



05 October 2019

## **THE 2018/19 ANNUAL REPORT ANALYSIS OF THE FORESTRY AND NATURAL RESOURCES MANAGEMENT, AND FISHERIES MANAGEMENT BRANCHES**

### **1 INTRODUCTION**

The former Department of Agriculture, Forestry and Fisheries, hereafter referred to as the Department, tabled its 2018/19 Annual Report in terms of section 55(3) of the Public Finance Management Act (PFMA) Act No.1 of 1999 on 27 September 2019. It identified priorities for the year under review and had funds allocated for their achievement. The tabled Annual Report reflects the progress made on the achievement of priorities and provides the Portfolio Committee on Environment, Forestry and Fisheries (hereafter referred to as the Committee) with a formal and final report of performance. Similarly, the tabled report enables the Committee to assess progress towards the achievement of the outcomes set out in the 2014-2019 Strategic Plan of the Department. The 2014-2019 Strategic Plan and the 2018/19 Annual Performance Plan (APP) contribute to other Government priorities.

The South African forestry and fisheries sectors faced various developmental and sustainability challenges during the year under review, some of which needs addressing in the current and years to come. One such challenge is how to develop the rural forestry and coastal fishing communities in a context of climate change, high poverty and unemployment, and growing competition for natural resources.<sup>1</sup> South Africa has committed to delivering on the Sustainable Development Goals (SDGs). The 2030 Agenda aims to enhance governance and development of the fisheries and aquaculture towards food security and nutrition. Furthermore, the use of natural resources should ensure sustainable development in economic, social and environmental terms. On the forestry side, the commitment is to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. These commitments are similar to various overarching national policies that the Department was to implement during the long-term, medium-term and the 2018/19 financial year. The Department has committed to the development and management approaches that will be responsible and collaborative to maintain the social, environmental and economic integrity of South Africa while promoting market access and opportunities.<sup>3, 8</sup>

This brief examines the performance of the Department in terms of set targets (including medium-term outcomes), financial management, governance and human resource matters. The 2014-2019 Medium Term Strategic Framework lists outcomes towards which the Department contributes, and the findings of the Auditor-General over recent years speak to governance matters that the Department had to address as overseen by the Committee. The discussions in this document only focus on the two Branches, the Forestry and Natural Resources Management, and Fisheries Management.



## 2 CORE MANDATE

The Fisheries Management Branch has an entity that carries out most activities called the Marine Living Resources Fund (MLRF). The Fisheries Management function is a national competency, except for some aquaculture functions. Marine Living Resources Act (MLRA), No. 18 of 1998 establishes the MLRF that, in terms of the Public Finance Management Act No. 1 of 1999, is a Schedule 3A Public Entity. The MLRF is the primary source of funding for the operational activities of the Fisheries Management Branch (the Branch) of the Department. The MLRF generates the other income from levies on fish products, licence fees and permits, fines, sales of confiscations, and harbour fees. In terms of section 10(3) of the MLRA, the Director-General of the Department administers the MLRF in consultation with the Minister. The staff of the Fisheries Branch, in partnership with other stakeholders in the fishing industry, execute the functions of the MLRF.

The Forestry Branch derives its core mandate from the Conservation of Agricultural Resources Act (CARA) No. 43 of 1983, National Veld and Forest Fire Act No. 101 of 1998, and the National Forests Act (NFA) No. 84 of 1998. Through CARA, the Department promotes the conservation of the soil, water sources and vegetation and the combating of weeds and invasive plants. The NFA promotes the sustainable management, development and transformation of the sector for the benefit of all. The mandate excludes some aspects of indigenous forests. The Forestry Branch executes the forestry management and development function with internal capacity, short-term contracts and through its partners such as the Forestry Charter Council and the South African Forestry Company Limited, a State-Owned Company (SAFCOL). The Veld and Forest Fire Act is a concurrent and local government function, and pertains to combating fires on land, forests and mountains. The Department directly manages Category B and C plantations (mostly land reform plantations), and indirectly contracted Category A plantations through lease agreements to four private forestry companies and the SAFCOL.

