

MTEF ALLOCATIONS

2015/16 - 2016/17 - 2017/18



Financial Management Services



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Department
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

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Director-General
Portfolio Committee Briefing
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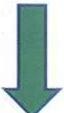


DEA Allocations: Indicative vs Revised

Description	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
Indicative Allocation	5 980 256	6 559 473	6 639 261
Minus: Revised Baseline Allocation	5 947 989	6 467 479	6 537 923
Decrease in Allocation over MTEF *	(32 267)	(91 994)	(101 338)

DEA National Treasury Cuts over the 2015 MTEF

Indicated cuts per Economical Classification	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
Compensation of Employees	(14 587)	(16 304)	(17 961)
Goods and Services	(15 747)	(35 392)	(38 986)
Transfer Payment: DBSA: Green Fund	(0)	(35 900)	(39 545)
Capital Expenditure	(1 933)	(4 398)	(4 846)
Total	(32 267)*	(91 994)*	(101 338)*

DEA Allocations: Oceans Economy Strategy

Indicated cuts to fund baseline increase	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
SANPARKS: Economic competitiveness and Support package	(85 000)	(98 000)	(113 000)
			
Oceans Economy Strategy	85 000	98 000	113 000

Goods and Services: Decrease over the MTEF

Description	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
Indicative per ENE 2015 Allocation	1 309 711	1 343 286	1 328 147
Minus: Revised Allocation	1 211 741*	1 253 525	1 277 573
Prioritised to Compensation	(97 970)	(89 761)	(50 574)

MTEF Allocations Per Programme

Per Programme	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
1. Administration	714 049	691 084	710 926
2. Legal, Authorisations and Compliance	127 517	133 442	140 952
3. Oceans and Coasts	484 529	522 114	543 781
4. Climate Change and Air Quality	240 149	294 582	289 020
5. Biodiversity and Conservation	655 600	674 380	706 607
6. Environmental Programmes	3 646 864	4 067 804	4 058 837
7. Chemicals and Waste Management	79 281	84 073	87 800
Total	5 947 989	6 467 479	6 537 923

MTEF Allocations Per Economical Classification

Per Economical Classification	2015/2016 R'000	2016/2017 R'000	2017/2018 R'000
Total Current Payments	2 127 114	2 232 512	2 319 436
Compensation of Employees	915 373	978 987	1 041 863
Goods and Services ⁽¹⁾	1 211 741	1 253 525	1 277 573
Total Transfer Payments	3 662 773	4 091 153	4 062 354
Expanded Public Works Projects ⁽²⁾	2 137 471	2 523 566	2 696 514
Departmental Agencies and Accounts ⁽³⁾	1 194 583	1 356 183	1 225 087
Foreign Governments and International (GEF)	16 000	16 000	16 000
Green Fund Allocation	300 000	180 000	110 455
Non-Profit Institutions ⁽⁴⁾	14 719	15 404	14 298
Total Payments for Capital Assets	158 102	143 814	156 133
Unitary Payments	110 726	97 973	102 872
Machinery and Equipment	47 376	45 841	53 261
Total	5 947 989	6 467 479	6 537 923

(1) **Goods and Services Analysis per item**

Items	2015/16 R'000	2016/17 R' 000	2017/18 R'000
Fixed and Earmarked Allocations:			
Phakisa: Oceans Economy Strategy	85 000	98 000	113 000
Office Accommodation: Leases and municipal services	49 053	51 505	54 080
International Membership Fees	12 479	12 719	13 122
Communication Systems and Data lines: SITA	36 596	37 149	39 378
Auditors: External & Internal	11 624	11 884	12 597
Research and development: Oceans and Coasts	20 000	21 000	22 260
Wildlife Information Management Unit	4 606	4 734	4 971
SA Algoa: Manning and Operating	48 000	50 400	52 920
SA Agulhas II: Manning and Operating	111 170	116 654	122 484
Antarctica & Islands: Fuel, Groceries, Satellite, et	13 167	14 766	15 652
Antarctica & Islands: Helicopter Services	34 542	36 269	38 445
EPWP: Small Projects Alien Vegetation clearing (contractors)	287 815	289 978	292 362
Total Fixed and Earmarked Allocation	714 052	745 058	781 271
Budget available for other operational expenses, inspections, personnel development, stationary, travel & subsistence, venues, operational leases, advertising, bursaries, other environmental agreements /stakeholders	497 689	508 467	596 302
Total Goods & Services	1 211 741	1 253 525	1 277 573



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(2) Environmental Sector (EPWP Projects)

