

SANBI

Biodiversity for Life

South African National Biodiversity Institute



SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE

**Annual Report and External Audit Report
2020/21 Financial Year**

**PORTFOLIO COMMITTEE ON
FORESTRY, FISHERIES AND THE
ENVIRONMENT, (PCFFE)
17 November 2021**

**Mr Shonisani Munzhedzi
Chief Executive Officer**

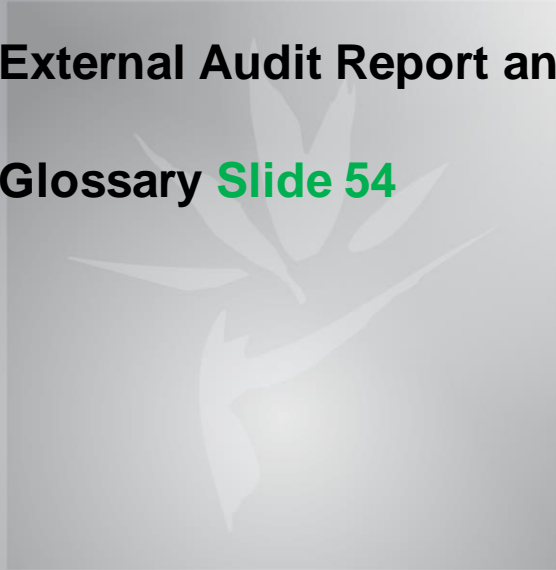


SANBI Delegation

- **Mrs Beryl Ferguson, SANBI Board Chairperson**
- **Mr Shonisani Munzhedzi, Chief Executive Officer**
- **Ms Carmel Mbizvo, Head Biodiversity Science and Policy Advice**
- **Ms Lorato Sithole, Chief Financial Officer**
- **Mr Elliot Mashile, Chief Operations Officer**

Presentation Outline

- Challenges that impacted on the implementation of planned activities **Slide 4**
- SANBI's 4 Programmes **Slide 5**
- Annual Organisational Performance **Slides 6 – 33**
- External Audit Report and Financial Performance **Slides 33 – 53**
- Glossary **Slide 54**



Challenges which impacted on the implementation of planned activities

Covid 19 restrictions that impacted on organisational performance

- Ongoing monitoring and management of the budget and capacity constraints were conducted to limit the impact on operations and the achievement of APP targets.
- A Post-COVID-19 Marketing Plan with clear deliverables was developed and additional marketing platforms utilised to increase revenue.
- Efforts made to strengthen marketing campaigns to improve visitor numbers in National Botanical and Zoological Gardens.
- The allocation of funds from the Presidential Employment Stimulus Programme to the National Botanical Gardens and National Zoological Garden assisted in relieving pressure on SANBI's operations.
- The 'Lockdown and Working From Home Policy' provided opportunities to conduct planned implementation of online engagements/workshops/seminars with a wider reach to stakeholders/delegates.

Employee stress and anxiety during COVID-19

- Employee support and implementation of coping mechanisms adopted during the various stages of COVID-19 lockdown improved productivity in some areas and contributed towards achievement of targets.

SANBI's 4 Programmes

1: National Botanical and Zoological Gardens

2: Biodiversity Science and Policy Advice

3: Human Capital Development and Transformation

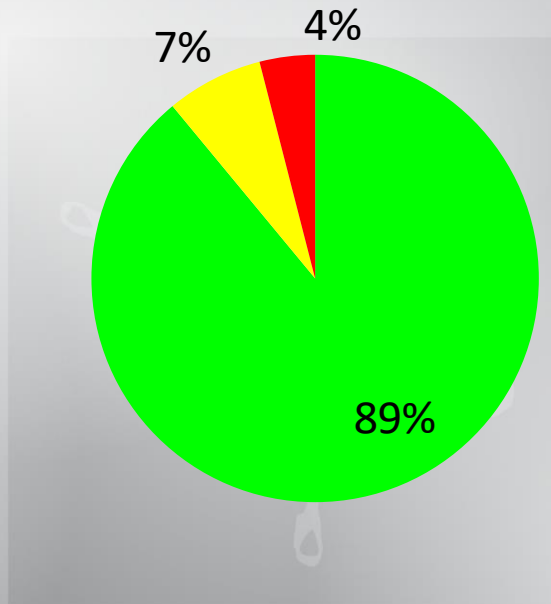
4: Administration

OVERALL SUMMARY OF ANNUAL PERFORMANCE

Programme	% On target	% Work in progress	% Off Target	% No Milestone
National Botanical and Zoological Gardens	56% (5/9)	22% (2/9)	22% (2/9)	—
Biodiversity Science and Policy Advice	94% (16/17)	6% (1/17)	—	—
Human Capital Development and Transformation	100% (5/5)	(0/5)	—	—
Administration	100% (13/13)	(0/13)	—	—
	89% (39/44)	7% (3/44)	4% (2/44)	(0/44)

OVERALL SUMMARY OF ANNUAL PERFORMANCE

% On target	% Work in progress	% Off Target	% No milestone
89% (39/44)	7% (3/44)	4% (2/44)	(0/44)





PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Infrastructure Development & Maintenance	Number of maintenance, development and capital infrastructure projects completed.	45 maintenance/ development projects and 2 SANBI capital infrastructure projects completed.	Achieved. 45 maintenance/ development projects and two (2) SANBI capital infrastructure projects completed.
	New and refurbishment infrastructure projects for Kwelera and Thohoyandou botanical gardens implemented.	One infrastructural development project for the Kwelera National Botanical Garden completed.	Achieved. One infrastructural development project (new boundary fence) for the Kwelera National Botanical Garden completed.
		Plant collections nursery shade structure established.	Achieved. Plant collections nursery shade structure established.

PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

	Output Indicator	2020/21 Annual Target	Programme Annual Progress and Analysis
Visitors	Number of visitors to NBGs and NZG. 	432,443 visitors to NBGs and NZG combined. 	<p>Achieved</p> <p>939,256 visitors to NBGs and NZG combined for 2020/21 FY.</p> <p>NBGs and NZG provided valuable and popular local outdoor tourist destinations following relaxation of COVID-19 lockdown levels</p> <p>Gardens exceeded expectations in terms of visitor numbers following their re-opening after several months of lockdown in August 2020 (NBGs) and September 2020 (NZG) and several marketing interventions.</p>

PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Conservation & Partnership (Botanical & Zoological)	Number of indigenous species added to the living collections of the national botanical gardens and/or MSBP.	NBGs: At least 20 indigenous plant species added to the living collections of the combined network of NBGs and/or the Millennium Seed Bank Partnership.	Achieved (Exceeded annual target by 144) NBGs: 164 indigenous plant species added to the living collections of the Millennium Seed Bank Partnership Reasons for exceeding target: successful targeted field trips undertaken by seed collectors resulting in additional species collected for the MSBP.
	Number of conservation programmes in the NZG.	NZG: At least 4 faunal conservation programmes which NZG is involved in partnership with identified key stakeholder.	Partially achieved. 2 MOU's signed by SANBI with the Mabula Ground Hornbill Project and Pan African Association of Zoos and Aquariums. Challenges: Delays in finalising MOU's with partners. Corrective measures: High level intervention to finalise outstanding MOU's with parties in agreement.



PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Scientific Information Exchange	Number of studbooks published under regional and international associations of zoos and aquaria.	2 international studbooks published 5 regional studbooks published	<p>Partially achieved.</p> <p>6 of the 7 studbooks were completed.</p> <p>Challenges: Coordinating dynamics with international partners on studbooks.</p> <p>Corrective measures: Heightened relationships with partners in the ZOO network.</p>

PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Environmental Education	<p>Number of beneficiaries participating in 'Kids in Gardens' Programme to promote biodiversity awareness, education and recreation and science engagement programmes at the NZG.</p> 	<p>8,000 beneficiaries participating in 'Kids in Gardens' Programme in NBGs.</p> 	<p>Off-target</p> <p>1,951 beneficiaries participated in the 'Kids in Gardens' Programme in NBGs.</p> <p>Challenges: School excursions and transportation to NBGs' were affected by lockdown restrictions that were imposed during the second wave of COVID-19. As a result, limited bookings were received by various education centres.</p> <p>Corrective measures: Kids in Gardens will resume to normality as soon as all national COVID-19 related risks are under control. Another mitigation measure is that online programmes for Kids in Gardens are due to be introduced in FY 2021/22.</p>

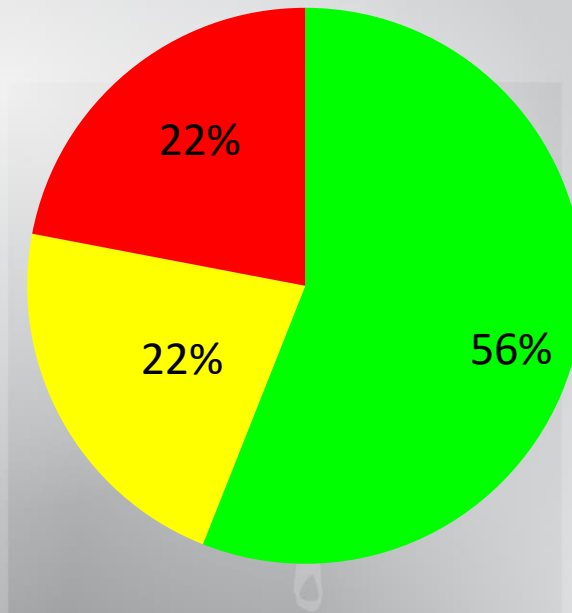
PROGRAMME 1 : NATIONAL BOTANICAL AND ZOOLOGICAL GARDENS

OUTCOME: The network of National Botanical and Zoological Gardens are managed and maintained for conservation, research, recreation, education and awareness

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Environmental Education	Number of beneficiaries participating in 'Kids in Gardens' Programme to promote biodiversity awareness, education and recreation and science engagement programmes at the NZG.	18,000 learners visiting the NZG and/or participating in science engagement opportunities.	<p>Off-target</p> <p>2978 learners visiting the NZG and/or participating in science engagement opportunities.</p> <p>Challenges: Very low number of schools visiting the garden due to COVID-19 pandemic. Schools not releasing learners for trips due to the pandemic.</p> <p>Corrective measures: Engagement with Department of Basic Educations (DBE) on strategies to improve the leaners visitation to the NZG and develop a mechanism for online programmes to be introduced in FY 2021/22.</p>

PROGRAMME 1: ANNUAL SUMMARY OF PERFORMANCE

% On target	% Work in progress	% Off Target	% No milestone
56% (5/9)	22% (2/9)	22%(2/9)	-



PROGRAMME 2 : BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Classification and categorization	Number of plant and animal species for which descriptive information has been compiled.	Descriptive information on 1,400 South African animal and plant species compiled .	Achieved (Exceeded annual target by 5). Descriptive information for 1405 South African animal and plant species was compiled. The exceeded target is due to the composite nature of taxonomic groups whereby the number of species remains uncertain until the end of descriptive and classification work.
	Number of biodiversity collection records digitised and added to databases.	56 000 biodiversity records digitised and added to database.	Achieved (Exceeded annual target by 256). Overall achievement of 56 256 (35 000 animal and 21 256 plant) biodiversity records were digitised and added to databases. The exceeded target by 256 was due to staff spending extra hours working on digitising specimens to compensate for lost time during covid-19 hard lockdown.
	Number of botanical artwork and collection slides digitised.	5000 botanical artwork and collection slides digitized.	Achieved (Exceeded annual target 1000) 6000 botanical artwork and collection slides were digitized. The target was exceeded by 1000 because staff were able to proceed with digitising slides when unable to do other activities during lockdown

PROGRAMME 2: BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Digitization of manual records	Number of biodiversity records published .	59,400 biodiversity records published.	Achieved. Annual target of 59 400 biodiversity records published.
List of Names (Scientific & Common)	Number of version releases of biodiversity checklists.	2 versions releases of biodiversity checklists .	Achieved. 2 versions releases of biodiversity checklists.
Tissue samples for DNA Analysis	Number of wildlife biomaterials added/accessioned.	1000 wildlife biomaterials added to biobank.	Achieved (Exceeded annual target 1015) A total of 2015 wildlife biomaterials were added to biobank for the year, thus exceeding the annual target. This was due to an exceptionally high number of lion bone and DNA material (800) received for cataloguing, and subsequently added to the biobank.

PROGRAMME 2: BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Ecosystem Classification	Number of version releases of ecosystem classifications and maps.	2 version releases for ecosystem classifications and maps (terrestrial), wetlands.	Achieved. 2 version releases for ecosystem classifications and maps (terrestrial), wetlands were achieved.
Increasing Knowledge base (Research Papers & Partnerships)	Number of research papers published in journals accredited by DHET.	110 research papers in journal accredited by DHET	Achieved (Exceeded annual target by 38) 148 papers published. Lockdown and the ability to work to from home has provided the time to analyse datasets and complete papers. In addition, a special issue in the journal Neobiota published 13 papers.
	Number of cooperative research networks established or convened to generate knowledge.	3 cooperative research networks convened (marine, biodiversity economy, freshwater.	Achieved. 3 cooperative research networks convened (marine, biodiversity economy, freshwater. Annual reports on progress with research networks completed.