The Fisheries Branch, the MLRF, the Forestry Branch, and the former Department had a shared vision and mission and were also guided by Government's broad national priorities in terms of the Medium Term Strategic Framework (MTSF) priorities and overarching national policies.<sup>2, 10</sup>

## 3 PRESENTATION OF THE 2018/19 ANNUAL REPORT

The Forestry and Fisheries Branches contributed to three of the 14 national outcomes over the MTSF for 2014-2019, as articulated in both the 2018/19 Annual Performance Plans and the 2018/19 Annual Reports, namely:

- Outcome 4 - Decent Employment through inclusive growth;
- Outcome 7 - Vibrant, equitable and sustainable rural communities contributing towards food security for all; and
- Outcome 10 - Protect and enhance our environmental assets and natural resources.



- The annual report is silent on the contribution towards “decent jobs” in the forestry and fisheries sectors. The reported employment in Quarterly Labour Force Surveys was from the agriculture sector (grain, fruits, vegetables and animal production). The created jobs that are verifiable are short-term jobs, mostly under the Expanded Public Works Programme.
- The Department mentioned that the Agro-Forestry Strategy was implemented in Limpopo and Mpumalanga and has resulted in economic growth and employment without mentioning any figures. It will be informative for the Committee to know these baseline statistics and conditions of the project to enable outcomes assessment in the future.

#### 4 PERFORMANCE DURING THE 2018/19 FINANCIAL YEAR

The Department generalises when mentioning the performance of the sector, as though all sectors made a meaningful or equal contribution. While the Department states production figures for the agricultural industry and links it to employment, its report does not connect the production figures for forestry and fisheries to employment. It is worth mentioning that during the Committee briefing of November 2017 and during the presentation on the 2017/18 annual report, the Department admitted that they do not know the value and contribution of the fisheries sector, including its contribution to employment. The employment and economic value figures from the forestry sector are from the private sector.

- During November 2017, the Department mentioned that they had commissioned a study to review the state of the marine fishing sector and answer questions such as employment in the industry, economic contribution, transformation, and other vital indicators. The undertaking to the Committee was to complete the study during the 2018/19 financial year. There should be an update on report from this commissioned study.

##### 4.1 Forestry

The Forestry Branch committed to the achievement of ten targets as set out in the 2018/19 Annual Performance Plan. The Branch fully achieved 80 per cent (8 out of 10) of the set targets and, in some instances, passed targets. This is a slight increase of 2.2 per cent from 77.8 per cent achieved in the 2017/18 financial year. The achieved targets include revitalisation of the Vaalharts Irrigation Scheme, rehabilitation of indigenous forests and agricultural land, draft reports. The missed targets are due for implementation in the 2019/20 financial year.

- It may be necessary for the Committee to get reports on the state of the irrigation scheme, rehabilitated forests and land. The view could be to consider visiting these sites to assess the quality of work done and value for money spent over the years in the provinces.



## 4.2 Fisheries

The Fisheries Branch and the MLRF accounted for all the seventeen targets on the 2018/19 Annual Performance Plans in the annual reports. The Branch fully achieved 52.9 per cent (9 out of 17) of the set targets and, in some instances, exceeded goals. The decline is 5.40 per cent decline from the 58.3 per cent achieved in the 2017/18 financial year. The achievement was 72.7 per cent in the 2016/17 fiscal year. The fully met or exceeded targets include the supported Operations Phakisa projects; finalising the FRAP 2015/16 appeals; development of fish stock recovery plans; fisheries inspections and joint operations under Operation Phakisa. Since the management of patrol and research was under the South African Maritime Safety Authority, the vessels have been operational resulting in the Monitoring, Control and Surveillance function consistently exceeding its set targets. The availability of small crafts, favourable weather conditions and fishing activities are responsible for the sustained achievement of law enforcement targets.

The targets not achieved include creation of jobs under the Working for Fisheries Programme, finalisation of the Aquaculture Development Bill, and the fishing rights allocation to the abalone, lobster and small-scale fisheries. The main reasons for not achieving the targets is due to poor contract management, tabling a Bill towards the end of the Parliamentary term and general administrative challenges.