	2015/16 R'000	2016/17 R'000	2017/18 R'000
Environmental Protection and Infrastructure Programme (EPIP)	773 286	910 558	1 014 777
- Projects*	636 157	741 074	778 128
- Incentives	137 129	169 484	236 649
Natural Resource Management (NRM)	1 364 185	1 613 008	1 681 737
Working on Fire			
- Projects	465 667	509 699	535 184
- Incentives	44 019	46 180	81 503
Working for Water			
- Projects	775 389	912 732	913 433
- Incentives	79 110	144 397	151 617
TOTAL Allocation for projects	2 137 471	2 523 566	2 696 514



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*EPIP Projects: Youth Environmental Service, Wildlife Economy, Greening Open Space, Working on Land, Working on Waste, Working for the Coast, People and Parks, SRP Training Project



Environmental Sector (EPWP Projects)

	2015/16 R'000	2016/17 R'000	2017/18 R'000
Allocations for projects	2 137 471	2 523 566	2 696 514
Infrastructure Grants to Public Entities	491 708	592 255	445 818
Small contractors orders for clearing Alien invasive species	287 815	289 978	292 362
Green Fund transfers to DBSA	300 000	180 000	110 455
Operational Expenditure	220 573	258 071	274 184
Compensation of Employees	209 297	223 934	239 504
TOTAL	3 646 864	4 067 804	4 058 837



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(3) Public Entities Allocations

Public Entities	2015/16 R'000	2016/17 R'000	2017/18 R'000
South African National Parks	591 979	684 593	521 154
Operations	278 675	277 939	290 336
Infrastructure	313 304	406 654	230 818
South African National Biodiversity Institute	309 412	324 331	329 928
Operations	232 149	242 973	254 928
Infrastructure	77 263	81 358	75 000
South African Weather Service	160 423	209 985	234 482
Operations	160 423	209 985	199 482
Infrastructure	0	0	35 000
Isimangaliso Wetland Park	132 769	137 274	139 523
Operations	31 628	33 031	34 523
Infrastructure	101 141	104 243	105 000
Total	1 194 583	1 356 183	1 225 087

Notes

An emerging trend of an annual deficit is now being observed in all the entities. It was also observed that the surpluses of SAWS year on year has decreased significantly.

(4) **Non-Profit Institutions**

	2015/16 R'000	2016/17 R'000	2017/18 R'000
National Regulator for Compulsory Specifications (NRCS)	11 532	12 143	12 750
National Association for Clean Air (NACA)	1 400	1 474	1 548
KwaZulu-Natal Conservation Board	500	500	0
African World Heritage Fund	1 287	1 287	0
TOTAL	14 719	15 404	14 298



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Funded Priorities



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Programme 1: Administration

Priorities	2015/16 R'000	2016/17 R' 000	2017/18 R'000
Office Accommodation (CPT, Regional Offices)	49 053	51 505	54 080
Unitary Payment new Departmental Building	110 726	97 973	102 357
International Membership Fees	12 479	12 719	13 122
Global Environmental Fund (GEF)	16 000	16 000	16 000
Communication Systems and Data lines: SITA	36 596	37 149	39 378
Auditors: External & Internal	11 624	11 884	12 597
Environmental Advisory Services	77 044	79 756	85 544
Environmental Sector Coordination	59 907	63 572	66 744
Ministry	26 583	26 942	27 509
Support Services (Communication, Human Capital, Financial Services, Facilities Management, Business Performance, Governance, Information Management)	314 037	293 584	293 595
Total Allocated	714 049	691 084	710 926

Programme 2: Legal Authorization, Compliance and Enforcement

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Legal Authorization, Compliance and Enforcement Management	6 133	6 318	6 691
Compliance Monitoring	20 313	24 760	26 210
Intergrated Environmental Authorisations	50 653	50 019	52 572
Enforcement	26 024	26 537	28 131
Corporate Legal Support & Litigation	9 342	9 881	10 461
Law Reform & Appeals	15 052	15 927	16 887
Total Allocated	127 517	133 442	140 952

Programme 3: Oceans and Coasts

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Oceans and Coasts Management	7 898	8 285	8 757
Integrated Coastal Management	146 043	162 928	166 913
Oceans and Coasts Research	117 941	124 999	131 116
Oceans Conservation	206 667	219 643	230 354
Specialists Monitoring Services	5 980	6 259	6 641
Total Allocated	484 529	522 114	543 781



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Programme 4: Climate Change and Air Quality