PROGRAMME 2: BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Regulation Compliance & Decision making	Number of risk analyses developed for alien & invasive species.	45 additional risk analyses developed for alien & invasive species.	<p>Partially Achieved.</p> <p>26 additional risk analyses developed for alien & invasive species.</p> <p>Challenges: Limited capacity and turnaround time for external reviewers and assessors.</p> <p>Corrective measures: Procurement of additional capacity.</p>
Assessment , monitoring & Reporting (Status & Trends)	Number of assessments completed and dashboard of national indicators developed and maintained.	1 additional assessment completed and report compiled (Biological Invasions) .	<p>Achieved.</p> <p>The Board approved report was submitted in January 2021 to the Minister Forestry, Fisheries and the Environment (DFFE) and key Departments.</p>

PROGRAMME 2: BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Trade Decision support	Number of annual updates for Non-Detriment Findings for the Scientific Authority produced.	1 update for Non- Detriment Findings for the Scientific Authority.	Achieved. Final update on NDFs approved by Scientific Authority.
Proactive Policy Advice	Number of tools and knowledge resources developed to support mainstreaming of biodiversity assets and ecological infrastructure.	2 decision support tools and 3 knowledge resources developed.	Achieved. Two decision support tools: Terrestrial Animal and Plant Species Protocols (Q2) and Ecosystem Guideline for the Albany Thicket Biome (Q4). Three knowledge resources: Mapping biodiversity priorities in Africa and beyond (Q2), National Capital Accounting (factsheet), and Lessons learnt and sustainability report: Land under better management (Q4).

PROGRAMME 2 : BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Proactive Policy Advice	Percentage of relevant written requests from DFFE and other organs of state responded to within the timeframe stipulated in the request.	100% of relevant written requests from DFFE and other organs of state responded to within timeframe stipulated.	Achieved. Three (100%) relevant written requests responded to: Draft amendments to the National Estuarine Management Protocol; Proposed amendments to the Environmental Impact Assessment (EIA) Regulations 2014, and listing notices published under NEMA, 1998; and the Interim Report of the Intergovernmental Working Group on effective policy and implementation for addressing drought under the United Nations Convention to Combat Desertification (UNCCD).
Knowledge sharing	Number of co-ordination or learning mechanisms convened to share lessons and strengthen collaboration among relevant partners.	3 co-ordination or learning mechanism convened.	Achieved (Exceeded annual target by 1). Four learning events held: Provincial and Metro Biodiversity Planning Working Group (Q3), National NCA Strategy Stakeholder Workshop (Q3), Partnerships for Sustainable Landscapes Dialogue (Q3), and 2 nd National Indaba on Ecological Infrastructure (Q4). The annual target was exceeded by one learning or coordination event as the opportunity arose to host the National NCA Strategy Stakeholder Workshop in Q3 via an online platform. Four learning or coordination events were hosted via online platforms. Online platforms allow more events to be held as there are less logistics involved.

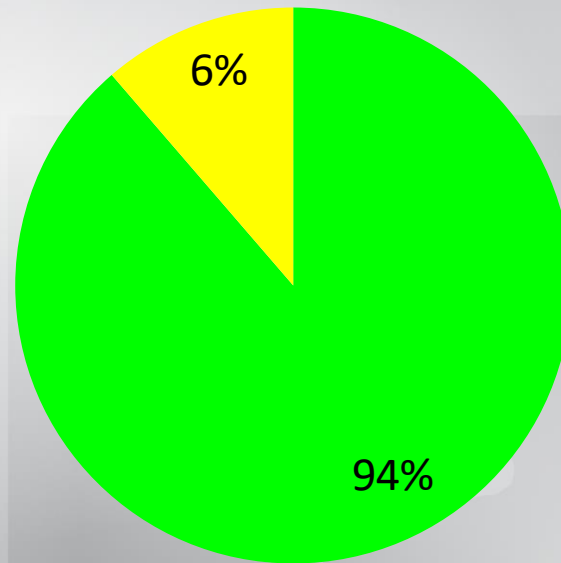
PROGRAMME 2 : BIODIVERSITY SCIENCE AND POLICY ADVICE

OUTCOME: The state of biodiversity is assessed, relevant knowledge and evidence is generated, and this informs implementation and the provision of policy support and advice

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Knowledge sharing	Number of training events convened to build capacity among relevant partners.	2 training events convened.	<p>Achieved (Exceeded annual target by 1).</p> <p>Three training events convened: Malawi National Red List Working Group training (Q3), SANBI BLU EIA Training Course: Biodiversity for Sustainable Development, and Biodiversity Stewardship Online Training and Capacity Building.</p> <p>The opportunity arose to host the Malawi National Red List Working Group training via an online platform in Q3. Online platforms allow more events to be held as there are less logistics involved.</p>
Resource Mobilization	Number and value of Adaptation Fund and Green Climate Fund projects approved for implementation.	1 first stage proposal with a value of at least USD 10 million submitted to the Green Climate Fund for consideration.	<p>Achieved.</p> <p>1 first stage proposal with a value of at least USD 10 million was submitted to the Green Climate Fund for consideration.</p>

PROGRAMME 2: ANNUAL SUMMARY OF PERFORMANCE

% On target	% Work in progress	% Off Target	% No milestone
94% (16/17)	6% (1/17)	–	–



PROGRAMME 3 :HUMAN CAPITAL DEVELOPMENT AND TRANSFORMATION

OUTCOME: A transformed and suitably skilled workforce and active citizenry is developed to strengthen the biodiversity sector

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Human Capital Development	Number of black biodiversity professionals supported through Human Capital Development (HCD) interventions in SANBI	Achieved (Exceeded annual target by 9).	
		75 Work Integrated Leadership (WIL) student placements	130 WIL placements interns and GS placements
		113 interns and Groen Sebenza pioneer placements	89 interns and GS placements
		18 Postgraduate degrees (Honours, Masters and Doctoral) completed	5 postgraduate degrees completed
		22 postgraduate student bursaries awarded	13 postgraduate bursaries awarded 237/228x100
			Exceeded target due to additional placement of SAASTAinterns.

PROGRAMME 3 :HUMAN CAPITAL DEVELOPMENT AND TRANSFORMATION

OUTCOME: A transformed and suitably skilled workforce and active citizenry is developed to strengthen the biodiversity sector

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Environmental Awareness Education	Number of teachers and teacher educators participating in foundational building activities	One online seminar conducted	Achieved. One online seminar conducted with 253 participants reached through the seminar held in Q3.
	Number of teachers and teacher educators participating in foundational building activities.	20 teachers participated	Achieved (Exceeded annual target by 36). 56 teachers/educators participated. Reasons for exceeding target was due was due to the fact that the course was held online and more teachers participated in the programme.