- The Department reports progress in the development of the inland fisheries policy. The Department should inform the Committee on the status and progress in developing the inland fisheries policy since the publication of the draft National Inland Fisheries Policy Framework for South Africa for public comment on June 2018. The Department has missed this target on an annual basis since its introduction in the 2013/14 financial year.
- One of the matters that often arise is the delays in processing applications for permits and licences. During the 2016/17 financial year, the Department indicated that satellite offices were closed and the workforce was getting thinner translating to high workload. The permit processing and issuing turn-around time was between 16 and 21 working days, has significantly improved to six working days. The responses to queries still take 20 working days ~ a month. This response time is too long by any standard. There are reports that some officials, out of compassion<sup>a</sup>, work extended hours even when they know that they will not be compensated for overtime worked. The Committee should request the Department to update it on its plans and progress on e-permitting, which was proposed as a solution for consideration during the 2017/18 and the year under review.
- Fishers now have to travel to Cape Town to drop their permit application documents or post them. Despite this demanding exercise, there are reports that permit applications are lost regularly, which is frustrating, mainly when fishing seasons are about to open. The Committee should request the Department to explain what it will do differently to

---

<sup>a</sup> Fishers, particularly small-scale fishers, are known to spend nights waiting to be attended to early when the Department opens. This situation is largely for the fishers who have to travel from far-flung villages and towns for government service.



counter this situation, as one of the economically important fishing seasons, the West Coast rock lobster, is about to open on November 2019.

- During the 2016/17 financial year, the Department reported that it did not have a register of fisheries violations, but relied on the SAPS Case Database. This shortcoming was reportedly missed in the 2017/18 financial year and had to be finalised during the 2018/19 fiscal year. This database is crucial for the Department to fulfil the MLRA and fisheries policy requirement of not issuing a fishing right or permit to applicants with a history of violating fisheries laws and regulations. This register would serve a crucial role now that another FRAP is underway. The Committee should seek an update in this regard, as the Department was busy issuing fishing rights during the year under review.
- The Department is gradually progressing towards technological innovation and has piloted a real-time fisheries data capturing technology at some landing sites using tablets and an application called Abalobi. The Committee should request the Department to update it on its assessment of the pilot phase during the year under review.
- Although the Department consistently achieves the target of writing reports and recommendations on the recovery of abalone and West Coast rock lobster stocks, the reality is that these stocks are declining instead of recovering. For example, abalone stocks are no longer viable for a full-scale commercial fishery, while West Coast rock lobster has declined from 2.5%<sup>b</sup> of pristine levels to less than 2 per cent of pristine levels and its economic viability is questionable, particularly the inshore West Coast rock lobster. There is a need for the Department to provide a viable alternative by way of managing the fisheries resources, given that the applied methods are failing.

## 5 FINANCIAL AND AUDIT OUTCOMES

### 5.1 Financials<sup>c</sup>

The Forestry Branch received the adjusted appropriation amounted of R1.522 billion for the 2018/19 financial year. The actual expenditure of the appropriated budget was R1.418 billion or 93.14 per cent, which was R104.396 million or 6.86 per cent lower than the available budget. The underspending was mainly under goods and services (R103.7 million or 44.5 per cent) as a result of failure to spend the R100 million that was allocated under goods and services during the adjusted estimates of national expenditure for the prevention and mitigation of disasters through the land use and soil management projects. Besides, the Department withheld R2.969 million of the Land Care conditional grant to the Gauteng province because of programme business plan and implementation disagreements with the province. The Land Care Programme is part of the EPWP programmes under the Forestry Branch that are implemented in all the provinces. The larger budget goes to the most rural and most deprived provinces – Limpopo, Eastern Cape and Kwa-Zulu Natal.

<sup>b</sup> The acceptable levels or standard in the fisheries sector is for fish stocks to remain above 20% of their pristine levels for a fishery to remain economically and biologically viable.

<sup>c</sup> The financial figures are round off to third decimal place.



The Fisheries Branch received a final appropriation of R490.35 million after a virement of R2.54 million was approved for the 2018/19 financial year. Of that budget, R259.73 million (53 per cent) was transferred to the MLRF, R230.11 million (47 per cent) was for compensation of employees, and the balance was for households. The amount underspent was only R99 000 and roughly means that the Branch spent 99.9 per cent of the appropriated funds, while only achieving 53% of its set targets for the year. The major cost drivers are salaries and the management and operations of the fisheries research and patrol vessels.