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Climate Change Management	7 215	7 576	8 012
Climate Change Mitigation	8 168	8 651	9 176
Climate Change Adaption	4 535	4 771	5 051
Air Quality Management	39 846	42 549	45 014
International Climate Change Relations and Negotiations	10 357	11 032	11 660
Climate Change Monitoring and Evaluation	9 605	10 018	10 625
South African Weather Services	160 423	209 985	199 482
Total Allocated	240 149	294 582	289 020

Programme 5: Biodiversity and Conservation

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Biodiversity and Conservation Management	17 019	17 927	18 966
Biodiversity Planning and Management	26 025	27 161	28 724
Protected Areas Systems Management	47 280	50 042	52 373
Biodiversity Monitoring and Evaluation	6 206	6 519	6 892
Biodiversity Economy and Sustainable Use	16 618	18 788	19 865
Isimangaliso Wetland Park Authority	31 628	33 031	34 523
South African National Parks	278 675	277 939	290 336
South African National Biodiversity Institute	232 149	242 973	254 928
Total Allocated	655 600	674 380	706 607

Programme 6: Environmental Programmes

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Environmental Programmes Management	6 462	7 516	7 993
Environmental Protection & Infrastructure	867 243	1 010 512	1 120 870
Working for Water & Working on Fire	1 869 277	2 119 775	2 206 184
Bio – Security	64 644	89 199	94 795
Information Management and Sector Coordination	47 530	68 547	72 722
Infrastructure Investment (Public Entities)	491 708	592 255	445 818
DBSA: Green Fund	300 000	180 000	110 455
Total Allocated	3 646 864	4 067 804	4 058 837

Programme 7: Chemical and Waste Management

Sub-Programmes	2015/16 R'000	2016/17 R'000	2017/18 R'000
Chemicals and Waste Management	6 904	7 153	6 482
Hazardous Waste Management and Licencing	22 005	23 504	25 056
General Waste and Municipal Services	28 978	31 000	32 673
Chemicals and Waste Policy, Evaluation and Monitoring	11 353	11 799	12 345
Chemicals Management	10 041	10 617	11 244
Total Allocated	79 281	84 073	87 800



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Legal Authorization, Compliance and Enforcement: Priorities

Integrated Permitting System (IPS)

- Mapping all authorisation processes
- Develop an electronic on-line system
- IPS will be designed to accommodate any current and future permitting/licensing/authorisation requirements of the department and its provincial/local government partners; (possibly DMR and DWA)
- IPS will reduce the delivery time of new or enhanced permitting modules

Average annual growth of 8.3% over the 7-year period, growth driven by allocations for infrastructure spending and poverty relief projects.

Legal Authorization, Compliance and Enforcement: Priorities cont...

Strategic Infrastructure Development Projects

- To address the identified challenges related to infrastructural build program and lengthy authorisation processes
- Proactive approach for pre-assessment of projects
- Reduction in the number of authorisations required
- Proactive undertaking of Strategic Environmental Assessments, Environmental Management Frameworks, Standard Operating Procedures, Environmental Management Plans per Minister identified geographical areas
- The Department also identified amendments which could be made to the current EIA regulations which will improve the efficiency of the assessment and authorisation tool

Average annual growth of 8.3% over the 7-year period, growth driven by allocations for infrastructure spending and poverty relief projects.

Oceans and Coasts: Priorities

- Implementation of the Oceans Economy Development Strategy
- Oceans and Coastal Hazards Risk Management
 - Collection of information and impacts of climate change on ocean services, vulnerable coastal communities, coastal biodiversity and intensity of storm surges
 - Development of information management systems and operational responses
- Utilisation of SA Agulhas II and the Algoa Research Vessel (180 days at sea)
 - For research purposes in climate change, oceanography, deep ocean environments, biodiversity and marine top predators *
- Use of Helicopters: off-loading for the SA Agulhas II (3 x trips per annum)
 - Antarctica, Gough and Marion, SANAE *
- Oceans Economy Strategy: Phakisa Project
- Forecasting system for Ocean monitoring and global change tracking
- Maintenance of research laboratories: safety, chemical and gas storage facilities. *

Climate Change and Air Quality: Priorities

Implementation of National Climate Change Response Strategy

- Mitigation of climate change potential threats to sustainable development goals
- Coordinate the implementation of the National Climate Change Response Policy (NCCRP) as the Lead Agent
- Integrated adaptation responses: early warning and forecasting systems, research, capacity and technology development for disaster risk reduction
- Determine medium-term (decade-scale) and long-term climate projections that define the range of future climate conditions and associated impacts.
- Research, capacity development, and technology development for disaster risk reduction
- Development of adaptation and response sector plans
- Additional obligations for the department to leverage donor funding
- Monitoring and Evaluation Systems development for Air Quality Information Systems, Green House Gas Emissions, carbon tax offset mechanisms