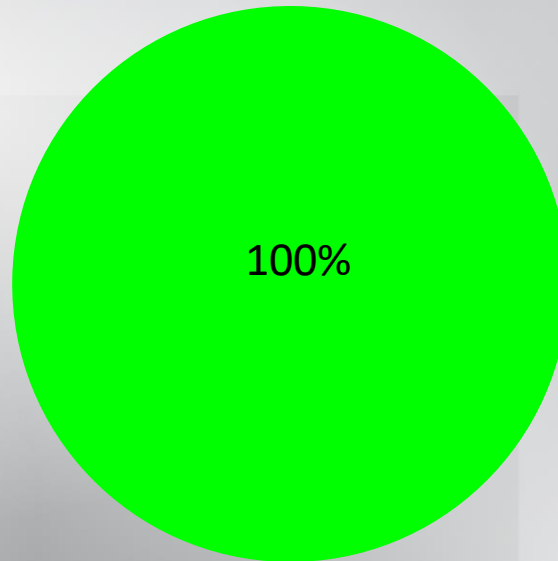
PROGRAMME 3 :HUMAN CAPITAL DEVELOPMENT AND TRANSFORMATION

OUTCOME: A transformed and suitably skilled workforce and active citizenry is developed to strengthen the biodiversity sector

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Environmental Awareness Education	Number of teachers and teacher educators participating in foundational building activities.	20 higher education institutions participating in Biodiversity Careers Programme	Achieved (Exceeded annual target 12). 32 HEIs reached in Q2 through an online programme. Reasons for exceeding target was due to the fact that the course was held online and higher educational institutions participated in the Programme.
	Number of citizen science platforms implemented and percentage increase in involvement of youth and rural communities	2 citizen science platforms implemented (CREW, iNaturalist) and benchmark for involvement of youth and rural communities	Achieved. 2 citizen science platforms implemented (CREW, iNaturalist) and benchmark for involvement of youth and rural communities. Annual reports for CREW and iNaturalist.

PROGRAMME 3: ANNUAL SUMMARY OF PERFORMANCE

% On target	% Work in progress	% Off Target	% No milestone
100% (5/5)	–	–	–



PROGRAMME 4 :ADMINISTRATION

OUTCOME: Improve financial sustainability and provide effective corporate services to achieve the mandate of SANBI

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Administration and Corporate Services, Compliance	Percentage availability/uptime of ICT systems for internal and external customers.	90% of ICT uptime for internal and external customers.	Achieved. 90% of ICT uptime for internal and external customers was achieved.
	Percentage of planned risk mitigation plans implemented.	100% of risk mitigation plans implemented.	Achieved. 100% of risk mitigation plans implemented (44 out of 44 planned actions. achieved).
	Percentage compliance with the SANBI compliance schedule.	100% compliance as per the compliance schedule.	Achieved. 100% compliance as per the compliance schedule.
	Marketing and brand communication platforms and initiatives identified and utilised.	25 marketing platforms.	Achieved (Exceeded annual target by 5) 30 marketing platforms were achieved. To mitigate the effect of COVID-19 several media releases were issued which lead to additional media coverage. Furthermore, a post-COVID-19 marketing plan was developed that had clear deliverables.

PROGRAMME 4 :ADMINISTRATION

OUTCOME: Improve financial sustainability and provide effective corporate services to achieve the mandate of SANBI

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Administration, Corporate Services	Percentage increase of own income generated.	70% year-on-year decline on income generated	<p>Achieved (Exceeded annual target).</p> <p>Year-on-year income generated is 60% reduction (R98 million). Year to date income of R57 974 521 was generated compared to R150 435 322 in the previous financial year.</p> <p>The year-on-year decrease in own income generated was lower than it was projected. The income realised from tenants was better than anticipated.</p>
	GRAP and PFMA compliant annual financial statements.	Unqualified external audit opinion without finding .	<p>Achieved (Exceeded annual target).</p> <p>90% of the 2019/20 external audit findings were addressed. 45 of the 49 findings have been addressed</p> <p>91% of the internal audit findings from the 2020/21 cycle were addressed. 67 of the 74 findings have been addressed. Improvement of internal controls was prioritised throughout the financial year and recommendations from the auditors were implemented.</p>

PROGRAMME 4 :ADMINISTRATION

OUTCOME: Improve financial sustainability and provide effective corporate services to achieve the mandate of SANBI

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Broad Based Black Economic Empowerment	Increased percentage of procurement to BBBEE (Black ownership).	80% procurement to BBBEE suppliers.	<p>Achieved (Exceeded annual target).</p> <p>90% procurement to BBBEE suppliers. From the total procurement spend of R80 969 556, there was R72 686 660 spent on BBBEE suppliers. Procurement from BBBEE suppliers was prioritised.</p>
		65% procurement to BBBEE suppliers with over 50% Black ownership.	<p>Achieved (Exceeded annual target).</p> <p>90% procurement to BBBEE suppliers. From the total procurement spend of R80 969 556, there was R72 686 660 spent on BBBEE suppliers. Procurement from BBBEE suppliers was prioritised.</p>

PROGRAMME 4 :ADMINISTRATION

OUTCOME: Improve financial sustainability and provide effective corporate services to achieve the mandate of SANBI

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Employment Equity	Percentage of payroll spent on staff development.	0.25% of (actual) quarterly payroll spent on staff development.	<p>Achieved (Exceeded annual target).</p> <p>0.31% of (actual) payroll spent on staff development. (R1 189 773/R376 465 672x100) Additional staff development initiatives took place in quarter 4.</p>
	Percentage compliance to the Employment Equity targets.	42% of staff in full-time employment are female.	<p>Achieved (Exceeded annual target).</p> <p>46.4% (451/972x100) of staff in full time employment are female</p> <p>The labour turnover rate for this quarter was lower than projected.</p>
		42% of staff in top and senior management are female.	<p>Achieved (Exceeded annual target).</p> <p>48.5% (16/33x100) of staff in top and senior management are female.</p> <p>The labour turnover rate for this quarter was lower than projected.</p>

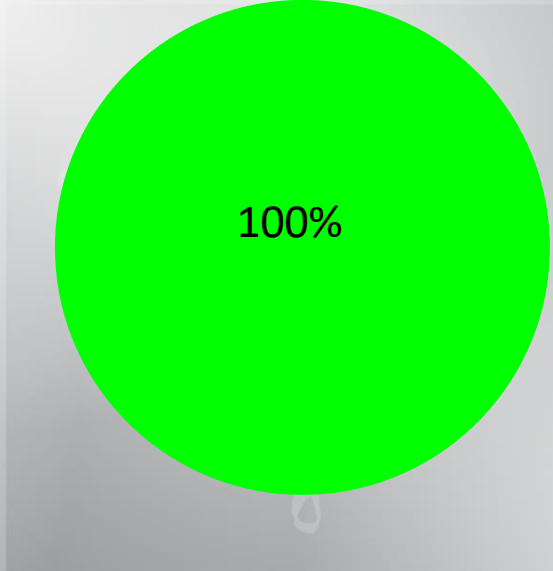
PROGRAMME 4 :ADMINISTRATION

OUTCOME: Improve financial sustainability and provide effective corporate services to achieve the mandate of SANBI

Output Indicator		2020/21 Annual Target	Programme Annual Progress and Analysis
Employment Equity	Percentage compliance to the Employment Equity targets.	85% of staff in full time employment are black.	Achieved (Exceeded annual target). 89% (865/972x100) of staff in full time employment are black. The labour turnover rate for this quarter was lower than projected.
		2% People with disabilities in full-time employment.	Achieved (Exceeded annual target). 3% (29/972x100) People with disabilities in full-time employment. The labour turnover rate for this quarter was lower than projected.