The MLRF roughly spent R391.38 million of its R343.70 million total revenue during the 2018/19 financial year, thus ending the financial year with approximately R47.68 million deficit. The deficit is caused by operational costs.

Table 1. The Working for Fisheries Jobs (short-term), and Full-time Equivalents<sup>d</sup> (FTE) and associated financials over the 2014-2019 period.

	2014/15	2015/16	2016/17	2017/18	2018/19
Planned jobs	1250 jobs	535 FTE	600 FTE	558 FTE	544 FTE
Jobs Created	1 385 jobs	658 FTE	1 189 FTE	162 FTE	27 FTE
Available Funds (R million)	R124.25	R128.35	129.35	R175.37	R233
Amount Spent (R million)	R63.43	R70.12	R38.34	R12.05	R5.7
<b>Amount Unspent (R million)</b>	<b>R60.82</b>	<b>R58.23</b>	<b>R 91.01</b>	<b>R154.32</b>	<b>R226.19</b>
Cost per Job	R45 797	R106 565	R63 900	R74 413	R211 111

(Source: the annual reports of respective financial years)<sup>6-9</sup>

- What does the Department plan to do differently to productively spend the allocated grant under the Working for Fisheries programme and avoid the perpetual annual deferrals? It is worth considering that only 546 Working for Fisheries FTEs are planned for the 2019/20 financial year.
- During the year under review, the former Department of Environmental Affairs allocated R19 million to the MLRF to establish Operation Phakisa Ocean Economy units. Only R6.15 million was spent and the balance is expected to be utilised for the intended

<sup>d</sup> FTEs formula was introduced at the end of the 2014/15 financial year and was first used in the 2015/16 financial year to account for the number of days worked. FTE refers to employment that is equivalent to employing one person for one year of 230 effective working days.



purpose during the 2019/20 financial year. The Committee needs to be updated on the progress made to establish the Operation Phakisa unit.

- The contract for Catch Data Monitors expired in 2016/17, and Fisheries Inspectors were deployed to monitor landings. Since this arrangement was instituted, there has been an increase in compliance and law enforcement. Similarly, there has been an increase in unlawful and wrongful arrests. The Department may need to explain this observation that is reported in their annual reports. Furthermore, what is the long-term plan for monitoring landings in all four coastal provinces?
- The Department is reported to be considering increasing application fees, levies and licences to boost its operational revenue. At the same time, the Department blames the decline in revenue since they exempted small-scale fishers from paying most fees and levies. What is the long-term plan to turn the situation around?
- The Department irregularly appointed Willjarro (Pty) Ltd to process, market and sell 90 tons of confiscated abalone with an estimated value of between R45 and R60 million to the Chinese market. The irregularity claim was made by Shamode Trading Investments and confirmed by the Western Cape High Court on November 2017. The agreement was that Willjarro would keep 30 per cent of the profit and the Department would get the remaining 70 per cent, which it would use to fight abalone poaching. The former Minister then appointed Ifirm Trading and Projects at a cost of R498 000 to investigate the allegations of tender irregularities. In the process, it was alleged that the former Minister, the DDG and three other departmental officials are involved in corruption and bribes involving millions of Rands and collusion with a Chinese mafia boss.<sup>e</sup> The Department should update the Committee on the progress made on this matter, including the progress on investigations or charges against all parties or individuals. Furthermore, there should be an update on the suspension of the Fisheries DDG in relation to this matter or others.
- In March 2018, the Royal Court of Jersey awarded the Department a \$67 million (~R851 million) claim against former Cape Town businessman, Mr Arnold Bengis and his trusts. Bengis, who owned Hout Bay Fishing Industries, pleaded guilty in 2002 to 28 charges under the Marine Living Resources Act. The Department mentioned that diplomatic channels and legal remedies were pursued to access the \$22 million held in trusts associated with Bengis that are registered in Jersey, as well as the balance of \$45 million. The Willjarro and Bengis cases have cost the Department (MLRF) in excess of R50 million of legal services from B Xulu and Partners.<sup>f</sup> The Department mentioned that the repatriation would be finalised during the year under review, and there are reports that the funds were transferred to the MLRF. There should be an update on the value of the repatriated amount, the purpose that it has served so far, the final legal costs of getting the money, as well as the process of appointing the law firm.
- The Department should update the Committee on what has happened to the 14 fisheries inspectors who had taken bribes to facilitate poaching of West Coast rock lobster in the Bengis case.