Biodiversity and Conservation: Priorities

Effective Management and Conservation of Biodiversity

- Implementation of key legislation to fulfil the sustainable development agenda
- Improvement of human capacity and financial resources for the effective management of Biodiversity and Conservation
- road subsidy, parks development, indigenous forests management, Pontoon management, disaster fund,
- Species and ecosystems management governance frameworks development and negative impact mitigation
- Provision of timely detection and responses to illegal wildlife trade activities and poaching
- **Integrated permitting system for NEMBA**
 - review and amendment of national and provincial legislation
 - Capacity development for provincial government
 - Local communities to participate in biodiversity economy
 - Assessment and monitoring of management effectiveness



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Biodiversity and Conservation: Priorities cont...

Pilot Biodiversity Economy Programmes

Skills development for SMMEs in the following areas:

- Wildlife and Hunting Sector
- Nature based enterprises
- – bee keeping industry, hoodia, pelargonium, devils claw, aloes etc
- Wildflowers
- Protected areas – nature based tourism interventions
- Rehabilitation of Drylands
- Bioprospecting, Bio-Economy & Sustainable Use

Expansion of the conservation estate:

- Expansion of ecological sustainability and increased resilience to climate change
- Setting of targets for protected area expansion
- Provision of maps and mechanisms protected area expansion

Environmental Programmes: Priorities

Environmental Programmes: Working for Waste

- Integrated intervention to increase capacity to municipalities for landfill operations, waste collection planning and administration, separation at source and refuse collection
- Awareness Campaigns for impact of waste on health
- Creation of jobs for youth in municipalities as Landfill Site Assistants, Waste Collection Administrators, and Environmental Awareness Educators, construction activities associated with the building or erection of landfill sites, offices, ablution facilities as well as weigh pad platforms at landfill sites across the country
- Piloting of separation of waste at source, capital waste generation stats, percentage of waste recyclable

Environmental Programmes Priorities cont....

Environmental Programmes - Working for the Coast

- Rehabilitation of coastal environment
- Return on Investment: Functioning and benefits from coastal ecosystems. Tourism enhancement. Quality of life benefits for communities
- Main focus: Rehabilitation of degraded sand-dunes, estuaries and coastal environment. Cleaning up of litter on beaches (particularly the risk posed by plastics)
- Upgrading and maintenance of facilities and infrastructure along the coast, including pathways that reduce degradation of coastal environment

Environmental Programmes: Priorities cont....

Green Fund

- Green Fund as a transition mechanism for sustainable job-creation growth path to a low carbon and resource efficient green economy
- Achievement of the first three 'windows' for the Green Fund as agreed to by the Management Committee are projects related to:
 - Greening Cities and Towns,
 - Environmental and Natural Resource Management
 - Low Carbon Economy.

Chemicals and Waste Management: : Priorities

Waste Services Infrastructure

- Implementation of regulations regarding waste management, disposal sites management, landfill sites management, plastic bag management, waste tyre management
- To increase recycling infrastructure and facilities
- Funding to cover infrastructure upgrades (landfills and transfer stations), (involvement of SMME's).
- To address unlicensed landfills and improper operating sites
- Involvement and development of SMME's, Co-operatives to provide waste solutions for urban, informal and rural areas in the following areas:
 - domestic waste management
 - collections, recycling's & reductions in waste disposed in landfill sites
- Proposed regulation development in line with:
 - Separation of waste at source
 - Banning of plastic waste at landfills
 - Prohibition of the burning of waste
 - A regional approach to waste management & disposal
 - A deposit return charge on plastic bottles

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Notes to Allocations & Spending pressures over MTEF

- Compensation of Employees growth based on 6.6% cost of living adjusted per year
- Use of Goods and Services growth at 3% over the MTEF (because of 1%, 2% & 3% annual cuts)
- Budget for integrated permitting system reduced on outer years. Impact discussed with National Treasury
- Allocations to Departmental Agencies, and Expanded Public Works growth at 5.3% over the MTEF

Possible Inflationary increases:

- Vessel operating cost
- Helicopter services
- Antarctica and Islands Research - fuel and supplies
- Funding changes to the establishment
- Funding increases in procurement of goods and services



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Thank You



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