PROGRAMME 4: ANNUAL SUMMARY OF PERFORMANCE

% On target	% Work in progress	% Off Target	% No milestone
100% (13/13)	–	–	–



2020/21 EXTERNAL AUDIT REPORT



AUDIT OUTCOME

❖ Unqualified audit opinion

❖ Emphasis of matter on:

Application of a new accounting standard and the related transitional provisions

Management described the challenges they faced during the first year of adoption of this new accounting standard and that transitional provisions guided through GRAP directive 2 have been applied which indemnified the entity from recognition and measurement of living resources for a period not exceeding three years.

Material deficit for the year

Material deficit of R 78 612 416 was incurred for the 2020-21 financial year as a result of a significant reduction of the entity's ability to generate its own revenue during the financial year. This was mainly due to lockdown regulations imposed by government throughout the year.

The Auditors opinion is not modified in respect of the above matters.

COMPLIANCE WITH LEGISLATION

Annual financial statements, performance report and annual report

- The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework.
- Material misstatements of current liabilities, expenditure and the statement of comparison of budget information with actual information, identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

- Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R17 489 342. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with supply chain management regulations.
- Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R588 015. The majority of the fruitless and wasteful expenditure was caused by penalties and interest on late payments.

Consequence management

- In some instances, disciplinary steps were not taken against some of the officials who had incurred irregular expenditure and incurred fruitless and wasteful expenditure.

Revenue management

- Effective and appropriate steps were not taken to collect all revenue due.

PERFORMANCE INFORMATION

Material findings in respect of the usefulness of the selected programmes: Programme 1 – National Botanical Gardens and National Zoological Garden

New and refurbishment infrastructure projects for Kwelera and Thohoyandou botanical gardens implemented:

- The planned target of one infrastructural development project for the Kwelera National Botanical Garden completed for this indicator was not specific in clearly identifying the nature and required level of performance of the infrastructure project when the target was set.

Number of maintenance, development and capital infrastructure projects completed

- The planned target of 45 maintenance/development projects and two SANBI capital infrastructure projects completed for this indicator was not specific and did not clearly identify the projects, including their scope, budget and timeframe for completion set as target to complete during the year.

Adjustment of material misstatements

- Material misstatements were in the reported performance information of National Botanical Gardens and National Zoological Gardens which were subsequently corrected.

Number of conservation programmes in the NZG

- The planned target of at least four faunal conservation programmes implemented in partnership with identified key stakeholders for this indicator was not specific and did not clearly identify the initiation or continuity of programmes or the key intended stakeholders.

INTERNAL CONTRL DEFICIENCIES

- The technical indicator descriptions and relevant planning documentation for some performance indicators were not compiled in a manner that ensured that ambiguity enclosed in their targets were clarified at the start of the financial year, resulting in the indicator being not well defined.
- Proper systems and processes were not consistently established to ensure that all similar measurable outputs would be recorded consistently. In addition, the strategic planning process did not ensure that the output indicator informs the budget required to complete and achieve the desired short and long-term targets.
- Preventative compliance monitoring controls have not been adequately designed and implemented to avoid repeat findings on non-compliance.

REMEDIAL ACTION

Finding	Corrective Measures and Progress
<p data-bbox="23 329 880 419">Annual financial statements, performance report and annual report</p> <p data-bbox="23 482 1000 625">The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework.</p> <p data-bbox="23 739 1000 1029">Material misstatements of current liabilities, expenditure and the statement of comparison of budget information with actual information, identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.</p>	<p data-bbox="1039 329 1856 468">The AFS preparation checklist has been updated to ensure that the gaps are addressed.</p> <p data-bbox="1039 534 1856 672">GRAP training for all Finance staff members is scheduled to take place in February 2022.</p> <p data-bbox="1039 739 1856 1029">The year end plan has been updated and discussed with Finance staff for an early closure of the general ledger. This will allow adequate time for review of supporting documentation and the financial statements.</p> <p data-bbox="1039 1095 1856 1282">Senior Management have received a presentation on areas for improvement and the importance of adherence to year end timelines.</p>

REMEDIAL ACTION

Finding	Corrective Measures and Progress
<p>Expenditure management</p> <p>Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R17 489 342. The majority of the irregular expenditure disclosed in the financial statements was caused by non-compliance with supply chain management regulations.</p> <p>Effective steps were not taken to prevent fruitless and wasteful expenditure amounting to R588 015. The majority of the fruitless and wasteful expenditure was caused by penalties and interest on late payments.</p> <p>Consequence management</p> <p>In some instances, disciplinary steps were not taken against some of the officials who had incurred irregular expenditure and incurred fruitless and wasteful expenditure.</p>	<p>Disciplinary steps have been taken against most of the irregular expenditure transactions.</p> <p>Condonations amounting to R 122 914 216 have been approved by National Treasury.</p> <p>A further amount of R 35 612 466 has been submitted as a request for condonation to National Treasury.</p> <p>The remainder of R 3 064 506 is still going through the disciplinary processes and thereafter will be submitted to National Treasury for condonement.</p> <p>Processes against fruitless and wasteful expenditure are still in progress.</p>

REMEDIAL ACTION

Finding	Corrective Measures and Progress
<p>Revenue management Effective and appropriate steps were not taken to collect all revenue due.</p>	<p>Management is enforcing compliance with the relevant policy.</p> <p>Quarterly review the recoverability of debt is being conducted and where necessary payment arrangements are put in place.</p>
<p>Preventative compliance monitoring controls have not been adequately designed and implemented to avoid repeat findings on non-compliance.</p>	<p>An audit improvement plan was prepared immediately on receipt of the audit report.</p> <p>Review of processes for preventative controls was conducted in August 2021 and corrective measures implemented.</p> <p>Standard operating procedure manual on the prevention of irregular, fruitless and wasteful expenditure has been developed and implemented.</p> <p>Workshops will be held in Q3 with non-Finance staff members to capacitate the organization.</p>

REMEDIAL ACTION

Finding	Corrective Measures and Progress
<p>The technical indicator descriptions and relevant planning documentation for some performance indicators were not compiled in a manner that ensured that ambiguity enclosed in their targets were clarified at the start of the financial year, resulting in the indicator being not well defined.</p> <p>Proper systems and processes were not consistently established to ensure that all similar measurable outputs would be recorded consistently. In addition, the strategic planning process did not ensure that the output indicator informs the budget required to complete and achieve the desired short and long-term targets.</p>	<p>Targets for the 2021/22 financial year were reviewed and further amendments be made on the TID descriptions.</p> <p>Technical indicators for the 2021/22 financial year were reviewed to ensure that there is consistent recoding of achievements.</p> <p>Planning processes were reviewed to ensure that there is proper sequencing of activities.</p> <p>The planned output indicators are being used to inform the budgeting cycle going forward.</p>