<sup>e</sup> <https://goo.gl/TVmS7V> ; <https://goo.gl/sFZ34p> ; National Assembly written reply to question no. 1102 / NW1194E.

<sup>f</sup> <https://bit.ly/2Jqhfcq> ; National Assembly written reply to question no. 1102 / NW1194E ; <https://bit.ly/2J5HqBV>



- One of the avenues of supplementing funds is the sale of confiscated fishing equipment, fish and fish products. During the year under review, the Department had many confiscations; however, none were auctioned<sup>9</sup> due to supply chain challenges. During quarterly briefings, the Department mentioned that some of the confiscated fish was decomposing due to poor handling or storage conditions. The Committee may need to know the volumes of the confiscated fisheries resources, their current market value and immediate plans on their disposal.

## 5.2 Audit

The former Department of Agriculture, Forestry and Fisheries obtained a qualified audit opinion on its performance during the 2018/19 financial year. The main contributor to the audit finding is the Forestry Branch. The repeat or ongoing findings are the inability to appropriately quantify and provide evidence on the value of biological assets (forests); and poor controls and oversight on biological assets and unreliable reports – ineffective monthly, quarterly and year-end reconciliation processes. The Department struggled throughout the 2014-2019 period to address these challenges and the leadership matters (acting arrangements, infighting, and lack of leadership and oversight from the Executive Authority). The department had previously assured the Committee that they would conduct a study to determine the total value of the forests and set up effective systems for regular reporting and attend to the security challenges.

- The Committee may need to enquire on the implementation of a plan to improve the management of biological assets and the effective and efficient reporting systems to address the repeat findings.
- In 2016, the SAFCOL was in negotiations with the Department to take over the management and development of all the commercial State forests (excluding indigenous forests). The 2016/17 Annual Report of SAFCOL indicates that the Department was reluctant to transfer the responsibility. Besides that, SAFCOL was established under the Management of State Forests Act No. 128 of 1992. The National Forests Act No. 84 of 1998 replaced the Management of State Forests Act.

The Auditor-General (AG) issued the MLRF with a disclaimer audit opinion based for the 2018/19 financial year. This opinion follows a qualified audit report with matters of emphasis with findings for the 2017/18 fiscal year. The audit outcome indicates a further regression and lapse in addressing the significant issues that were raised by the AG in the previous two fiscal years. The last disclaimed audit finding was in the 2005/06 financial year where there were 20 areas of qualifications. The 35 results in the 2018/19 financial year broadly reflect on leadership and management weaknesses. The MLRF has been without a Chief Financial Officer since 2011 and a Supply Chain Manager since 2014. During September 2019, the Committee, the AG and the Department discussed the audit findings, the root causes and

---

<sup>9</sup> It is alleged that the auction process is marred by collusions and irregularities wherein auctioneers agree on prices to be offered so that they can generate maximum profits. Another allegation is that some individual responsible for poaching end up buying the auctioned resources at reduced prices.





required actions. The next phase would be the development, implementation and monitoring of a turnaround plan to address all the root causes during the 2019/20 financial year.

- During the 2018/19 financial year, the Department assured the Portfolio Committee that the matters raised by the AG in the 2017/18 financial year were on course of being resolved. The 2018/19 disclaimed finding may indicate negligible actions to correct the root causes of the regrettable findings, particularly given that some repeat findings have become almost a permanent feature from the Auditor General's report.
- The Department may need to clarify the issues relating to the procurement deficiencies, highlighting the measures that will be taken to correct the situation. The Auditor-General found a repeat of underspending on conditional grants.
- The AG did not obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure and fruitless and wasteful expenditure as required by the PFMA. The Department needs to explain why this has been the case, what has since been done and what are the timelines of events for correcting this irregularity.
- The MLRF Management did not implement adequate processes to ensure that a credible set of financial statements was prepared in compliance with the reporting framework as the internal review procedures were inadequate to identify and correct material misstatements in the financial statements and underlying records. Adequate compliance monitoring processes were also not implemented, resulting in material noncompliance being reported for the area of supply chain management.

