 000	-	-	90 000	758 324