2020/21 AUDITED FINANCIAL STATEMENTS



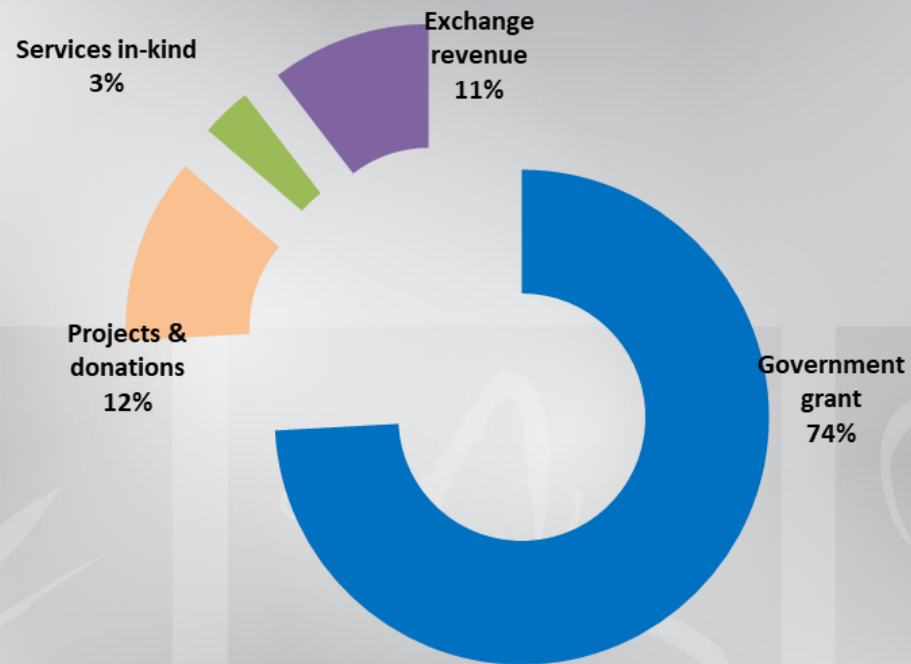
FINANCIAL PERFORMANCE

	2020/21	2019/20	Variance	Variance %
	In R'000			
Government grant	468 585	509 907	-41 322	-8%
Externally funded projects & donations	76 611	68 797	7 814	11%
Services in kind	20 852	13 075	7 778	59%
Non-Exchange Revenue	566 048	591 779	-25 731	-4%
Admission fees	38 263	96 321	-58 058	-60%
Other income	4 982	12 960	-7 978	-62%
Investment income	13 451	20 644	-7 193	-35%
Rent	6 236	16 661	-10 425	-63%
Sales	2 473	3 757	-1 284	-34%
Biological assets fair value gain	553	801	-249	-31%
Gains on foreign exchange/disposal of assets	-	474	-474	-100%
Exchange Revenue	65 957	151 618	-85 661	-56%
Total Revenue	632 005	743 397	-111 392	-15%

TOTAL REVENUE

- Total revenue as disclosed in the statement of financial performance decreased by 15% year-on-year from R743 million to R 632 million. SANBI experienced severe reduction of R58 million (60%) on the admission fees as it could not operate at 100% capacity during the financial year. The other revenue streams which are guided tours, events and venue hiring, seminars and workshops hosted, book and plant sales were also affected as they are reliant on personal disposable income and general economic conditions.
- Revenue from non-exchange transactions has decreased by R25 million (4%). Although there were budget cuts on the operational government grant, there was an increase in project funds and the value of in-kind services that offset some of the cuts. Donors and funders of grants and sponsorships are acknowledged as detailed on Annexure A to the financial statements

TOTAL REVENUE

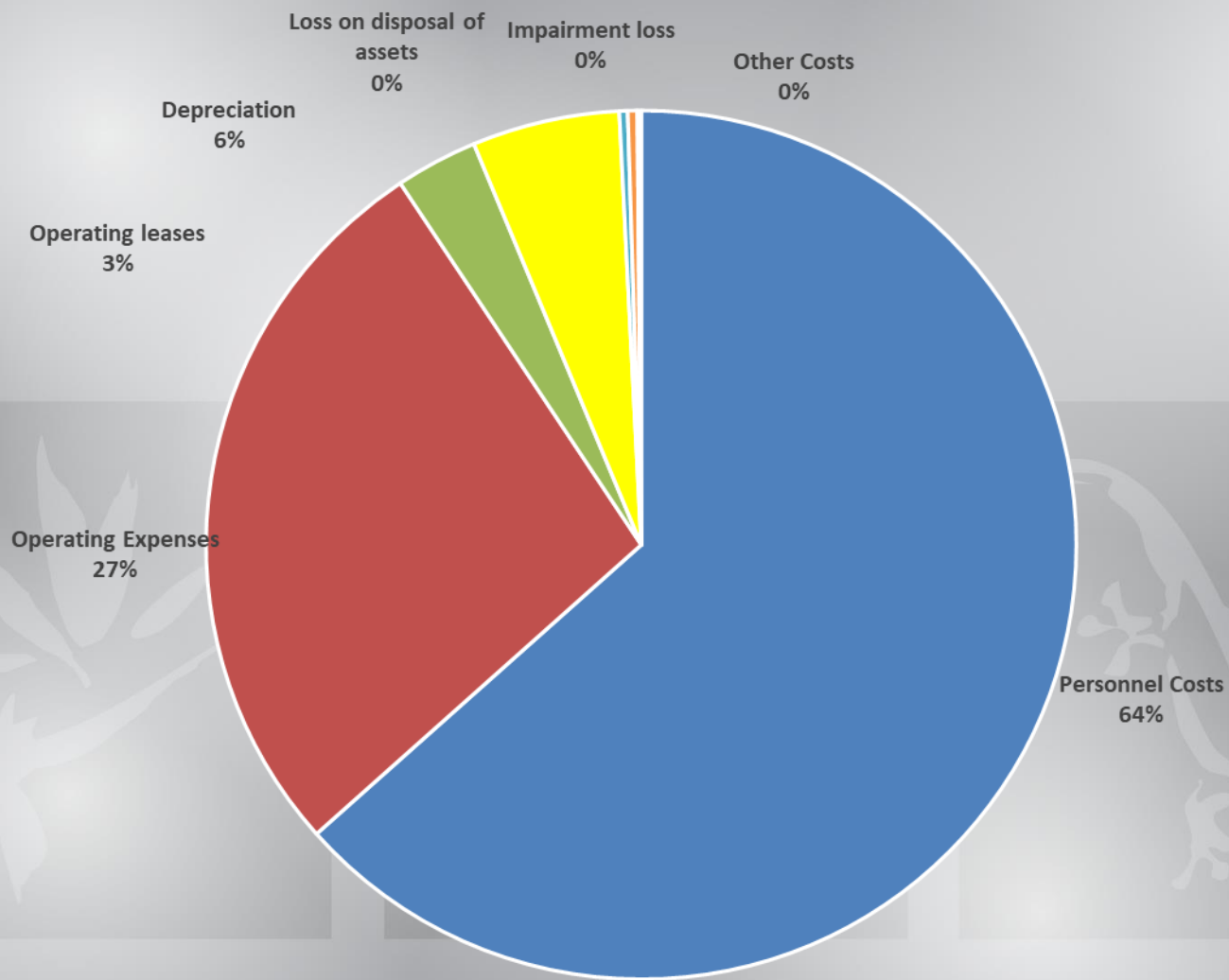


EXPENDITURE

	2020/21	2019/20	Variance	Variance %
	In R'000			
Personnel Costs	441 850	420 553	21 298	5%
Operating Expenses	189 893	233 647	-43 755	-19%
Operating leases	21 293	12 800	8 492	66%
Depreciation	38 164	33 992	4 172	12%
Loss on disposal of assets	2 167	613	1 554	254%
Impairment loss	2 478	250	2 229	892%
Other Costs	973	282	691	245%
Total Expenditure	696 818	702 137	-5 319	-1%