### **5.3 Leadership instability and administrative deficiencies**

Leadership instabilities have rocked the entity during the year under review, resulting in lack of oversight and related weaknesses, as was the case in the previous financial years. The Executive Authority of the Department committed to review and consult on the institutional arrangements that exist between the MLRF and the Fisheries Management Branch on whether to integrate the entity into the Fisheries Management Branch or to transfer the Fisheries Management Branch to the Entity and establish full governance and executive structure for accountability. This project has been ongoing since the presidential proclamations of 2010 and has effectively spanned over two parliamentary terms without any tangible outcome. The Branch still maintained its separate functions such as communications, human resources, information technology, legal services, international relations and stakeholder engagements. During the period 2010 to 2018, the process of integration could not be finalised. The Committee may need to closely monitor the "new integration", following the announcement of cabinet restructuring.

The Forestry and Fisheries Branches ended the financial year with a record high level of vacancies in the Department. Forestry had 2 405 approved posts of which only 1 811 were filled. The Forestry vacancy rate increased from the 18 per cent of the 2017/18 financial year to the 24.7 per cent in the year under review. The Fisheries branch had 563 approved posts of which 449 were filled, translating to a relatively similar vacancy rate of 20.2 per cent when



compared to the 20.8 vacancy rate of the 2017/18 year. These vacancy rates may change after the rationalisation and merger or full integration with the new Department. The Department may need to inform the Committee on the number of prioritised posts for filling in the Forestry and Fisheries branches as well as posts that will be abolished.

- On average, the Department has consistently under-performed<sup>h</sup> by achieving a score of 2.8 when assessed by the Department of Planning, Monitoring and Evaluation (DPME) using the Management Performance Assessment Tool.<sup>4</sup> The assessed areas and their scores are 3.0 on Strategic Management, 2.4 on Governance and Accountability, 2.4 on Human Resource Management, and 3.4 on Financial Management. This performance is somewhat aligned with the findings from the AG. It will be important for the Committee to invite the DPME and the Department to explain the root causes, the corrective actions, the reasons for continued under-performance and the target score for the 2019/20 financial year.
- The area that will need closer monitoring in the 2019/20 financial year is the role of the ethics and anti-corruption officer. During the year under review, the appointed officer did not have a signed job description, no performance agreement, and the Ethics Committee members opted not to sign their appointment letters to confirm accepting the ethics and anti-corruption roles. There are no provided reasons for the lack of cooperation from the Ethics Committee. There are further no provided reasons for the Ethics Committee to skip attending the prescribed training course by the National School of Government.
- During the year under review, all 112 SMS<sup>i</sup> completed their financial disclosures; 91 out of 149 (MMS 11) did not disclose; 47 out of 91 (MMS 12) did not disclose; 17 out of 45 OSD 12 did not disclose; 2 out of 17 PSR did not disclose. The standard requires a 100% disclosure. The report does not specify the breakdowns of these figures according to departmental Branches. Notwithstanding this challenge, for the 2018/19 financial year, the Department opted not to investigate or take any action against identified employees with conflict of interest.
- One of the matters of concern raised by the Public Service Commission on their 2017 Report<sup>11</sup> was managers who are engaged in Remunerative Work Outside the Public Service. This matter may need close monitoring as there reports in general that conflict of interest often arises from such work.
- Human resources matter that needs improvement on is the duration of a disciplinary process. The prescribed period for concluding a disciplinary case is within 90 days; however, one average a disciplinary process took 135 days. Some of these cases ended up withdrawn.

---

<sup>h</sup> The compliance score needs to be at least three, while the best performance score is five.

<sup>i</sup> SMS means Senior Management Service; MMS means Middle Management Service; OSD is Occupational Specific Dispensation; and PSR refers to employees that occupy personal notches as provided for under the Public Service Regulations.