- Employee costs have increased by R21million (5%) from the previous financial year as a result of labour intensive projects that were implemented thus creating 1451 jobs. As the main cost driver in the organisation, the line item accounts for 64% of the total costs.
- Operating and other expenses have decreased by R27 million (5%) from R281 million in the previous year to R254 million emanating from budget cuts. The main operating cost drivers have been information technology, cleaning, security, municipal charges, repairs and maintenance, and vehicle-related costs.
- Depreciation costs is the systematic cost of the use of the assets over their useful lives.

EXPENDITURE

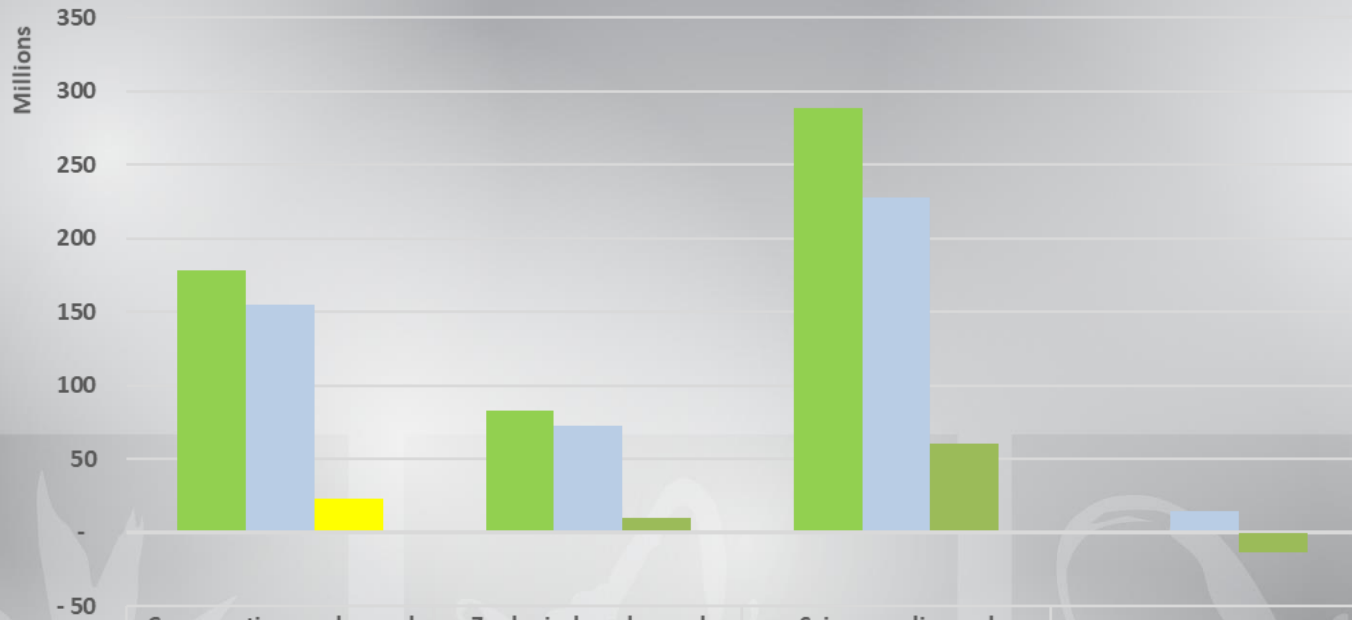


DEFICIT/SURPLUS

	2020/21	2019/20	Variance	Variance %
	In R'000			
Total Revenue	632 005	743 397	-111 392	-15%
Total Expenditure	-696 818	-702 137	5 319	-1%
Transfer of surplus funds to National Treasury	-13 800	-	-13 800	100%
Deficit/Surplus	-78 612	41 260	-119 872	-291%

- A deficit of R78.6 million is reported on the statement of financial performance which has worsened from a surplus of R41.2 million in the previous financial year. The deficit was unfortunate and emanating from the impacts of the COVID19 pandemic and difficult economic conditions. National Treasury had approved for the re-purposing of some of the funds that were being held towards infrastructure projects towards funding this deficit.

SEGMENT REPORT



	Conservation garden and tourism	Zoological garden and tourism	Science policy and research	Zoological research
Revenue	178351 227	82408 335	288262 374	372 090
Expenditure	155215 858	72311 187	227981 631	14266 416
Surplus/(Deficit)	23135 369	10097 148	60280 743	-13894 326

SANBI is structured on the basis of mandated areas as such the segments are organised around the type of service delivered and the target market

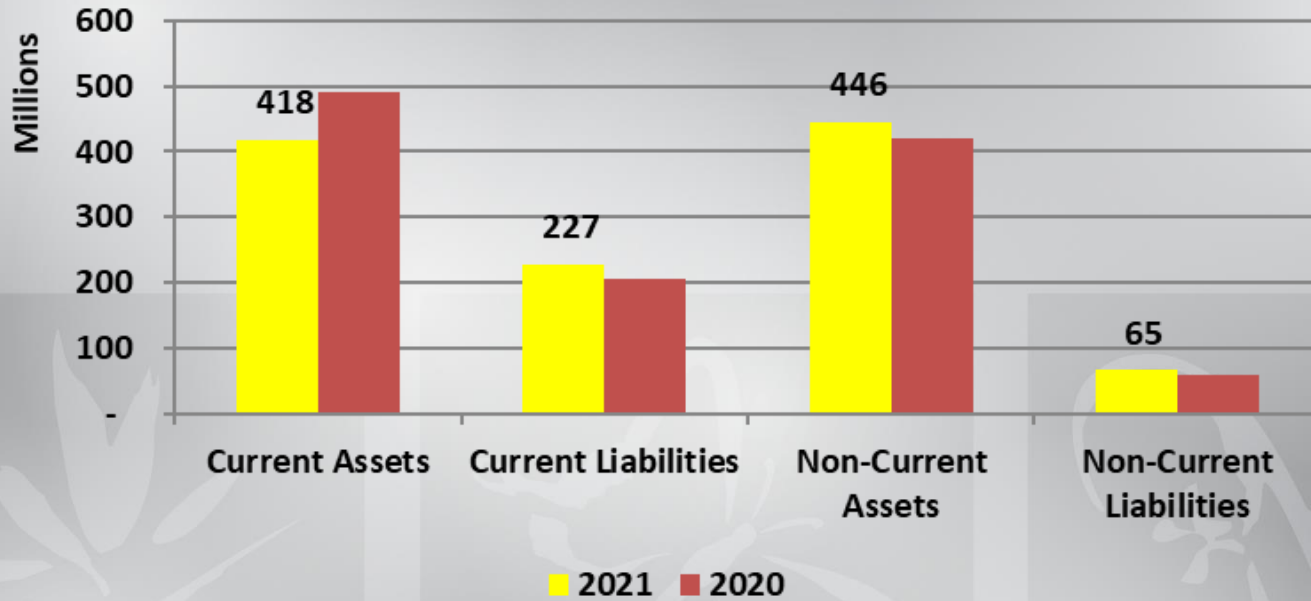
FINANCIAL POSITION

	2020/21	2019/20	Variance	Variance %
	In R'000			
Cash and cash equivalents	396 241	460 411	-64 170	-16%
Receivables from exchange transactions	6 331	10 212	-3 881	-61%
Receivables from non-exchange transactions	1 373	8 785	-7 412	-540%
Inventories	13 088	11 538	1 551	12%
Operating lease asset	854	936	-82	-10%
Current Assets	417 887	491 882	-73 994	-18%
Non-current Assets	445 678	419 684	25 994	5.8%
Total Assets	863 565	911 565	-48 000	-6%
Payables from exchange transactions	91 915	94 434	-2 519	-3%
Unspent committed project funds	94 025	80 074	13 951	15%
Transfers payables (non-exchange)	41 144	23 267	17 878	43%
Provisions	394	6 246	-5 852	-1485%
Current Liabilities	227 479	204 020	23 458	10%
Non-current Liabilities	65 373	58 219	7 154	11%
Total Liabilities	292 852	262 239	30 612	10%
Net Assets/Accumulated Surplus	570 714	649 326	-78 612	-14%

FINANCIAL POSITION

- Overall, the Institute's financial position is solvent with total assets exceeding total liabilities by R570 million and liquid with the current assets of R417 million exceeding the current liabilities of R227 million with a margin of R190 million.
- Current assets have decreased by R74 million (18%) from the previous financial year mainly due to a R64mil decrease in cash balances. The cash balances from the previous financial year were used towards operating expenses thus depleting the funds held towards infrastructure projects.
- Non-current assets have grown by R26 million (6%) from the previous financial year mainly due to computer equipment and software purchased during the year.
- Current liabilities have increased by R23 million (10%) from the previous financial year due to an increase on unspent conditional grants and non-exchange transfers payable. These mainly relate to project obligations.
- Non-current liabilities have increased by R7 million (11%) from the previous financial year emanating from the actuarial valuation of employee benefit obligation.

FINANCIAL POSITION



CASH FLOW

	2020/21	2019/20
	In R'000	
Cash flows from operating activities	18 408	109 485
Cash flows from investing activities	-68 778	-35 089
Cash flows from financing activities	-13 800	-
Net (decrease)/increase in cash and cash equivalents	- 64 170	74 397

- R91 million (83%) reduction in the net cash inflows from operating activities mainly as a result of the reduction in the operational grant allocation and income generated from operational activities.
- R33 million increase in cash outflows towards investing activities as a result of implementation of the infrastructure plans and utilization of program funds carried forward from the previous financial year.
- R13.8 million cash from the infrastructure program was paid to National Treasury as per the decision on the request to retain surplus funds.

LIST OF ACRONYMS AND ABBREVIATIONS

African Botanic Gardens Network	ABGN	Intergovernmental Platform on Biodiversity and Ecosystem Services	IPBES
African Plants Initiative	API	Learner Teacher Support Material	LTSM
Annual Performance Plan	APP	Management Committee	MANCO
Annual Financial Statistics	AFS	Marine and Coastal Management	MCM
Applied Biodiversity Research	ABR	Management, Research and Planning Forum	MAREP
Broad Based Black Economic Empowerment	BBBEE	Medium Term Expenditure Framework	MTEF
Biodiversity Information Management	BIM	Medium Term Strategic Framework	MTSF
Biodiversity Planning and Mainstreaming	BPM	Millennium Seed Bank Partnership	MSBP
Biodiversity Science and Policy Advice	BS&PA	National Biodiversity Strategy and Action Plan	NBSAP
Biosystematics	BIOS	National Botanical Garden	NBG
Biodiversity Geographic Information System	BGIS	National Development Plan	NDP
Botanic Gardens Conservation International	BGCI	National Environmental Management Act	NEMA
Cape Action for People and the Environment Programme	CAPE	National Environmental Management Biodiversity Act	NEMBA
Chief Executive Officer	CEO	National Implementing Entity	NIE
Convention on Biological Diversity	CBD	National Research Foundation	NRF
Convention on International Trade in Endangered Species	CITES	National Treasury	NT
Convention of the Parties	COP	National Zoological Garden	NZG
Committee of Heads of Organizations of Research & Technology	COHORT	Natural Resources Management	NRM
Climate Change and Bio-adaptation	CCB	New Partnership for Africa's Development	NEPAD
Custodians or Rare and Endangered Wildflowers	CREW	Project Implementation Plan	PIP
Department of Environmental Affairs	DEA	Public Finance Management Act	PFMA
Department of Science and Technology	DST	Sustainable Development Goals	SDGs
Department of Water Affairs	DWA	Skills Intelligent System	SIS
Eastern Cape Park and Tourism Authority	ECPTA	South African National Biodiversity Institute	SANBI
Estimates of National Expenditure	ENE	South African National Parks	SANParks
Generally Recognized Accounting Practice	GRAP	Southern African Biodiversity Support Programme	SABSP
Global Biodiversity Information Framework	GBIF	Southern African Development Community	SADC
Genetically Modified Organism	GMO	Succulent Karoo Ecosystem Programme	SKEP
Global Carbon Project	GCP	Threatened or Protected Species	TOPS
Global Environment Facility	GEF	United Nations Convention to Combat Desertification	UNCCD
Global Strategy for Plant Conservation	GSPC	United Nations Framework Convention on Climate Change	UNFCCC
Global Taxonomy Initiative	GTI	Wildlife and Environment Society of South Africa	WESSA
Generally Recognized Accounting Practices	GRAP	Work Integrated Leadership	WIL
Groen Sebenza	GS	World Wildlife Fund	WWF
Public Finance Management Act	PFMA		
Human Capital Development	HCD		
International Council for Local Environmental Initiatives	ICLEI		
Inter-governmental Panel on Climate Change	IPCC		
Invasive Alien Species	IAS		



Thank You