## 6 OTHER MATTERS OF CONSIDERATION

- The Department would need to report on the outcomes during the 2014-2019 period in relation to the strategic outcomes that were prioritised by the Government. This will help the Committee to gauge the contribution of the Committee to key strategic outcomes such as employment, food security, economic development, the reduction of poverty and inequality. Most of departmental programmes and activities were not linked to continuous assessment to achieve the desired outcomes. The 2018/19 financial year was not different.
- The Department has consistently had the plan to decentralise its services to all relevant provinces, harbours and airports. This plan has remained a plan for the whole 2014-2019 period without any meaningful progress despite repeated assurances.
- South Africa is a Member of the Benguela Current Commission<sup>i</sup>, and the Department represent the country's interests through its commissioners in this intergovernmental initiative. South Africa lost its chairpersonship position and is reported to have engaged in a war of words and traded accusations and insults with the other commissioners.<sup>5</sup> The arguments centred on arrogance, entitlement and bullying. The Department may need to explain

## 7 CONCLUDING REMARKS

There is an urgent need to address the leadership instabilities that continue to dog the Forestry and Fisheries branches. The lack of oversight could affect the Department's ability to deliver on its mandate of ensuring sustainable development of the forestry and fisheries sectors. The Committee may need to engage SAFCOL with a view of assisting the Forestry branch on its biological assets or possible transfer of that function. Resolving this matter on biological assets should be prioritised because it has the potential of affecting the audit outcomes of the new Department. Similarly, resolving the governance matters in the Fisheries Branch will go a long way in addressing the poor contracts management and non-compliance with the PFMA and supply chain prescripts. The ongoing restructuring or amalgamation process in the Department is an opportune moment to set these two branches on better footing.

---

## 8 REFERENCES

1. DAFF. (2018). *The 2017/18 Annual Report of the Department of Agriculture, Forestry and Fisheries*. Pretoria, South Africa: Department of Agriculture Forestry & Fisheries.
2. Department of Agriculture Forestry & Fisheries. (2018). *Annual Performance Plan 2018/19 of the Department of Agriculture, Forestry and Fisheries*. Pretoria: Department of Agriculture, Forestry and Fisheries.

---

<sup>i</sup> In 2007, the Governments of Angola, Namibia and South Africa established the Benguela Current Commission to promote a coordinated regional approach to the long-term conservation, protection, rehabilitation, enhancement and sustainable use of the Benguela Current Large Marine Ecosystem, to provide economic, environmental and social benefits.



3. Department of Agriculture Forestry & Fisheries. (2019). *The 2018-2019 Annual Report of the Department of Agriculture, Forestry and Fisheries*. Pretoria: Department of Agriculture, Land Reform and Rural Development.
  4. Department of Planning Monitoring and Evaluation. (2019). *2018-2019 Final Assessments Report of the Department of Agriculture, Forestry and Fisheries*. Pretoria: Department of Planning Monitoring and Evaluation.
  5. Immanuel S. (2019). *War of words hits Benguela commission* [Internet]. Online: The Namibian; 2019 [cited 15 September 2019]. Available from: <https://www.namibian.com.na/192474/archive-read/War-of-words-hits-Benguela-commission>.
  6. Marine Living Resources Fund. (2016). *Annual Report of the Marine Living Resources Fund - 2015-2016*. Cape Town: Department of Agriculture Forestry & Fisheries, Contract No.: RP 281/2016.
  7. Marine Living Resources Fund. (2017). *The Annual Report for the Marine Living Resources Fund 2017/2018 financial year*. Cape Town: Department of Agriculture, Forestry and Fisheries, RP 258/2017.
  8. Marine Living Resources Fund. (2019). *The 2018-2019 Annual Report of the Marine Living Resources Fund*. Pretoria: Department of Agriculture, Forestry and Fisheries, Contract No.: RP394/2018.
  9. MLRF. (2018). *2017/18 Annual Report of the Marine Living Resources Fund*. Cape Town: Department of Agriculture, Forestry and Fisheries, Contract No.: RP394/2018.
  10. MLRF. (2018). *Marine Living Resources Fund Annual Performance Plan For the Fiscal Year 2018/2019*. Cape Town: Department of Agriculture Forestry & Fisheries.
  11. Public Service Commission. (2017). *Overview of the implementation of the financial disclosure framework: Financial year 2015/2016*. Pretoria: Public Service Commission.
-